
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): November 17, 2014

**EVINE Live Inc.
(formerly VALUEVISION MEDIA, INC.)
(Exact name of registrant as specified in its charter)**

Minnesota
(State or other jurisdiction
of incorporation)

0-20243
(Commission
File Number)

41-1673770
(IRS Employer
Identification No.)

**6740 Shady Oak Road,
Eden Prairie, Minnesota 55344-3433**
(Address of principal executive offices)

(952) 943-6000
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On November 18, 2014, EVINE Live Inc. (formerly known as ValueVision Media, Inc.) (the “Company”) entered into an asset purchase agreement with Dollars Per Minute, Inc., a Delaware corporation commonly known as Evine (“Evine”) to purchase certain assets of Evine, including the EVINE brand.

The principal stockholders of Evine are Mark Bozek, our Chief Executive Officer, and Russell Nuce, who became our Chief Strategy Officer effective November 17, 2014. At the time of the transaction, Evine had debt outstanding under certain convertible bridge notes issued to several individuals, including Thomas Beers, one of our directors. As consideration for the purchase of these assets, primarily related to intellectual property, we issued 178,842 unregistered shares of our common stock, which represented an aggregate value of \$1,044,437.28 based on the closing price of our common stock on November 13, 2014 (the “Share Consideration”) and \$20,000 in cash consideration which was paid directly to certain service providers to Evine at Evine’s request. Given the amount of debt that Evine owed to the holders of the convertible notes, Evine directed us to provide the Share Consideration directly to its noteholders in full satisfaction of their claims. As a result of this transaction, Mr. Beers received 91,245 unregistered shares of our common stock with an aggregate value of approximately \$532,867. Messrs. Bozek and Nuce received no Share Consideration or cash consideration as a result of the transaction, except for Share Consideration received by a trust established for the benefit of Mr. Nuce’s mother in which Mr. Nuce has a contingent pecuniary interest. This trust received 4,825 unregistered shares of our common stock with an aggregate value of approximately \$28,178 in exchange for the cancellation of its outstanding convertible promissory notes.

The asset purchase agreement contains representations and warranties that the parties made to each other and indemnification provisions. The assertions embodied in the representations and warranties in the asset purchase agreement were made solely for purposes of the asset purchase agreement and the transactions and agreements contemplated thereby among the respective parties and are subject to qualifications and limitations agreed to by the parties in connection with negotiating the terms of the asset purchase agreement.

Given the interests of Messrs. Bozek, Nuce and Beers in the transaction as related persons, the audit committee of our board of directors considered and approved the terms of the transaction in accordance with our related person transactions policy after considering whether the transaction and the proposed terms were fair to us. Other than the relationships of Mr. Beers as our director, Mr. Bozek as our executive officer and director and Mr. Nuce who became an executive officer of the Company effective November 17, 2014, there are no other material relationships between the Company and Evine other than the asset purchase agreement.

As a result of the consummation of the transaction, the Company’s board of directors has determined that Mr. Beers will no longer serve as an independent director as that term is defined in Rule 5605(a)(2) of the NASDAQ Stock Market and at this time, will no longer be a member of the Company’s corporate governance and nominating committee.

The foregoing is a summary of the asset purchase agreement only and a copy of the asset purchase agreement is filed as Exhibit 10.1 hereto and is incorporated by reference herein.

Item 2.02. Results of Operations and Financial Condition.

On November 18, 2014, we issued a press release disclosing our results of operations and financial condition for our fiscal third quarter ended November 1, 2014. The press release is furnished herewith as Exhibit 99.1.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 2.02 and Item 7.01 below of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed to be “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934 or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933 or the Securities Exchange Act of 1934, except as shall be expressly set forth by specific reference in that filing.

Item 3.02 Unregistered Sales of Equity Securities.

The descriptions of the unregistered shares of common stock issued as Share Consideration described in Item 1.01 issued by the Company are incorporated by reference herein. Issuance of the Share Consideration to those accredited investors who held convertible promissory notes of Evine was made in reliance on the exemption provided by Section 4(a)(2) of the Securities Act of 1933 for the offer and sale of securities not involving a public offering, and Regulation D promulgated under the Securities Act of 1933, including Rule 506.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(b) On November 17, 2014, the Company appointed George Russell Nuce to serve as the Company's Chief Strategy Officer. Mr. Nuce, age 50, served as the Co-Founder of, and has served as the Secretary and Treasurer of Dollars Per Minute Inc., a merchandising and entertainment company. Prior to forming Dollars Per Minute, Inc. in 2011, Mr. Nuce served as a principal of Galagos Entertainment, LLC, a film and production company since 2007. There are no arrangements or understandings between Mr. Nuce and any other person(s) pursuant to which Mr. Nuce was or is to be selected as an officer of the Company, other than arrangements or understandings with directors of the Company acting solely in their capacities as such. There are no family relationships between Mr. Nuce and any other director, executive officer or person nominated or chosen by the Company to become a director or executive officer of the Company. Other than the Evine transaction disclosed in Item 1.01 of this Form 8-K, there are no current or proposed transactions in which Mr. Nuce or any related person of Mr. Nuce has an interest required to be disclosed under Item 404(a) of Regulation S-K promulgated by the Securities and Exchange Commission.

In connection with his appointment, Mr. Nuce received an offer letter and an award of performance restricted stock units under the Company's 2011 Omnibus Incentive Plan with a fair value of approximately \$400,000. The offer letter provides for an initial base salary of \$375,000 per year, a signing bonus of \$75,000 and a one-time first-year bonus of \$116,667, payable upon completion of the fiscal year ending January 31, 2015. For subsequent fiscal years, Mr. Nuce will be eligible to participate in the Company's annual cash incentive plan as in effect from time to time. In addition, to assist with Mr. Nuce's relocation to the Company's headquarters in Eden Prairie, Minnesota, the Offer Letter provides for a living expense allowance of \$4,000 per month for up to six months, plus a \$10,000 family travel allowance for up to 12 months, in each case after the effective date of the Offer Letter. Mr. Nuce will also be eligible to participate in the Company's executive relocation program and participate in the Company's employee benefit programs offered to other senior executives, including the ValueVision Media, Inc. Executives' Severance Plan. In the event of a termination of Mr. Nuce's employment, he will be entitled to such severance benefits, if any, as are provided under the Executives' Severance Plan.

(e) On November 17, 2014, the Company entered into an Executive Employment and Severance Agreement with Mr. Bozek. The employment agreement provides for a three year initial term, followed by automatic one-year renewals. The employment agreement provides for an initial base salary of \$625,000 per year, a signing bonus of \$125,000 and a one-time first-year bonus of \$381,849, payable upon completion of the fiscal year ending January 31, 2015. For subsequent fiscal years, Mr. Bozek will be eligible to participate in the Company's annual cash incentive plan as in effect from time to time. To assist with Mr. Bozek's relocation to the Company's headquarters in Eden Prairie, Minnesota, his employment agreement provides for a living expense allowance of \$2,500 per week for up to six months, plus an additional amount to make Mr. Bozek whole for taxes on the living expense allowance. Mr. Bozek will also be eligible to participate in the Company's executive relocation program. His employment agreement also provides that the Company will reimburse Mr. Bozek for up to \$20,000 in reasonable and documented legal expenses and other costs associated with the negotiation of his employment arrangements, and for an award of performance restricted stock units under the Company's 2011 Omnibus Incentive Plan with a fair value of approximately \$1,000,000.

In the event of a termination of Mr. Bozek's employment during the term of the employment agreement by the Company without cause (other than as a result of death or disability) or by Mr. Bozek with good reason, he will receive severance benefits consisting of a cash severance payment equal to one and one-half times the sum of Mr. Bozek's base salary and his average annual bonus over the prior three fiscal years (or such fewer number of prior years for which he has been employed by the Company). The multiple will be increased to two times Mr. Bozek's base salary and average annual bonus following a change in control. The severance will be paid in equal

installments or, following a change in control, in a lump sum, subject in each case to a 6-month delay to the extent required for compliance with Section 409A of the Internal Revenue Code of 1986, as amended. He will also receive a pro-rated annual cash incentive award to the extent the performance goals are achieved, continued group health, dental and life insurance benefits for 18 months (24 months following a change in control) at no cost to Mr. Bozek and pro-rata vesting of any long-term incentive awards, subject to the achievement of any performance goals.

The performance restricted stock units referenced above for Messrs. Bozek and Nuce will vest on June 23, 2017, only to the extent specified performance goals relating to an increase in stock price have been achieved. They may also vest upon a change in control or upon their termination by the Company without cause within one year following a change in control.

The foregoing description of the Executive Employment and Severance Agreement with Mr. Bozek summarized above is a summary only, and qualified in its entirety by the document filed as Exhibits 10.2 to this Current Report on Form 8-K and incorporated herein by reference. The full text of the form of performance restricted stock unit agreements with Messrs. Bozek and Nuce will be filed as an exhibit to the Company's Quarterly Report on Form 10-Q for the quarter ended November 1, 2014.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On November 18, 2014, we amended our articles of incorporation to change our name from ValueVision Media, Inc. to EVINE Live Inc., which change became effective immediately. The name change was effected by our board of directors pursuant to Section 302A.135 Subdivision 7 of the Minnesota Statutes, which permits such amendments to be made without shareholder approval. Immediately following the filing of such articles of amendment, we filed restated articles of incorporation reflecting the name change and a complete copy of the Amended and Restated Articles of Incorporation is filed as Exhibit 3.1 to this report and is incorporated herein by reference.

Our common stock will continue to trade under the ticker symbol "VVTV" until the close of markets on November 19, 2014 and we will change our ticker symbol to "EVLV" effective as of November 20, 2014.

Item 7.01. Regulation FD Disclosure

On November 18, 2014, we issued a press release disclosing our name change, our ticker symbol change and other matters. The press release is furnished herewith as Exhibit 99.2.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are being filed with this Current Report on Form 8-K.

<u>Exhibit No.</u>	<u>Description</u>
3.1	Amended and Restated Articles of Incorporation of EVINE Live Inc.
10.1	Asset Purchase Agreement dated November 17, 2014 between Dollars Per Minute, Inc. and ValueVision Media, Inc.
10.2	Executive Employment and Severance Agreement, dated November 17, 2014, by and between ValueVision Media, Inc. and Mark C. Bozek
99.1	Press Release dated November 18, 2014.
99.2	Press Release dated November 18, 2014.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

Date: November 18, 2014

VALUEVISION MEDIA, INC.

By: /s/ Teresa Dery

Teresa Dery

Senior Vice President and General Counsel

EXHIBIT INDEX

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**AMENDED AND RESTATED
ARTICLES OF INCORPORATION
OF
EVINE LIVE INC.**

ARTICLE 1

NAME

The name of the Corporation is EVINE Live Inc.

**ARTICLE 2
REGISTERED OFFICE**

The address of the registered office of the Corporation is 6740 Shady Oak Road, Minneapolis, Minnesota 55344-3433.

**ARTICLE 3
CAPITAL**

- A. The Corporation is authorized to issue One Hundred Million (100,000,000) shares of capital stock, having a par value of one cent (\$.01) per share in the case of common stock, and having a par value as determined by the Board of Directors in the case of preferred stock, to be held, sold and paid for at such times and in such manner as the Board of Directors may from time to time determine in accordance with the laws of the State of Minnesota.
- B. In addition to any and all powers conferred upon the Board of Directors by the laws of the State of Minnesota, the Board of Directors shall have the authority to establish by resolution more than one class or series of shares, either preferred or common, and to fix the relative rights, restrictions and preferences of any such different classes or series, and the authority to issue shares of a class or series to another class or series to effectuate share dividends, splits or conversion of the Corporation's outstanding shares.
- C. The Board of Directors shall also have the authority to issue rights to convert any of the Corporation's securities into shares of stock of any class or classes, the authority to issue options to purchase or subscribe for shares of stock of any class or classes, and the authority to issue share purchase or subscription warrants or any other evidence of such option rights which set forth the terms, provisions and conditions thereof, including the price or prices at which such shares may be subscribed for or purchased. Such options, warrants and rights, may be transferable or nontransferable and separable or inseparable from other securities of the Corporation. The Board of Directors is authorized to fix the terms, provisions and conditions of such options, warrants and rights, including the conversion basis or bases and the option price or prices at which shares may be subscribed for or purchased.

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- D. Any provisions herein to the contrary notwithstanding, except as otherwise provided by law, not more than twenty percent (20%) of the aggregate voting power of all shares outstanding entitled to vote on any matter shall be at any time voted by or for the account of aliens or their representatives, or by or for the account of a foreign government or representative thereof, or by or for the account of any corporation organized under the laws of foreign country.

The Board of Directors shall make such rule and regulations as it shall deem necessary or appropriate to enforce the provisions of this paragraph D.

- E. Except as otherwise provided by law, aliens, foreign governments, or corporations organized under the laws of a foreign country, or the representatives of such aliens, foreign governments, or corporations organized under the laws of a foreign country, shall not own, directly or through a third party who holds the stock for the account of such alien, foreign government, or corporation organized under the laws of a foreign country: (1) more than twenty percent (20%) of the number of shares of outstanding stock of the Corporation, or (2) shares representing more than twenty percent (20%) of the aggregate voting power of all outstanding shares of voting stock of the Corporation.

Shares of stock shall not be transferable on the books of the Corporation to aliens, foreign governments, or corporations organized under the laws of foreign countries, or to the representatives of, or persons holding for the account of, such aliens, foreign governments, or corporations organized under the laws of foreign countries, unless, after giving effect to such transfer, the aggregate number of shares of stock owned by or for the account of aliens, foreign governments, and corporations organized under the laws of foreign countries, and any representatives thereof, will not exceed twenty percent (20%) of the number of shares of outstanding stock of the Corporation, and the aggregate voting power of such shares will not exceed twenty percent (20%) of the aggregate voting power of all outstanding shares of voting stock of the Corporation.

If, notwithstanding the restriction on transfer set forth in this Article 3E, the aggregate number of shares of stock owned by or for the account of aliens, foreign governments, and corporations organized under the laws of foreign countries, exceed twenty percent (20%) of the number of shares of outstanding stock of the Corporation, or if the aggregate voting power of such shares exceed twenty percent (20%) of the aggregate voting power of all outstanding shares of voting stock of the Corporation, the Corporation shall have the right to redeem shares of all classes of capital stock, at their then fair market value, on a pro rata basis, owned by or for the account of all aliens, foreign governments, and corporations organized under the laws of foreign

countries, in order to reduce the number of shares and/or percentage of voting power held by or for the account of aliens, foreign governments, and corporations organized under the laws of foreign countries, and their representatives to the maximum number or percentage allowed under these Articles of Incorporation or as otherwise required by applicable federal law.

The Board of Directors shall make such rules and regulations as it deems necessary or appropriate to enforce the foregoing provisions of this Article 3E.

ARTICLE 4
SHAREHOLDER RIGHTS

- A. No shareholder of the Corporation shall have any preemptive rights.
- B. No shareholder of the Corporation shall have any cumulative voting rights.

ARTICLE 5
WRITTEN ACTION BY LESS THAN ALL OF THE DIRECTORS

Any action required or permitted to be taken at a Board meeting, other than an action requiring shareholder approval, may be taken by written action of the Board of Directors if signed by the number of directors that would be required to take the same action at a meeting at which all directors were present.

ARTICLE 6
LIMITED LIABILITY OF DIRECTORS

To the fullest extent permitted by law, a director shall have no personal liability to the Corporation or its shareholders for breach of fiduciary duty as a director. Any amendment to or repeal of this Article 6 shall not adversely affect any right or protection of a director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

ARTICLE 7

No officer or director of the Corporation shall be an alien, or a representative of a foreign government.

The term "alien" as used in these Articles of Incorporation shall have the meaning assigned to such term in the Communications Act of 1934, as amended.

ASSET PURCHASE AGREEMENT

between

DOLLARS PER MINUTE INC.

and

VALUE VISION MEDIA, INC.

dated as of

November 18, 2014

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (this “**Agreement**”), dated November 18, 2014, is entered into between Dollars Per Minute Inc., a Delaware corporation (“**Seller**”) and ValueVision Media, Inc., a Minnesota corporation (“**Buyer**”).

RECITALS

WHEREAS, Seller wishes to sell and assign to Buyer, and Buyer wishes to purchase from Seller, the rights of Seller to the Purchased Assets (as defined herein), subject to the terms and conditions set forth herein;

WHEREAS, simultaneous herewith, Seller wishes to direct the consideration to be paid by Buyer for the Purchased Assets to the holders (the “**Noteholders**”) of convertible promissory notes issued and payable by Seller (the “**Notes**”), pursuant to the allocations set forth in the Schedule of Noteholders to this Agreement, in satisfaction of all outstanding indebtedness owed thereunder.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I PURCHASE AND SALE

Section 1.01 Purchase and Sale of Assets. Subject to the terms and conditions set forth herein, Seller shall sell, assign, transfer, convey and deliver to Buyer, and Buyer shall purchase from Seller, all of Seller’s right, title and interest in the assets set forth on **Section 1.01** of the disclosure schedules (“**Disclosure Schedules**”) attached hereto (the “**Purchased Assets**”), free and clear of any mortgage, pledge, lien, charge, security interest, claim or other encumbrance (“**Encumbrance**”).

Section 1.02 Excluded Assets. Notwithstanding the foregoing, the Purchased Assets shall only include those assets of Seller set forth on **Section 1.01** of the Disclosure Schedules, and no other assets of Seller (the “**Excluded Assets**”).

Section 1.03 No Liabilities. Buyer shall not assume any liabilities or obligations of Seller of any kind, whether known or unknown, contingent, matured or otherwise, whether currently existing or hereinafter created (the “**Excluded Liabilities**”); provided that Buyer shall assume on the Closing Date (as defined in Section 2.01) and agrees to pay, perform and discharge when due all obligations of Seller solely in connection with the Purchased Assets arising and to be performed only on or after the Closing Date, and excluding any obligations thereunder arising or to be performed prior to the Closing Date (the “**Assumed Liabilities**”).

Section 1.04 Purchase Price. The aggregate purchase price (the “ **Purchase Price** ”) for the Purchased Assets shall be \$1,064,437.28, consisting of (i) \$970,000 plus (ii) \$94,415 (which represents accrued but unpaid interest on the Notes as of the date of the Closing) plus (iii) \$22.28 (which represents the impact of rounding up the Share Consideration (as defined below) to the nearest whole share). Buyer shall pay the Purchase Price to Seller in the form of (i) unregistered shares of Buyer’s common stock, par value \$0.01 per share (the “ **Common Shares** ” or the “ **Share Consideration** ”) valued as provided in this Section 1.04 and (ii) \$20,000 in cash (the “ **Cash Consideration** ”). By its execution of this Agreement, Seller hereby directs Buyer to issue to each Noteholder Share Consideration in the amounts listed on the Schedule of Noteholders represented by 178,842 Common Shares in the aggregate (which is rounded up to the nearest whole share for each Noteholder) to be registered in the legal names of the Noteholders as set forth on the attached Schedule of Noteholders, in full satisfaction of any and all amounts owed by Seller under the Notes. After issuance of the Share Consideration directly to the Noteholders and the payment of the Cash Consideration directly to the persons and in the amounts listed on the Schedule of Cash Consideration, no further consideration shall be payable by Buyer under this Agreement. The Share Consideration will be valued at a price equal to the closing price of the Common Shares as of the date that is three trading days prior to the Closing Date. Buyer shall issue and deliver the Common Shares constituting the Share Consideration at the Closing as provided in Section 2.02(b).

Section 1.05 Allocation of Purchase Price. Seller and Buyer agree to allocate the Purchase Price among the Purchased Assets for United States federal income tax purposes as agreed by their respective accountants, negotiating in good faith on their behalf, which allocation will be consistent with the provisions of Section 1060 of the Internal Revenue Code of 1986, as amended. The parties hereto shall adopt and utilize the allocation described in this Section 1.05 for purposes of all tax returns and reports filed by either of them with any tax authority, and Seller and Buyer shall not voluntarily take any position inconsistent therewith in connection with the examination of any tax return of either Seller or Buyer, any refund claim, any litigation proceeding or otherwise, unless required by the Internal Revenue Service or any other tax authority.

Section 1.06 Withholding Tax . Buyer shall be entitled to deduct and withhold from the Purchase Price all taxes that Buyer may be required to deduct and withhold under any applicable tax law. All such withheld amounts shall be treated as delivered to Seller hereunder.

ARTICLE II
C LOSING

Section 2.01 Closing. The closing of the transactions contemplated by this Agreement (the “**Closing**”) shall take place simultaneously with the execution and delivery of this Agreement on the date of this Agreement (the “**Closing Date**”) at the offices of Faegre Baker Daniels LLP, at 90 South Seventh Street, Suite 2200, Minneapolis, Minnesota 55402 or by the exchange of documents and instruments by mail, electronic mail, courier, telecopy, PDF and wire transfer to the extent mutually acceptable to the parties hereto. The consummation of the transactions contemplated by this Agreement shall be deemed to occur at 12:01 a.m. on the Closing Date.

Section 2.02 Closing Deliverables.

(a) At the Closing, Seller shall deliver to Buyer the following:

(i) a bill of sale in the form of Exhibit A hereto in form and substance satisfactory to Buyer (the “**Bill of Sale**”) and duly executed by Seller, transferring the Purchased Assets to Buyer;

(ii) releases of any claims from each holder of Notes and any holder of equity in Seller in the forms satisfactory to Buyer;

(iii) accredited investor questionnaires from each holder of Notes to receive Share Consideration;

(iv) evidence reasonably satisfactory to Buyer that no portion of the Share Consideration shall be received by Mr. Bozek or Mr. Nuce in their capacity as equityholders of Seller;

(v) confirmation from BrenesCo LLC that any intellectual property it prepared in connection with services provided for Seller is property of Seller and Buyer can use such intellectual property (the “**BrenesCo Consent**”);

(vi) an assignment in the form of Exhibit B hereto (the “**Intellectual Property Assignment**”) and duly executed by Seller, transferring all of Seller’s right, title and interest in and to any intellectual property included in the Purchased Assets to Buyer;

(vii) a certificate pursuant to Treasury Regulations Section 1.1445-2(b) that Seller is not a foreign person within the meaning of Section 1445 of the Internal Revenue Code, duly executed by Seller;

(viii) a good standing certificate from the state of Delaware and the state of New York; and

(ix) a certificate of the Secretary or Assistant Secretary (or equivalent officer) of Seller certifying as to (A) the resolutions of the board of directors and stockholders of Seller, duly adopted and in effect, which authorize the execution, delivery and performance of this Agreement and the transactions contemplated hereby, and (B) the names and signatures of the officers of Seller authorized to sign this Agreement and the documents to be delivered hereunder.

(b) At the Closing, Buyer shall deliver to Seller the following:

(i) the Purchase Price, by issuing the Share Consideration on behalf of Seller to the Noteholders (in satisfaction of any and all amounts owed by Seller under the Notes, all as set forth on the Schedule of Noteholders);

(ii) Buyer shall have executed the Bill of Sale referred to in Section 2.02(a)(i); and

(iii) a certificate of the Secretary or Assistant Secretary (or equivalent officer) of Buyer certifying as to (A) the resolutions of the board of directors and audit committee of Buyer, duly adopted and in effect, which authorize and approve the execution, delivery and performance of this Agreement and the transactions contemplated hereby, and (B) the names and signatures of the officers of Buyer authorized to sign this Agreement and the documents to be delivered hereunder.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as set forth below in this **Article III** as of the date hereof. For purposes of this **Article III**, “Seller’s knowledge,” “knowledge of Seller” and any similar phrases shall mean the actual knowledge of Russell Nuce or Mark Bozek, after reasonable inquiry.

Section 3.01 Organization and Authority of Seller; Enforceability. Seller is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware. Seller has full corporate power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by Seller of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Seller. Each holder of capital stock or securities convertible into capital stock of Seller is set forth on **Section 3.01** of the Disclosure Schedule, other than any holder of Notes set forth on the Schedule of Noteholders. This Agreement and the documents to be delivered hereunder have been duly executed and delivered by Seller, and (assuming due authorization, execution and delivery by Buyer) this Agreement and the documents to be delivered hereunder constitute legal, valid and binding obligations of Seller, enforceable against Seller in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 3.02 No Conflicts; Consents. The execution, delivery and performance by Seller of this Agreement and the documents to be delivered hereunder, and the consummation of the transactions contemplated hereby, do not and will not: (a) violate or conflict with the certificate of incorporation or by-laws of Seller; (b) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Seller or the Purchased Assets; (c) conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which Seller is a party or to which any of the Purchased Assets are subject; or (d) result in the creation or imposition of any Encumbrance on the Purchased Assets. No consent, approval, waiver or authorization is required to be obtained by Seller from any person or entity (including any governmental authority) in connection with the execution, delivery and performance by Seller of this Agreement and the consummation of the transactions contemplated hereby.

Section 3.03 Title to Purchased Assets. Seller owns and has good title to the Purchased Assets, free and clear of Encumbrances.

Section 3.04 Intellectual Property.

(a) “ **Intellectual Property** ” means any and all of the following in any jurisdiction throughout the world: (i) trademarks and service marks, including all applications and registrations and the goodwill connected with the use of and symbolized by the foregoing; (ii) copyrights, including all applications and registrations related to the foregoing; (iii) trade secrets and confidential know-how; (iv) patents and patent applications; (v) internet domain name registrations; (vi) all brand guidelines and branding prepared by BrenesCo LLC, and (vii) other intellectual property and related proprietary rights, interests and protections (including all rights to sue and recover and retain damages, costs and attorneys’ fees for past, present and future infringement and any other rights relating to any of the foregoing).

(b) **Section 1.01** of the Disclosure Schedules lists all Intellectual Property owned by Seller included in the Purchased Assets (“ **Purchased IP** ”). Seller owns or has adequate, valid and enforceable rights to use all of the Purchased IP, free and clear of all Encumbrances. Seller is not bound by any outstanding judgment, injunction, order or decree restricting the use of the Purchased IP, or restricting the licensing thereof to any person or entity. The Purchased IP does not include any registered Intellectual Property.

(c) Seller’s prior and current use of the Purchased IP has not and does not infringe, violate, dilute or misappropriate the Intellectual Property of any person or entity and there are no claims pending or, to the knowledge of Seller, threatened, by any person or entity with respect to the ownership, validity, enforceability, effectiveness or use of the Purchased IP.

(d) To the knowledge of Seller, no person or entity is infringing, misappropriating, diluting or otherwise violating any of the Purchased IP. Neither Seller nor any affiliate of Seller has made or asserted any claim, demand or notice against any person or entity alleging any such infringement, misappropriation, dilution or other violation.

Section 3.05 Non-foreign Status. Seller is not a “foreign person” as that term is used in Treasury Regulations Section 1.1445-2.

Section 3.06 Compliance With Laws Seller has complied, and is now complying, with all applicable federal, state and local laws and regulations applicable to ownership and use of the Purchased Assets.

Section 3.07 Legal Proceedings. There is no claim, action, suit, proceeding, or governmental investigation (“**Action**”), of any nature pending or, to Seller’s knowledge, threatened, against or by Seller (a) relating to or affecting the Purchased Assets; or (b) that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. To the knowledge of Seller, no event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

Section 3.08 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder’s or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Seller.

Section 3.09 Taxes . Seller has timely paid or withheld all material taxes, including without limitation all federal, state, sales, use production, ad valorem, transfer, franchise, registration, withholding, payroll, employment, unemployment, or other taxes, fees, assessments or charges of any kind whatsoever (all such taxes, “**Taxes**”) and filed all Tax returns required to be filed on or before the date hereof. All such Tax returns filed by, on behalf of, or with respect to Seller are complete and correct in all material respects as related to the Purchased Assets. All material Taxes for which Seller has or could have any liability related to the Purchased Assets have been timely paid in full or are accrued as liabilities for taxes on the books of Seller. All Tax deficiencies asserted as a result of any examination by a governmental entity with respect to a Tax assessment have been timely paid in full or finally settled. No written claim has ever been made against or with respect to Seller by any governmental entity in a jurisdiction where Seller does not file Tax returns that Seller is or may be subject to taxation in such jurisdiction.

Section 3.10 Full Disclosure. To the knowledge of Seller, no representation or warranty by Seller in this Agreement and no statement contained in the Disclosure Schedules to this Agreement or any certificate or other document furnished or to be furnished by Seller to Buyer pursuant to this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as set forth below in this **Article IV** as of the date hereof. For purposes of this **Article IV**, “Buyer’s knowledge,” “knowledge of Buyer” and any similar phrases shall mean the actual knowledge of any director or officer of Buyer, after reasonable inquiry.

Section 4.01 Organization and Authority of Buyer; Enforceability. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the state of Minnesota. Buyer has full corporate power and authority to enter into this Agreement and the documents to be delivered hereunder, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. The execution, delivery and performance by Buyer of this Agreement and the documents to be delivered hereunder and the consummation of the transactions contemplated hereby have been duly authorized by all requisite corporate action on the part of Buyer. This Agreement and the documents to be delivered hereunder have been duly executed and delivered by Buyer, and (assuming due authorization, execution and delivery by Seller) this Agreement and the documents to be delivered hereunder constitute legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with their respective terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

Section 4.02 No Conflicts; Consents. The execution, delivery and performance by Buyer of this Agreement and the documents to be delivered hereunder, and the consummation of the transactions contemplated hereby, do not and will not: (a) violate or conflict with the certificate of incorporation or by-laws of Buyer; (b) violate or conflict with any judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Buyer; or (c) to the knowledge of Buyer, conflict with, or result in (with or without notice or lapse of time or both) any violation of, or default under, or give rise to a right of termination, acceleration or modification of any obligation or loss of any benefit under any contract or other instrument to which Buyer is a party or its assets are bound. No consent, approval, waiver or authorization is required to be obtained by Buyer from any person or entity (including any governmental authority) in connection with the execution, delivery and performance by Buyer of this Agreement and the consummation of the transactions contemplated hereby.

Section 4.03 Legal Proceedings. There is no Action of any nature pending or, to Buyer's knowledge, threatened against or by Buyer that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. To Buyer's knowledge, no event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

Section 4.04 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Buyer.

Section 4.05 Valid Issuance . Each Common Share to be issued pursuant to this Agreement, when issued, will be (a) duly authorized, validly issued and fully paid and non-assessable, (b) free of all Encumbrances other than restrictions on transfer under applicable securities laws, (c) offered, transferred, issued and delivered in compliance, in all material respects, with the terms of any applicable agreement or other understanding to which Buyer is a party and the articles of incorporation and the by-laws of Buyer, and (d) upon the filing of any filings required to be made after the Closing pursuant to any applicable federal and state securities laws and blue sky laws, issued in material compliance with applicable federal and state laws. When issued, each holder of Common Shares will have good and marketable title to such Common Shares.

ARTICLE V C OVENANTS

Section 5.01 Public Announcements. Unless otherwise required by applicable securities law (including the filing of a Form 8-K with the Securities and Exchange Commission and disclosure in Buyer's proxy statement) or stock exchange requirements (including any NASDAQ notification), neither party shall make any public announcements regarding this Agreement or the transactions contemplated hereby without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed). The parties acknowledge that they intend on issuing a press release promptly following Closing in form and substance reasonably satisfactory to each of the parties.

Section 5.02 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the documents to be delivered hereunder shall be borne and paid by Seller when due. Seller shall, at its own expense, timely file any Tax return or other document with respect to such Taxes or fees (and Buyer shall cooperate with respect thereto as necessary).

Section 5.03 Further Assurances. Following the Closing, at the sole expense of Buyer, each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the documents to be delivered hereunder; provided that, for the avoidance of doubt, Buyer shall not be responsible for any Taxes of Seller or any Taxes payable under Section 5.02. In addition, at the sole expense of Buyer, Seller shall take all actions reasonably requested by Buyer to enable Buyer or any affiliate of Buyer to change its name to or adopt Seller's present trade name. Seller shall also, at its sole expense, take all actions required to dissolve in the State of Delaware promptly following the Closing only upon the request of Buyer.

ARTICLE VI I NDEMNIFICATION

Section 6.01 Survival. All representations, warranties, covenants and agreements contained herein and all related rights to indemnification shall survive the Closing; *provided, however*, that the representations and warranties of the parties contained herein and all claims for indemnification in connection therewith shall be asserted not less than twelve (12) months following the closing date for all representations and warranties other than the representations and warranties contained in Sections 3.01, 3.02, 3.03, 3.04(c), 3.04(d), 3.08, 3.09, 4.01, 4.02 and 4.04 (the "**Fundamental Representations**"). The Fundamental Representations shall survive until 90 days following the expiration of the applicable statute of limitations.

Section 6.02 Indemnification By Seller. Subject to the other terms and conditions of this **Article VI**, Seller shall defend, indemnify and hold harmless Buyer, its affiliates and their respective stockholders, directors, officers and employees from and against all claims, judgments, damages, liabilities, settlements, losses, costs and expenses, including attorneys' fees and disbursements (collectively, "**Losses**"), arising from or relating to:

- (a) any inaccuracy in or breach of any of the representations or warranties of Seller contained in this Agreement;
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Seller pursuant to this Agreement; or
- (c) any Excluded Asset or Excluded Liability, including any claims brought by consultants of Seller who were or are terminated prior to or as of the Closing or claims by any person who claims to ever have been an employee of Seller.

Section 6.03 Indemnification By Buyer. Subject to the other terms and conditions of this **Article VI**, Buyer shall defend, indemnify and hold harmless Seller, its affiliates and their respective stockholders, directors, officers and employees from and against all Losses, arising from or relating to:

- (a) any inaccuracy in or breach of any of the representations or warranties of Buyer contained in this Agreement;
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Buyer pursuant to this Agreement or any document to be delivered hereunder; or
- (c) any Assumed Liability.

Section 6.04 Indemnification Procedures.

(a) Whenever any claim shall arise for indemnification hereunder, the party entitled to indemnification (the “**Indemnified Party**”) shall promptly provide written notice of such claim to the other party (the “**Indemnifying Party**”). In connection with any claim giving rise to indemnity hereunder resulting from or arising out of any Action by a person or entity who is not a party to this Agreement, the Indemnifying Party, at its sole cost and expense and upon written notice to the Indemnified Party, may assume the defense of any such Action with counsel of its choice; provided, however, that the Indemnified Party shall have the right to approve such defense counsel, which approval shall not be unreasonably withheld, conditioned or delayed. The Indemnified Party shall be entitled to participate in the defense of any such Action, with its counsel and at its own cost and expense. . The Indemnifying Party shall not settle any Action without the Indemnified Party’s prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed). If an Indemnified Party refuses to consent to a bona fide offer of settlement which the Indemnifying Party wishes to accept, which provides for a full release of the Indemnified Party and its affiliates relating to indemnifiable claims underlying the offer of settlement and solely for a monetary payment, the Indemnified Party may continue to pursue such matter, free of any participation by the Indemnifying Party, at the sole expense of the Indemnified Party. In such an event, the obligation of the Indemnifying Party shall be limited to the amount of the offer of settlement which the Indemnified Party refused to accept plus the reasonable costs and expenses of the Indemnified Party incurred prior to the date the Indemnifying Party notified the Indemnified Party of the offer of settlement (to the extent such costs and expenses are indemnifiable Losses hereunder).

(b) If the Indemnifying Party does not assume the defense of any such Action and disputes whether any indemnification obligation exists, the Indemnified Party may, but shall not be obligated to, defend against such Action in such manner as it may deem appropriate, including, but not limited to, settling such Action, after giving notice thereof to the Indemnifying Party, on such terms as the Indemnified Party may deem appropriate. Once such dispute has been finally resolved in favor of indemnification by a court or other tribunal of competent jurisdiction or by mutual agreement of the Indemnified Party and Indemnifying Party, subject to the provisions of Section 6.04, the Indemnifying Party shall within 20 days of the date of such resolution or agreement, pay to the Indemnified Party all Losses paid or incurred by the Indemnified Party in connection therewith.

Section 6.05 Tax Treatment of Indemnification Payments. All indemnification payments made by Seller under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for tax purposes, unless otherwise required by law.

Section 6.06 Effect of Investigation. Buyer's right to indemnification or other remedy based on the representations, warranties, covenants and agreements of Seller contained herein will not be affected by any investigation conducted by Buyer, or any knowledge acquired by Buyer at any time, with respect to the accuracy or inaccuracy of or compliance with, any such representation, warranty, covenant or agreement.

Section 6.07 Liability Limits . Notwithstanding anything to the contrary set forth herein, no Indemnified Party shall make a claim for indemnification under Section 6.02(a) and 6.03(a) until the aggregate amount of any Loss exceeds an amount equal to \$10,000 (the "**Indemnification Basket**"), in which event the Indemnifying Party shall be liable for such Losses in excess of \$10,000; *provided, however*, that any Loss resulting from a breach of any Fundamental Representation shall not be subject to and shall not count toward the Indemnification Basket. The total aggregate amount of the liability for Losses with respect any claim for indemnification under Section 6.02(a) and 6.03(a) shall be limited to an amount equal to the Purchase Price (the "**Indemnification Cap**"); *provided, however*, that the total aggregate amount of liability of any Indemnifying Party arising out of fraud, willful breach of this Agreement, an intentional misrepresentation hereunder or a breach of any Fundamental Representation shall not be subject to any such limits.

Section 6.08 Insurance. The amount of Losses otherwise eligible for indemnification under this Article VI shall be reduced by the amount of any insurance proceeds actually recovered by an Indemnified Party in respect thereof; provided that such indemnification obligation shall be increased for increases in the cost of such insurance as a result of such Loss, including, without limitation, retrospective premium adjustments and experience based premium adjustments. The parties agree that nothing in this Agreement shall be intended to limit any obligations a party may have to mitigate damages pursuant to Minnesota law.

Section 6.09 Cumulative Remedies. The rights and remedies provided for in this Article VI are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise. Despite the previous sentence, the parties acknowledge and agree that an Indemnified Party's right to indemnification under Section 6.02(a) and 6.03(a) is the Indemnified Party's exclusive remedy for any inaccuracy in or breach of any of the representations or warranties of an Indemnifying Party contained in this Agreement.

ARTICLE VII
MISCELLANEOUS

Section 7.01 Expenses. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 7.02 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this **Section 7.02**):

If to Seller:

Dollars Per Minutes Inc.
158 East Shore Road
Huntington Bay, NY 11743
Attention: Mark Bozek and Russell Nuce

with a copy to:

Davis & Gilbert LLP
1740 Broadway
New York, NY 10019
Attention: Evan D. Weiner
eweiner@dglaw.com

If to Buyer:

ValueVision Media, Inc.
6740 Shady Oak Road
Eden Prairie, MN 55344
Attention: Teresa J. Dery, Senior Vice
President and General Counsel
tdery@shophq.com

with a copy to:

Faegre Baker Daniels LLP
90 South Seventh Street, Suite 2200
Minneapolis, Minnesota 55402
Facsimile: 612-766-1600
E-mail: Nicole.Leimer@FaegreBD.com
Attention: Nicole Leimer

Section 7.03 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 7.04 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 7.05 Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and the Disclosure Schedules (other than an exception expressly set forth as such in the Disclosure Schedules), the statements in the body of this Agreement will control.

Section 7.06 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 7.07 No Third-party Beneficiaries. Except as provided in **Article VI**, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.08 Amendment and Modification. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto.

Section 7.09 Waiver. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 7.10 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Minnesota without giving effect to any choice or conflict of law provision or rule that would cause the application of laws of any jurisdiction other than those of the State of Minnesota.

Section 7.11 Submission to Jurisdiction. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of Minnesota in each case located in the city of Minneapolis and county of Hennepin, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding.

Section 7.12 Waiver of Jury Trial. Each party acknowledges and agrees that any controversy which may arise under this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 7.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail, PDF or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

DOLLARS PER MINUTE INC.

By /s/ George Russell Nuce

Name: George Russell Nuce

Title: Secretary

VALUEVISION MEDIA, INC.

By /s/ William McGrath

Name: William McGrath

Title: Executive Vice President & CFO

Schedule of Noteholders

	<u>Principal Amount</u>	<u>Accrued Interest</u>	<u>Total</u>	<u>Shares</u>
James K. Murray, Jr.	\$100,000	\$12,712	\$112,712	19,300
Lewis Katz	\$100,000	\$12,712	\$112,712	19,300
Clayton McNeal	\$ 15,000	\$ 1,907	\$ 16,907	2,896
David Burns	\$ 15,000	\$ 1,907	\$ 16,907	2,896
Steelpoint Co – Investment Fund LLC	\$ 50,000	\$ 6,356	\$ 56,356	9,650
George Nuce 2005 Insurance Trust	\$ 25,000	\$ 3,178	\$ 28,178	4,825
The Renker Family Trust	\$ 50,000	\$ 6,153	\$ 56,153	9,616
1-800-Flowers.com Inc.	\$ 50,000	\$ 6,153	\$ 56,153	9,616
Gavin Solotar	\$ 50,000	\$ 5,468	\$ 55,468	9,498
Thomas D. Beers	\$495,000	\$37,867	\$532,867	91,245

Schedule of Cash Consideration

<u>Person</u>	<u>Amount of Cash Consideration</u>
Karen Giberson	\$ 5,000
Kathy Levine	\$ 5,000
Brian Scevola	\$ 5,000
Janet Varney	\$ 5,000

Schedule 1.01

Purchased Assets

All technology, intellectual property and general intangibles owned or controlled by, or in the possession of, Seller, including without limitation (i) unregistered copyrights, trademarks, patents, service marks, letters patent, licenses and any applications or registrations thereof, income or royalties therefrom and infringement claims related thereto; (ii) trade names, trade styles, trade secrets, know-how, processes, formulae, business and marketing plans, worldwide marketing rights, computer software data, customer and supplier lists, price lists, mailing lists, customer and supplier records and confidential and other proprietary information; (iii) all domain names, Twitter handles, Facebook coordinates and all similar social media rights; and (iv) all brand guidelines and branding prepared by BrenesCo LLC on behalf of Seller.

Schedule 3.01

	<u>Shares of Common Stock</u>	<u>Percentage</u>
Mark Bozek	3,500,000	50%
Russell Nuce	3,500,000	50%

EXECUTIVE EMPLOYMENT AND SEVERANCE AGREEMENT

This Agreement (this “**Agreement**”) is between Mark C. Bozek (“**Executive**”) and ValueVision Media, Inc. (“**ValueVision**”) and, together with its Affiliates, the “**Company**”).

WHEREAS, Executive commenced employment with ValueVision on June 23, 2014 (the “**Employment Commencement Date**”) as its Chief Executive Officer, and Executive’s services are valuable to the conduct of the business of the Company; and

WHEREAS, ValueVision and Executive desire to specify the terms and conditions on which Executive will continue employment on and after November 17, 2014 (the “**Effective Date**”), and under which Executive will receive severance in the event that Executive separates from service with the Company under the circumstances described in this Agreement.

NOW, THEREFORE, for the consideration described above, the payment of one thousand dollars (\$1,000.00), and other good and valuable consideration, and intending to be legally bound, the parties agree as follows:

1. **Effective Date; Term**. This Agreement shall become effective on the Effective Date and continue until the third (3rd) anniversary of the Effective Date (the “**Initial Term**”). Thereafter, the Agreement shall renew automatically for successive one (1) year periods unless and until either party provides written notice to the other party of the intent not to renew the Agreement at least ninety (90) days prior to the end of the Initial Term or any subsequent one-year term (the Initial Term and the period, if any, thereafter, during which the Executive’s employment shall continue are collectively referred to herein as the “**Term**”). Notwithstanding the foregoing, (a) if a Change in Control (as defined in Section 2(g) below) occurs prior to the end of the Initial Term or any subsequent one-year term, then the Agreement shall be extended automatically until the later of (i) the end of the Initial Term or (ii) one (1) year from the date of the Change in Control, and (b) if Executive provides notice of resignation for Good Reason (as defined in Section 2(p) below) prior to the expiration of the Term, and if the Executive terminates his employment for such Good Reason, then the Term of this Agreement will be extended to the date that is one day following the Termination Date (as defined in Section 2(v) below). The expiration of the Agreement due to the Company’s notice of non-renewal shall not be considered a termination of Executive by the Company for other than Cause (as defined in Section 2(f) below). Rather, if the Initial Term or any subsequent one-year Term expires as a result of a notice of non-renewal by either party, and if Executive remains employed with the Company thereafter, then Executive will be an at-will employee of the Company during the period that Executive remains employed with the Company.

2. **Definitions**. For purposes of this Agreement, the following terms shall have the meanings ascribed to them:

(a) “**Affiliate**” shall mean, with respect to ValueVision, any partnership, corporation, limited liability company, joint stock company, unincorporated organization or association, trust, joint venture, or other organization that, directly or through one or more intermediaries, is controlled by, controls, or is under common control with, ValueVision within the meaning of Code Section 414(b) or (c); provided that, in applying such provisions, the phrase “at least 50 percent” shall be used in place of “at least 80 percent” each place it appears therein.

(b) “ **Accrued Benefits** ” shall mean the following amounts, payable as described herein: (i) all Base Salary that has accrued but is unpaid as of the Termination Date; (ii) reimbursement of Executive for his reasonable and necessary expenses, which have been approved in accordance with Company policy and which were incurred by Executive on behalf of the Company as of the Termination Date; (iii) any and all other cash earned by Executive through the Termination Date and deferred at the election of Executive pursuant to any deferred compensation plan then in effect; and (iv) all other payments and benefits to which Executive (or in the event of Executive’s death, Executive’s surviving spouse or other beneficiaries) is entitled on the Termination Date under the terms of any benefit plan of the Company, excluding severance payments under any Company severance policy, practice or agreement in effect on the Termination Date. Payment of Accrued Benefits shall be made promptly in accordance with the Company’s prevailing practice with respect to clauses (i) and (ii) or, with respect to clauses (iii) and (iv), pursuant to the terms of the benefit plan or practice establishing such benefits, and any applicable law (but in each instance no less favorable than that applied to the most senior executive officers of the Company).

(c) “ **Base Salary** ” shall mean Executive’s annual base salary with the Company as in effect from time to time.

(d) “ **Board** ” shall mean the board of directors of ValueVision or a committee of such Board authorized to act on its behalf in certain circumstances, including the Human Resources and Compensation Committee of the Board.

(e) “ **Business Partner** ” shall mean an individual or entity to whom the Company sold a service or product (such as advertising services) via or upon one of its sales platforms during the twenty-four (24) month period immediately preceding the Executive’s Termination Date, and (i) about whom Executive, as a result of his employment, had access to (and actually accessed or knew about) information or goodwill that would assist in solicitation of such Business Partner, or (ii) with whom Executive personally dealt on behalf of the Company in the twelve (12) months immediately preceding the Executive’s Termination Date and that Executive was introduced to or otherwise had business contact with as a result of his employment with the Company.

(f) “ **Cause** ” shall mean any of the following, as determined by the Company in its reasonable judgment, exercised in good faith: (i) Executive’s conviction of, or plea of guilty or *nolo contendere* to, a crime, the circumstances of which are substantially related to Executive’s duties or responsibilities; (ii) theft, conversion, embezzlement or misappropriation by Executive of funds or other assets of the Company or any other act of fraud or dishonesty with respect to the Company; (iii) Executive’s willful misconduct, including intentional, grossly negligent, or unlawful misconduct by Executive that causes harm or embarrassment to the Company or exposes the Company to a risk of harm; (iv) Executive’s violation of the Company’s policies on non-discrimination and/or

harassment; (v) the failure by Executive to materially comply with any other material Company policy generally applicable to Company employees (that are provided or made available to Executive); or (vi) Executive's willful or intentional breach of any provision of this Agreement (including but not limited to Section 7) that results in a risk of harm to the Company; *provided* that prior to a termination due to Executive's acts or omissions described in clauses (v) or (vi) herein, the Company shall have provided Executive with a written notice setting forth in reasonable detail the acts or omissions constituting Cause, and Executive shall have failed to cure such acts or omissions within thirty (30) days of his receipt of the written notice. If the alleged conduct or act constituting Cause is not curable, then Executive's employment will terminate on the date specified in the written notice of termination (which may be immediate). If the alleged conduct or act constituting Cause is curable but Executive does not timely cure such conduct or act, then Executive's employment will terminate on the date immediately following the end of the cure period.

(g) "**Change in Control**" shall mean a "Change in Control" as defined in the ValueVision Media, Inc. 2011 Equity Incentive Plan, as amended and in effect from time to time, or any successor incentive plan thereto.

(h) "**COBRA**" shall mean the provisions of Code Section 4980B.

(i) "**Code**" shall mean the Internal Revenue Code of 1986, as amended, as interpreted by rules and regulations issued pursuant thereto, all as amended and in effect from time to time. Any reference to a specific provision of the Code shall be deemed to include reference to any successor provision thereto.

(j) "**Company Vendor**" shall mean those vendors, suppliers or product developers who did business at any time with the Company within the twenty-four (24) months preceding Executive's Termination Date and (i) about whom Executive, as a result of his employment, had access to (and actually accessed or knew about) information or goodwill that would assist in solicitation of such Company Vendor, or (ii) with whom Executive personally dealt on behalf of the Company in the twelve (12) months immediately preceding the Termination Date and that Executive was introduced to or otherwise had business contact with as a result of his employment with the Company. "Company Vendor" shall also include an individual or business to whom a pitch to solicit or secure business or product for sale was prepared (even if not yet made) within the 12-month period preceding the Termination Date, and with which Executive had involvement in the preparation of, or had exposure to information developed for, the specific pitch; *provided*, a general mailing or an incidental contact shall not be deemed a pitch.

(k) "**Competitive Services**" shall mean services of the type that the Company provided or offered to its Customers, Business Partners, or Company Vendors at any time during the twelve (12) months immediately preceding the Termination Date. "Competitive Services" also includes those services that the Company, within the six-month period prior to the Termination Date, was in the process of developing, had discussed as a possible development or which it was actively engaged in research and

development to offer to a customer, anticipated customer, Company Vendor or anticipated Company Vendor at the time of Termination Date. "Competitive Services" does not include any service that the Company no longer provides, and does not intend to provide in the 12-month period following the Termination Date.

(l) "**Competitive Products**" shall mean products (e.g., sales platforms) that serve the same function as, or that could be used to replace, products the Company provided to, offered to, or was in the process of developing or having developed for a present, former, or future possible customer at any time during the twelve (12) months immediately preceding the Termination Date.

(m) "**Customer**" shall mean an individual or entity whom purchased a Competitive Product or Competitive Service via one of the Company's sales platforms during the twelve (12) month period prior to the Termination Date.

(n) "**Direct Competitor**" shall mean a person or entity that sells Competitive Products or Competitive Services in a manner substantially similar to the Company via a sales platform that is substantially similar to the Company's sales platform (i.e., primarily engaged in the home shopping business). A Direct Competitor includes an infomercial business having as a primary focus the marketing to consumers of Competitive Products or Competitive Services through television programming or via the internet (web sites). Examples of Direct Competitors as of the Effective Date include, but are not limited to: HSN, Inc., QVC, Inc., Jewelry Television Network and their subsidiaries.

(o) "**Disability**" shall mean, subject to applicable law, that a medically determinable physical or mental impairment of Executive renders Executive unable to perform the essential functions of his position with the Company, either with or without a reasonable accommodation in substantially the manner and to the extent required hereunder prior to the commencement of such disability, and Executive shall be unable to return to such duties at the end of the short-term disability period provided under the Company's short-term disability plan applicable to other senior executive officers of the Company (or such longer period as the Company may grant in its sole discretion or as otherwise required by law).

(p) "**Good Reason**" shall mean the occurrence of any of the following events while this Agreement is in effect, without the Executive's written consent:

(i) A relocation of Executive's principal place of employment to a location more than fifty (50) miles from Executive's current office location (other than a relocation of Executive's principal place of employment from Eden Prairie, Minnesota to the New York Metropolitan Area) unless such new location is no further from the Executive's then-current residence than the immediately prior location;

(ii) Any reduction in Executive's Base Salary or Annual Bonus opportunity described in Section 3(c)(i) (excluding long-term performance or equity awards described in Section 3(c)(ii)), unless part of an across-the-board

reduction applicable on a similar basis to all other senior executive officers of ValueVision and, in that event, provided that such reduction does not exceed five (5%) of Executive's total cash compensation opportunity (Base Salary and Annual Bonus);

(iii) Any failure to pay Executive amounts due under this Agreement; or

(iv) Any material reduction in Executive's duties, responsibilities or authority, or any change in Executive's title;

provided that such event shall constitute Good Reason only if: (A) Executive continues to perform his job duties as set forth in this Agreement and continues to comply with all of the covenants set forth herein (including the terms of Section 7 hereof) and any other non-compete, confidentiality, invention or other written agreements otherwise applicable to him; (B) Executive provides ValueVision written notice of resignation, specifying in reasonable detail the event constituting Good Reason, within sixty (60) days after the initial existence of such event; and (C) ValueVision fails to cure (if curable) the Good Reason event within thirty (30) days following receipt of such notice. If ValueVision timely cures the Good Reason event, then Executive's notice of resignation shall be automatically rescinded. If ValueVision does not timely cure the Good Reason event, then the Termination Date shall be the date immediately following the end of the Company's cure period.

(q) “ **Protected Information** ” shall mean Company information not generally known to, and not readily ascertainable through proper means by, the Company's competitors on matters such as: Company Vendor or Business Partner lists or information; the compensation of the Company's other employees or agents; nonpublic financial information; marketing, business and strategic plans; business methods; investment strategies and plans; patent applications; sales and marketing plans; future market and product plans; Company (not individual) know-how; trade secrets; Company research and development, techniques, processes, product development, work processes or methodologies; analytical analyses, product analyses, inventions, formulaic work, formulas, formulaic techniques, analytical methodology, efficacy data and testing data; technology, drawings, engineering, code, code writing, software (and hardware) development and platform development; and other information of a technical or economic nature relating to the Company's business. Protected Information includes negative know-how, which is information about what the Company tried that did *not* work, if that information is not generally known or easily ascertainable by the Company's competitors and would give them an advantage in knowing what not to do. Information, data, and materials received by the Company from others in confidence (or subject to nondisclosure or similar covenants) shall also be deemed to be and shall be Protected Information.

Notwithstanding the foregoing, Protected Information shall **not** include information that (i) was in the public domain, being publicly and openly known through lawful and proper means, (ii) was independently developed or acquired by Executive without reliance in any way on other Protected Information of the Company or any Company Vendor or Business Partner, (iii) was approved by the Company for use and disclosure by Executive without restriction, (iv) is required to be disclosed pursuant to any applicable law or court order; *provided* that, in the case of this clause (iv), Executive notifies ValueVision of the requirement to disclose such information as soon as possible after Executive becomes aware of the requirement to disclose.

(r) “**Separation Agreement**” shall mean the form of Separation Agreement which is substantially similar to that used for departing executives who receive severance, subject to modifications to reflect the terms of this Agreement.

(s) “**Separation from Service**” shall mean Executive’s separation from service (within the meaning of Code Section 409A) from ValueVision and its Affiliates.

(t) “**Severance Benefits**” shall mean the payments and benefits described in Section 5 hereof.

(u) “**Severance Payment**” shall mean 1.5 times the sum of (i) Executive’s then applicable Base Salary, plus (ii) the average of the annual cash incentive plan payments made to Executive (prior to reduction for taxes or deferrals) in the three fiscal years immediately preceding the fiscal year in which the Termination Date occurs (or such fewer number of immediately preceding fiscal years for which Executive has been employed by the Company) (the “**Average Annual Bonus Amount**”); *provided* that if the Termination Date occurs on or within the one year period following a Change in Control, then the 1.5 multiplier shall be replaced with two (2). For purposes of this definition, the Executive’s Base Salary shall be the amount in effect immediately preceding the Termination Date; *provided* that if a reduction in Executive’s Base Salary constituted a Good Reason for the termination, then Base Salary shall be the amount in effect immediately prior to such reduction.

(v) “**Severance Period**” shall mean the eighteen (18)-month period following the Termination Date; *provided* that if the Termination Date occurs on or within the one year period following a Change in Control, then the Severance Period shall mean the twenty-four (24)-month period following the Termination Date.

(w) “**Termination Date**” shall mean the date of Executive’s termination of employment from the Company, as further described in Section 4.

3. Employment of Executive

(a) **Position.**

(i) Executive shall serve as the Chief Executive Officer of ValueVision, accountable to the Board. In such position, Executive shall have such duties, responsibilities and authority as is customarily associated with such position and shall have such other duties, as may be reasonably assigned from time to time by the Board, consistent with Executive’s position and the terms of this Agreement. In addition, during the Term, the Executive shall be a member of the Board, subject to the approval of the ValueVision shareholders.

(ii) Executive shall devote substantially all of his business time and efforts to the performance of his duties on behalf of the Company, and will not engage in or be concerned with any other commercial duties or pursuits, either directly or indirectly, without the prior written consent of the Board. Notwithstanding the foregoing, nothing herein shall preclude Executive from (1) continuing to engage in the outside, activities disclosed here: all production services relating to the feature film projects currently entitled SHOE ADDICTS ANONYMOUS and HERE LIES BRIDGET, and any transaction contemplated thereby (if left blank, then there are no such activities for which approval has been provided); (2) serving as an officer or a member of charitable, educational or civic organizations; (3) engaging in charitable activities and community affairs; and (4) managing Executive's personal investments and affairs; *provided*, however, that such service and activities do not, in the Company's reasonable opinion, interfere with the performance of his duties on behalf of the Company, create any conflict of interest as it relates to the Company, and are not represented in a manner that suggests the Company supports or endorses the services or activities without the advance approval of the Company. Executive shall be responsible for complying with all policies and operating procedures of the Company applicable to all senior executives of the Company (that are provided or made available to the Executive) in the performance of his duties on behalf of the Company.

(iii) Executive's principal place of employment shall be based in Eden Prairie, Minnesota as of the Effective Date. At any time, the Board may determine that the Executive's principal place of employment shall be in the New York Metropolitan Area, provided that the Company shall pay for all reasonable costs and expenses incurred by Executive and his family to relocate to the New York Metropolitan area consistent with such relocation assistance as is offered by ValueVision at that time to its senior executives who are relocating. If the Executive's principal place of employment is in Minnesota, then Executive also shall work in ValueVision's New York City office as necessary. In addition, Executive shall travel to such other places, including, without limitation, the site of such facilities of the Company and its Affiliates as are established from time to time, at such times as are advisable for the performance of Executive's duties and responsibilities under this Agreement.

(iv) Executive shall submit to the Company all business, commercial and investment opportunities or offers presented to Executive or of which Executive becomes aware which relate to the business of the Company (the "**Company Opportunities**"). Unless approved by the Board, Executive shall not accept or pursue, directly or indirectly, any Company Opportunities on Executive's own behalf.

(b) **Base Salary** . Commencing on the Effective Date, ValueVision shall pay Executive a Base Salary at an annual rate of \$625,000, payable in regular installments in accordance with the Company's usual payroll practices. At least once per year, the Board shall review Executive's Base Salary for potential increase based on market trends, performance, and such internal and other considerations as the Board may deem relevant.

(c) **Bonus and Equity Incentives** .

(i) Beginning with the fiscal year following the Effective Date, and for each fiscal year thereafter during the Term, Executive shall be eligible to participate in such annual cash incentive plans and programs of ValueVision as are generally provided to the senior executives of ValueVision pursuant to such terms and conditions as the Board may prescribe from time to time; *provided* that Executive shall be entitled to a payout of at least 100% of Base Salary (the "**Target Bonus**") if the target annual performance goal (s) established by the Board is (are) achieved and at least 200% of the target payout amount if the maximum annual performance goals(s) established by the Board is (are) achieved.

(ii) Beginning with the fiscal year following the Effective Date, and for each fiscal year thereafter during the Term, Executive shall be eligible to participate in such long-term cash and equity incentive plans and programs of ValueVision as are generally provided to the senior executives of ValueVision, as determined by the Board in its discretion.

(d) **Executive Benefits** . Executive shall be eligible to participate in the Company's employee benefit plans (in addition to the annual and/or long-term incentive programs, which are addressed in subsection 3(c)) as in effect from time to time on the same basis as those benefits are generally made available to other similarly-situated senior executives of ValueVision.

(e) **Business Expenses** . The Company shall reimburse Executive for any reasonable business expenses incurred by Executive in the performance of Executive's duties hereunder subject to and in accordance with Company policies.

(f) **Additional Payments and Benefits** . Executive shall be entitled to the amounts and benefits set forth on Exhibit A, subject to the terms and conditions thereof.

(g) **Withholding** . All payments under this Agreement shall be subject to payroll taxes and other withholdings in accordance with the Company's (or the applicable employer of record's) standard payroll practices and applicable law.

4. **Termination of Employment** .

(a) **Date and Manner of Termination** . Executive's employment with the Company will terminate during the Term, and this Agreement will terminate on the date of such termination, as follows:

(i) Executive's employment will terminate on the date of Executive's death.

(ii) If Executive is subject to a Disability, and if within thirty (30) days after ValueVision notifies Executive in writing that it intends to terminate Executive's employment, Executive shall not have returned to the performance of Executive's essential functions (either with or without a reasonable accommodation), ValueVision may terminate Executive's employment, effective immediately following the end of such thirty-day period.

(iii) ValueVision may terminate Executive's employment with or without Cause (other than as a result of Disability which is governed by subsection 4(a)(ii)). If the termination is without Cause, then Executive's employment will terminate on the date set forth in ValueVision's written notice of termination to Executive (which may be immediate). If the termination is for Cause, then Executive's employment will terminate in accordance with Section 2(f). Unless otherwise directed by ValueVision, from and after the date of the written notice of proposed termination (subject to all applicable cure periods), Executive shall be relieved of his duties and responsibilities and shall be considered to be on a paid leave of absence pending any final action by ValueVision confirming such proposed termination, *provided* that during such notice period Executive shall remain a full-time employee of the Company, and shall continue to receive his then current Base Salary and all other benefits as provided in this Agreement.

(iv) Executive may terminate his employment with or without Good Reason. If the termination is without Good Reason, then Executive must provide at least thirty (30) but no more than ninety (90) days advance written notice to ValueVision; *provided* that the Company may immediately relieve Executive of all duties and responsibilities upon receipt of such notice, and choose to terminate Executive's employment without further notice or delay, which termination shall not constitute a termination without Cause. If the termination is for Good Reason, then Executive's employment will terminate in accordance with Section 2(p).

(b) Relinquishment of Positions Upon Termination . Upon termination of employment for any reason, Executive shall resign all officerships, directorships or other positions that he then holds with the Company or any of its Affiliates.

5. Payments upon Termination.

(a) **Entitlement to Accrued Benefits and Equity Awards** . Upon termination of Executive's employment for any reason, whether by the Company or by Executive, the Company shall pay or provide Executive with the Accrued Benefits and all of Executive's outstanding equity awards shall be subject to the terms of the applicable award agreement and plan.

(b) **Entitlement to Severance.** Subject to the other terms and conditions of this Agreement, Executive shall be entitled to Severance Benefits in the following circumstances:

- (i) Executive's employment is terminated by ValueVision without Cause, except in the case of death or Disability; or
- (ii) Executive terminates his employment with the Company for Good Reason.

If Executive dies after receiving a notice by ValueVision that Executive is being terminated without Cause, or after providing notice of termination for Good Reason, then Executive's estate, heirs and beneficiaries (as the case may be) shall be entitled to the Accrued Benefits and the Severance Benefits at the same time such amounts would have been paid or benefits provided to Executive had he lived.

(c) **Requirement for Severance Benefits.** As an additional prerequisite for receipt of the Severance Benefits, Executive must (i) execute, deliver to ValueVision, and not revoke (to the extent Executive is allowed to do so) a Separation Agreement within twenty (20) calendar days (or such longer period as is provided in the Separation Agreement) following the Executive's receipt of such Separation Agreement, which ValueVision must provide Executive within ten (10) days following Executive's Termination Date, and (ii) comply with all of Executive's covenants set forth in this Agreement.

(d) **Severance Benefits; Timing and Form of Payment** . Subject to the limitations imposed by Section 6, if Executive is entitled to Severance Benefits, then:

- (i) The Company shall pay Executive the Severance Payment in equal installments, consistent with the Company's normal payroll practices, over the Severance Period (or, in the case of a termination of employment within one year following a Change in Control, in a lump sum, provided such Change in Control meets the requirements of Code Section 409A) following the date of his Separation from Service; *provided* that any amounts that would be payable prior to the effectiveness of the Separation Agreement shall be delayed until the Separation Agreement becomes effective. Notwithstanding the foregoing, if, as of the date of Executive's Separation from Service (i) he is a "specified employee" as determined under Code Section 409A, then any portion of the Severance Payment that is subject to Code Section 409A and that would

otherwise be payable within the first six (6) months following such Separation from Service shall be delayed until the first regular payroll date of the Company following the six (6) month anniversary of Executive's Separation from Service (or the date of his death, if earlier than that anniversary) or (ii) he is not a "specified employee" as determined under Code Section 409A, then any portion of the Severance Payment that is subject to Code Section 409A and that would be otherwise payable within the first sixty (60) days after Executive's Separation from Service shall be paid sixty (60) days after Executive's Separation from Service (and not promptly following the effectiveness of the Separation Agreement).

(ii) The Company shall pay, in a lump sum in the fiscal year following the fiscal year of the Termination Date, an amount equal to the product of (A) the annual cash incentive award to which Executive would have been entitled for the fiscal year in which the Termination Date occurs based on actual performance for such fiscal year had Executive's employment not terminated, multiplied by (B) a fraction, the numerator of which is the number of days that have elapsed during the annual performance period through the Termination Date and the denominator of which is 365. Notwithstanding the foregoing, if all or any portion of such annual bonus payment was paid upon a Change in Control, then the amount due under this clause 5(d)(ii) shall be reduced by the amount of such payment.

(iii) The Company shall continue to provide to Executive and his dependents (as applicable) during the Severance Period, group health, dental and life insurance benefits to the extent that such benefits were in effect for Executive and his family as of the Termination Date, subject to Executive's timely election of group health and/or dental continuation coverage pursuant to COBRA or similar state laws. The Company shall be responsible for payment of all premiums necessary to maintain these benefits during the Severance Period. Benefit continuation under this Section 5(d)(iii) shall be concurrent with any coverage under the Company's plans pursuant to COBRA or similar state laws. Such benefits shall be terminated prior to the expiration of the Severance Period to the extent Executive has obtained new employment and is covered by benefits which in the aggregate are comparable to such continued benefits. Executive shall promptly notify the Company when he becomes employed after the Termination Date and shall provide such reasonable cooperation as the Company requests with respect to determining whether Executive is covered by comparable benefits with such new employer. If the health or dental benefits are fully insured, and the provision of such benefits under this clause 5(d)(iii) would subject the Company or its benefits arrangements to a penalty or adverse tax treatment, then the Company shall provide a cash payment to Executive in an amount reasonably determined by the Company to be equivalent to the COBRA premiums for such benefits. If the health or dental benefits are self-insured, and the provision of such benefits under this clause 5(d)(iii) is considered discriminatory under Code Section 105(h), then to the extent required by the Code, Executive acknowledges that the value of the premiums paid by the Company hereunder shall be considered taxable wages to Executive, and the

Company shall be permitted to withhold applicable taxes with respect to such wages from other amounts owed to Executive, or require Executive to make satisfactory arrangements with the Company for the payment of such withholding taxes.

(iv) With respect to any long-term incentive awards (whether cash or equity) (A) if the award is subject to time-based vesting only, then upon the Termination Date, Executive shall become vested in a pro-rata portion (based on Executive's length of employment during the applicable vesting period) of such award, and (B) if the award is subject to performance vesting, then following the completion of the applicable performance period, Executive will receive a pro-rata portion of such award (based on Executive's length of employment during the applicable performance period), to the extent the performance goals are otherwise achieved for the performance period.

6. **Limitations on Severance Payments and Benefits.** Notwithstanding any other provision of this Agreement, if any portion of the Severance Payment or any other payment under this Agreement, or under any other agreement with or plan of the Company (in the aggregate "**Total Payments**"), would constitute an "excess parachute payment," then the Total Payments to be made to Executive shall be reduced such that the value of the aggregate Total Payments that Executive is entitled to receive shall be One Dollar (\$1) less than the maximum amount which Executive may receive without becoming subject to the tax imposed by Code Section 4999 or which the Company may pay without loss of deduction under Code Section 280G(a); *provided* that the foregoing reduction in the amount of Total Payments shall not apply if the After-Tax Value to Executive of the Total Payments prior to reduction in accordance herewith is greater than the After-Tax Value to Executive if Total Payments are reduced in accordance herewith. For purposes of this Agreement, the terms "excess parachute payment" and "parachute payments" shall have the meanings assigned to them in Code Section 280G, and such "parachute payments" shall be valued as provided therein. Present value for purposes of this Agreement shall be calculated in accordance with Code Section 1274(b)(2). Within twenty (20) business days following delivery of the notice of termination or notice by ValueVision to Executive of its belief that there is a payment or benefit due Executive that will result in an excess parachute payment as defined in Code Section 280G, Executive and ValueVision, at ValueVision's expense, shall obtain the opinion (which need not be unqualified) of nationally recognized tax counsel selected by ValueVision, which opinion sets forth: (A) the amount of the Base Period Income, (B) the amount and present value of Total Payments, (C) the amount and present value of any excess parachute payments without regard to the limitations of this Section 6, (D) the After-Tax Value of the Total Payments if the reduction in Total Payments contemplated under this Section 6 did not apply, and (E) the After-Tax Value of the Total Payments taking into account the reduction in Total Payments contemplated under this Section 6. As used in this Section 6, the term "**Base Period Income**" means an amount equal to Executive's "annualized includible compensation for the base period" as defined in Code Section 280G(d)(1). For purposes of such opinion, the value of any noncash benefits or any deferred payment or benefit shall be determined by ValueVision's independent auditors in accordance with the principles of Code Sections 280G(d)(3) and (4), which determination shall be evidenced in a certificate of such auditors addressed to ValueVision and Executive. For purposes of determining the After-Tax Value of Total Payments, Executive shall be deemed to pay federal

income taxes and employment taxes at the highest marginal rate of federal income and employment taxation in the calendar year in which the Severance Payment is to be made and state and local income taxes at the highest marginal rates of taxation in the state and locality of Executive's domicile for income tax purposes on the date the Severance Payment is to be made, net of the maximum reduction in federal income taxes that may be obtained from deduction of such state and local taxes. Such opinion shall be dated as of the Termination Date and addressed to ValueVision and Executive and shall be binding upon ValueVision and Executive. If such opinion determines that there would be an excess parachute payment and that the After-Tax Value of the Total Payments taking into account the reduction contemplated under this Section is greater than the After-Tax Value of the Total Payments if the reduction in Total Payments contemplated under this Section did not apply, then the Severance Payment hereunder or any other payment determined by such counsel to be includible in Total Payments shall be reduced or eliminated as specified by Executive in writing delivered to ValueVision within five business days of Executive's receipt of such opinion or, if Executive fails to so notify ValueVision, then as ValueVision shall reasonably determine, so that under the bases of calculations set forth in such opinion there will be no excess parachute payment. If such legal counsel so requests in connection with the opinion required by this Section, Executive and ValueVision shall obtain, at ValueVision's expense, and the legal counsel may rely on in providing the opinion, the advice of a firm of recognized executive compensation consultants as to the reasonableness of any item of compensation to be received by Executive. If the provisions of Code Sections 280G and 4999 are repealed without succession, then this Section 6 shall be of no further force or effect.

7. Covenants by Executive.

(a) **Ownership Rights**. In the course of his employment with the Company, Executive may be creating, designing, drafting, developing, or adding to the Company's trade secrets, inventions, or copyrights. Executive shall promptly communicate all such work product to the Company.

(i) Inventions. Any design, improvement, discovery, computer program, software development, know how, product or service idea, whether or not patentable or subject to copyright protection, developed by Executive during his period of employment with the Company shall be considered a "Company Invention" that belongs to the Company if it: (a) involved the use of working time; (b) involved the use of Company equipment, supplies, facilities, or trade secrets; (c) at the time conceived or first reduced to practice, related to the Company's current or planned business activities; or (d) resulted from work performed for the Company (collectively, "**Company Inventions**"). Executive assigns and agrees to assign to the Company, and the Company accepts and agrees to accept, Executive's entire right, title, and interest in all Company Inventions (as just defined), and any patent rights arising therefrom.

(ii) Copyrights. Any material written, created, designed, discovered, or drafted by Executive for the Company or connected to Executive's employment with the Company shall be considered a work for hire and the property of the Company. With respect to all intellectual property that is first created and prepared by Executive that is not covered by the definition of a "work

made for hire” under 17 U.S.C. § 101 of the U.S. Copyright Act of 1976, such that Executive would be regarded as the copyright author and owner, Executive hereby assigns and agrees to assign to the Company, and the Company accepts and agrees to accept, Executive’s entire right, title, and interest in and to such works, including all copyrights therein.

(iii) Trade Secrets. Any trade secret (as defined by law) developed by Executive during his period of employment with the Company shall belong to the Company if it: (a) involved the use of working time; (b) involved the use of Company equipment, supplies, facilities, trade secrets or Protected Information; (c) at the time conceived or first reduced to practice, substantially related to the Company’s current or planned business activities made known to Executive; or (d) resulted from work performed for the Company. Executive assigns and agrees to assign to the Company all rights in all Company Trade Secrets (as just described) and any patent rights arising therefrom.

(iv) Cooperation. When requested by the Company, during or after employment, Executive will use commercially reasonable efforts to support and cooperate with the Company in pursuing any patent, copyright, or trade secret protection in the United States and foreign countries for any Company Invention or work for hire. Executive will sign such assignments or other documents considered necessary by the Company to convey ownership and exclusive rights, including patent rights, to the Company. The costs of obtaining and defending patent and copyright rights shall be paid by the Company, and the Company shall pay reasonable compensation to Executive for his services under this Section 7(a)(iv) if Executive is not then employed by the Company.

(v) Prior Inventions. Executive has described here all inventions, original works of authorship, developments and improvements which were made by Executive or his affiliates prior to employment with the Company, which belong to Executive or such affiliates, and which are not assigned to the Company hereunder (collectively referred to as “**Prior Inventions**”): all property and assets (both tangible and intangible) of Dollars Per Minute Inc. If no items or matters are described, Executive represents and warrants that there are no such Prior Inventions. If, in the course of employment with the Company, Executive incorporates any Prior Inventions into any work for hire, Company Invention, or Company trade secret, Executive grants the Company an irrevocable, worldwide, fully paid-up, royalty-free, non-exclusive license, with the right to sublicense through multiple tiers, to make, use, sell, improve, reproduce, distribute, perform, display, transmit, manipulate in any manner, create derivative works based upon, and otherwise exploit or utilize in any manner the Prior Invention so incorporated.

(vi) Notice of Limits to Assignment. The provisions of this Section 7(a) do not apply to (x) any work product that Executive developed on his own time without using Company equipment, supplies, facilities, trade secrets or Protected Information, unless the work product (1) relates to the Company’s business or demonstrably anticipated business, (2) relates to the Company’s actual or demonstrably anticipated research or development, or (3) results from any work performed by Executive for the Company and (y) Dollars Per Minute Inc. and all of its property and assets (both tangible and intangible).

(b) **Confidentiality** .

(i) Necessity . In the course of his employment with the Company, Executive may be making use of, acquiring, or adding to the Company's confidential information, trade secrets, and Protected Information. In addition, Executive's work for the Company requires Executive be provided access to valuable confidential information, trade secrets, and Protected Information. The confidential information, trade secrets, and Protected Information to which Executive will have access is valuable to the Company and/or its Business Partners and Company Vendors and each party takes steps to maintain the secrecy and confidential nature of these matters, including the regular use of computer passwords, locks and other security measures, and requires employees with access to this information to execute agreements with restrictive covenants and confidentiality obligations where possible. Executive acknowledges that the Company will not provide Executive (on a going forward basis) with access to the valuable confidential information, trade secrets, or Protected Information unless Executive executes this Agreement.

(ii) Promises . Executive makes the following promises regarding Protected Information.

a) *Promise To Protect* . Executive promises to use commercially reasonable efforts to protect and maintain the confidentiality of Protected Information while employed by the Company. Executive will follow all Company policies and procedures made known to Executive for the protection and security of this information. Executive will also promptly report to the Board any potential or actual security breach or loss.

b) *Promise to Return* . Executive agrees to return (and not retain) any and all materials reflecting Protected Information that he may possess (including all Company-owned equipment) immediately upon termination of employment.

c) *Promise Not To Use Or Disclose* . Executive agrees to not use or disclose, except as necessary for the performance of his services on behalf of the Company or as required by law or legal process, any Protected Information where such use or disclosure would be detrimental to the interests of the Company. This promise applies only for so long as such Protected Information remains confidential and not generally known to, and not readily ascertainable through proper means by, the Company's competitors.

(iii) **Required Disclosures**. If Executive is requested or required to provide Protected Information in any legal proceeding or governmental investigation, Executive will promptly notify the Company of the request so that the Company may either seek an appropriate protective order or waive Executive's obligations under this Agreement.

(c) **Restrictive Covenants**. Executive understands and agrees that the Company has legitimate interests in protecting its goodwill, its relationships with Company Vendors and Business Partners, and in maintaining its confidential information, trade secrets and Protected Information, and hereby agrees that the following restrictions are appropriate to protect such interests and are narrowly construed to meet such goals.

(i) **Non-Solicitation**. Executive acknowledges that the relationships and goodwill that Executive develops with Company Vendors and Business Partners as a result of his employment belong to the Company and that using such relationships and goodwill against the interests of the Company would be unfair. Executive further acknowledges that because those relationships and goodwill are based on personal trust, the Company will need an opportunity, free from interference by Executive, to secure the relationships and goodwill for itself after Executive's employment ends. Executive therefore agrees that while employed by the Company and for a period of two (2) years after Executive's employment with the Company ends, for whatever reason, Executive will not, and will not assist anyone else to, (1) solicit or encourage any Company Vendor or Business Partner to terminate or diminish its relationship with the Company; or (2) seek to persuade any Company Vendor or Business Partner to conduct with anyone other than the Company any business or activity relating to Competitive Services or Products that such Company Vendor or Business Partner conducts or could conduct with the Company.

(ii) **Non-Competition**. Executive agrees that while employed by the Company and for a period of eighteen (18) months after Executive's employment with the Company ends for any reason, Executive will not, for himself, or on behalf of any other person or entity, directly or indirectly, provide services to a Direct Competitor in a role where Executive's knowledge of Protected Information is likely to affect Executive's decisions or actions for the Direct Competitor, to the detriment of the Company.

(d) **Reasonable Restrictions**. Executive agrees that the terms and conditions in Sections 7(a) through 7(c) are reasonable and necessary for the protection of the Company's business and to prevent damage or loss to the Company as the result of action taken by Executive. Executive acknowledges that he could continue to actively pursue his career and earn sufficient compensation without breaching any of the restrictions contained in these Sections.

(e) **Equitable Relief**. Executive agrees that damages would be an inadequate remedy for the Company in the event of breach or threatened breach of Executive's obligations under this Section 7, and thus, in any such event, the Company may, either

with or without pursuing any potential damage remedies, immediately obtain and enforce an injunction prohibiting Executive from violating the promises in this Section. Executive understands that this provision regarding the issuance of an injunction does not limit any remedies at law or equity otherwise available to the Company.

(f) **Trade Secrets** . Nothing in this Agreement diminishes or limits any protection granted by law to trade secrets or relieves Executive of any duty not to disclose, use, or misappropriate any information that is a trade secret, for as long as such information remains a trade secret.

(g) **Non-Interference** . Executive agrees that during his employment with the Company, and for a period of one (1) year from the voluntary or involuntary termination of employment with the Company for any reason whatsoever, Executive shall not, either personally or in conjunction with others either (i) solicit, interfere with, or endeavor to cause any employee of the Company to leave such employment or (ii) otherwise induce or attempt to induce any such employee to terminate employment with the Company. Nothing in this Section 7(g) is meant to prohibit an employee of the Company that is not a party to this Agreement from becoming employed by another organization or person.

(h) **Notice** . Executive agrees that he will give notice of this Agreement and Executive's obligations to comply with its terms to any person or organization that Executive may become associated with during the first two years after the termination of his employment with the Company. Executive further agrees that the Company may, if it desires, send a copy of, or otherwise make the provisions in Section 7 hereof known to any such person, firm or entity during that time.

(i) **Non-Disparagement** . The Company shall instruct its Board members and officers not to, and Executive agrees not to, make any derogatory or negative public statement about, or take any action or make any statement which may adversely affect or disparage, the other or any of their respective Affiliates, or any of their respective owners, stockholders, officers, directors or employees or any of their respective products, services, businesses, reputations or goodwill; *provided* that nothing herein shall prevent the Company (including its Board members and officers) or Executive from responding or answering truthfully if required to by applicable law or compelled by process of law.

(j) **Return of Company Property** . Upon termination of Executive's employment, Executive shall promptly return to the Company: (i) all documents, records, procedures, books, notebooks, and any other documentation in any form whatsoever, including but not limited to written, audio, video or electronic, containing any information pertaining to the Company which includes Protected Information, including any and all copies of such documentation then in Executive's possession or control regardless of whether such documentation was prepared or compiled by Executive, Company, other employees of the Company, representatives, agents, or independent contractors, and (ii) all equipment or tangible personal property entrusted to Executive by the Company. Executive acknowledges that all such documentation, copies of such documentation, equipment, and tangible personal property are and shall at all times remain the sole and exclusive property of the Company.

(k) **No Conflicts** . Executive hereby represents and warrants that Executive's signing of this Agreement and the performance of Executive's obligations under it will not breach or be in conflict with any other agreement to which Executive is a party or is bound and that Executive is not now subject to any covenants against competition or similar covenants or any court order that could affect the performance of Executive's obligations under this Agreement. Further, Executive hereby represents and warrants that: (i) Executive will not bring any confidential information of any former employer, nor any proprietary work product created as part of Executive's duties with Executive's former employer; (b) Executive will not use or disclose any former employer's confidential information or proprietary work product in the performance of Executive's duties with the Company; and (c) Executive is not currently, nor will he take or be in a position, that breaches the Company's ethics policies as in effect from time to time.

8. **Notice** . Any notice, request, demand or other communication required or permitted herein will be deemed to be properly given when personally served in writing, by email or when deposited in the United States mail, postage prepaid, addressed to Executive at the address (or email address) last appearing in ValueVision's personnel records and to the Company at its headquarters with attention (or an email) to the General Counsel of ValueVision. Either party may change its address by written notice in accordance with this paragraph.

9. **Set Off; Mitigation** . The Company's obligation to pay Executive the amounts and to provide the benefits hereunder shall be subject to set-off, counterclaim or recoupment of amounts owed by Executive to the Company. However, Executive shall not be required to mitigate the amount of any payment provided for pursuant to this Agreement by seeking other employment or otherwise.

10. **Benefit of Agreement** . This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective executors, administrators, successors and assigns. If ValueVision sells, assigns or transfers all or substantially all of its business and assets to any person or entity, then ValueVision shall assign all of its right, title and interest in this Agreement as of the date of such event to such person or entity, and ValueVision shall cause such person or entity, by written agreement, to expressly assume and agree to perform from and after the date of such assignment all of the terms, conditions and provisions imposed by this Agreement upon the Company. In case of such assignment by ValueVision and assumption and agreement by such person or entity, as used in this Agreement, "ValueVision" shall thereafter mean the person which executes and delivers the agreement provided for in this Section 10 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law, and this Agreement shall inure to the benefit of, and be enforceable by, such person or entity. Except as provided in this Section 10, this Agreement shall not be assignable by ValueVision or Executive. This Agreement shall not be terminated by the voluntary or involuntary dissolution of ValueVision.

11. **Applicable Law and Jurisdiction** . This Agreement is to be governed by and construed under the laws of the United States and of the State of Minnesota without resort to Minnesota's choice of law rules. Each party hereby agrees that the forum and venue for any legal or equitable action or proceeding arising out of, or in connection with, this Agreement will lie in the appropriate federal or state courts located in Hennepin County, Minnesota and specifically waives any and all objections to such jurisdiction and venue.

12. **Captions and Paragraph Headings**. Captions and section or paragraph headings used herein are for convenience only and are not a part of this Agreement and will not be used in construing it.

13. **Divisibility of Agreement or Modification By Court**. To the extent permitted by law, the invalidity of any provision of this Agreement will not and shall not be deemed to affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, it shall be, to the further extent permitted by law, modified to the extent necessary to be interpreted in a manner most consistent with the present terms of the provision, to give effect to the provision. Finally, in the event that any provision of this Agreement is held to be invalid and not capable of modification by a court, then it shall be considered expunged, and the parties agree that the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement of the invalid provision.

14. **No Waiver**. The failure of a party to insist upon strict adherence to any term of this Agreement on any occasion shall not be considered a waiver of such party's rights or deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.

15. **Survival**. The termination or expiration of this Agreement will not affect the rights or obligations of the parties hereunder arising out of, or relating to, circumstances occurring prior to the termination or expiration of this Agreement, which rights and obligations will survive the termination or expiration of this Agreement. In addition, the following provisions shall survive the termination or expiration of this Agreement: Sections 5 and 6 (as necessary for the payments and benefits due thereunder to be paid or provided), and Sections 7, 8, 9, and 11 through 18.

16. **Entire Agreement**. This Agreement and the Exhibits attached hereto contain the entire agreement of the parties with respect to the subject matter of this Agreement except where other agreements are specifically noted, adopted, or incorporated by reference. This Agreement and the Exhibits attached hereto otherwise supersede any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Executive by Company, and all such agreements shall be void and of no effect. Each party to this Agreement acknowledges that no representations, inducements, promises, or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement will be valid or binding.

17. **Modification or Amendment**. This Agreement may not be modified or amended except through a writing signed by hand by both an authorized representative of ValueVision and Executive, except as required by a court with competent jurisdiction in order to enforce this Agreement.

18. **Claims by Executive**. Executive acknowledges and agrees that any claim or cause of action by him against the Company shall not constitute a defense to the enforcement of the restrictions and covenants set forth in this Agreement and shall not be used to prohibit injunctive relief.

19. **Directors and Officers Insurance**. During the Term, the Company shall maintain commercially reasonable directors and officers insurance. Any release requirement set forth in the Separation Agreement shall not require Executive to waive any right or claim for coverage under such insurance.

20. **Execution of Agreement**. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one (1) party, but all such counterparts taken together shall constitute one and the same instrument. Further, this Agreement may be signed and delivered by means of facsimile or scanned pages via electronic mail, and such scanned or facsimile signatures shall be treated in all manner and respects as an original signature and shall be considered to have the same binding legal effect as if it were an original signature, and no party may raise the use of facsimile or scanned signatures as a defense to the formation of this Agreement.

21. **Review by Counsel**. Executive represents and warrants that this Agreement is the result of full and otherwise fair and good faith bargaining over its terms following a full and otherwise fair opportunity to have legal counsel for Executive review this Agreement, propose modifications and changes, and to verify that the terms and provisions of this Agreement are reasonable and enforceable. Executive acknowledges that he has read and understands the foregoing provisions and that such provisions are reasonable and enforceable. This Agreement has been jointly drafted by both parties, and shall not be interpreted as against one party as the drafter.

22. **Section 409A**. It is intended that this Agreement will comply with Code Section 409A and any regulations and other published guidance of the IRS thereunder, to the extent the Agreement is subject thereto, and the Agreement shall be interpreted on a basis consistent with such intent. With respect to any reimbursement or in-kind benefit arrangements of the Company that constitutes deferred compensation for purposes of Code Section 409A, the following conditions shall be applicable (except as otherwise permitted by Code Section 409A): (i) the amount eligible for reimbursement, or in-kind benefits provided, under any such arrangement in one calendar year may not affect the amount eligible for reimbursement, or in-kind benefits to be provided, under such arrangement in any other year (except that any health or dental plan may impose a limit on the amount that may be reimbursed or paid), (ii) any reimbursement must be made on or before the last day of the calendar year following the calendar year in which the expense was incurred, and (iii) the right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed, this Agreement on the Effective Date.

EXECUTIVE

/s/ Mark C. Bozek

Mark C. Bozek

VALUEVISION MEDIA, INC.

By: /s/ Teresa Dery

Name: Teresa Dery

Title: Senior Vice President and General Counsel

EXHIBIT A

1. **First Year Bonus.** Upon the completion of the fiscal year ending January 31, 2015 (the “ **Initial Year** ”), ValueVision shall pay Executive an initial first year bonus in an amount equal to \$381,849 (the “ **Initial Year Bonus** ”), which represents a guaranteed bonus determined by multiplying (A) a fraction, the numerator of which is the number of days during the Initial Year from Executive’s date of employment (which was June 23, 2014) and the denominator of which is 365, and (B) 100% of Executive’s Base Salary. The Initial Year Bonus shall be payable during the fiscal year following the Initial Year, consistent with the timing of ValueVision’s payments under its annual cash incentive plan applicable to other senior executives of ValueVision, provided Executive has remained in employment through the date such bonus is paid.
2. **Signing Bonus.** ValueVision shall pay Executive a one-time cash payment of \$125,000 within ten (10) days following the Effective Date (the “ **Signing Bonus** ”), provided that Executive shall be required to repay to ValueVision the gross amount of such Signing Bonus if either Executive voluntarily terminates his employment with ValueVision without Good Reason or is terminated by the Company for Cause, in each case during the first twelve (12) months after the Employment Commencement Date.
3. **Initial Equity Grant.** On the Effective Date, ValueVision shall make a one-time equity award of performance restricted stock units (“ **Performance RSUs** ”) to Executive under the ValueVision Media, Inc. 2011 Omnibus Incentive Plan (the “ **Plan** ”) with a grant date fair value of \$1,000,000, pursuant to the award agreement attached hereto as Exhibit B.
4. **Relocation Expenses.** To assist Executive’s relocation to Eden Prairie, Minnesota, ValueVision will provide Executive with a living expense allowance of \$2,500 per week plus an additional amount (the “ **Gross-Up** ”) such that, after payment of taxes on the \$2,500 and on the Gross-Up, Executive retains \$2,500 per week, until six (6) months following the Effective Date. Executive also shall be eligible to participate in the executive relocation program maintained by ValueVision. Executive shall be required to repay to ValueVision the gross amount of relocation assistance received under this subsection if either Executive voluntarily terminates his employment with ValueVision without Good Reason or is terminated by the Company for Cause, in each case during the first twelve (12) months after the Employment Commencement Date; provided that the amount of such repayment shall be pro-rated to reflect any portion of such twelve (12) months during which Executive is employed.
5. **Negotiation Fees.** Promptly following the Effective Date, ValueVision will reimburse Executive for up to \$20,000 in reasonable and documented legal expenses and other costs associated with the negotiation of this Agreement.

ValueVision Media Reports Third Quarter 2014 Results

HIGHLIGHTS

- Q3 sales increased 7% to \$157M
- Gross profit rose 7% to \$59M
- Adjusted EBITDA grew 33% to \$4.8M

MINNEAPOLIS, MN – November 18, 2014 – ValueVision Media, Inc. (NASDAQ: VVTV), a digital commerce company operating as ShopHQ, announced operating results for its fiscal 2014 third quarter (Q3'14) ended November 1, 2014. The Company will host an investor conference call/webcast today at 11:00 a.m. ET.

SUMMARY RESULTS AND KEY OPERATING METRICS

(\$ Millions, except average price points)

	Q3' 14 11/1/2014	Q3' 13 11/2/2013	Change	YTD 11/1/2014	YTD 11/2/2013	Change
Net Sales	\$ 157.1	\$ 147.3	7%	\$ 473.4	\$ 447.2	6%
Gross Profit	\$ 59.1	\$ 55.2	7%	\$ 179.5	\$ 167.9	7%
Gross Profit %	37.6%	37.5%	+10 bps	37.9%	37.5%	+40 bps
Adjusted EBITDA	\$ 4.8	\$ 3.6	33%	\$ 15.8	\$ 13.2	20%
Adjusted Net Income/(Loss)	\$ 1.6	(\$0.9)	\$ 2.5	\$ 3.9	(\$0.7)	\$ 4.6
Less:						
Activist Shareholder Response Costs	\$ 0.0	(\$0.3)	\$ 0.3	(\$3.5)	(\$0.3)	(\$3.2)
Executive Transition Costs	(\$2.4)	\$ 0.0	(\$2.4)	(\$5.0)	\$ 0.0	(\$5.0)
Net Income/(Loss)	(\$0.8)	(\$1.2)	\$ 0.4	(\$4.6)	(\$1.0)	(\$3.6)
Net Income/(Loss) per Share	(\$0.01)	(\$0.02)	\$ 0.01	(\$0.09)	(\$0.02)	(\$0.07)
Adjusted Net Income/(Loss) per Share	\$ 0.03	(\$0.02)	\$ 0.05	\$ 0.07	(\$0.01)	\$ 0.08
Homes (Average 000s)	87,466	86,605	1%	87,319	85,958	2%
Net Shipped Units (000s)	2,134	1,665	28%	6,157	4,789	29%
Average Selling Price	\$ 67	\$ 80	-16%	\$ 70	\$ 85	-18%
Return Rate %	21.2%	22.8%	-160 bps	22.1%	22.6%	-50 bps
Internet Net Sales %	43.5%	43.5%*	—	43.9%	44.9%*	-100 bps
Total Customers - 12 Month Rolling	1,443,678	1,246,018	16%	N/A	N/A	

* The above Internet Net Sales percentage metric for Q3 F13 and YTD F13 reflect a correction of our previously reported Internet Net Sales percentages for these respective periods. Previously reported Internet Net Sales Percentages were 47.2% for Q3 F13 and 46.2% for YTD Q3 F13.

Net Sales and Gross Profit rose 7% in Q3'14 compared to the same quarter last year due principally to strong sales gains in its Fashion & Accessories and Beauty, Health & Fitness categories.

Adjusted EBITDA rose 33% to \$4.8 million driven by the net sales and gross profit increases and the inherent operating leverage of the Company's business model. Adjusted net income rose to \$1.6 million, or \$0.03 per share, in Q3'14 compared to an adjusted net loss of (\$0.9) million, or (\$0.02) per share, in Q3'13.

Mark Bozek, CEO of ValueVision, said, "I am pleased with our solid third quarter results. We achieved improvements in operating metrics across the P&L and we are excited for the holiday season. I am also looking forward to accelerating our transition to a true digital commerce company and implementing our new, unified strategy which should expand our reach and further drive long-term growth."

William McGrath, EVP & CFO of ValueVision, said, "We ended the quarter with \$26 million in cash and restricted cash. During the quarter the company had borrowings under our PNC credit facility of around \$5 million to fund capital expenditures incurred for our Bowling Green distribution center expansion."

Conference Call / Webcast Today, Tuesday, November 18, 2014 at 11 a.m. EST:

WEBCAST/WEB REPLAY: <http://www.media-server.com/m/p/xqka2ud5>

TELEPHONE: (877) 280 4960

PASSCODE: 45252597

Adjusted EBITDA, Adjusted Net Income/(Loss) and Adjusted Earnings Per Share

EBITDA represents net income (loss) for the respective periods excluding depreciation and amortization expense, interest income (expense) and income taxes. The Company defines Adjusted EBITDA as EBITDA excluding debt extinguishment; non-operating gains (losses); non-cash impairment charges and write-downs; activist shareholder response costs; executive transition costs and non-cash share-based compensation expense. The Company defines Adjusted Net Income/(Loss) as net income/(loss) excluding non-cash impairment charges and write-downs; debt extinguishment; executive transition costs and activist shareholder response costs. The Company has included the term "Adjusted EBITDA" in our EBITDA reconciliation in order to adequately assess the operating performance of our television and Internet businesses and in order to maintain comparability to our analyst's coverage and financial guidance, when given. Management believes that the terms Adjusted EBITDA and Adjusted Net Income/(Loss) allow investors to make a more meaningful comparison between our business operating results over different periods of time with those of other similar companies. In addition, management uses Adjusted EBITDA as a metric to evaluate operating performance under the Company's management and executive incentive compensation programs. Adjusted EBITDA and Adjusted Net Income/(Loss) should not be construed as alternatives to operating income (loss), net income (loss) or to cash flows from operating activities as determined in accordance with generally accepted accounting principles and should not be construed as measures of liquidity. Adjusted EBITDA and Adjusted Net Income/(Loss) may not be comparable to similarly entitled measures reported by other companies. The Company has included a reconciliation of each of Adjusted EBITDA and Adjusted Net Income/(Loss) to net income (loss), their most directly comparable GAAP financial measure, in this release.

Forward-Looking Information

This release may contain certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be identified by words such as anticipate, believe, estimate, expect, intend, predict, hope, should, plan or similar expressions. Any statements contained herein that are not statements of historical fact may be deemed forward-looking statements. These statements are based on management's current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): consumer preferences, spending and debt levels; the general economic and credit environment; interest rates; seasonal variations in consumer purchasing activities; the ability to achieve the most effective product category mixes to maximize sales and margin objectives; competitive pressures on sales; pricing and gross sales margins; the level of cable and satellite distribution for our programming and the associated fees; our ability to establish and maintain acceptable commercial terms with third-party vendors and other third parties with whom we have contractual relationships, and to successfully manage key vendor relationships; our ability to manage our operating expenses successfully and our working capital levels; our ability to remain compliant with our long-term credit facility covenants; our ability to successfully transition our brand name and corporate name; the market demand for television station sales; our management and information systems infrastructure; challenges to our data and information security; changes in governmental or regulatory requirements; litigation or governmental proceedings affecting our operations; significant public events that are difficult to predict, or other significant television-covering events causing an interruption of television coverage or that directly compete with the viewership of our programming; and our ability to obtain and retain key executives and employees. More

detailed information about those factors is set forth in the Company's filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. The Company is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

(Tables follow)

**VALUEVISION MEDIA, INC.
AND SUBSIDIARIES**
CONSOLIDATED BALANCE SHEETS
(In thousands except share and per share data)

	November 1, 2014	February 1, 2014
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 23,987	\$ 29,177
Restricted cash and investments	2,100	2,100
Accounts receivable, net	93,460	107,386
Inventories	67,797	51,162
Prepaid expenses and other	5,043	6,032
Total current assets	192,387	195,857
Property and equipment, net	33,647	24,952
FCC broadcasting license	12,000	12,000
Other assets	986	896
	<u>\$ 239,020</u>	<u>\$ 233,705</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 73,990	\$ 77,296
Accrued liabilities	40,518	38,535
Current portion of long term credit facility	604	—
Deferred revenue	85	85
Total current liabilities	115,197	115,916
Capital lease liability	49	88
Deferred revenue	271	335
Deferred tax liability	1,749	1,158
Long term credit facility	42,087	38,000
Total liabilities	159,353	155,497
Commitments and contingencies		
Shareholders' equity:		
Common stock, \$.01 par value, 100,000,000 shares authorized; 56,137,622 and 49,844,253 shares issued and outstanding	561	498
Warrants to purchase common stock	—	533
Additional paid-in capital	417,247	410,681
Accumulated deficit	(338,141)	(333,504)
Total shareholders' equity	79,667	78,208
	<u>\$ 239,020</u>	<u>\$ 233,705</u>

VALUEVISION MEDIA, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)
(Unaudited)

	For the Three Month Periods Ended		For the Nine Month Periods Ended	
	November 1, 2014	November 2, 2013	November 1, 2014	November 2, 2013
Net sales	\$ 157,106	\$ 147,318	\$ 473,394	\$ 447,236
Cost of sales	98,040	92,083	293,887	279,311
Gross profit	59,066	55,235	179,507	167,925
Margin %	37.6%	37.5%	37.9%	37.5%
Operating expense:				
Distribution and selling	49,457	46,683	149,296	139,477
General and administrative	5,357	5,742	18,045	17,811
Depreciation and amortization	2,034	3,039	6,465	9,342
Activist shareholder response costs	—	344	3,518	344
Executive transition costs	2,415	—	5,035	—
Total operating expense	59,263	55,808	182,359	166,974
Operating income (loss)	(197)	(573)	(2,852)	951
Other expense:				
Interest income	2	3	8	17
Interest expense	(406)	(355)	(1,184)	(1,081)
Total other expense	(404)	(352)	(1,176)	(1,064)
Loss before income taxes	(601)	(925)	(4,028)	(113)
Income tax provision	(207)	(292)	(609)	(880)
Net loss	\$ (808)	\$ (1,217)	\$ (4,637)	\$ (993)
Net loss per common share	\$ (0.01)	\$ (0.02)	\$ (0.09)	\$ (0.02)
Net loss per common share ---assuming dilution	\$ (0.01)	\$ (0.02)	\$ (0.09)	\$ (0.02)
Weighted average number of common shares outstanding:				
Basic	55,433,419	49,604,860	52,492,488	49,412,646
Diluted	55,433,419	49,604,860	52,492,488	49,412,646

**VALUEVISION MEDIA, INC.
AND SUBSIDIARIES**
Reconciliation of Adjusted EBITDA to Net Loss:

	<u>For the Three Month Periods Ended</u>		<u>For the Nine Month Periods Ended</u>	
	<u>November 1, 2014</u>	<u>November 2, 2013</u>	<u>November 1, 2014</u>	<u>November 1, 2013</u>
Adjusted EBITDA (000's)	\$ 4,780	\$ 3,595	\$ 15,822	\$ 13,170
Less:				
Activist shareholder response costs	—	(344)	(3,518)	(344)
Executive transition costs	(2,415)	—	(5,035)	—
Non-cash share-based compensation	(420)	(718)	(3,338)	(2,368)
EBITDA (as defined) (a)	<u>1,945</u>	<u>2,533</u>	<u>3,931</u>	<u>10,458</u>
A reconciliation of EBITDA to net loss is as follows:				
EBITDA (as defined) (a)	1,945	2,533	3,931	10,458
Adjustments:				
Depreciation and amortization	(2,142)	(3,106)	(6,783)	(9,507)
Interest income	2	3	8	17
Interest expense	(406)	(355)	(1,184)	(1,081)
Income taxes	(207)	(292)	(609)	(880)
Net loss	<u>\$ (808)</u>	<u>\$ (1,217)</u>	<u>\$ (4,637)</u>	<u>\$ (993)</u>

- (a) EBITDA as defined for this statistical presentation represents net loss for the respective periods excluding depreciation and amortization expense, interest income (expense) and income taxes. The Company defines Adjusted EBITDA as EBITDA excluding debt extinguishment, non-operating gains (losses); non-cash impairment charges and writedowns, activist shareholder response costs, executive transition costs and non-cash share-based compensation expense.

Management has included the term Adjusted EBITDA in its EBITDA reconciliation in order to adequately assess the operating performance of the Company's television and internet businesses and in order to maintain comparability to its analyst's coverage and financial guidance, when given. Management believes that Adjusted EBITDA allows investors to make a more meaningful comparison between our business operating results over different periods of time with those of other similar companies. In addition, management uses Adjusted EBITDA as a metric measure to evaluate operating performance under its management and executive incentive compensation programs. Adjusted EBITDA should not be construed as an alternative to operating income, net income or to cash flows from operating activities as determined in accordance with GAAP and should not be construed as a measure of liquidity. Adjusted EBITDA may not be comparable to similarly entitled measures reported by other companies.

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Contacts

Media:

Dawn Zaremba
ShopHQ
press@evine.com
(952) 943-6043

Investors:

Chris Eddy
Catalyst Global LLC
vvtv@catalyst-ir.com
(212) 924-9800

Liz Micci and Pat Tucker
Abernathy MacGregor
EDM@abmac.com
PCT@abmac.com
(212) 371-5999

For Immediate Release – Final Draft**ValueVision Media to Change Name to EVINE Live Inc.
to Reflect Repositioning As Digital Commerce Company**

MINNEAPOLIS, MN – November 18, 2014 – ValueVision Media, Inc. (NASDAQ: VVTV), a digital commerce company operating as ShopHQ, today announced it is changing its corporate name to EVINE Live Inc. effective immediately, marking an important next step in the Company’s long-term strategy to become a true digital commerce company. Effective November 20, 2014, the Company’s NASDAQ trading symbol will also change from VVTV to EVLV.

EVINE Live will focus on all things digital. The “Es” that bookend the EVINE Live brand speak to the ease, exclusivity and energy of this new entertaining consumer experience. The inclusion of the word “Live” is all about real-time impulses to act and interact on all digital platforms.

The Company will host an investor conference call/webcast today at 11:00 a.m. EST to discuss the repositioning initiative and the third-quarter results.

“On the heels of a solid third quarter, we strongly believe definitive change and innovation are necessary to build on our recent momentum and drive the Company to the next level,” said Mark Bozek, CEO of EVINE Live. “We believe that fully embracing this new transformation will enable EVINE Live to forge new paths and new relationships that allow us to be far more competitive, far more creative, and far more disruptive on all our platforms. EVINE Live has the opportunity to be fearless in our strategies to transform the worlds of retail and entertainment while, at the same time, driving greater customer engagement.”

The Company expects to transition from doing business as “ShopHQ” to “EVINE Live” over the coming months, with the complete rebranding planned to take place first half of 2015. In the coming months, the Company intends to introduce new proprietary brands from the worlds of fashion, beauty, jewelry, home and fitness. “This new approach should enable us to build a stronger foundation for long-term growth,” added Bozek.

The Company also announced that Russell Nuce has joined the Company as its Chief Strategy Officer, reporting to Mr. Bozek. “Russell has been a longtime colleague whose experience in strategy, licensing, corporate law and entertainment will help provide the architecture for all that comes next,” added Bozek.

Conference Call / Webcast Today, Tuesday, November 18, 2014 at 11 a.m. EST:

WEBCAST/WEB REPLAY: <http://www.media-server.com/m/p/xqka2ud5>

TELEPHONE: (877) 280 4960; **PASSCODE:** 45252597

About EVINE Live Inc.

EVINE Live Inc. (formerly ValueVision Media, Inc.) is a digital commerce company that operates ShopHQ, a 24/7 interactive digital shopping and entertainment experience. ShopHQ, known for its television home shopping and on-line retail platforms, is available in 87 million television homes, online at shophq.com and via the Company's mobile app. The Company is focusing on new proprietary products and brands in fashion, beauty, jewelry, home and fitness. The complete rebranding to "EVINE Live " is planned to take place during the first half of 2015.

Please visit www.shophq.com/ir for more investor information.

Forward-Looking Information

This release may contain certain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be identified by words such as anticipate, believe, estimate, expect, intend, predict, hope, should, plan or similar expressions. Any statements contained herein that are not statements of historical fact may be deemed forward-looking statements. These statements are based on management's current expectations and accordingly are subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein due to various important factors, including (but not limited to): consumer preferences, the general economic and credit environment; our ability to successfully transition our legal name and our brand name and the market demand for television station sales. More detailed information about those factors is set forth in the Company's filings with the Securities and Exchange Commission, including the Company's annual report on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this announcement. The Company is under no obligation (and expressly disclaims any such obligation) to update or alter its forward-looking statements whether as a result of new information, future events or otherwise.

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Contacts

Media:

Dawn Zaremba
ShopHQ
dzaremba@shophq.com
(952) 943-6043

Investors:

Chris Eddy
Catalyst Global LLC
vvtv@catalyst-ir.com
(212) 924-9800

Liz Micci and Pat Tucker
Abernathy MacGregor
EDM@abmac.com and PCT@abmac.com
(212) 371-5999