UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

CURRENT REPORT

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

Date of Report (Date of earliest event reported): April 1, 2016

SYKES ENTERPRISES, INCORPORATED

(Exact name of registrant as specified in its charter)

Florida	0-28274	56-1383460
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

400 N. Ashley Drive, Tampa, Florida	33602
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (813) 274-1000

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 (see General Instruction A.2. below):

[ ] 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))

EXPLANATORY NOTE

This 8-K/A is filed as an amendment (the "Amendment") to the Current Report on Form 8-K filed by Sykes Enterprises, Incorporated ("SYKES") on April 7, 2016 (the "8-K"). As previously reported in the 8-K, on April 1, 2016, SYKES completed its acquisition of Clear Link Holdings, LLC, a Delaware limited liability company ("Clearlink"), pursuant to an Agreement and Plan of Merger, dated March 6, 2016, by and among SYKES, Sykes Acquisition Corporation II, Inc., Clear Link Holdings, LLC, and Pamlico Capital Management, L.P.

Pursuant to Instruction 4 to Item 9.01(a) and Instruction 2 to Item 9.01(b) of Form 8-K, in the 8-K SYKES stated that it intended to file the financial information required under parts (a) and (b) of Item 9.01 not later than 71 calendar days after the date that the 8-K was required to be filed with the SEC. SYKES hereby files this Amendment to amend and supplement Item 9.01 of the 8-K in order to include the required financial statements of Clearlink and unaudited pro forma financial information of SYKES in connection with its acquisition of Clearlink, which financial statements and unaudited pro forma financial information are filed as exhibits hereto and are incorporated by reference herein. Except for the foregoing, this Amendment does not amend the 8-K in any way and does not modify or update any other disclosures contained in the 8-K, which remain the same and are hereby incorporated by reference into this Amendment. Accordingly, this Amendment should be read in conjunction with the 8-K.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

The audited financial statements of Clear Link Holdings, LLC as of and for the years ended December 31, 2015 and 2014 are attached as Exhibit 99.1.

The unaudited financial statements of Clear Link Holdings, LLC as of March 31, 2016 and December 31, 2015 and for the three month periods ended March 31, 2016 and 2015 are attached as Exhibit 99.2.

(b) Pro Forma Financial Information.

The following unaudited pro forma condensed combined financial statements of SYKES, giving effect to SYKES's acquisition of Clearlink, are filed as Exhibit 99.3 and are incorporated herein by reference:

i. Unaudited Pro Forma Condensed Combined Statement of Operations for the year ended December 31, 2015;

ii. Unaudited Pro Forma Condensed Combined Statement of Operations for the three months ended March 31, 2016; and

iii. Unaudited Pro Forma Condensed Combined Balance Sheet as of March 31, 2016.

(d) Exhibits.

Exhibit Number	Description of Exhibits
23.1	Consent of Deloitte & Touche LLP, Independent Auditors for Clear Link Holdings, LLC.
99.1	Audited financial statements of Clear Link Holdings, LLC as of and for the years ended December 31, 2015 and 2014.
99.2	Unaudited financial statements of Clear Link Holdings, LLC as of March 31, 2016 and December 31, 2015 and for the three month periods ended March 31, 2016 and 2015.
99.3	Unaudited Pro Forma Condensed Combined Financial Statements for Sykes Enterprises, Incorporated.

SIGNATURE

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

SYKES ENTERPRISES, INCORPORATED

Date: June 17, 2016

By: /s/ John Chapman
Executive Vice President and
Chief Financial Officer

Exhibit 23.1

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in Registration Statement Nos. 333-23681, 333-76629, 333-88359, 333-73260, 333-125178 and 333-178670 on Forms S-8 of our report dated April 22, 2016, relating to the financial statements of Clear Link Holdings, LLC and Subsidiaries as of and for the years ended December 31, 2015 and 2014, appearing in this Current Report on Form 8-K/A of Sykes Enterprises, Incorporated.

/s/ Deloitte & Touche LLP

Salt Lake City, Utah
June 17, 2016

Exhibit 99.1

Clear Link Holdings, LLC and Subsidiaries

Consolidated Financial Statements as of and for the Years Ended December 31, 2015 and 2014, and Independent Auditors’ Report

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

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INDEPENDENT AUDITORS' REPORT

To the Members of
Clear Link Holdings, LLC and Subsidiaries:

We have audited the accompanying consolidated financial statements of Clear Link Holdings, LLC and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of December 31, 2015 and 2014, and the related consolidated statements of operations, members' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Member of
Deloitte Touche Tohmatsu

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Clear Link Holdings, LLC and its subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Deloitte + Touche LLP

April 22, 2016

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2015 AND 2014

	2015	2014
ASSETS		
CURRENT ASSETS:		
Cash	$ 3,575,855	$12,677,682
Accounts receivable—net	15,087,662	13,974,382
Prepaid expenses	1,497,815	2,426,073
Other current assets	878,222	268,246
Total current assets	21,039,554	29,346,383
PROPERTY AND EQUIPMENT—Net	5,560,498	3,660,966
INTANGIBLE ASSETS—Net	34,731,964	28,047,449
GOODWILL	33,873,987	33,873,987
OTHER ASSETS	325,000	112,937
TOTAL ASSETS	$95,531,003	$95,041,722
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 2,835,176	$ 1,628,673
Accrued liabilities	7,381,649	7,207,126
Accrued chargebacks	3,866,782	2,322,450
Notes payable—current portion	2,924,162	4,821,301
Other current liabilities	1,665,847	1,020,391
Total current liabilities	18,673,616	16,999,941
COMMITMENTS AND CONTINGENCIES (Notes 6, 7, and 8)		
NOTES PAYABLE—Net of current portion	21,679,297	24,603,460
OTHER NON-CURRENT LIABILITIES	2,127,816	1,138,205
Total liabilities	42,480,729	42,741,606
MEMBERS' EQUITY	53,050,274	52,300,116
TOTAL LIABILITIES AND MEMBERS' EQUITY	$95,531,003	$95,041,722

See notes to consolidated financial statements.

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
REVENUES—Net	$121,509,610	$109,389,879
OPERATING EXPENSES:		
Selling, general and administrative	80,792,722	64,917,294
Advertising and marketing	26,591,232	23,656,083
Depreciation and amortization	5,277,459	5,203,684
Total operating expenses	112,661,413	93,777,061
INCOME FROM OPERATIONS	8,848,197	15,612,818
OTHER INCOME (EXPENSE):		
Interest income	319	1,312
Interest expense	(1,807,340)	(2,030,073)
Total other expense—net	(1,807,021)	(2,028,761)
NET EARNINGS	$ 7,041,176	$ 13,584,057

See notes to consolidated financial statements.

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	Members' Equity
BALANCE—January 1, 2014	$48,387,809
Cash distributions paid to members	(9,874,957)
Stock-based compensation related to Class B units	203,207
Net earnings	13,584,057
BALANCE—December 31, 2014	52,300,116
Cash distributions paid to members	(6,375,278)
Stock-based compensation related to Class B units	84,260
Net earnings	7,041,176
BALANCE—December 31, 2015	$53,050,274

See notes to consolidated financial statements.

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 7,041,176	$ 13,584,057
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	5,277,459	5,203,684
Loss on disposal of fixed asset	22	-
Stock-based compensation related to Class B units	84,260	203,207
Amortization of deferred financing fees	336,519	336,519
Earn-out provision	85,443	(304)
Changes in operating assets and liabilities (net of effects of acquisition of business):		
Accounts receivable	(1,113,280)	(1,560,786)
Prepaid expenses and other current assets	893,282	(1,401,161)
Other assets	112,936	238,376
Accounts payable	1,204,634	524,135
Accrued liabilities	315,431	1,369,507
Accrued chargebacks	1,544,332	(1,265,433)
Other current and non-current liabilities	(775,391)	(718,129)
Net cash provided by operating activities	15,006,823	16,513,672
CASH FLOWS FROM INVESTING ACTIVITIES:		
Decrease in restricted cash	-	500,030
Purchase of property and equipment	(3,593,618)	(468,922)
Purchase of intangible assets	(1,982,083)	(126,000)
Acquisition of business	(7,000,001)	(1,150,000)
Proceeds from sale of fixed asset	150	1,100,000
Net cash used in investing activities	(12,575,552)	(144,892)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on notes payable and earn-out liability	(5,157,820)	(9,253,829)
Distributions paid to members	(6,375,278)	(9,874,957)
Net cash used in financing activities	(11,533,098)	(19,128,786)
NET DECREASE IN CASH	(9,101,827)	(2,760,006)
CASH—Beginning of year	12,677,682	15,437,688
CASH—End of year	$ 3,575,855	$ 12,677,682

(Continued)

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION — Cash paid for interest	$ 1,382,343	$1,657,012
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Leasehold improvements receivable	$ 900,000	$ -
Equipment purchases included in accounts payable and accrued liabilities	$ 87,233	$ 113,721
Intangible asset purchases included in accrued liabilities	$ -	$ 112,500
Purchase price for acquisition of business included in other current liabilities	$ 1,675,015	$ 302,262

See notes to consolidated financial statements. (Concluded)

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations —Clear Link Holdings, LLC and subsidiaries ("Clear Link" or the "Company") is a marketing and sales company that secures new customers for large-brand parties. The Company markets to customers located throughout the United States. The Company is registered as a limited liability company (LLC) in the State of Delaware. The Company's operations commenced effective January 1, 2011.

Effective January 28, 2013, a change in reporting entity structure occurred with the formation of Clear Link Holdings, LLC. On that date, all Class A, Class B, and Class C members relinquished their outstanding membership interests in Clear Link Technologies, LLC in exchange for identical membership interests in Clear Link Holdings, LLC. The change had no effect on the ongoing operations of the Company.

Principles of Consolidation —The consolidated financial statements as of and for the years ended December 31, 2015 and 2014, include the accounts of Clear Link Holdings, LLC and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

Cash —The Company reflects cash on hand and demand deposits as cash. At December 31, 2015 and 2014, the Company did not have any cash equivalents. The Company's cash deposits are held at institutions insured by the Federal Deposit Insurance Corporation (FDIC). At times, such deposits may be in excess of the FDIC insurance limit of $250,000.

Use of Estimates —In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates included in the Company's consolidated financial statements include estimating accrued revenue, accrued chargebacks and evaluating potential impairments of intangible assets and goodwill.

Accounts Receivable —The Company's accounts receivable are related to sales that were made prior to year-end for which payment from the brand partners has not yet been received. These receivables are generally collected within one to three months from the date the sale occurred. For amounts not collected during this time period, the Company considers whether such amounts are uncollectible based on specific identification and historical experience. Accounts outstanding longer than the contractual payment terms are considered past due. Accounts are written off when deemed uncollectible. At December 31, 2015 and 2014, based on the current status of the receivables and prior collection experience with the Company's brand partners, the Company estimated the allowance for doubtful accounts to be $78,775 and $0, respectively.

Revenue Recognition —The Company recognizes revenue when 1) persuasive evidence of an arrangement exists, 2) delivery of product has occurred or services have been rendered, 3) the price to the customer is fixed or determinable, and 4) collectability is reasonably assured. Generally, for the

Company's sales, these criteria are met when a sales call results in an order and the installation for the product or service has occurred or been provided. The process for recognizing revenue for each of the Company's revenue streams is outlined below. In accordance with the provisions of Accounting Standards Codification (ASC) Topic 605-45, *Principal Agent Considerations* , the Company recognizes revenue on a net basis for the commissions earned on each sales transaction. A summary of the Company's significant revenue streams is as follows:

Commissions on New Customer Acquisitions— Certain of the Company's brand partners have the right to chargeback accounts that do not meet certain requirements for specified periods after a sale has occurred. The Company accounts for sales with chargeback provisions in accordance with ASC Topic 605, *Revenue Recognition* . Under the provisions of Topic 605, revenue is recognized when all appropriate requirements are met, including the ability to reasonably estimate future chargebacks. For brand partners where the Company has sufficient historical data to support chargeback percentages, the Company recognizes revenue at the date of installation. Revenue is then reduced by an allowance for chargebacks for the estimated amount of future chargebacks. The allowance for chargebacks is recorded as a current liability on the consolidated balance sheets as these expected future chargebacks relate to sales for which the Company has already received payment. For brand partners where sufficient chargeback history does not exist, the Company defers all revenue until the chargeback term has ended. During 2015 and 2014, the Company determined it had sufficient chargeback history to estimate future chargebacks for all existing brand partners and recorded a chargeback allowance.

Commissions on Overflow Call Sales —The Company also receives revenue for sales made by other companies. In these instances, the Company generally transfers overflow calls to a third-party call center. The third-party call center makes the sale and sets up the installation date for the respective brand partner. The Company then earns a set commission from these other companies based upon a contractual amount. The Company does not record revenue associated with certain of these other companies until cash has been received due to the uncertainties inherent in these transactions. Revenue is recorded on an accrual basis for transactions with certain other companies for which reliable financial data exists.

Property and Equipment —Property and equipment, including leasehold improvements, are stated at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized using the straight-line method over the shorter of the estimated useful lives of the assets or the remaining lease term. Rental expense on leased office space, property and equipment is recorded on a straight-line basis.

Maintenance, repairs, and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. The cost and accumulated depreciation of property and equipment sold or otherwise retired are removed from the accounts, and the gain or loss on disposition is reflected in the statement of operations.

Impairment of Long-Lived Assets —The Company reviews its long-lived tangible assets for impairment when events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. The Company evaluates, at each year-end balance sheet date, whether events and circumstances have occurred that indicate possible impairment. The Company uses an estimate of undiscounted net cash flows from the related asset or group of assets over their remaining life in measuring whether the assets are recoverable. As of December 31, 2015 and 2014, the Company does not consider any of its long-lived tangible assets to be impaired.

Goodwill and Intangible Assets —The Company does not amortize goodwill. Goodwill is tested annually for impairment as of December 31, or more frequently if events or changes in circumstances

indicate that the asset may be impaired. In step 1, the Company uses the income approach to test for impairment of goodwill based on estimated discounted future cash flows. Cash flow assumptions consider historical and forecasted revenue, operating costs and other relevant factors. If the carrying value exceeds the estimated fair value, the Company moves to step 2 and prepares an analysis to estimate the implied fair value of goodwill. An impairment charge is recognized in an amount equal to the excess carrying amount, if any, over the implied fair value of goodwill.

The Company amortizes its intangible assets over periods generally ranging from 2 to 15 years (see Note 4). Amortization is based on the pattern in which the estimated economic benefits of the intangible asset will be consumed. The Company evaluates the recoverability of intangible assets periodically and takes into account events or circumstances that warrant revised estimates of useful lives or that indicate that impairment exists.

There were no impairments of goodwill or intangible assets as of December 31, 2015 and 2014.

Other Current and Non-Current Liabilities— Other current and non-current liabilities consist principally of deferred lease incentives and earnout liabilities. Deferred lease incentives are amortized over the term of the lease to provide a straight-line rent expense on the lease. Earnout liabilities are remeasured to fair value each period, and an adjustment is made if needed.

Advertising and Marketing —Costs of direct-response advertising (a) whose primary purpose is to elicit sales to customers who could be shown to have responded specifically to the advertising and (b) that results in probable future benefits are reported as assets net of accumulated amortization. These costs are expensed over the period, generally 12 months, that revenues are generated as a result of the direct-response advertising efforts. All other advertising is expensed as incurred. Expenditures paid in advance for advertising are capitalized as prepaid advertising expenses and expensed in the period the advertising is first run or aired. As of December 31, 2015 and 2014, the Company had $46,362 and $157,584, respectively, of prepaid advertising deferred in the consolidated financial statements, which was included in prepaid expenses. Total advertising and marketing expense for the years ended December 31, 2015 and 2014 was $26,591,232 and $23,656,083, respectively.

Incentive Unit Compensation —The Company authorized Class B units for issuance to provide incentives to employees and service providers through the grant of these membership units.

The Class B units granted represent equity awards for which the Company recognizes compensation expense based on the estimated fair value of the award on the date of grant. The Company estimates the fair value of the Class B equity units granted, and the value is based on probability weighting a series of holding period scenarios that use the Black-Scholes pricing method. The compensation cost of these units is recognized over the requisite vesting period (see Note 8).

Comprehensive Income— There were no components of comprehensive income other than net earnings for the years ended December 31, 2015 and 2014.

Concentration of Credit Risk —Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash. Risks associated with cash are mitigated by banking with creditworthy institutions; however, deposits with such institutions may exceed FDIC insurance limits. The Company has not experienced any losses in such accounts. The Company’s accounts receivable do not have significant exposure to credit risk as substantially all accounts receivable are collected within a short period after year-end.

Taxes —As an LLC, the Company and its subsidiaries have elected to be taxed as a partnership under the provisions of the Internal Revenue Code. Members are liable for applicable taxes on their proportionate share of the Company's taxable income. Tax distributions to members may be made in accordance with the Company's Limited Liability Company Agreement (the "LLC Agreement"). The amounts to be distributed are determined by taking into account the maximum United States Federal, state, and local tax rates of each member.

Adoption of New Accounting Pronouncements —In January of 2016, the FASB issued ASU 2016-01, "Recognition and Measurement of Financial Assets and Financial Liabilities", which states that non-public entities are not required to apply the fair value of financial instruments disclosure guidance. Certain provisions of this ASU were available for early adoption. The remainder of the ASU is effective for fiscal years and interim periods beginning after December 15, 2017. The Company has elected to early adopt the provisions available for early adoption for the year ended December 31, 2015. The adoption of the available provisions did not have a material impact on the Company's consolidated financial statements.

New Accounting Pronouncements —In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* . This update requires an entity to recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. As such, this update affects an entity that either enters into contracts with customers or transfers goods and services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards. This update will supersede the revenue recognition requirements in Topic 605, *Revenue Recognition* , and most industry-specific guidance, and creates a Topic 606. The amendments in this update are effective for nonpublic entities in annual periods beginning after December 15, 2018. However, nonpublic entities may elect to early adopt the update in annual periods beginning after December 15, 2017. The Company is currently evaluating the effect of adoption on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842) Accounting for Leases.* This update specifies that lessees should recognize assets and liabilities arising from all leases, except for leases with a lease term of 12 months or less. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee will largely remain unchanged and continue to depend on its classification as a finance or operating lease. For nonpublic entities, the ASU will be effective for annual periods beginning after December 15, 2019 with early adoption permitted. The adoption of this ASU is not expected to have a material impact on the Company's results of operations or footnote disclosures; however, it is expected to result in the recognition of a lease asset and related liability in the consolidated balance sheets.

In April 2015, the FASB issued ASU 2015-03, *Interest-Imputation of Interest (Subtopic 835-30) Simplifying the Presentation of Debt Issuance Costs* . This standard requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The pronouncement is effective for annual reporting periods beginning after December 15, 2015, with early application permitted. The Company adopted this standard retrospectively for all periods presented. The adoption of this ASU did not have an impact on the Company's consolidated financial statements.

In September 2015, the FASB issued ASU 2015-16, *Business Combinations* (Topic 805) – *Simplifying the Accounting for Measurement-Period Adjustments* . The standard eliminates the requirement for an acquirer in a business combination to account for measurement-period adjustments retrospectively. The standard is effective for annual reporting periods beginning after December 15, 2016. The Company is currently evaluating the effect of adoption on the Company's consolidated financial statements.

2. BUSINESS COMBINATIONS

Effective July 28, 2015, the Company acquired 100% of ASecureLife.com in exchange for cash consideration of $6,750,000, paid at close. Additionally, the total purchase price is subject to earnouts which are calculated based on gross revenue originating from the ASecureLife domain name: up to $1,000,000 to be paid after July 31, 2016, and up to $1,000,000 to be paid after July 31, 2017. The Company estimates that it will be required to pay the full $2,000,000 in earnouts, which had a fair value of $1,675,015 as of the purchase date. The acquisition was accounted for using the acquisition method of accounting; accordingly, the purchase price has been allocated to the assets and liabilities acquired based on their estimated fair values at the date of acquisition. The acquisition was completed to provide increased leads for home security sales.

The total purchase price at fair value of $8,425,015 was allocated to the ASecureLife.com domain as this was the only asset acquired and as no liabilities were assumed.

3. PROPERTY AND EQUIPMENT

The Company's property and equipment at December 31, 2015 and 2014, consist of the following:

	Useful Lives	2015	2014
Computer equipment and software	3 years	$ 1,222,661	$ 1,734,876
Vehicles	5 years	143,240	143,240
Office equipment	3–5 years	1,164,898	856,738
Leasehold improvements	5–7 years	5,206,686	3,533,486
Furniture and fixtures	5–7 years	2,143,466	1,680,721
Construction in process	n/a	364,109	5,717
Gross carrying amount		10,245,060	7,954,778
Less accumulated depreciation		(4,684,562)	(4,293,812)
Total		$ 5,560,498	$ 3,660,966

Depreciation expense on property and equipment totaled $1,667,375 and $1,664,304 for the years ended December 31, 2015 and 2014, respectively.

4. INTANGIBLE ASSETS

The carrying value of the Company's intangible assets as of December 31, 2015 and 2014, is as follows:

	Useful Lives	2015 Gross Carrying Amount	2015 Accumulated Amortization	2015 Net Carrying Amount
Intangible assets—finite lives:				
Internet domain names	10 years	$ 15,849,852	$ (3,245,671)	$ 12,604,181
Brand partner relationships	4–15 years	32,268,160	(10,748,343)	21,519,817
Technology	3–5 years	6,168,640	(5,625,364)	543,276
Non compete and other contracts	2–6 years	2,227,000	(2,226,000)	1,000
Intangibles in process		63,690		63,690
Total		$ 56,577,342	$ (21,845,378)	$ 34,731,964

	Useful Lives	2014 Gross Carrying Amount	2014 Accumulated Amortization	2014 Net Carrying Amount
Intangible assets—finite lives:				
Internet domain names	10 years	$ 6,197,584	$ (2,226,770)	$ 3,970,814
Brand partner relationships	4–15 years	32,268,160	(8,538,071)	23,730,089
Technology	3–5 years	5,590,000	(5,288,454)	301,546
Non compete and other contracts	2–6 years	2,227,000	(2,182,000)	45,000
Total		$ 46,282,744	$ (18,235,295)	$ 28,047,449

During 2015, the company purchased intangible assets totalling $10,294,598, primarily related to internet domain names. The weighted-average amortization period for these assets was 9.55 years. Intangible asset amortization expense totaled $3,610,084 and $3,539,380 for the years ended December 31, 2015 and 2014, respectively. As of December 31, 2015, the Company expects amortization expense in future years to be as follows:

Years Ending December 31	
2016	$ 4,037,188
2017	4,021,919
2018	3,876,081
2019	3,714,771
2020	3,714,172
Thereafter	15,367,833
Total	$ 34,731,964

5. ACCRUED LIABILITIES

The Company's accrued liabilities at December 31, 2015 and 2014, consist of the following:

	2015	2014
Accrued expenses	$ 1,509,343	$ 3,233,363
Accrued advertising	17,033	57,683
Accrued wages	1,928,021	2,111,505
Deferred rent	615,008	357,350
Overpayment from brand partner	707,707	1,443,347
Deferred revenue	2,604,537	3,878
Total	$ 7,381,649	$ 7,207,126

6. LINE OF CREDIT AND NOTES PAYABLE

The Company has a borrowing arrangement that includes a senior term loan of $42,000,000 and a revolving line of credit with a maximum borrowing limit of $10,000,000. Any outstanding principal on the senior term loan and the revolving line of credit is due on December 28, 2017.

Draws on the term loan and revolving line of credit also bear interest at one of two variable rate options selected by the Company. The base rate option is equal to a specified margin determined by the Company's leverage ratio (which starts at 4.00% and declines to 3.25% depending on the leverage ratio) plus the greater of the Prime Rate, the Federal Funds Effective Rate plus 0.5%, or 1-month LIBOR plus 1.0%.

The LIBOR rate option is equal to a specified margin (which starts at 5.00% and declines to 4.25% depending on the leverage ratio) plus the applicable LIBOR rate for an interest period of 1, 3, 6, 9, or 12 months as selected by the Company. Accrued interest is payable at the end of each fiscal quarter.

At December 31, 2015, $10,000,000 was available under the revolving line of credit for additional borrowing; however, no borrowings were outstanding.

Notes payable consist of the following as of December 31, 2015 and 2014:

Notes Payable	2015	2014
Term loan, adjustable rate based on various index rates plus a margin (4.67% and 4.41% at December 31, 2015 and 2014, respectively), collateralized by the property of the Company, quarterly principal and interest payments with a balloon payment due on December 28, 2017	$ 25,277,425	$ 30,435,245
Less current portion of notes payable (net of deferred deferred financing fees of $337,441 and $336,519 at December 31, 2015 and 2014, respectively)	(2,924,162)	(4,821,301)
Less deferred financing fees	(673,966)	(1,010,484)
Long-term portion of notes payable	$ 21,679,297	$ 24,603,460

Future maturities of notes payable are as follows at December 31, 2015:

Years Ending December 31	
2016	$ 3,261,603
2017	22,015,822
Total	$ 25,277,425

Borrowings under the credit agreement described above are secured by substantially all of the Company's assets. The credit agreement contains certain covenants and restrictions that require the Company to maintain compliance with maximum leverage and minimum fixed charge coverage ratios on a quarterly basis, as defined in the agreements. The covenants also include restrictions limiting the incurrence of liens, debt, and the sale of assets.

The credit agreement also requires the Company to remit a percentage of all cash flows over a certain threshold defined in the credit agreement to the lender. The percentage required to be remitted varies based on the Company's leverage ratio. Under these provisions, the Company expects to remit $0 to the lender in 2016 in addition to the minimum scheduled payments.

Subsequent to year end, the notes payable balance was paid off in full as part of the Company's acquisition by Sykes. (See Note 11).

Management believes the Company was in compliance with all debt covenants at December 31, 2015.

7. COMMITMENTS AND CONTINGENCIES

Operating Lease Commitments —The Company has non-cancelable long-term operating lease commitments that expire commencing in 2017 through 2026 for various office facilities. The operating lease agreements are subject to predetermined rate increases in accordance with the signed rental agreements. Rent is charged to operating expense on a straight-line basis over the term of leases where contractual increases affect rent payments. Rent expense under operating leases for the years ended December 31, 2015 and 2014, was $3,428,409 and $2,667,462, respectively.

Future minimum lease payments under non-cancelable operating leases consist of the following as of December 31, 2015:

Years Ending December 31	
2016	$ 3,684,332
2017	3,127,035
2018	3,081,274
2019	3,173,713
2020	3,268,924
Thereafter	19,474,205
Total future minimum lease payments	$ 35,809,483

The Company received lease incentives from property owners to build tenant improvements as part of two operating lease agreements. The lease incentive liability at December 31, 2015 and 2014, totaled $2,033,205 and $1,856,334, respectively. Such amounts are deferred and amortized over the life of the related leases.

In 2015, the Company amended one of its lease agreements, expanding office space, extending the lease term another 8 years, through 2026, and adding $900,000 to the lease incentive liability.

8. INCENTIVE UNIT COMPENSATION

The Company has authorized a total of 1,373,450 Class B units, which are available to provide incentives to employees and service providers by granting rights to benefit from the success of the Company through the grant or issuance of membership units in the Company. At December 31, 2015 and 2014, a total of 1,138,461 and 1,061,523 Class B units, respectively, were outstanding.

Of the Class B units granted to employees, 773,429 units have a term of four years with 25% cliff vesting on the first anniversary from the grant date and 75% vesting ratably on a monthly basis over the next three years such that all units are vested by the end of four years. The remaining 365,032 units have a performance-vesting feature and will fully vest on the effective date of the consummation of a sale transaction and the achievement of a target return defined in the Company's LLC Agreement. There is no exercise price, and the plan has a provision that in the event of a change in control, all time-vesting units vest 100%.

Time-vesting unit-based compensation cost is measured at the grant date based on the fair value of the award granted and is recognized as expense over the period in which the award is expected to vest. Time-vesting unit-based compensation expense recognized during a period is based on the value of the awards that are ultimately expected to vest. As such, it has been reduced for estimated forfeitures, which were estimated to be zero in both 2015 and 2014.

During the years ended December 31, 2015 and 2014, the Company recorded compensation expense related to the Class B time-vesting units totaling $84,260 and $203,207, respectively. Compensation expense is included within the selling, general, and administrative expense line item of the consolidated statements of operations. No compensation expense was recognized for the performance-vesting units, as the consummation of a sale transaction has not yet occurred.

During the years ended December 31, 2015 and 2014, the total vested Class B units had a total fair value of $794,719 and $717,905, respectively, and had no intrinsic value. As of December 31, 2015 and 2014, the total remaining unrecognized compensation cost related to the Class B time-vesting units was approximately $138,780 and $152,293, respectively. As of December 31, 2015 and 2014, the total remaining unrecognized compensation cost related to the Class B performance-vesting units was approximately $445,340 and $424,860, respectively. The estimated fair value of the Class B units granted during 2015 and 2014 is based on probability weighting a series of holding period scenarios that use the Black-Scholes pricing method. The following assumptions were used for grants of Class B units (both time and performance-vesting) issued during 2015 and 2014:

	2015	2014
Weighted average risk free interest rates	0.27–1.51%	0.27–1.51%
Expected unit life (in years)	1.42–5.42 years	1.42–5.42 years
Expected price volatility	50–70%	50–70%
Estimated weighted-average grant-date fair value of Class B units	$1.22	$1.22

The risk-free interest rates are based on the U.S. Treasury constant maturity rates for the respective holding periods. The expected unit lives are based on similar portfolio companies held by the private equity investor. The expected price volatility rates are based on a group of guideline public companies.

The following table summarizes Class B unit activity for the year ended December 31, 2015:

	Class B Units	
	Time-Vesting Units	Performance-Vesting Units
Outstanding—beginning of year	713,277	348,246
Granted	60,151	25,943
Forfeited	-	(9,156)
Outstanding—end of year	773,428	365,033
Vested	(651,409)	-
Expected to vest	122,019	365,033

The following table summarizes non-vested Class B unit activity during the year ended December 31, 2015:

	Time-Vesting Units	Weighted Average Grant-Date Fair Value	Performance-Vesting Units	Weighted Average Grant-Date Fair Value
Non-vested balance—beginning of year	124,830	$ 1.22	348,246	$ 1.22
Granted	60,151	1.22	25,943	1.22
Vested	(62,962)	1.22	-	1.22
Forfeited	-	1.22	(9,156)	1.22
Non-vested balance—end of year	122,019	$ 1.22	365,033	$ 1.22

During 2014, the Company's board of directors authorized a long-term incentive compensation plan to issue phantom units to certain employees. These units (referred to as "LTIP units") reduce the available pool of Class B units as they are issued and have a performance-vesting feature whereby they only vest upon the employee being employed with the Company on the effective date of the consummation of a sale transaction. A sale transaction is defined as the first occurrence of a sale of all or substantially all of the assets of the Company that results in a change in control of more than sixty-seven percent (67%) of the equity interests of the Company. Upon completion of a sale transaction, holders of LTIP units are entitled to a cash payment equal to the distribution they would have received if they had held actual Class B units at the transaction date as determined by the Company's board of directors at its reasonable discretion. If the length of time between the grant date and a consummated sale transaction is less than 24 months, 50% of the payment due will be held back and paid to the LTIP holder one year from the sale date provided the LTIP holder remains employed with the Company.

During 2015, the Company granted 38,000 LTIP units, 6,800 LTIP units were forfeited, and 141,250 LTIP units were outstanding at December 31, 2015. The fair value of units granted and outstanding is equal to the fair value assigned to the Class B units disclosed above. Although all LTIP units are expected to vest, no compensation expense has been recognized for these LTIP units as the consummation of a sale transaction has not yet occurred.

9. MEMBERS' EQUITY

The Company's LLC Agreement provides for the issuance of Class A, Class B, and Class C units as ownership units in the Company as follows:

- Class A units are entitled to priority distributions and other rights. During 2011, Class A units totaling 7,782,885 units were granted to the private equity firm and certain members of the acquired company. These units represent the total Class A units authorized under the LLC Agreement, and no Class A units were issued during 2015 or 2014.

- Class B units are authorized for issuance to provide incentives to certain employees and service providers through the grant of these membership interests. A pool of 1,373,450 Class B units has been authorized under the LLC Agreement. During 2015 and 2014, the Company issued 77,829 and 128,188 Class B units, respectively, to employees. Additionally, during 2015 and 2014, employees forfeited 9,156 and 93,089 Class B units.

- During 2011, Class C units totaling 272,401 units were granted to certain members of the acquired company. These units represent the total Class C units authorized under the LLC Agreement, and no Class C units were issued during 2015 or 2014.

Per the LLC Agreement, tax distributions are made to members on a quarterly basis to pay quarterly estimated tax payments. Any non-tax distributions made by the Company are made subject to a waterfall as follows:

- First, to Class A unit holders until they receive their initial capital back with a specified annual return of 8%.
- Second, proportionately to Class A and B unit holders until a target return is achieved as defined in the Agreement.
- Third, to Class C unit holders only until a second target return is achieved as defined in the Agreement.
- After the second target return is achieved, proportionately to all Class A, B, and C unit holders, except that the number of Class A units held by the private equity investor is reduced by the number of Class C units outstanding.

During the years ended December 31, 2015 and 2014, the Company paid cash distributions for taxes to or on behalf of its current Class A unit holders of $5,718,613 and $9,119,740, respectively. Additionally, during the year ended December 31, 2015 and 2014, the Company paid cash distributions for taxes to its current Class B unit holders of $656,665 and $755,217. Class C unit holders did not qualify for any distributions during 2015 and 2014 under the terms of the prescribed waterfall requirements.

10. CONCENTRATIONS

The following customers accounted for a significant portion of the Company's business in the periods below. The Company's operations could be significantly impacted if one or more of these brand partners terminated its agreement with the Company. The Company's customer concentrations with its largest customers are as follows as of and for the years ended December 31, 2015 and 2014:

	For the Year Ended December 31			
	2015		2014	
Customer	Sales	Percent of Total	Sales	Percent of Total
A	$ 26,362,926	22 %	$ 23,807,323	22 %
B	25,757,985	21 %	28,356,750	26 %
C	20,016,153	16 %	23,357,487	21 %
D	14,347,951	12 %	*	*
	$ 86,485,015	71 %	$ 75,521,560	69 %

	As of December 31			
	2015		2014	
	Accounts Receivable	Percent of Total	Accounts Receivable	Percent of Total
A	$ 3,948,103	26 %	$ 3,286,945	24 %
B	4,204,948	28 %	4,149,227	30 %
D	2,251,220	15 %	2,545,964	18 %
	$ 10,404,271	69 %	$ 9,982,136	71 %

* This customer did not meet the 10% threshold for disclosure for the respective year.

11. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through April 22, 2016, 2016, the date on which the consolidated financial statements were available to be issued. The following subsequent events have occurred.

On January 4, 2016, the Company acquired BuyCalls, LLC in exchange for cash consideration of $3,500,000 (including $2,950,000 paid at close, $150,000 to be paid upon assignment or renegotion in the Company's name of a certain contract, and $400,000 to be paid after June 30, 2017). Additionally, the total purchase price is subject to earnouts: $1,250,000 potential to be paid after September 30, 2016, and another $1,250,000 potential to be paid after July 31, 2017. The Company estimates that it will be required to pay $1,140,000 in earnouts, which had a fair value of $997,000 as of the purchase date. The acquisition was completed to provide increased leads for our business. As of the issuance of these financial statements, the purchase price had not yet been allocated.

On January 5, 2016, the Company purchased SecurityGem.com for $750,000 cash and up to $750,000 paid at a later date as part of an earnout. The acquisition was completed to provide increased leads for our business.

On January 6, 2016, the Company purchased MedicareHealthPlans.com for $337,500 cash and up to $87,500 paid at a later date as part of an earnout. The acquisition was completed to provide increased leads for our business.

On April 1, 2016, Sykes Enterprises, Incorporated (“Sykes”) (NASDAQ: SYKE) acquired 100% of ClearLink Holdings, LLC and its subsidiaries pursuant to the terms of the Merger Agreement, with Clear Link becoming a wholly-owned subsidiary of Sykes (the “Merger”).

In the Merger, each outstanding membership unit of Clear Link was converted into the right to receive an amount in cash as set forth in the Merger Agreement. The aggregate cash consideration payable in the Merger was approximately $207.0 million, subject to certain adjustments at the closing of the Merger.

In addition, as part of the Merger, substantially all of Clear Link’s notes payable were paid in full.

* * * * * *

Exhibit 99.2

Clear Link Holdings, LLC and Subsidiaries

Consolidated Financial Statements as of
March 31, 2016 and December 31, 2015, and for the
Three-Month Periods Ended March 31, 2016 and 2015

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

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CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2016 AND DECEMBER 31, 2015
(Unaudited)

	March 31, 2016	December 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash	$ 2,584,131	$ 3,575,855
Accounts receivable—net	16,507,817	15,087,662
Prepaid expenses	1,649,865	1,497,815
Other current assets	293,188	878,222
Total current assets	21,035,001	21,039,554
PROPERTY AND EQUIPMENT—Net	5,836,083	5,560,498
INTANGIBLE ASSETS—Net	39,675,149	34,731,964
GOODWILL	33,873,987	33,873,987
OTHER ASSETS	325,000	325,000
TOTAL ASSETS	$ 100,745,220	$ 95,531,003
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 2,711,145	$ 2,835,176
Accrued liabilities	9,807,565	7,381,649
Accrued chargebacks	3,970,418	3,866,782
Revolving line of credit	3,500,000	-
Notes payable—current portion	2,925,084	2,924,162
Other current liabilities	2,869,811	1,665,847
Total current liabilities	25,784,023	18,673,616
COMMITMENTS AND CONTINGENCIES (Notes 5, 6, and 7)		
NOTES PAYABLE—Net of current portion	20,946,874	21,679,297
OTHER NON-CURRENT LIABILITIES	2,920,766	2,127,816
Total liabilities	49,651,663	42,480,729
MEMBERS' EQUITY	51,093,557	53,050,274
TOTAL LIABILITIES AND MEMBERS' EQUITY	$ 100,745,220	$ 95,531,003

See notes to consolidated financial statements.

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016 AND 2015
(Unaudited)

	Three Months Ended March 31,	
	2016	2015
REVENUES—Net	$ 33,828,814	$ 28,555,156
OPERATING EXPENSES:		
Selling, general and administrative	22,955,727	17,821,302
Advertising and marketing	7,626,891	6,970,489
Depreciation and amortization	1,642,950	1,170,812
Total operating expenses	32,225,568	25,962,603
INCOME FROM OPERATIONS	1,603,246	2,592,553
OTHER INCOME (EXPENSE):		
Interest income	-	176
Interest expense	(483,039)	(446,709)
Total other expense—net	(483,039)	(446,533)
NET EARNINGS	$ 1,120,207	$ 2,146,020

See notes to consolidated financial statements.

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF MEMBERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016
(Unaudited)

	Members' Equity
BALANCE—January 1, 2016	$53,050,274
Cash distributions paid to members	(3,095,551)
Stock-based compensation related to Class B units	18,627
Net earnings	1,120,207
BALANCE—March 31, 2016	$51,093,557

See notes to consolidated financial statements.

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016 AND 2015
(Unaudited)

	Three Months Ended March 31,	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 1,120,207	$ 2,146,020
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	1,642,951	1,170,812
Gain on disposal of fixed asset	(404)	-
Stock-based compensation related to Class B units	18,627	26,880
Amortization of deferred financing fees	83,898	82,977
Earn-out provision	98,211	-
Changes in operating assets and liabilities (net of effects of acquisition of business):		
Accounts receivable	(1,420,155)	(3,171)
Prepaid expenses and other current assets	452,689	1,036,905
Other assets	-	143,236
Accounts payable	(230,812)	734,432
Accrued liabilities	2,432,580	(833,766)
Accrued chargebacks	103,636	166,405
Other current and non-current liabilities	(132,007)	(179,532)
Net cash provided by operating activities	4,169,421	4,491,198
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(674,880)	(352,978)
Proceeds from sale of property and equipment	750	-
Purchase of intangible assets	(78,563)	-
Acquisition of businesses	(3,997,501)	(552,460)
Net cash used in investing activities	(4,750,194)	(905,438)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from revolving line of credit	3,500,000	-
Principal payments on notes payable and earn-out liability	(815,400)	(869,578)
Distributions paid to members	(3,095,551)	(2,819,311)
Net cash used in financing activities	(410,951)	(3,688,889)
NET DECREASE IN CASH	(991,724)	(103,129)
CASH—Beginning of year	3,575,855	12,677,682
CASH—End of year	$ 2,584,131	$ 12,574,553

(Continued)

CLEAR LINK HOLDINGS, LLC AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016 AND 2015

	Three Months Ended March 31,	
	2016	2015
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION—Cash paid for interest	$ 315,695	$ 330,285
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Equipment purchases included in accounts payable and accrued liabilities	$ 167,645	$ 22,075
Purchase price for acquisition of business included in other current liabilities	$2,030,710	$

See notes to consolidated financial statements. (Concluded)

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations —Clear Link Holdings, LLC and subsidiaries ("Clear Link" or the "Company") is a marketing and sales company that secures new customers for large-brand parties. The Company markets to customers located throughout the United States. The Company is registered as a limited liability company (LLC) in the State of Delaware. The Company's operations commenced effective January 1, 2011.

Effective January 28, 2013, a change in reporting entity structure occurred with the formation of Clear Link Holdings, LLC. On that date, all Class A, Class B, and Class C members relinquished their outstanding membership interests in Clear Link Technologies, LLC in exchange for identical membership interests in Clear Link Holdings, LLC. The change had no effect on the ongoing operations of the Company.

Principles of Consolidation —The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information. The unaudited consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany accounts and transactions are eliminated in consolidation. In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of normal recurring accruals), considered necessary for a fair presentation of the Company's financial information as of March 31, 2016 and December 31, 2015, and for the three-month periods ended March 31, 2016 and 2015. The results of operations of any interim period are not necessarily indicative of the results of operations to be expected for the fiscal year ending December 31, 2016.

Cash —The Company reflects cash on hand and demand deposits as cash. At March 31, 2016 and December 31, 2015, the Company did not have any cash equivalents. The Company's cash deposits are held at institutions insured by the Federal Deposit Insurance Corporation (FDIC). At times, such deposits may be in excess of the FDIC insurance limit of $250,000.

Use of Estimates —In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates included in the Company's consolidated financial statements include estimating accrued revenue, accrued chargebacks and evaluating potential impairments of intangible assets and goodwill.

Accounts Receivable —The Company's accounts receivable are related to sales that were made prior to period-end for which payment from the brand partners has not yet been received. These receivables are generally collected within one to three months from the date the sale occurred. For amounts not collected during this time period, the Company considers whether such amounts are uncollectible based on specific identification and historical experience. Accounts outstanding longer than the contractual payment terms are considered past due. Accounts are written off when deemed uncollectible. At both

March 31, 2016 and December 31, 2015, based on the current status of the receivables and prior collection experience with the Company's brand partners, the Company estimated the allowance for doubtful accounts to be $78,775.

Revenue Recognition —The Company recognizes revenue when 1) persuasive evidence of an arrangement exists, 2) delivery of product has occurred or services have been rendered, 3) the price to the customer is fixed or determinable, and 4) collectability is reasonably assured. Generally, for the Company's sales, these criteria are met when a sales call results in an order and the installation for the product or service has occurred or been provided. The process for recognizing revenue for each of the Company's revenue streams is outlined below. In accordance with the provisions of Accounting Standards Codification (ASC) Topic 605-45, *Principal Agent Considerations* , the Company recognizes revenue on a net basis for the commissions earned on each sales transaction. A summary of the Company's significant revenue streams is as follows:

Commissions on New Customer Acquisitions— Certain of the Company's brand partners have the right to chargeback accounts that do not meet certain requirements for specified periods after a sale has occurred. The Company accounts for sales with chargeback provisions in accordance with ASC Topic 605, *Revenue Recognition* . Under the provisions of Topic 605, revenue is recognized when all appropriate requirements are met, including the ability to reasonably estimate future chargebacks. For brand partners where the Company has sufficient historical data to support chargeback percentages, the Company recognizes revenue at the date of installation. Revenue is then reduced by an allowance for chargebacks for the estimated amount of future chargebacks. The allowance for chargebacks is recorded as a current liability on the consolidated balance sheets as these expected future chargebacks relate to sales for which the Company has already received payment. For brand partners where sufficient chargeback history does not exist, the Company defers all revenue until the chargeback term has ended. During 2016 and 2015, the Company determined it had sufficient chargeback history to estimate future chargebacks for all existing brand partners and recorded a chargeback allowance.

Commissions on Overflow Call Sales —The Company also receives revenue for sales made by other companies. In these instances, the Company generally transfers overflow calls to a third-party call center. The third-party call center makes the sale and sets up the installation date for the respective brand partner. The Company then earns a set commission from these other companies based upon a contractual amount. The Company does not record revenue associated with certain of these other companies until cash has been received due to the uncertainties inherent in these transactions. Revenue is recorded on an accrual basis for transactions with certain other companies for which reliable financial data exists.

Property and Equipment —Property and equipment, including leasehold improvements, are stated at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Leasehold improvements are amortized using the straight-line method over the shorter of the estimated useful lives of the assets or the remaining lease term. Rental expense on leased office space, property and equipment is recorded on a straight-line basis.

Maintenance, repairs, and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. The cost and accumulated depreciation of property and equipment sold or otherwise retired are removed from the accounts, and the gain or loss on disposition is reflected in the statement of operations.

Impairment of Long-Lived Assets —The Company reviews its long-lived tangible assets for impairment when events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. The Company evaluates, at each year-end balance sheet date, whether events and

circumstances have occurred that indicate possible impairment. The Company uses an estimate of undiscounted net cash flows from the related asset or group of assets over their remaining life in measuring whether the assets are recoverable. As of March 31, 2016 and December 31, 2015, the Company does not consider any of its long-lived tangible assets to be impaired.

Goodwill and Intangible Assets —The Company does not amortize goodwill. Goodwill is tested annually for impairment as of December 31, or more frequently if events or changes in circumstances indicate that the asset may be impaired. In step 1, the Company uses the income approach to test for impairment of goodwill based on estimated discounted future cash flows. Cash flow assumptions consider historical and forecasted revenue, operating costs and other relevant factors. If the carrying value exceeds the estimated fair value, the Company moves to step 2 and prepares an analysis to estimate the implied fair value of goodwill. An impairment charge is recognized in an amount equal to the excess carrying amount, if any, over the implied fair value of goodwill.

The Company amortizes its intangible assets over periods generally ranging from 2 to 15 years (see Note 4). Amortization is based on the pattern in which the estimated economic benefits of the intangible asset will be consumed. The Company evaluates the recoverability of intangible assets periodically and takes into account events or circumstances that warrant revised estimates of useful lives or that indicate that impairment exists.

There were no impairments of goodwill or intangible assets as of March 31, 2016.

Other Current and Non-Current Liabilities —Other current and non-current liabilities consist principally of deferred lease incentives and earnout liabilities. Deferred lease incentives are amortized over the term of the lease to provide a straight-line rent expense on the lease. Earnout liabilities are remeasured to fair value each period, and an adjustment is made if needed.

Advertising and Marketing —Costs of direct-response advertising (a) whose primary purpose is to elicit sales to customers who could be shown to have responded specifically to the advertising and (b) that results in probable future benefits are reported as assets net of accumulated amortization. These costs are expensed over the period, generally 12 months, that revenues are generated as a result of the direct-response advertising efforts. All other advertising is expensed as incurred. Expenditures paid in advance for advertising are capitalized as prepaid advertising expenses and expensed in the period the advertising is first run or aired. As of March 31, 2016 and December 31, 2015, the Company had $41,860 and $46,362, respectively, of prepaid advertising deferred in the consolidated financial statements, which was included in prepaid expenses. Total advertising and marketing expense for the three months ended March 31, 2016 and 2015 was $7,718,658 and $6,970,489, respectively.

Incentive Unit Compensation —The Company authorized Class B units for issuance to provide incentives to employees and service providers through the grant of these membership units.

The Class B units granted represent equity awards for which the Company recognizes compensation expense based on the estimated fair value of the award on the date of grant. The Company estimates the fair value of the Class B equity units granted, and the value is based on probability weighting a series of holding period scenarios that use the Black-Scholes pricing method. The compensation cost of these units is recognized over the requisite vesting period (see Note 8).

Comprehensive Income —There were no components of comprehensive income other than net earnings for the three months ended March 31, 2016 and 2015.

Concentration of Credit Risk —Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash. Risks associated with cash are mitigated by banking with creditworthy institutions; however, deposits with such institutions may exceed FDIC insurance limits. The Company has not experienced any losses in such accounts. The Company's accounts receivable do not have significant exposure to credit risk as substantially all accounts receivable are collected within a short period after year-end.

Taxes —As an LLC, the Company and its subsidiaries have elected to be taxed as a partnership under the provisions of the Internal Revenue Code. Members are liable for applicable taxes on their proportionate share of the Company's taxable income. Tax distributions to members may be made in accordance with the Company's Limited Liability Company Agreement (the "LLC Agreement"). The amounts to be distributed are determined by taking into account the maximum United States Federal, state, and local tax rates of each member.

Adoption of New Accounting Pronouncements —In January of 2016, the FASB issued ASU 2016-01, " *Recognition and Mesaurement of Financial Assets and Financial Liabilities* ", which states that non-public entities are not required to apply the fair value of financial instruments disclosure guidance. Certain provisions of this ASU were available for early adoption. The remainder of the ASU is effective for fiscal years and interim periods beginning after December 15, 2017. The Company has elected to early adopt the provisions available for early adoption for the year ended December 31, 2015 and the three months ended March 31, 2016. The adoption of the available provisions did not have a material impact on the Company's consolidated financial statements.

New Accounting Pronouncements —In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* . This update requires an entity to recognize revenue to depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. As such, this update affects an entity that either enters into contracts with customers or transfers goods and services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards. This update will supersede the revenue recognition requirements in Topic 605, *Revenue Recognition* , and most industry-specific guidance, and creates a Topic 606. In March 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers — Principal versus Agent Considerations (Reporting Revenue Gross versus Net)* , which further clarifies the implementation guidance on principal versus agent considerations contained in ASU 2014-09. In April 2016, the FASB issued ASU 2016-08, *Revenue from Contracts with Customers — Identifying Performance Obligations and Licensing* , which further clarifies the implementation guidance relating to identifying performance obligations and the licensing implementation guidance. The amendments in these updates are effective for nonpublic entities in annual periods beginning after December 15, 2018. However, nonpublic entities may elect to early adopt the update in annual periods beginning after December 15, 2017. The Company is currently evaluating the effect of adoption on the Company's consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842) Accounting for Leases.* This update specifies that lessees should recognize assets and liabilities arising from all leases, except for leases with a lease term of 12 months or less. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee will largely remain unchanged and continue to depend on its classification as a finance or operating lease. For nonpublic entities, the ASU will be effective for annual periods beginning after December 15, 2019 with early adoption permitted. The adoption of this ASU is not expected to have a material impact on the Company's results of operations or footnote disclosures; however, it is expected to result in the recognition of a lease asset and related liability in the consolidated balance sheets.

In September 2015, the FASB issued ASU 2015-16, *Business Combinations* (Topic 805)— *Simplifying the Accounting for Measurement-Period Adjustments* . The standard eliminates the requirement for an acquirer in a business combination to account for measurement-period adjustments retrospectively. The standard is effective for annual reporting periods beginning after December 15, 2016. The Company is currently evaluating the effect of adoption on the Company's consolidated financial statements.

2. BUSINESS COMBINATIONS

Effective July 28, 2015, the Company acquired 100% of ASecureLife.com in exchange for cash consideration of $6,750,000, paid at close. Additionally, the total purchase price is subject to earnouts which are calculated based on gross revenue originating from the ASecureLife domain name: up to $1,000,000 to be paid after July 31, 2016, and up to $1,000,000 to be paid after July 31, 2017. The Company estimates that it will be required to pay the full $2,000,000 in earnouts, which had a fair value of $1,675,015 as of the purchase date. The acquisition was completed to provide increased leads for home security sales.

The acquisition was accounted for using the purchase method of accounting; accordingly, the purchase price has been allocated to the assets and liabilities acquired based on their estimated fair values at the date of acquisition. The total purchase price at fair value of $8,425,015 was allocated to the ASecureLife.com domain based on the Company's analysis that no other assets were acquired and no liabilities were assumed.

On January 4, 2016, the Company acquired 100% of BuyCalls, LLC in exchange for cash consideration of $3,500,000 (including $2,950,000 paid at close, $150,000 to be paid upon assignment or renegotion in the Company's name of a certain contract, and $400,000 to be paid after June 30, 2017). Additionally, the total purchase price is subject to earnouts: $1,250,000 potential to be paid after September 30, 2016, and another $1,250,000 potential to be paid after July 31, 2017. The Company estimates that it will be required to pay $1,140,000 in earnouts, which had a fair value of $997,000 as of the purchase date. The acquisition was completed to provide increased leads for the Company.

The acquisition was accounted for using the purchase method of accounting. The total purchase price at fair value of $4,497,000 was allocated to the BuyCalls domain based on the Company's analysis that no other assets were acquired and no liabilities were assumed.

On January 5, 2016, the Company purchased 100% of SecurityGem.com for $750,000 cash and up to $750,000 paid at a later date as part of an earnout. The Company estimates that it will be required to pay $500,000 in earnouts, which had a fair value of $443,725 as of the purchase date. The acquisition was completed to provide increased leads for the Company. The acquisition was accounted for using the purchase method of accounting. The total purchase price at fair value of $1,193,725 was allocated to the SecurityGem.com domain based on the Company's analysis that no other assets were acquired and no liabilities were assumed.

On January 6, 2016, the Company purchased 100% of MedicareHealthPlans.com for $337,500 cash and up to $87,500 paid at a later date as part of an earnout. The Company estimates that it will be required to pay $43,750 in earnouts, which had a fair value of $39,850 as of the purchase date. The acquisition was completed to provide increased leads for the Company. The acquisition was accounted for using the purchase method of accounting. The total purchase price at fair value of $414,850 was allocated to the MedicareHealthPlans.com domain based on the Company's analysis that no other assets were acquired and no liabilities were assumed.

3. PROPERTY AND EQUIPMENT

The Company's property and equipment at March 31, 2016 and December 31, 2015, consist of the following:

	Useful Lives	March 31, 2016	December 31, 2015
Computer equipment and software	3 years	$ 1,133,056	$ 1,222,661
Vehicles	5 years	143,240	143,240
Office equipment	3–5 years	1,168,040	1,164,898
Leasehold improvements	5–7 years	5,779,807	5,206,686
Furniture and fixtures	5–7 years	2,222,273	2,143,466
Construction in process	n/a	347,071	364,109
Gross carrying amount		10,793,487	10,245,060
Less accumulated depreciation		(4,957,404)	(4,684,562)
Total		$ 5,836,083	$ 5,560,498

Depreciation expense on property and equipment totaled $479,363 and $399,066 for the three months ended March 31, 2016 and 2015, respectively.

4. INTANGIBLE ASSETS

The carrying value of the Company's intangible assets as of March 31, 2016 and December 31, 2015, is as follows:

		March 31, 2016		
	Useful Lives	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Intangible assets—finite lives:				
Internet domain names	10 years	$21,878,062	$ (3,788,338)	$18,089,724
Brand partner relationships	4–15 years	32,268,160	(11,300,911)	20,967,249
Technology	3–5 years	6,168,640	(5,693,467)	475,173
Non compete and other contracts	2–6 years	2,227,000	(2,226,250)	750
Intangibles in process		142,253		142,253
Total		$62,684,115	$(23,008,966)	$39,675,149

	Useful Lives	December 31, 2015 Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Intangible assets—finite lives:				
Internet domain names	10 years	$15,849,852	$ (3,245,671)	$12,604,181
Brand partner relationships	4–15 years	32,268,160	(10,748,343)	21,519,817
Technology	3–5 years	6,168,640	(5,625,364)	543,276
Non compete and other contracts	2–6 years	2,227,000	(2,226,000)	1,000
Intangibles in process		63,690		63,690
Total		$56,577,342	$(21,845,378)	$34,731,964

Intangible asset amortization expense totaled $1,163,588 and $771,746 for the three months ended March 31, 2016 and 2015, respectively. As of March 31, 2016, the Company expects amortization expense in future years to be as follows:

Years Ending December 31	
2016	$ 3,510,114
2017	4,659,304
2018	4,506,047
2019	4,316,709
2020	4,304,255
Thereafter	18,378,720
Total	$39,675,149

5. ACCRUED LIABILITIES

The Company’s accrued liabilities at March 31, 2016 and December 31, 2015, consist of the following:

	March 31, 2016	December 31, 2015
Accrued expenses	$ 4,214,737	$ 1,509,343
Accrued advertising	16,151	17,033
Accrued wages	1,529,013	1,928,021
Deferred rent	629,261	615,008
Overpayment from brand partner	811,712	707,707
Deferred revenue	2,606,691	2,604,537
Total	$ 9,807,565	$ 7,381,649

6. LINE OF CREDIT AND NOTES PAYABLE

The Company has a borrowing arrangement that includes a senior term loan of $42,000,000 and a revolving line of credit with a maximum borrowing limit of $10,000,000. Any outstanding principal on the senior term loan and the revolving line of credit is due on December 28, 2017.

Draws on the term loan and revolving line of credit also bear interest at one of two variable rate options selected by the Company. The base rate option is equal to a specified margin determined by the Company's leverage ratio (which starts at 4.00% and declines to 3.25% depending on the leverage ratio) plus the greater of the Prime Rate, the Federal Funds Effective Rate plus 0.5%, or 1-month LIBOR plus 1.0%.

The LIBOR rate option is equal to a specified margin (which starts at 5.00% and declines to 4.25% depending on the leverage ratio) plus the applicable LIBOR rate for an interest period of 1, 3, 6, 9, or 12 months as selected by the Company. Accrued interest is payable at the end of each fiscal quarter.

At March 31, 2016 and December 31, 2015, $6,500,000 and $10,000,000 was available under the revolving line of credit for additional borrowing, with $3,500,000 and $0 outstanding, respectively.

Notes payable consist of the following as of March 31, 2016 and December 31, 2015:

Notes Payable	March 31, 2016	December 31, 2015
Term loan, adjustable rate based on various index rates plus a margin (4.58% and 4.51% at March 31, 2016 and December 31, 2015, respectively), collateralized by the property of the Company, quarterly principal and interest payments with a balloon payment due on December 28, 2017	$24,462,024	$25,277,425
Less current portion of notes payable (net of deferred financing fees of $336,519 and $337,441 at March 31, 2016 and December 31, 2015, respectively)	(2,925,084)	(2,924,162)
Less deferred financing fees	(590,066)	(673,966)
Long-term portion of notes payable	$20,946,874	$21,679,297

Future maturities of notes payable are as follows at March 31, 2016:

Years Ending December 31	
2016	$ 2,446,202
2017	22,015,822
Total	$24,462,024

Borrowings under the credit agreement described above are secured by substantially all of the Company's assets. The credit agreement contains certain covenants and restrictions that require the Company to maintain compliance with maximum leverage and minimum fixed charge coverage ratios on a quarterly basis, as defined in the agreements. The covenants also include restrictions limiting the incurrence of liens, debt, and the sale of assets.

The credit agreement also requires the Company to remit a percentage of all cash flows over a certain threshold defined in the credit agreement to the lender. The percentage required to be remitted varies based on the Company's leverage ratio. Under these provisions, the Company expects to remit $0 to the lender in 2016 in addition to the minimum scheduled payments.

Subsequent to period end, the notes payable balance was paid off in full as part of the Company's acquisition by Sykes Enterprises, Incorporated. (See Note 11).

Management believes the Company was in compliance with all debt covenants at March 31, 2016.

7. COMMITMENTS AND CONTINGENCIES

Operating Lease Commitments —The Company has non-cancelable long-term operating lease commitments that expire commencing in 2017 through 2026 for various office facilities. The operating lease agreements are subject to predetermined rate increases in accordance with the signed rental agreements. Rent is charged to operating expense on a straight-line basis over the term of leases where contractual increases affect rent payments. Rent expense under operating leases for the three months ended March 31, 2016 and 2015, was $113,880 and $92,431, respectively.

Future minimum lease payments under non-cancelable operating leases consist of the following as of March 31, 2016:

Years Ending December 31	
2016	$ 2,775,689
2017	3,127,034
2018	3,081,274
2019	3,713,713
2020	3,268,924
Thereafter	19,474,205
Total future minimum lease payments	$35,440,839

The Company received lease incentives from property owners to build tenant improvements as part of two operating lease agreements. The lease incentive liability at March 31, 2016 and December 31, 2015, totaled $1,849,923 and $2,033,205, respectively. Such amounts are deferred and amortized over the life of the related leases.

In 2015, the Company amended one of its lease agreements, expanding office space, extending the lease term another 8 years, through 2026, and adding $900,000 to the lease incentive liability.

8. INCENTIVE UNIT COMPENSATION

The Company has authorized a total of 1,373,450 Class B units, which are available to provide incentives to employees and service providers by granting rights to benefit from the success of the Company through the grant or issuance of membership units in the Company. At both March 31, 2016 and December 31, 2015, a total of 1,138,461 Class B units were outstanding.

Of the Class B units granted to employees, 773,429 units have a term of four years with 25% cliff vesting on the first anniversary from the grant date and 75% vesting ratably on a monthly basis over the next three years such that all units are vested by the end of four years. The remaining 365,032 units have a performance-vesting feature and will fully vest on the effective date of the consummation of a sale transaction and the achievement of a target return defined in the Company's LLC Agreement. There is no exercise price, and the plan has a provision that in the event of a change in control, all time-vesting units vest 100%.

Time-vesting unit-based compensation cost is measured at the grant date based on the fair value of the award granted and is recognized as expense over the period in which the award is expected to vest. Time-vesting unit-based compensation expense recognized during a period is based on the value of the awards that are ultimately expected to vest. As such, it has been reduced for estimated forfeitures, which were estimated to be zero in both 2016 and 2015.

During the three months ended March 31, 2016 and 2015, the Company recorded compensation expense related to the Class B time-vesting units totaling $18,627 and $26,880, respectively. Compensation expense is included within the selling, general, and administrative expense line item of the consolidated statements of operations. No compensation expense was recognized for the performance-vesting units, as the consummation of a sale transaction has not yet occurred.

At March 31, 2016 and December 31, 2015, the total vested Class B units had a total fair value of $821,249 and $794,719, respectively, and had no intrinsic value. As of March 31, 2016 and December 31, 2015, the total remaining unrecognized compensation cost related to the Class B time-vesting units was approximately $122,333 and $138,780, respectively. As of both March 31, 2016 and December 31, 2015, the total remaining unrecognized compensation cost related to the Class B performance-vesting units was approximately $445,340. The estimated fair value of the Class B units granted during 2016 and 2015 is based on probability weighting a series of holding period scenarios that use the Black-Scholes pricing method. The following assumptions were used for grants of Class B units (both time and performance-vesting) issued during 2016 and 2015:

	2016	2015
Weighted average risk free interest rates	0.27-1.51%	0.27-1.51%
Expected unit life (in years)	1.42-5.42 years	1.42-5.42 years
Expected price volatility	50-70%	50-70%
Estimated weighted-average grant-date fair value of Class B units	$ 1.22	$ 1.22

The risk-free interest rates are based on the U.S. Treasury constant maturity rates for the respective holding periods. The expected unit lives are based on similar portfolio companies held by the private equity investor. The expected price volatility rates are based on a group of guideline public companies.

The following table summarizes Class B unit activity for the three months ended March 31, 2016:

	Class B Units	
	Time-Vesting Units	Performance-Vesting Units
Outstanding—December 31, 2015	773,428	365,033
Granted		
Forfeited		
Outstanding—March 31, 2016	773,428	365,033
Vested	(673,155)	
Expected to vest	100,273	365,033

The following table summarizes non-vested Class B unit activity during the three months ended March 31, 2016:

	Class B Units			
	Time-Vesting Units	Weighted Average Grant-Date Fair Value	Performance-Vesting Units	Weighted Average Grant-Date Fair Value
Non-vested balance—December 31, 2015	122,019	$ 1.22	365,033	$ 1.22
Granted		1.22		1.22
Vested	(21,746)	1.22		1.22
Forfeited		1.22		1.22
Non-vested balance—March 31, 2016	100,273	$ 1.22	365,033	$ 1.22

During 2014, the Company’s board of directors authorized a long-term incentive compensation plan to issue phantom units to certain employees. These units (referred to as “LTIP units”) reduce the available pool of Class B units as they are issued and have a performance-vesting feature whereby they only vest upon the employee being employed with the Company on the effective date of the consummation of a sale transaction. A sale transaction is defined as the first occurrence of a sale of all or substantially all of the assets of the Company that results in a change in control of more than sixty-seven percent (67%) of the equity interests of the Company. Upon completion of a sale transaction, holders of LTIP units are entitled to a cash payment equal to the distribution they would have received if they had held actual Class B units at the transaction date as determined by the Company’s board of directors at its reasonable discretion. If the length of time between the grant date and a consummated sale transaction is less than 24 months, 50% of the payment due will be held back and paid to the LTIP holder one year from the sale date provided the LTIP holder remains employed with the Company.

For the three months ended March 31, 2016, the Company granted 11,000 LTIP units, 1,000 LTIP units were forfeited, and 151,250 LTIP units were outstanding at March 31, 2016. The fair value of units granted and outstanding is equal to the fair value assigned to the Class B units disclosed above.

Although all LTIP units are expected to vest, no compensation expense has been recognized for these LTIP units as the consummation of a sale transaction has not yet occurred.

9. MEMBERS' EQUITY

The Company's LLC Agreement provides for the issuance of Class A, Class B, and Class C units as ownership units in the Company as follows:

- Class A units are entitled to priority distributions and other rights. During 2011, Class A units totaling 7,782,885 units were granted to the private equity firm and certain members of the acquired company. These units represent the total Class A units authorized under the LLC Agreement, and no Class A units were issued during the three months ended March 31, 2016 or the year ended December 31, 2015.

- Class B units are authorized for issuance to provide incentives to certain employees and service providers through the grant of these membership interests. A pool of 1,373,450 Class B units has been authorized under the LLC Agreement. During the three months ended March 31, 2016, the Company issued no Class B units to employees. Additionally, during the three months ended March 31, 2016, employees forfeited no Class B units. During the year ended December 31, 2015, the Company issued 77,829 Class B Units to employees and employees forfeited 9,156 Class B Units.

- During 2011, Class C units totaling 272,401 units were granted to certain members of the acquired company. These units represent the total Class C units authorized under the LLC Agreement, and no Class C units were issued during the three months ended March 31, 2016 or the year ended December 31, 2015.

Per the LLC Agreement, tax distributions are made to members on a quarterly basis to pay quarterly estimated tax payments. Any non-tax distributions made by the Company are made subject to a waterfall as follows:

- First, to Class A unit holders until they receive their initial capital back with a specified annual return of 8%.

- Second, proportionately to Class A and B unit holders until a target return is achieved as defined in the Agreement.

- Third, to Class C unit holders only until a second target return is achieved as defined in the Agreement.

- After the second target return is achieved, proportionately to all Class A, B, and C unit holders, except that the number of Class A units held by the private equity investor is reduced by the number of Class C units outstanding.

During the three months ended March 31, 2016 and 2015, the Company paid cash distributions for taxes to or on behalf of its current Class A unit holders of $2,986,937 and $2,525,834, respectively. Additionally, during the three months ended March 31, 2016 and 2015, the Company paid cash distributions for taxes to its current Class B unit holders of $108,614 and $293,477. Class C unit holders did not qualify for any distributions during the three months ended March 31, 2016 and 2015 under the terms of the prescribed waterfall requirements.

10. CONCENTRATIONS

The following customers accounted for a significant portion of the Company's business in the periods below. The Company's operations could be significantly impacted if one or more of these brand partners terminated its agreement with the Company. The Company's customer concentrations with its largest customers are as follows:

	For the Three Months Ended March 31,			
	2016		2015	
Customer	Sales	Percent of Total	Sales	Percent of Total
A	$ 7,118,743	21 %	$ 6,549,445	23 %
B	7,736,206	23	6,497,210	23
C	3,470,895	10	5,269,988	18
D	*	*	3,876,977	14
	$ 18,325,844	54 %	$ 22,193,620	78 %

	As of			
	March 31, 2016		December 31, 2015	
	Accounts Receivable	Percent of Total	Accounts Receivable	Percent of Total
A	$ 4,122,211	25 %	$ 3,948,103	26 %
B	4,934,844	30	4,204,948	28
D	2,019,074	12	2,251,220	15
	$ 11,076,129	67 %	$ 10,404,271	69 %

* This customer did not meet the 10% threshold for disclosure for the respective year.

11. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through May 16, 2016, the date on which the consolidated financial statements were available to be issued. The following subsequent events have occurred.

On April 1, 2016, Sykes Enterprises, Incorporated ("Sykes") (NASDAQ: SYKE) acquired 100% of ClearLink Holdings, LLC and its subsidiaries pursuant to the terms of the Merger Agreement, with Clear Link becoming a wholly-owned subsidiary of Sykes (the "Merger").

In the Merger, each outstanding membership unit of Clear Link has the right to receive an amount in cash as set forth in the Merger Agreement. The aggregate cash consideration payable in the Merger was approximately $207.0 million, subject to certain adjustments at the closing of the Merger.

In addition, as part of the Merger, substantially all of Clear Link's notes payable were paid in full.

* * * * * *

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined balance sheet and statements of operations are presented to give effect to the Sykes Enterprises, Incorporated and its consolidated subsidiaries (the “Company” or “Sykes”) merger with Clear Link Holdings, LLC and its subsidiaries (“Clearlink”) on April 1, 2016 (the “Merger”). The following unaudited pro forma condensed combined financial statements are based on the historical financial statements and related notes of Sykes and Clearlink adjusted to give effect to the Merger. In addition, the unaudited pro forma condensed combined financial statements should be read in conjunction with:

- Sykes’ historical consolidated financial statements and related notes included in its Form 10-K for the fiscal year ended December 31, 2015, filed on February 29, 2016, and Sykes’ Form 10-Q for the three months ended March 31, 2016, filed on May 3, 2016, and

- Clearlink’s historical consolidated financial statements and related notes included in its audited financial statements for the fiscal year ended December 31, 2015, and its unaudited interim financial statements for the three months ended March 31, 2016, included in this Current Report on Form 8-K/A.

The unaudited pro forma condensed combined balance sheet is presented as if the Merger occurred on March 31, 2016. The unaudited pro forma condensed combined financial statements of operations combine the results of operations of Sykes and Clearlink for the year ended December 31, 2015 and the three months ended March 31, 2016, and are presented as if the Merger had taken place on January 1, 2015.

The historical consolidated financial information has been adjusted in the unaudited pro forma condensed combined financial statements to give effect to pro forma events that are (1) directly attributable to the Merger, (2) factually supportable, and (3) with respect to the statement of operations, expected to have a continuing impact on the combined results.

The unaudited pro forma condensed combined financial statements have been prepared for illustrative purposes only and are not necessarily indicative of the consolidated financial position or results of operations in future periods or the results that actually would have been achieved had Sykes and Clearlink been a combined company during the respective periods presented. Certain reclassification adjustments have been made in the presentation of Clearlink’s historical amounts to conform to Sykes’ presentation.

The unaudited pro forma condensed combined financial information does not reflect any cost savings or operating synergies that the combined company may achieve as a result of the acquisition or the costs to integrate the operations of Clearlink with Sykes.

Sykes Enterprises, Incorporated

Unaudited Pro Forma Condensed Combined Balance Sheet

As of March 31, 2016

(In thousands, except per share data)	Historical		Pro forma adjustments		Combined pro forma
	Sykes	Clearlink (Note 3)	(Note 6)		
Assets					
Current assets:					
Cash and cash equivalents	$ 259,885	$ 2,584	$ 3,766	(a)	$ 266,235
Receivables, net	286,252	16,801	-		303,053
Prepaid expenses	21,080	1,553	-		22,633
Other current assets	13,447	-	-		13,447
Total current assets	580,664	20,938	3,766		605,368
Property and equipment, net	118,116	11,860	3,613	(b)	133,589
Goodwill, net	199,038	33,874	45,064	(c)	277,976
Intangibles, net	47,885	33,652	77,548	(d)	159,085
Deferred charges and other assets	41,577	554	(325)	(e)	41,806
	$ 987,280	$ 100,878	$ 129,666		$ 1,217,824
Liabilities and Shareholders' Equity					
Current Liabilities:					
Short term debt	$ -	$ 6,762	$ (6,762)	(f)	$ -
Accounts payable	20,887	3,564	-		24,451
Accrued employee compensation and benefits	80,124	1,610	-		81,734
Income taxes payable	2,016	-	-		2,016
Deferred revenue	30,564	2,607	(2,246)	(g)	30,925
Other accrued expenses and current liabilities	26,692	11,710	(1,415)	(h)	36,987
Total current liabilities	160,283	26,253	(10,423)		176,113
Deferred grants	4,620	-	-		4,620
Long-term debt	70,000	20,610	195,390	(i)	286,000
Long-term income tax liabilities	19,636	-	-		19,636
Other long-term liabilities	25,998	2,921	(1,159)	(e)	27,760
Total liabilities	280,537	49,784	183,808		514,129
Shareholders' equity:					
Preferred stock, $0.01 par value	-	-	-		-
Common stock, $0.01 par value	426	-	-		426
Additional paid-in capital	275,178	-	-		275,178
Retained earnings	472,279	-	(3,048)	(j)	469,231
Accumulated other comprehensive income (loss)	(39,267)	-	-		(39,267)
Treasury stock at cost	(1,873)	-	-		(1,873)
Members' equity	-	51,094	(51,094)	(j)	-
Total shareholders' equity	706,743	51,094	(54,142)		703,695
	$ 987,280	$ 100,878	$ 129,666		$ 1,217,824

See accompanying notes to the unaudited pro forma condensed combined financial statements.

Sykes Enterprises, Incorporated

Unaudited Pro Forma Condensed Combined Statement of Operations

For the Three Months Ended March 31, 2016

(In thousands, except per share amounts)	Historical				
	Sykes	Clearlink (Note 3)	Pro forma adjustments (Note 6)		Combined pro forma
Revenues	$ 320,746	$ 33,829	$ -		$ 354,575
Operating expenses:					
Direct salaries and related costs	205,555	22,808	-		228,363
General and administrative	80,510	7,677	(1,310)	(k)	86,877
Depreciation, net	10,784	479	260	(l)	11,523
Amortization of intangibles	3,627	1,164	815	(m)	5,606
Total operating expenses	300,476	32,128	(235)		332,369
Income from operations	20,270	1,701	235		22,206
Other income (expense):					
Interest income	153	-	-		153
Interest (expense)	(808)	(581)	(304)	(n)	(1,693)
Other income (expense)	553	-	-		553
Total other income (expense)	(102)	(581)	(304)		(987)
Income before income taxes	20,168	1,120	(69)		21,219
Income taxes	6,214	-	402	(o)	6,616
Net income	$ 13,954	$ 1,120	$ (471)		$ 14,603
Share Data					
Weighted average shares outstanding - basic	41,704				41,704
Weighted average shares outstanding - diluted	42,023				42,023
Earnings (loss) per share - basic	$ 0.33				$ 0.35
Earnings (loss) per share - diluted	$ 0.33				$ 0.35

See accompanying notes to the unaudited pro forma condensed combined financial statements.

Sykes Enterprises, Incorporated

Unaudited Pro Forma Condensed Combined Statement of Operations

For the Twelve Months Ended December 31, 2015

(In thousands, except per share amounts)	Historical				
	Sykes	Clearlink (Note 3)	Pro forma adjustments (Note 6)		Combined pro forma
Revenues	$ 1,286,340	$ 121,510	$ -		$ 1,407,850
Operating expenses:					
Direct salaries and related costs	836,516	82,767	-		919,283
General and administrative	297,257	24,617	745	(k)	322,619
Depreciation, net	43,752	1,667	1,288	(l)	46,707
Amortization of intangibles	14,170	3,610	4,306	(m)	22,086
Net (gain) loss on disposal of property and equipment	381	-	-		381
Total operating expenses	1,192,076	112,661	6,339		1,311,076
Income from operations	94,264	8,849	(6,339)		96,774
Other income (expense):					
Interest income	668	-	-		668
Interest (expense)	(2,465)	(1,807)	(761)	(n)	(5,033)
Other income (expense)	(2,484)	-	-		(2,484)
Total other income (expense)	(4,281)	(1,807)	(761)		(6,849)
Income before income taxes	89,983	7,042	(7,100)		89,925
Income taxes	21,386	-	(22)	(o)	21,364
Net income	$ 68,597	$ 7,042	$ (7,078)		$ 68,561
Share Data					
Weighted average shares outstanding – basic	41,899				41,899
Weighted average shares outstanding - diluted	42,447				42,447
Earnings (loss) per share - basic	$ 1.64				$ 1.64
Earnings (loss) per share - diluted	$ 1.62				$ 1.62

See accompanying notes to the unaudited pro forma condensed combined financial statements.

Notes to Unaudited Pro Forma Condensed Combined Financial Statements

1. Description of the Merger

On April 1, 2016, the Company, one of its wholly-owned subsidiaries ("Merger Sub"), Clear Link Holdings, LLC, a Delaware limited liability company ("Clearlink"), and Pamlico Capital Management, L.P., as the representative of the equity holders of Clearlink, completed the acquisition outlined in the definitive Agreement and Plan of Merger (the "Merger Agreement") dated March 6, 2016.

In the Merger, each outstanding membership unit of Clearlink was converted into the right to receive an amount in cash as set forth in the Merger Agreement. The aggregate cash consideration paid in the Merger was approximately $209.2 million, which included $2.6 million of Clearlink's cash and cash equivalents at the closing of the Merger, and subject to certain post-closing adjustments relating to Clearlink's working capital at the closing of the Merger. Approximately $2.6 million of the purchase price was placed in an escrow account as security for the indemnification obligations of Clearlink's members under the Merger Agreement. Sykes obtained an insurance policy which provides $20.7 million of coverage to Sykes for breaches of most of the representations and warranties of Clearlink in the Merger Agreement, subject to a deductible.

2. Basis of presentation

The unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting in accordance with Accounting Standards Codification ("ASC"), Topic 805, *Business Combinations* ("ASC 805"), and was based on the historical financial statements of Sykes and Clearlink with Sykes treated as the accounting acquirer.

The acquisition method of accounting, provided by ASC 805, uses the fair value concepts defined in ASC Topic 820, *Fair Value Measurement* ("ASC 820"). Under this method of accounting, the assets and liabilities of Clearlink are recorded by Sykes based on their estimated fair values at the date of acquisition. Fair value is defined in ASC 820 as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." Any excess of the purchase price over the fair value of identified assets acquired and liabilities assumed will be recognized as goodwill. Many of these fair value measurements can be highly subjective and it is also possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

3. Reclassifications to Clearlink's historical financial statements to conform to Sykes' presentation

Certain reclassifications have been made to the presentation of Clearlink's historical financial statements in order to conform to Sykes' financial statement presentation.

Adjustments to the balance sheet as of March 31, 2016 are related to aligning Clearlink's underlying accounting records to the financial statement captions used within Sykes' historical financial statement presentation. The adjustments consist of internally-developed software classified as property and equipment, net, under Sykes historical financial statement presentation, reorganization of current liabilities between the Clearlink and Sykes historical financial statement presentation, and other immaterial reclassification adjustments.

Clearlink presentation March 31, 2016		Presentation Reclassifications	Sykes presentation March 31, 2016	
Assets				
Current assets:				Current assets:
Cash	$ 2,584	$ -	$ 2,584	Cash and cash equivalents
Accounts receivable—net	16,508	293	16,801	Receivables, net
Prepaid expenses	1,650	(97)	1,553	Prepaid expenses
Other current assets	293	(293)	-	Other current assets
Total current assets	21,035	(97)	20,938	**Total current assets**
Property and Equipment, Net	5,836	6,024	11,860	Property and equipment, net
Goodwill	33,874	-	33,874	Goodwill, net
Intangible Assets, Net	39,675	(6,023)	33,652	Intangibles, net
Other Assets	325	229	554	Deferred charges and other assets
	$ 100,745	$ 133	$ 100,878	
Liabilities and Equity				
Current liabilities:				Current liabilities:
Revolving line of credit	$ 3,500	$ 3,262	$ 6,762	Short term debt
Notes payable—current portion	2,925	(2,925)	-	
Accounts payable	2,711	853	3,564	Accounts payable
Accrued liabilities	9,807	(9,807)	-	
		1,610	1,610	Accrued employee compensation and benefits
		2,607	2,607	Deferred revenue
		11,710	11,710	Other accrued expenses and current liabilities
Accrued chargebacks	3,970	(3,970)	-	
Other current liabilities	2,870	(2,870)	-	
Total current liabilities	25,783	470	26,253	**Total current liabilities**
Notes payable—net of current portion	20,947	(337)	20,610	Long-term debt
Other non-current liabilities	2,921	-	2,921	Other long-term liabilities
Total liabilities	49,651	133	49,784	**Total liabilities**
Members' equity	51,094	-	51,094	**Members' equity**
	$ 100,745	$ 133	$ 100,878	

Adjustments to the statements of operations for the three months ended March 31, 2016 and the twelve months ended December 31, 2015 are primarily related to: (i) Clearlink's advertising and marketing expenses classified as direct salaries and related costs within Sykes' historical financial statement presentation, (ii) work-force compensation and related costs within selling, general and administrative expenses in Clearlink's historical financial statements classified as direct salaries and related costs under Sykes'

historical financial statement presentation, (iii) disaggregation of depreciation and amortization into separate financial statement captions and (iv) interest expense on assumed earn-out liabilities within selling, general and administrative expenses in Clearlink's historical income statement for the three months ended March 31, 2016, classified as interest (expense) under Sykes' historical financial statement presentation.

Clearlink Presentation March 31, 2016		**Presentation Reclassifications**	**Sykes Presentation March 31, 2016**	
Revenues—Net	$ 33,829	$ -	$ 33,829	Revenues
Operating expenses:				Operating expenses:
Selling, general and administrative	22,956	(22,956)	-	
		22,808	22,808	Direct salaries and related costs
		7,677	7,677	General and administrative
Advertising and marketing	7,627	(7,627)	-	
Depreciation and amortization	1,643	(1,643)	-	
		479	479	Depreciation, net
		1,164	1,164	Amortization of intangibles
Total operating expenses	32,226	(98)	32,128	Total operating expenses
Income from operations	1,603	98	1,701	Income from operations
Other income (expense)				Other income (expense)
Interest income	-	-	-	Interest income
Interest (expense)	(483)	(98)	(581)	Interest (expense)
Total other income (expense)	(483)	(98)	(581)	Total other income (expense)
Net earnings	$ 1,120	$ -	$ 1,120	Income before income taxes

Clearlink Presentation December 31, 2015		**Presentation Reclassifications**	**Sykes Presentation December 31, 2015**	
Revenues—Net	$ 121,510	$ -	$ 121,510	Revenues
Operating expenses:				Operating expenses:
Selling, general and administrative	80,793	(80,793)	-	
		82,767	82,767	Direct salaries and related costs
		24,617	24,617	General and administrative
Advertising and marketing	26,591	(26,591)	-	
Depreciation and amortization	5,277	(5,277)	-	
		1,667	1,667	Depreciation, net
		3,610	3,610	Amortization of intangibles
Total operating expenses	112,661	-	112,661	Total operating expenses
Income from operations	8,849	-	8,849	Income from operations
Other income (expense)				Other income (expense)
Interest income	-	-	-	Interest income
Interest (expense)	(1,807)	-	(1,807)	Interest (expense)
Total other income (expense)	(1,807)	-	(1,807)	Total other income (expense)
Net earnings	$ 7,042	$ -	$ 7,042	Income before income taxes

4. Financing and consideration

In the Merger, each outstanding membership unit of Clearlink was converted into the right to receive an amount in cash as set forth in the Merger Agreement. The aggregate cash consideration paid in the Merger was approximately $209.2 million. To fund the Merger, the Company borrowed $216.0 million under its $440 million revolving credit facility (the "2015 Credit Agreement").

Proceeds from the borrowings were used as follows:

(in thousands)		Amount
Cash consideration paid in the Merger	$	209,186
Working capital loan to Clearlink		4,000
Anticipated working capital needs of Sykes related to the transaction		2,814
Total Merger-related borrowings under the 2015 Credit Agreement	$	216,000

5. Preliminary purchase price allocation

The Company has performed a preliminary valuation analysis of the fair market value of Clearlink's assets to be acquired and liabilities to be assumed. Using the total consideration for the Merger, the Company has estimated the allocations to such assets and liabilities. The following table summarizes the allocation of the preliminary purchase price as of the acquisition date:

(in thousands)		Amount
Assets		
Current assets (1)	$	20,938
Property and equipment (2)		15,473
Goodwill (3)		78,938
Identifiable intangible assets (4)		111,200
Other assets		229
Total assets		226,778
Liabilities		
Current liabilities (5)		15,830
Other long-term liabilities		1,762
Total liabilities		17,592
Total consideration	$	209,186

(1) Current assets include $2.6 million of cash, $16.8 million of accounts receivable, and $1.5 million of prepaid expenses.

(2) Property and equipment is predominantly comprised of leasehold improvements, furniture and fixtures, and capitalized internally developed software.

(3) Goodwill represents the excess of purchase price over the estimated value of assets acquired and liabilities assumed.

(4) Identifiable intangible assets include customer relationships, trade names, non-compete agreements, and indefinite-lived and finite-lived domain names. The largest identifiable intangible asset recognized as a part of the merger are customer relationships with an estimated fair value of $79.2 million.

(5) Current liabilities include $3.5 million of accounts payable, $1.6 million of accrued employee compensation and benefits, $0.4 million of deferred revenue and $10.3 million of other accrued expenses and current liabilities.

This preliminary purchase price allocation has been used to prepare pro forma adjustments in the pro forma balance sheet and income statements. The final purchase price allocation will be determined when the Company has completed the detailed valuations and necessary calculations. The final allocation could differ materially from the preliminary allocation used in the pro forma adjustments. The final allocation may include (1) changes in fair values of property, plant and equipment, (2) changes in allocations to intangible assets such as trade name, domain names and customer relationships as well as goodwill and (3) other changes to assets and liabilities.

6. Pro Forma Adjustments and Assumptions

The pro forma adjustments are based on our preliminary estimates and assumptions that are subject to change. The following adjustments have been reflected in the unaudited pro forma condensed combined financial information:

a) Reflects the impact on cash from the proceeds from the new borrowings under the 2015 Credit Agreement.

(in thousands)		Amount
New borrowings	$	216,000
Transaction costs of Sykes and Clearlink		(3,048)
Cash consideration paid in the Merger		(209,186)
Total	$	3,766

b) Reflects adjustments to Clearlink's property and equipment of $3.6 million based upon a preliminary fair value estimate of $15.5 million. For purposes of determining the impact on the unaudited pro forma condensed combined statements of operations, the fair value of property and equipment is being depreciated over an estimated remaining useful life of five to six years.

(in thousands)	Estimated Useful Life		Estimated Fair Market Value
Personal property	5	$	7,026
Internally-developed software	5-6		8,100
Construction in progress			347
Total		$	15,473

c) Reflects the preliminary adjustment to goodwill as a result of the Merger.

(in thousands)		Amount
Goodwill attributable to the Merger	$	78,938
Less: Elimination of pre-existing Clearlink goodwill		(33,874)
Total	$	45,064

d) Reflects adjustments to Clearlink's identified intangible assets of $77.6 million, based upon the preliminary fair value estimates of $111.2 million for the identified intangible assets attributable to the Merger. As part of the preliminary valuation analysis, the Company identified intangible assets, including trade names, indefinite-lived and finite-lived domain names, customer relationships, and non-competition agreements. The fair values of the identifiable intangible assets were determined primarily using the income approach, which requires a forecast of all of the expected future cash flows. Certain intangible asset fair values were also determined using the cost and market approaches. Since all information required to perform a detailed valuation analysis of Clearlink's intangible assets could not be obtained as of the date of this filing, for purposes of these unaudited pro forma condensed combined financial statements, certain assumptions regarding discount rates were used based on publicly available data for the industry.

The following table summarizes the estimated fair values of Clearlink's identifiable intangible assets and their estimated useful lives:

(in thousands)	Estimated Useful Life		Estimated Fair Market Value
Indefinite-lived domain names	Indefinite	$	22,100
Trade name	8		6,100
Finite-lived domain names	13		800
Customer relationships	13		79,200
Non-competition agreements	3		3,000
Total		$	111,200

e) Represents the reversal of Clearlink pre-Merger prepaid and accrued rent balances recorded to recognize pre-Merger rental expense on a straight-line basis.

f) Clearlink's pre-Merger indebtedness was not assumed by Sykes; this adjustment represents the reversal of pre-Merger Clearlink short-term indebtedness of $6.8 million from the historical Clearlink balance sheet.

g) This adjustment represents the preliminary estimated adjustment to decrease the assumed deferred revenue obligations to a fair value of approximately $0.4 million, a reduction of $2.2 million from the pre-Merger carrying value. The fair value was determined based on the estimated costs to fulfill the remaining obligation under an arrangement with one of Clearlink's customers plus a normal profit margin.

h) Represents adjustments to other accrued expenses and current liabilities as follows:

(in thousands)		Amount
Short term deferred rent liability discussed in adjustment (e)	$	1,320
Accrued interest expense (1)		95
Total	$	1,415

(1) Elimination of accrued interest expense associated with Clearlink's pre-Merger indebtedness not assumed by Sykes.

i) Reflects the additional indebtedness under the 2015 Credit Agreement used to fund the Merger. Interest under the 2015 Credit Agreement is calculated either at LIBOR or the base rate plus, in each case, an applicable margin based on the Company's leverage ratio. The applicable interest rate is determined quarterly based on the Company's leverage ratio. Additionally, the Company is required to pay a commitment fee of 0.125% calculated on the average unused amount of the 2015 agreement.

(in thousands)		Amount
Additional indebtedness under 2015 Credit Agreement	$	216,000
Less: pre-Merger Clearlink long-term indebtedness (1)		(20,610)
Total	$	195,390

(1) Clearlink's pre-Merger indebtedness was not assumed by Sykes; this adjustment represents the reversal of pre-Merger Clearlink long-term indebtedness of $20.6 million

j) Reflects the total adjustment to shareholders' equity:

(in thousands)		Amount
Elimination of historical Clearlink members' equity	$	51,094
Transaction costs		3,048
Total	$	54,142

k) Represents adjustments to general and administrative expenses as follows:

(in thousands)	Three months ended March 31, 2016	Twelve months ended December 31, 2015
Increase in straight-line rental expense (1)	$ 233	$ 751
Reversal of transaction costs (2)	(1,543)	(6)
Total	$ (1,310)	$ 745

(1) Reflects the adjustment to reverse the impact of tenant incentives and recognize Clearlink's remaining minimum lease payments on a straight-line basis.
(2) Reflects the elimination of non-recurring transaction-related costs directly attributable to the Merger.

l) Reflects the pro forma impact of the revised depreciation associated with property and equipment discussed in adjustment (b).

(in thousands)	Estimated Fair Market Value (1)	Estimated Useful Life	Three months ended March 31, 2016	Twelve months ended December 31, 2015
Pro forma depreciation	$ 15,126	5-6 years	$ 739	$ 2,955
Less: historical Clearlink			(479)	(1,667)
Total			$ 260	$ 1,288

(1) Excludes construction in progress of $0.4 million.

m) Reflects the pro forma impact of the revised amortization using straight-line method associated with the identifiable finite-lived intangible assets recorded within adjustment (d).

(in thousands)	Estimated Fair Market Value	Estimated Useful Life	Three months ended March 31, 2016	Twelve months ended December 31, 2015
Pro forma amortization	$ 89,100	3-13 years	$ 1,979	$ 7,916
Less: historical Clearlink			(1,164)	(3,610)
Total			$ 815	$ 4,306

n) Reflects the additional incremental interest expense as a result of the Merger related additional indebtedness described in adjustment (i). For purposes of the pro forma interest expense calculation, it was assumed that the Company had entered into the 2015 Credit Agreement as of January 1, 2015.

(in thousands)	Three months ended March 31, 2016	Twelve months ended December 31, 2015
Incremental Merger-related interest expense under 2015 Credit Agreement	$ 787	$ 2,568
Reversal of historical Clearlink interest expense	(483)	(1,807)
Total	$ 304	$ 761

o) Reflects the estimated incremental U.S. federal and state income tax provision as if Clearlink's earnings had been subject to taxation from January 1, 2015. Additionally, this adjustment also reflects the estimated income tax effect of pro forma adjustments (k) through (n). An estimated blended federal and state statutory rate of 38.25% was used for purposes of calculating the pro forma adjustments.

(in thousands)	**Three months ended March 31, 2016**	**Twelve months ended December 31, 2015**
Pro forma historical Clearlink tax provision	$ 428	$ 2,694
Tax expense (benefit) of pro forma adjustments	(26)	(2,716)
Total	$ 402	$ (22)