UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of report (Date of earliest event reported): February 9, 2021

TUESDAY MORNING CORPORATION
(Exact name of registrant as specified in charter)

Delaware	**0-19658**	**75-2398532**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

6250 LBJ Freeway **Dallas, Texas**	**75240**
(Address of principal executive offices)	(Zip Code)

(972) 387-3562
(Registrant's telephone number, including area code)

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

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	TUEM	OTCQX

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

As previously disclosed, on December 23, 2020, the Bankruptcy Court entered an order confirming Tuesday Morning Corporation's Revised Second Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code (the "Plan of Reorganization"). On December 31, 2020 (the "Effective Date"), all of the conditions precedent to the Plan of Reorganization were satisfied. The Plan of Reorganization provided for an offering of Common Stock of Tuesday Morning Corporation (the "Company") to the Company's shareholders (the "Rights Offering") and the sale of shares to Osmium Partners (Larkspur SPV), LP ("Osmium") pursuant to the previously disclosed Backstop Commitment Agreement (the "Backstop Agreement") dated as of November 16, 2020.

On February 9, 2021, pursuant to the Plan of Reorganization, and as contemplated by the Backstop Agreement, the Company entered into:

- A Registration Rights Agreement (the "Registration Agreement") with Osmium requiring the Company to register for resale the shares of the Company Common Stock ("Shares") acquired in the Rights Offering, pursuant to the Backstop Agreement, and under the Warrant; and

- A Warrant to purchase 10,000,000 Shares at a price per share of $1.65, expiring December 31, 2025 (the "Warrant").

The Registration Agreement and Warrant are attached hereto as Exhibits 4.1 and 4.2, respectively, and incorporated herein by reference.

The Plan of Reorganization provided for the entry into an agreement by Osmium, Osmium Partners, LLC, and the Company (the "Director Agreement") giving Osmium the right to designate three members and, under certain circumstances, four members of the Company's Board of Directors. The Director Agreement also specifies various other board-related and voting-related procedures and includes a standstill provision limiting certain actions by Osmium. The Director Agreement is attached hereto as Exhibit 10.1 and incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

Pursuant to the Plan of Reorganization and the Backstop Agreement, on February 9, 2021, the Company issued:

- 18,023,226 Shares to existing company shareholders (including affiliates of Osmium) at a purchase price of $1.10 per share pursuant to the exemption from registration provided in Section 1145 of the Bankruptcy Code, and

- (A) 18,340,411 Shares to Osmium at a purchase price of $1.10 per share, (B) 1,818,182 Shares as payment of the commitment fee under the Backstop Agreement, and (C) the Warrant, in each case, pursuant to the exemption from registration contained in Section 4(a)(2) of the Securities Act of 1933.

Following these transactions, the Company had 86,145,304 Shares outstanding, not including Shares subject to future issuance such as the Warrant.

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

On February 11, 2021, the Company entered into enhanced severance agreements with Stacie Shirley and Bridgett Zeterberg providing for an increase in their basic severance benefit to up to 24 months of base salary in the event that they are terminated without "cause." The amounts of the increases declines on a day-for-day basis following the Company's appointment of a new CEO until the severance benefits reach the levels that otherwise would be applicable. The two agreements are attached hereto as Exhibits 10.2 and 10.3, respectively, and incorporated herein by reference.

Richard Willis, a director of the Company, has advised the Company that he will not be standing for reelection as a director at the 2021 Annual Meeting of Stockholders unless requested by the Company's Nominating and Governance Committee.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*.

4.1	Registration Rights Agreement
4.2	Form of Warrant
10.1	Agreement among Osmium Partners (Larkspur SPV), LP, Osmium Partners, LLC, and the Company
10.2	Enhanced Severance Agreements with Stacie Shirley
10.3	Enhanced Severance Agreements with Bridgett Zeterberg
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

SIGNATURES

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

TUESDAY MORNING CORPORATION

Date: February 16, 2021

By: /s/ Bridgett C. Zeterberg
Bridgett C. Zeterberg
Executive Vice President Human Resources, General Counsel and Corporate Secretary

Exhibit 4.1

Execution Version

REGISTRATION RIGHTS AGREEMENT

by and among

TUESDAY MORNING CORPORATION

and

THE HOLDERS PARTY HERETO

Dated as of February 9, 2021

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REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMENT (this "**Agreement**") is made as of February 9, 2021 by and among Tuesday Morning Corporation, a Delaware corporation (the "**Company**") and the Holders party hereto pursuant to the Plan of Reorganization of the Company and certain of its subsidiaries (the "**Plan**") under Chapter 11 of Title 11 of the United States Code approved by the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "**Bankruptcy Court**"). Capitalized terms used but not otherwise defined herein are defined in Section 1 hereof.

RECITALS:

WHEREAS, the Company proposes to issue the Registrable Securities to the Holders party hereto pursuant to, and upon the terms set forth in, the Plan and the Backstop Agreement; and

WHEREAS, this Agreement was contemplated by the Plan and the Backstop Agreement, and the Company is thus required to provide to the Holders certain arrangements with respect to registration of the Registrable Securities under the Securities Act.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the Company and each of the Holders hereby agree as follows:

1. Definitions.

(a) As used herein, the following terms have the following meanings:

"**Affiliate**" has the same meaning as such term has under Rule 12b-2 (or any successor rule then in effect) promulgated under the Exchange Act.

"**Automatic Shelf Registration Statement**" means an "automatic shelf registration statement" as defined in Rule 405 (or any successor rule then in effect) promulgated under the Securities Act.

"Backstop Agreement" means that certain Backstop Commitment Agreement, dated as of November 16, 2020, by among the Company and the Backstop Parties.

"Backstop Parties" means the Initial Backstop Party and its permitted transferees under the Backstop Agreement.

"Backstop Warrants" mean the 10,000,000 warrants to purchase shares of the Common Stock issued to the Backstop Parties pursuant to the Backstop Agreement.

"**beneficially owned**", "**beneficial ownership**" and similar phrases have the same meanings as such terms have under Rule 13d-3 and 13d-5 (or any successor rule then in effect) promulgated under the Exchange Act, except that in calculating the beneficial ownership of any Holder, such Holder shall be deemed to have beneficial ownership of all securities that such Holder has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The calculation of beneficial ownership for a Holder shall also include any Related Fund of such Holder.

"**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by applicable law or executive order to close.

"Closing Date" means the date of the closing of the Rights Offerings.

"**Commission**" means the United States Securities and Exchange Commission or any successor governmental agency.

"Common Stock" means the common stock, par value $0.01 per share, of the Company.

"**control**" (including the terms "controlling," "controlled by" and "under common control with") means, unless otherwise noted, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting shares, by contract, or otherwise.

"**Counsel to the Holders**" means the law firms or other legal counsel to the Holders selected (i) in the case of a Demand Registration, Shelf Registration or Shelf Takedown, by the Holders of a majority of the Registrable Securities initially requesting such Demand Registration, Shelf Registration or Shelf Takedown; and (ii) in the case of a Piggyback Registration, the Holders of a majority of the Registrable Securities included in such Piggyback Registration.

"**EDGAR**" means the Electronic Data Gathering, Analysis and Retrieval System of the Commission.

"**Equity Securities**" of any Person means capital stock or partnership, membership or other ownership interest in or of such Person, or any other securities or similar rights with respect to such Person (including any securities directly or indirectly convertible into or exchangeable or exercisable for any such stock or interest, any phantom stock or stock appreciation right, or options, warrants, calls, commitments or rights of any kind to acquire any such stock or interest). Unless the context otherwise requires, the term "Equity Securities" refers to Equity Securities of the Company.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Excluded Registration**" means a registration of the Company's securities (i) pursuant to a Registration Statement on Form S-8 (or other registration solely relating to an offering or sale to employees or directors of the Company pursuant to any employee stock plan or other employee benefit arrangement), (ii) pursuant to a Registration Statement on Form S-4 (or similar form that relates to a transaction subject to Rule 145 under the Securities Act or any successor rule thereto), (iii) in connection with any dividend or distribution reinvestment (or similar plan), (iv) in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered in connection therewith or (v) so long as the Company has one or more effective shelf Registration Statements covering the resale of all Registrable Securities, that is any universal shelf Registration Statement registering securities in addition to those required under this Agreement.

"**FINRA**" means the Financial Industry Regulatory Authority or any successor regulatory authority.

"**Free Writing Prospectus**" means any "free writing prospectus" as defined in Rule 405 promulgated under the Securities Act.

"**Holder**" means (i) any Backstop Party, and (ii) any other party to any Joinder, in each case, that, together with its Affiliates, beneficially owns Registrable Securities.

"Initial Backstop Party" means Osmium Capital, LLC.

"**Issuer Free Writing Prospectus**" means an issuer free writing prospectus as defined in Rule 433 under the Securities Act.

"**Joinder**" a joinder agreement in the form of Annex A executed and delivered to the Company pursuant to Section 11 hereof.

"**Material Adverse Effect**" means any material adverse effect on the business, properties, assets, operations, results of operations, condition (financial or otherwise) or prospects of the Company and its subsidiaries, taken as a whole.

"**National Securities Exchange**" means any exchange registered as a U.S. national securities exchange in accordance with the provisions of Section 19 of the Exchange Act (or any successor provisions then in effect).

"Person" means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a governmental entity or any department, agency or political subdivision thereof or any other entity.

"**Public Offering**" means any sale or distribution to the public of Equity Securities of the Company pursuant to an offering registered under the Securities Act, whether by the Company, by Holders and/or by any other holders of the Company's Equity Securities.

"**Prospectus**" means the prospectus used in connection with a Registration Statement.

"**Registrable Securities**" means any Common Stock held or beneficially owned by a Holder that was issued pursuant to the Backstop Agreement or that is issuable upon the exercise of the Backstop Warrants issued pursuant to the Backstop Agreement; provided that as to any Registrable Securities, such securities shall irrevocably cease to constitute Registrable Securities upon the earliest to occur of: (A) the date on which such securities have been disposed of pursuant to an effective registration statement under the Securities Act; (B) the date on which such securities have been disposed of pursuant to Rule 144; (C) the date on which securities are freely disposable pursuant to Rule 144 without regard to volume or manner of sale restrictions; (D) the date on which such securities have been transferred to any Person, other than a Holder or a Person pursuant to Section 11 hereof; and (E) the date on which such securities cease to be outstanding.

"**Registration Statement**" means any registration statement filed hereunder or in connection with a Piggyback Registration.

"**Related Fund**" means any fund, account or investment vehicle controlled, managed, advised or sub-advised by a Holder, an Affiliate of such Holder or the same investment manager, advisor or subadvisor of such Holder or an Affiliate of such investment manager, advisor or subadvisor.

"**Required Holders**" means Holders of at least a majority of the Registrable Securities then outstanding.

"Rights Offerings" has the meaning set forth in the Plan.

"**Rule 144**" means Rule 144 promulgated under the Securities Act (or any successor rule then in effect).

"**Rule 144A**" means Rule 144A promulgated under the Securities Act (or any successor rule then in effect).

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Shelf Registration**" means a registration of securities pursuant to a Registration Statement filed with the Commission in accordance with and pursuant to Rule 415 promulgated under the Securities Act (or any successor rule then in effect).

"**Shelf Takedown**" means an Underwritten Shelf Takedown or another Public Offering pursuant to a Shelf Registration.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	**Section**
Agreement	Preamble
Bankruptcy Court	Preamble
Bought Deal	3(c)
Company	Recitals
Company Demand Registration Notice	2(b)
Company Shelf Registration Notice	3(a)

Term	Section
Company Shelf Takedown Notice	3(c)
Cut Back Securities	3(g)
Demand Registration	2(a)
Demand Registration Notice	2(b)
Demand Shelf Takedown Notice	3(c)
Due Diligence Information	6(a)(x)
End of Suspension Notice	5(b)
Form S-1 Shelf	3(a)
Form S-3 Shelf	3(a)
Lock-Up Agreement	9(a)
Long-Form Registration	2(a)
Losses	10(a)
Opt-Out Election	7(e)
Permitted Free Writing Prospectus	7(a)
Piggyback Registration	4(a)
Piggyback Registration Notice	4(a)
Plan	Recitals
Registration Expenses	8(a)
Required Effective Period	6(a)(iii)
road show	10(a)
Shelf Registration Statement	3(a)
Short-Form Registration	2(a)
Suspension Event	5(b)
Suspension Notice	5(b)
Underwritten Shelf Takedown	3(c)
Withdrawal Request	5(d)

2. Demand Registration.

(a) Requests for Registration. The Required Holders may request registration under the Securities Act of all or any portion of the Registrable Securities held by such Required Holder(s) (A) on Form S-1 (or any successor form then in effect) (a "**Long-Form Registration**") or (B) on Form S-3 or any similar short-form registration (a "**Short-Form Registration**"), if available (any registration under this Section 2(a), a "**Demand Registration**"); *provided* that the Company will not be required to take any action pursuant to this Section 2(a) of this Agreement if: (A) within the 120 calendar day period preceding the date of a Demand Registration Notice: (i) the Company effected a Demand Registration, (ii) such Required Holders received notice of such Demand Registration and (iii) such Required Holders were able to register and sell pursuant to such Demand Registration all of the Registrable Securities requested to be included therein either at the time of the effectiveness thereof or within 90 calendar days thereafter; (B) such Demand Registration is not expected to yield aggregate gross proceeds of at least $15 million, (C) the Registrable Securities requested to be registered are already covered by an existing and effective Registration Statement (including a Shelf Registration contemplated by Section 3(a)) and such Registration Statement may be utilized for the offer and sale of the Registrable Securities requested to be registered, or (D) the number of Demand Registrations made pursuant to this Section 2(a) in the aggregate shall exceed two in any 12-month period.

(b) Demand Registration Notices. All requests for Demand Registrations shall be made by giving written notice to the Company (the "**Demand Registration Notice**"). Each Demand Registration Notice shall specify (i) whether such Demand Registration shall be an underwritten Public Offering and (ii) the approximate number of Registrable Securities proposed to be sold in the Demand Registration. The Company shall promptly give written notice (a "**Company Demand Registration Notice**") of the filing of a Registration Statement pursuant to this Section 2 to all of the Holders not less than five (5) Business Days before such filing, and, subject to the provisions of Section 3(d) below, shall include in such Demand Registration all Registrable Securities with respect to which the Company has received written requests for inclusion therein within three Business Days after the date of the Company Demand Registration Notice.

(c) Short-Form Registrations. Demand Registrations shall be Short-Form Registrations whenever the Company is permitted to use any applicable short form registration statement under the rules and regulations of the Securities Act, unless the underwriters, in their reasonable discretion, determine that the use of a Long-Form Registration is necessary in order for the successful offering of such Registrable Securities.

(d) Priority on Demand Registrations. If the Demand Registration is an underwritten Public Offering and the managing underwriters for such Demand Registration advise the Company and applicable Holders in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such Demand Registration exceeds the number of Registrable Securities and other securities, if any, which can be sold without adversely affecting the marketability, proposed offering price range acceptable to the Holders of a majority of the Registrable Securities requested to be included in the Demand Registration, timing or method of distribution of the offering, the Company shall include in such Demand Registration the number of Registrable Securities which can be sold without such adverse effect in the following order of priority: (i) first, the Registrable Securities requested to be included in such Demand Registration, allocated *pro rata* among the respective Holders of such Registrable Securities on the basis of the number of Registrable Securities owned by each such Holder; (ii) second, securities offered by the Company; and (iii) third, other securities requested to be included in such Demand Registration to the extent permitted hereunder.

(e) Selection of Underwriters. The Holders of a majority of the Registrable Securities initially requesting a Demand Registration which is an underwritten Public Offering shall have the right to select the managing underwriters to administer the Public Offering (which shall consist of one or more reputable nationally recognized investment banks) with the consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed.

3. Shelf Registration.

(a) Shelf Registration. As soon as reasonably practicable after the Closing Date, the Company shall file a Registration Statement for a Shelf Registration on Form S-1 covering the resale of the Registrable Securities on a delayed or continuous basis (a "**Form S-1 Shelf**") or, if available, on Form S-3 (a "**Form S-3 Shelf**" and, together with a Form S-1 Shelf, a "**Shelf Registration Statement**"). The Company shall give written notice (a "**Company Shelf Registration Notice**") of the anticipated filing of the Shelf Registration Statement within 10 Business Days prior to such filing to all Holders of Registrable Securities and, subject to paragraph (g) of this Section, shall include in such Shelf Registration Statement all Registrable Securities with respect to which the Company has received written requests for inclusion therein within five Business Days of the date of the Company Shelf Registration Notice. The Company shall use commercially reasonable efforts to cause such Shelf Registration Statement to be declared effective as promptly as practicable and to remain effective for a period ending on the earlier of (i) the date on which all Registrable Securities included in such registration have been sold; (ii) the date on which all such securities cease to be Registrable Securities or (iii) the maximum length permitted by the Commission.

(b) Conversion to Form S-3. The Company shall use commercially reasonable efforts to convert any Form S-1 Shelf to a Form S-3 Shelf as soon as reasonably practicable after the Company is eligible to use Form S-3.

(c) Requests for Underwritten Shelf Takedowns. At any time and from time to time after the Shelf Registration Statement has been declared effective by the Commission, the Required Holders may request to sell all or any portion of their Registrable Securities in an underwritten Public Offering that is registered pursuant to the Shelf Registration Statement (each, an "**Underwritten Shelf Takedown**"), *provided* that the net proceeds to be received by Holders in connection with such Public Offering will be reasonably expected to exceed $15 million. All requests for Underwritten Shelf Takedowns shall be made by giving written notice to the Company (a "**Demand Shelf Takedown Notice**"). Each Demand Shelf Takedown Notice shall specify the approximate number of Registrable Securities proposed to be sold in the Underwritten Shelf Takedown. Within five Business Days after receipt of any Demand Shelf Takedown Notice, the Company shall give written notice of such requested Underwritten Shelf Takedown to all other Holders which have Registrable Securities included on such Shelf Registration (a "**Company Shelf Takedown Notice**") and, subject to the provisions of Section 3(d) below, shall include in such Underwritten Shelf Takedown all Registrable Securities with respect to which the Company has received written requests for inclusion therein within five Business Days after sending the Company Shelf Takedown Notice.

(d) Priority on Underwritten Shelf Takedowns. If the managing underwriters for such Underwritten Shelf Takedown advise the Company and the Holders of Registrable Securities included in the Shelf Takedown in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such Underwritten Shelf Takedown exceeds the number of Registrable Securities and other securities, if any, which can be sold without adversely affecting the marketability, proposed offering price range acceptable to the Holders of a majority of the Registrable Securities requested to be included in such Underwritten Shelf Takedown, timing or method of distribution of the offering, the Company shall include in such Underwritten Shelf Takedown the number of Registrable Securities which can be so sold in the following order of priority: (i) first, the Registrable Securities requested to be included in such Underwritten Shelf Takedown allocated *pro rata* among the respective Holders of such Registrable Securities on the basis of the number of Registrable Securities owned by each such Holder; (ii) second, securities offered by the Company; and (iii) third, other securities requested to be included in such Underwritten Shelf Takedown to the extent permitted hereunder.

(e) Restrictions on Underwritten Shelf Takedowns. The Company shall not be obligated to effect more than two Underwritten Shelf Takedowns during any period of 12 consecutive months and shall not be obligated to effect an Underwritten Shelf Takedown within 60 days after the pricing of a previous Underwritten Shelf Takedown.

(f) Selection of Underwriters. The Holders of a majority of the Registrable Securities initially requesting an Underwritten Shelf Takedown shall have the right to select the managing underwriters to administer the Public Offering (which shall consist of one or more reputable nationally recognized investment banks) with the consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed.

(g) Reduction of Registrable Securities Included in a Shelf Registration. Notwithstanding anything contained herein, in the event that the Commission requires the Company to reduce the number of Registrable Securities to be included in a Shelf Registration Statement in order to allow the Company to rely on Rule 415 with respect to a Shelf Registration Statement, then the Company shall be obligated to include in such Shelf Registration Statement (which may be a subsequent Shelf Registration Statement if the Company needs to withdraw a Shelf Registration Statement and refile a new Shelf Registration Statement in order to rely on Rule 415) only such limited portion of the Registrable Securities as the Commission shall permit. Any Registrable Securities that are excluded in accordance with the foregoing terms are hereinafter referred to as "**Cut Back Securities**." To the extent Cut Back Securities exist, as soon as may be permitted by the Commission, the Company shall be required to file a Shelf Registration Statement covering the resale of the Cut Back Securities (subject also to the terms of this Section) and shall use best efforts to cause such Shelf Registration Statement to be declared effective as promptly as practicable thereafter.

4. Piggyback Registration.

(a) Right to Piggyback. Whenever the Company proposes to file a Registration Statement under the Securities Act or conduct a Shelf Takedown with respect to a Public Offering of the Common Stock (other than a Demand Registration, Underwritten Shelf Takedown, Excluded Registration or an at-the-market offering, a "**Piggyback Registration**"), the Company shall give prompt written notice to all Holders of Registrable Securities of its intention to effect such Piggyback Registration (the **"Piggyback Registration Notice"**) and (i) in the case of a Piggyback Registration that is a Shelf Takedown, such notice shall be given not less than (A) in the case of a "bought deal," "registered direct offering" or "overnight transaction" (a "**Bought Deal**"), two (2) Business Days; or (B) otherwise, five (5) Business Days, in each case under this clause (i), prior to the expected date of commencement of marketing efforts for such Shelf Takedown; or (ii) in the case of any other Piggyback Registration, such notice shall be given not less than five Business Days after the public filing of such Registration Statement. The Company shall, subject to the provisions of Section 4(b) below, include in such Piggyback Registration, as applicable, all Registrable Securities with respect to which the Company has received written requests for inclusion therein within three Business Days after the Piggyback Registration Notice (one Business Day in the case of a Bought Deal).

(b) Priority on Piggyback Registrations. For any Piggyback Registration that includes an underwritten Public Offering and the managing underwriters advise the Company in writing that in their reasonable opinion the number of securities requested to be included in such Piggyback Registration exceeds the number of Registrable Securities and other securities, if any, which can be sold without adversely affecting the marketability, proposed offering price range acceptable to the Holders of a majority of the Registrable Securities requested to be included in such Piggyback Registration, timing or method of distribution of the offering, the Company shall include in such Piggyback Registration the number of Registrable Securities which can be sold without such adverse effect in the following order of priority: (i) *first*, if the Piggyback Registration includes a primary offering of Company securities for the Company's own account, the securities offered by the Company thereby; (ii) *second*, the Registrable Securities requested to be included in such Piggyback Registration by the Holders allocated *pro rata* among the Holders on the basis of the number of Registrable Securities owned by each Holder; and (iii) *third*, other securities requested to be included in such Piggyback Registration, if any.

(c) If at any time after giving the Piggyback Registration Notice and prior to the time sales of securities are confirmed pursuant to the Piggyback Registration, the Company determines for any reason not to proceed with or delay the Piggyback Registration, the Company may give notice of its determination to all Holders and thereafter be relieved of its obligation set forth in Section 4(a) in connection with the abandoned or delayed Piggyback Registration, without prejudice.

(d) Selection of Underwriters. For any Piggyback Registration that includes an underwritten Public Offering, the Company will have the sole right to select the underwriters for the Public Offering, each of which shall be a nationally recognized investment bank.

5. Suspensions; Withdrawals.

(a) Suspensions. The Company may postpone, for up to 60 calendar days from the date of the Demand Registration Notice or Demand Shelf Takedown Notice, the filing or the effectiveness of a Registration Statement for a Demand Registration or Shelf Registration or suspend the use of a Prospectus that is part of a Shelf Registration for up to 60 calendar days from the date of the Suspension Notice (as defined below) and therefore suspend sales of Registrable Securities included therein by providing written notice to the Holders included in such registration if the Company shall have furnished to the Holders a certificate signed by the Chief Executive Officer (or other authorized officer) of the Company stating that the Company's Board of Directors has determined in its reasonable good faith judgment that the offer or sale of Registrable Securities should be suspended; *provided* that the Company may not invoke a delay pursuant to this Section 5(a) more than twice (with each such delay to be for a period of not more than 60 calendar days) in any twelve (12) month period; *provided* further that the Company may not invoke a delay pursuant to this Section 5(a) more than once (for a period of not more than 60 calendar days) during the first twelve (12) month period following the effectiveness of the Registration Statement. The Company may invoke this Section 5(a) only if the Company's Board of Directors determines in good faith, after consultation with its external advisors or legal counsel, that the offer or sale of Registrable Securities would reasonably be expected to: (i) have a material adverse effect on any proposal or plan by the Company or any of its subsidiaries to engage in any material acquisition of assets or stock (other than in the ordinary course of business) or any material merger, consolidation, tender offer, recapitalization, reorganization or other transaction involving the Company or any of its subsidiaries; or (ii) require premature disclosure of material non-public information that the Company has a bona fide business purpose for preserving as confidential.

(b) In the case of an event that causes the Company to suspend the use of a Registration Statement as set forth in Section 5(a) or 6(a)(vi)(A) (a "**Suspension Event**"), the Company shall give a notice to the Holders of Registrable Securities included in such Registration Statement (a "**Suspension Notice**") to suspend sales of the Registrable Securities and such notice shall state that such suspension shall continue only for so long as the Suspension Event or its effect is continuing. The Company shall not include any material non-public information in the Suspension Notice and or otherwise provide such information to a Holder. A Holder shall not effect any sales of the Registrable Securities pursuant to such Registration Statement (or such filings) at any time after it has received a Suspension Notice from the Company and prior to receipt of an End of Suspension Notice. Holders may recommence effecting sales of the Registrable Securities pursuant to the Registration Statement (or such filings) following further written notice to such effect (an "**End of Suspension Notice**") from the Company, which End of Suspension Notice shall be given by the Company to the Holders and Counsel to the Holders, if any, promptly following the conclusion of any Suspension Event.

(c) Time Extension. Notwithstanding any provision herein to the contrary, if the Company gives a Suspension Notice with respect to any Registration Statement pursuant to this Section 5, the Company agrees that it shall (i) extend the Required Effective Period which such Registration Statement shall be maintained effective pursuant to this Agreement by the number of days during the period from the date of receipt by the Holders of the Suspension Notice to and including the date of receipt by the Holders of the End of Suspension Notice; and (ii) provide copies of any supplemented or amended prospectus necessary to resume sales, with respect to each Suspension Event; *provided* that such period of time shall not be extended beyond the date that there are no longer Registrable Securities covered by such Registration Statement.

(d) Withdrawal Requests. At any time prior to the effective date of a Registration Statement, the Required Holders may withdraw such demand or request for registration ("**Withdrawal Request**") by providing written notice of such withdrawal to the Company. A Withdrawal Request shall count as one of the permitted Demand Registrations hereunder unless: (i) such withdrawal arose out of the fault of the Company; (ii) in the reasonable judgment of the Required Holders, a Material Adverse Effect has occurred; (iii) a Suspension Notice was delivered to the Holders; or (iv) the managing underwriters advise that the amount of Registrable Securities to be sold in such offering be reduced pursuant to Section 2(d) by more than 25% of the Registrable Securities to be included in such Registration Statement. The Company shall pay all Registration Expenses in connection with any Registration Statement subject to a Withdrawal Request. Any Holder may withdraw its request for inclusion of Registrable Securities in a Registration Statement by giving written notice to the Company of its intention to remove its Registrable Securities from such Registration Statement within two Business Days before the earlier of (i) the expected date of the commencement of marketing efforts for the Public Offering in connection with such Registration Statement or (ii) the effectiveness of the Registration Statement.

6. Company Undertakings.

(a) Whenever Registrable Securities are registered pursuant to this Agreement, the Company shall use commercially reasonable efforts to effect the registration and the sale of such Registrable Securities as soon as reasonably practicable in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as promptly as reasonably practicable:

(i) prepare and file with the Commission a Registration Statement with regard to such Registrable Securities as soon as reasonably practicable upon receipt of an applicable notice from the Holders pursuant to the terms of this Agreement (unless the Registration Statement would be required pursuant to the rules and regulations of the Securities Act to include any audited or unaudited consolidated or pro forma financial statements that are not then currently available, in which case, promptly after such financial statements are available) and use commercially reasonable efforts to cause such Registration Statement to become effective as soon thereafter as is reasonably practicable;

(ii) (before filing a Registration Statement or Prospectus or any amendments or supplements thereto, furnish to the Holders whose Registrable Securities are requested to be included in the Registration Statement copies of all such documents, other than exhibits, documents that are incorporated by reference and such documents that are otherwise publicly available on EDGAR, proposed to be filed and such other documents reasonably requested by such Holders and provide Counsel to the Holders with a reasonable opportunity to review and comment on such documents of no less than three Business Days;

(iii) notify each Holder whose Registrable Securities are included in such Registration Statement of the effectiveness of each Registration Statement and prepare and file with the Commission such amendments and supplements to such Registration Statement as may be necessary to keep such Registration Statement effective for a period of not less than (A) 90 days in the case of a Demand Registration that is not a Shelf Registration or (B) in the case of a Shelf Registration, until the date on which all Registrable Securities have been sold pursuant to the Shelf Registration or have otherwise ceased to be Registrable Securities or the maximum length permitted by the Commission (or, in each case, if sooner, until all Registrable Securities have been sold under such Registration Statement), and comply with the provisions of the Securities Act (including by preparing and filing with the Commission any Prospectus or supplement to be used in connection therewith) with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition by the Holders as set forth in such Registration Statement (each such period as applicable, the "**Required Effective Period**");

(iv) furnish to each seller of Registrable Securities, and the managing underwriters, without charge, such number of copies of the applicable Registration Statement, each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus, final Prospectus, and any other Prospectus (including any Prospectus filed under Rule 424, Rule 430A or Rule 430B promulgated under the Securities Act and any Issuer Free Writing Prospectus)), all exhibits and other documents filed therewith and such other documents as such seller or such managing underwriters may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller, and upon request, a copy of any and all transmittal letters or other correspondence to or received from, the Commission or any other governmental authority relating to such offer;

(v) (A) to use reasonable best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests in writing, (B) keep such registration or qualification in effect for so long as such Registration Statement remains in effect, and (C) to do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (*provided* that the Company shall not be required to (x) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subsection, (y) subject itself to taxation in any such jurisdiction or (z) consent to general service of process in any such jurisdiction);

(vi) notify each seller of such Registrable Securities, the managing underwriters and Counsel to the Holders (A) at any time when a Prospectus relating to the applicable Registration Statement is required to be delivered under the Securities Act, (1) upon discovery that, or upon the happening of any event as a result of which, such Registration Statement, or the Prospectus or Issuer Free Writing Prospectus relating to such Registration Statement, or any document incorporated or deemed to be incorporated therein by reference contains an untrue statement of a material fact or omits any material fact necessary to make the statements in the Registration Statement or the Prospectus or Issuer Free Writing Prospectus relating thereto not misleading or otherwise requires the making of any changes in such Registration Statement, Prospectus, Issuer Free Writing Prospectus or document, and, at the request of any such seller, the Company shall, except when the Company's obligations are suspended pursuant to Section 5(b), promptly prepare a supplement or amendment to such Prospectus or Issuer Free Writing Prospectus, furnish a reasonable number of copies of such supplement or amendment to each seller of such Registrable Securities, Counsel to the Holders and the managing underwriters and file such supplement or amendment with the Commission so that, as thereafter delivered to the purchasers of such Registrable Securities, such Prospectus or Issuer Free Writing Prospectus as so amended or supplemented shall not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading, (2) as soon as the Company becomes aware of any comments or inquiries by the Commission or any requests by the Commission or any Federal or state governmental authority for amendments or supplements to a Registration Statement or related Prospectus or Issuer Free Writing Prospectus covering Registrable Securities or for additional information relating thereto, (3) as soon as the Company becomes aware of the issuance or threatened issuance by the Commission of any stop order suspending or threatening to suspend the effectiveness of a Registration Statement covering the Registrable Securities or (4) of the receipt by the Company of any notification with respect to the suspension of the qualification or exemption from qualification of any Registrable Security for sale in any jurisdiction, or the initiation or threatening of any proceeding for such purpose; and (B) when each Registration Statement or any amendment thereto has been filed with the Commission and when each Registration Statement or the related Prospectus or Issuer Free Writing Prospectus or any Prospectus supplement or any post-effective amendment thereto has become effective;

(vii) use commercially reasonable efforts to cause all such Registrable Securities (A) if the Common Stock is then listed on a National Securities Exchange or included for quotation in a recognized trading market, to continue to be so listed or included, and (B) to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the sellers thereof to consummate the disposition of the Registrable Securities;

(viii) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities from and after the effective date of the applicable Registration Statement;

(ix) in connection with any underwritten Public Offering requested by Holders pursuant to the terms of this Agreement (including an Underwritten Shelf Takedown) and as reasonably requested by the Holders beneficially owning a majority of the Registrable Securities to be included in the relevant Registration Statement or the managing underwriters, as applicable, for such underwritten Public Offering:

(A) enter into and perform under such customary agreements (including underwriting agreements in customary form, including customary representations and warranties and provisions with respect to indemnification and contribution) and take all such other actions as the Holders of a majority of the Registrable Securities being sold or the managing underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities and provide reasonable cooperation, including causing appropriate officers to attend and participate in "road shows" and analyst or investor presentations and such other selling or other informational meetings organized by the underwriters, if any (taking into account the needs of the Company's businesses and the responsibilities of such officers with respect thereto and the requirement of the marketing process); provided, that the Company shall have no obligation to participate in more than two "road shows" in any 12-month period or if such participation is reasonably expected to interfere with the business operations of the Company; and

(B) use commercially reasonable efforts to obtain and cause to be furnished to each such Holder included in such underwritten Public Offering and the managing underwriters a signed counterpart of (i) one or more comfort letters from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by comfort letters and (ii) a legal opinion (and negative assurance letter) of counsel to the Company addressed to the relevant underwriters and/or such Holders of Registrable Securities, in each case in customary form and covering such matters of the type customarily covered by such letters as the managing underwriters and/or Holders of a majority of the Registrable Securities included in such underwritten Public Offering reasonably request;

(x) upon reasonable notice and at reasonable times during normal business hours, make available for inspection by any Holder covered by the applicable Registration Statement, Counsel to the Holders, any underwriter participating in any disposition pursuant to such registration, as applicable, and any other attorney or accountant retained by such Holder or underwriter, all financial and other records and pertinent corporate documents of the Company, and cause the Company's officers, directors, employees and independent accountants to supply all information reasonably requested by any such Holder, underwriter, attorney or accountant in connection with such Registration Statement or Shelf Takedown, as applicable, and make themselves available at mutually convenient times to discuss the business of the Company and other matters reasonably requested by any such Holders, sellers, underwriter or agent thereof in connection with such Registration Statement as shall be necessary (subject to the Company's compliance with Regulation FD) to enable them to exercise their due diligence responsibility, as applicable (any information provided under this Section 6(a)(x), "**Due Diligence Information**"); *provided* that the Company shall not provide any Due Diligence Information to a Holder unless such Holder explicitly requests such Due Diligence Information in writing.

(xi) in the event of the issuance or threatened issuance of any stop order suspending the effectiveness of a Registration Statement, or of any order suspending or preventing the use of any related Prospectus or suspending the qualification of any Registrable Security included in such Registration Statement for sale in any jurisdiction, the Company shall use commercially reasonable efforts to (A) prevent the issuance of any such stop order, and in the event of such issuance, to obtain the withdrawal of such order and (B) obtain the withdrawal of any order suspending or preventing the use of any related Prospectus or Issuer Free Writing Prospectus or suspending qualification of any Registrable Securities included in such Registration Statement for sale in any jurisdiction at the earliest practicable date;

(xii) provide a CUSIP number for the Registrable Securities prior to the effective date of the first Registration Statement including Registrable Securities;

(xiii) promptly notify in writing the participating Holders, the sales or placement agent, if any, therefor and the managing underwriters of the securities being sold when such Registration Statement or related Prospectus or Free Writing Prospectus or any Prospectus amendment or supplement or post-effective amendment has been filed, and, with respect to any such Registration Statement or any post-effective amendment, when the same has become effective;

(xiv) (A) prepare and file with the Commission such amendments and supplements to each Registration Statement as may be necessary to comply with the provisions of the Securities Act, including post effective amendments to each Registration Statement as may be necessary to keep such Registration Statement continuously effective for the applicable time period required hereunder and, if applicable, file any Registration Statements pursuant to Rule 462(b) promulgated under the Securities Act; (B) cause the related Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 (or any similar provisions then in force) promulgated under the Securities Act; and (C) provide additional information related to each Registration Statement as requested by, and obtain any required approval necessary from, the Commission or any Federal or state governmental authority;

(xv) cooperate with each Holder and each underwriter, if any, participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA;

(xvi) within the deadlines specified by the Securities Act, make all required filing fee payments in respect of any Registration Statement or Prospectus used under this Agreement (and any Public Offering covered thereby);

(xvii) if requested by any participating Holder or the managing underwriters, promptly include in a Prospectus supplement or amendment such information as the Holder or managing underwriters may reasonably request, including in order to permit the intended method of distribution of such securities, and make all required filings of such Prospectus supplement or such amendment as soon as reasonably practicable after the Company has received such request;

(xviii) in the case of certificated Registrable Securities, cooperate with the participating Holders of Registrable Securities and the managing underwriters to facilitate the timely preparation and delivery of certificates (not bearing any legends) representing Registrable Securities to be sold after receiving written representations from each participating Holder that the Registrable Securities represented by the certificates so delivered by such Holder will be transferred in accordance with the Registration Statement, and enable such Registrable Securities to be in such denominations and registered in such names as the Holders or managing underwriters may reasonably request at least two Business Days prior to any sale of Registrable Securities; *provided* that nothing in this Agreement shall require the Company to issue securities in certificated form unless such securities are already in certificated form; and

(xix) use commercially reasonable efforts to take all other actions deemed necessary or advisable in the reasonable judgment of the Company to effect the registration and sale of the Registrable Securities contemplated hereby.

(b) The Company shall hold in confidence and not make any disclosure of information concerning a Holder provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other agreement. The Company agrees that it shall, upon learning that disclosure of such information concerning a Holder is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to such Holder and allow such Holder, at the Holder's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

(c) As of the date hereof and except as provided pursuant to the Plan, the Company represents and warrants that it is not a party to, or otherwise subject to, any other agreement granting registration rights to any other Person with respect to any securities of the Company, including securities convertible, exercisable or exchangeable into or for shares of any Equity Securities of the Company.

(d) With a view to making available certain rules and regulations of the Commission that may permit the sale of the Registrable Securities to the public without registration, until such date as no Holder owns any Registrable Securities, the Company agrees to:

(i) use commercially reasonable efforts to continue to file in a timely manner all reports and other documents required, if any, to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted thereunder;

(ii) make available information necessary to comply with Section 4(a)(7) under the Securities Act and Rule 144, Rule 144A and Regulation S promulgated under the Securities Act, if available, with respect to resales of the Registrable Securities under the Securities Act, at all times, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Section 4(a)(7), Rule 144, Rule 144A and Regulation S promulgated under the Securities Act, as may be amended from time to time, or any other similar rules or regulations now existing or hereafter adopted by the Commission; and

(iii) upon the reasonable written request of any Holder, the Company will deliver to such Holder a written statement as to whether the Company has complied with such information requirements, and, if not, the specific reasons for non-compliance.

(e) The Company agrees that nothing in this Agreement shall prohibit the Holders, at any time and from time to time, from selling or otherwise transferring Registrable Securities pursuant to a private placement or other transaction which is not registered pursuant to the Securities Act.

7. Holder Undertakings

(a) Free Writing Prospectuses. Each Holder represents that it has not prepared or had prepared on its behalf or used or referred to, and agrees that it will not prepare or have prepared on its behalf or used or refer to, any Free Writing Prospectus, and has not distributed and will not distribute any written materials in connection with the offer or sale of Registrable Securities without the prior written consent of the Company and, in connection with any underwritten Public Offering, the underwriters. Any such Free Writing Prospectus consented to by the Company and the underwriters, as the case may be, is hereinafter referred to as a "**Permitted Free Writing Prospectus**." The Company represents and agrees that it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus, including in respect of timely filing with the Commission, legending and record keeping.

(b) Information for Inclusion. Each selling Holder that has requested inclusion of its Registrable Securities in any Registration Statement shall furnish to the Company such information regarding such Holder and its plan and method of distribution of such Registrable Securities as the Company may, from time to time, reasonably request in writing. The Company may refuse to proceed with the registration of such Holder's Registrable Securities if such Holder unreasonably fails to furnish such information within a reasonable time after receiving such request.

(c) Underwritten Public Offering Participation. No Person may participate in any underwritten Public Offering hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements in customary form entered into pursuant to this Agreement and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements; *provided* that no Holder included in any underwritten Public Offering shall be required to make any representations or warranties to the Company or the underwriters (other than (A) representations and warranties regarding (1) such Holder's ownership of its Registrable Securities to be sold or transferred, (2) such Holder's power and authority to effect such transfer, and (3) such matters pertaining to compliance with securities laws as may be reasonably requested by the Company or the underwriters, and (B) such other representations, warranties and other provisions relating to such Holder's participation in such Public Offering as may be reasonably requested by the underwriters) or to undertake any indemnification obligations to the Company with respect thereto, except as otherwise provided in Section 10(b) hereof, or to the underwriters with respect thereto, except to the extent of the indemnification being given to the underwriters and their controlling Persons in Section 10(b) hereof.

(d) Price and Underwriting Discounts. In the case of an underwritten Demand Registration or Underwritten Shelf Takedown requested by Holders pursuant to this Agreement, the price, underwriting discount and other financial terms of the related underwriting agreement for the Registrable Securities shall be determined by the Holders representing a majority of the Registrable Securities included in such underwritten Public Offering.

(e) Notice Opt-Out. Notwithstanding anything to the contrary in this Agreement, any Holder may make a written election (an "**Opt-Out Election**") to no longer receive from the Company any Company Demand Registration Notice, Company Shelf Registration Notice, Company Shelf Takedown Notice, Piggyback Registration Notice or Suspension Notice (other than a Suspension Notice with respect to a Registration Statement as to which such Holder's Registrable Securities are, or have been requested to be, included in) (each, a "**Covered Notice**"), and, following receipt of such Opt-Out Election, the Company shall not be required to, and shall not, deliver any such Covered Notice to such Holder from the date of receipt of such Opt-Out Election and such Holder shall have no right to participate in any Registration Statement or Public Offering as to which such Covered Notices pertain. An Opt-Out Election shall remain in effect until it has been revoked in writing and received by the Company. A Holder who previously has given the Company an Opt-Out Election may revoke such election at any time in writing, and there shall be no limit on the ability of a Holder to issue and revoke subsequent Opt-Out Elections.

8. Registration Expenses

(a) Expenses. All fees and expenses incurred by the Company in connection with this Agreement ("**Registration Expenses**") will be borne by the Company. These fees and expenses will include without limitation (i) stock exchange, Commission, FINRA and other registration and filing fees, (ii) all fees and expenses incurred in connection with complying with any securities or blue sky laws (including reasonable fees, charges and disbursements of counsel in connection with blue sky qualifications of the Registrable Securities), (iii) all printing, messenger and delivery expenses, (iv) the fees, charges and disbursements of counsel to the Company and of its independent public accountants and any other accounting and legal fees, charges and expenses incurred by the Company (including any expenses arising from any special audits or "comfort letters" required in connection with or incident to any registration) and other Persons retained by the Company, and (v) the fees and expenses incurred in connection with the listing of the Registrable Securities on a National Securities Exchange.

(b) Reimbursement of Counsel. The Company will also reimburse or pay, as the case may be, the Holders of Registrable Securities included in such registration for the reasonable, documented fees and out-of-pocket expenses of one Counsel to the Holders relating to or in connection with any action taken pursuant to this Agreement within 30 calendar days of presentation of an invoice approved by such Holders and disbursements of each additional counsel retained by any Holder for the purpose of rendering a legal opinion on behalf of such Holder in connection with any underwritten Public Offering if the managing underwriters of such Public Offering or the Company reasonably request such legal opinion and Counsel to the Holders cannot reasonably provide such legal opinion due to legal jurisdiction or otherwise.

9. Lock-Up Agreements.

(a) Lock-Up Agreements. If required by the Holders of a majority of the Registrable Securities participating in an underwritten Public Offering and requested by the managing underwriters of such Public Offering, each of the Holders participating in such Public Offering shall enter into a lock-up agreement with the managing underwriters of such Public Offering to not make any sale or other disposition of any of the Company's Equity Securities owned by such Holder (a "**Lock-Up Agreement**"), such agreement to be in customary form and substance with customary exceptions; *provided* that all executive officers and directors of the Company and the Holders requesting such Lock-Up Agreements are bound by and have entered into substantially similar Lock-Up Agreements; *provided further* the foregoing provisions shall only be applicable to the Holders if all stockholders, officers and directors are treated similarly with respect to any release prior to the termination of the lock-up period such that if any such persons are released, then all Holders shall also be released to the same extent on a *pro rata* basis. The Company may impose stop-transfer instructions with respect to the shares of Registrable Securities (or other securities) subject to the restrictions set forth in this Section 9(a) until the end of the applicable period of the Lock-Up Agreement. The provisions of this Section 9(a) shall cease to apply to such Holder once such Holder no longer beneficially owns any Registrable Securities.

(b) Company Lock-Up. In connection with any underwritten Public Offering, and upon the reasonable request of the managing underwriters, the Company shall: (i) agree to a customary lock-up provision applicable to the Company in an underwriting agreement as reasonably requested by the managing underwriters; and (ii) use reasonable best efforts to cause each of its executive officers and directors to enter into Lock-Up Agreements, in each case, in customary form and substance, and with exceptions that are customary, for an underwritten Public Offering.

10. Indemnification; Contribution.

(a) Indemnification by the Company. The Company agrees to indemnify and hold harmless each Holder registered pursuant to this Agreement, such Holder's Affiliates, directors, officers, employees, members, managers, agents and any Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities and expenses ("**Losses**") to which they or any of them may become subject insofar as such Losses arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement pursuant to which Registrable Securities were registered, Prospectus, preliminary prospectus, any road show, as defined in Rule 433(h)(4) under the Securities Act a ("**road show**"), or Issuer Free Writing Prospectus included in any such Registration Statement, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in the case of any Prospectus, preliminary prospectus, road show or Issuer Free Writing Prospectus, in light of the circumstances under which they were made, to make the statements therein not misleading and the Company agrees to reimburse each such indemnified party for any reasonable legal or other reasonable, documented out-of-pocket expenses incurred by them in connection with investigating or defending any such Losses (whether or not the indemnified party is a party to any proceeding); *provided*, *however*, that the Company will not be liable (x) in any case to the extent that any such Loss arises out of or is based upon any such untrue or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any such Holder specifically for inclusion therein, including, without limitation, any notice and questionnaire, and (y) in the case of an occurrence of an event of the type specified in Section 6(a)(vi), related to the use by a Holder of an outdated or defective prospectus after the Company has notified such Holder that the prospectus is outdated or defective, but only if and to the extent that the misstatement or omission giving rise to such Loss would have been corrected in the final Prospectus or amendment or supplement thereto. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) Indemnification by the Holders. Each Holder severally (and not jointly) agrees to indemnify and hold harmless the Company and each of its Affiliates, directors, employees, members, managers, agents and each Person who controls the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) to the fullest extent permitted by applicable law, from and against any and all Losses to which they or any of them may become subject insofar as such Losses arise out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement pursuant to which Registrable Securities were registered, Prospectus, preliminary prospectus, road show, Issuer Free Writing Prospectus included in any such Registration Statement, or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary in the case of any Prospectus, preliminary Prospectus, road show, Issuer Free Writing Prospectus, in light of the circumstances under which they were made, to make the statements therein not misleading, to the extent, but only to the extent, that any such untrue statement or alleged untrue statement or omission or alleged omission is contained in any written information furnished to the Company by or on behalf of such Holder specifically for inclusion therein; *provided*, *however*, that the maximum amount to be indemnified by such Holder pursuant to this Section 10(b) shall be limited to the net proceeds (after deducting underwriters' discounts and commissions) received by such Holder in the Public Offering to which such Registration Statement, Prospectus, preliminary prospectus, road show or Issuer Free Writing Prospectus relates; *provided*, *further*, that a Holder shall not be liable in any case to the extent that prior to the filing of any such Registration Statement, Prospectus, preliminary Prospectus, road show or Issuer Free Writing Prospectus or any amendment thereof or supplement thereto, each Holder has furnished in writing to the Company, information expressly for use in, and within a reasonable period of time prior to the effectiveness of such Registration Statement or the use of the Prospectus, preliminary prospectus, road show or Issuer Free Writing Prospectus, or any amendment thereof or supplement thereto which corrected or made not misleading information previously provided to the Company. This indemnity agreement will be in addition to any liability which any such Holder may otherwise have.

(c) Conduct of Indemnification Proceedings. Promptly after receipt by an indemnified party under this Section 10 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 10(c), notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under Section 10(a) or Section 10(b) above unless and to the extent such action and such failure results in material prejudice to the indemnifying party and forfeiture by the indemnifying party of substantial rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in Section 10(a) or Section 10(b) above. The indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, except as provided in the next sentence, after notice from the indemnifying party to such indemnified party of its election to so assume the defense thereof, the indemnifying party shall not be liable to such indemnified party for any legal expenses of other counsel or any other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. Notwithstanding the indemnifying party's rights in the prior sentence, the indemnified party shall have the right to employ its own counsel (and one local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if:

(i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with an actual or potential conflict of interest;

(ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party;

(iii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or

(iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party.

(v) No indemnifying party shall, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general circumstances or allegations, be liable for the fees and expenses of more than one separate firm of attorneys (in addition to one local counsel) for all indemnified parties, and (y) the indemnified party shall promptly reimburse the indemnifying party for that portion of such fees and expenses applicable to such actions for which such indemnified party is finally judicially determined to not be entitled to indemnification under this Agreement. An indemnifying party shall not be liable under this Section 10(c) to any indemnified party regarding any settlement or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent is consented to by such indemnifying party, which consent shall not be unreasonably withheld. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of each indemnified party (which consent shall not be unreasonably withheld), consent to entry of any judgment or enter into any settlement or compromise unless such settlement or compromise (x) includes as an unconditional term thereof the giving by the claimant or plaintiff therein, to such indemnified party, of a full and final release from all liability in respect to such claim or litigation and (y) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of such indemnified party.

(d) Contribution.

(i) In the event that the indemnity provided in Section 10(a) or Section 10(b) above is unavailable to or insufficient to hold harmless an indemnified party for any reason, then each applicable indemnifying party agrees to contribute to the aggregate Losses (including reasonable legal or other reasonable, documented out-of-pocket expenses incurred in connection with investigating or defending same) to which such indemnifying party may be subject in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party on the one hand and by the indemnified party on the other from the Public Offering of the Registrable Securities; *provided*, *however*, that the maximum amount of liability in respect of such contribution shall be limited in the case of any Holder to the net proceeds (after deducting underwriters' discounts and commissions) received by such Holder in connection with such registration. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the indemnifying party on the one hand and the indemnified party on the other in connection with the statements or omissions which resulted in such Losses, as well as any other relevant equitable considerations. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party on the one hand or the indemnified party on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(ii) The parties agree that it would not be just and equitable if contribution pursuant to this Section 10(d) were determined by *pro rata* allocation (even if the Holders of Registrable Securities or any agents or underwriters or all of them were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 10(d). The amount paid or payable by an indemnified party as a result of the Losses referred to above in this Section 10(d) shall be deemed to include any reasonable legal or other reasonable, documented out-of-pocket expenses incurred by such indemnified party in connection with investigating or defending any such action or claim.

(iii) Notwithstanding the provisions of this Section 10(d), no Person guilty of fraudulent misrepresentation (within the meaning of Section 10(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

(iv) For purposes of this Section 10, each Person who controls any Holder, agent or underwriter (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each director, officer, employee and agent of any such Holder, agent or underwriter shall have the same rights to contribution as such Holder, agent or underwriter, and each Person who controls the Company (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each officer and director of the Company shall have the same rights to contribution as the Company, subject in each case to the applicable terms and conditions of this Section 10(d).

(e) The provisions of this Section 10 will remain in full force and effect, regardless of any investigation made by or on behalf of any Holder or the Company or any of the officers, directors or controlling Persons referred to in this Section 10 hereof, and will survive the transfer of Registrable Securities.

11. Transfer of Registration Rights.

The rights of a Holder hereunder may be transferred, assigned, or otherwise conveyed on a *pro rata* basis in connection with any transfer, assignment, or other conveyance of Registrable Securities to any transferee or assignee; *provided* that all of the following additional conditions are satisfied with respect to any transfer, assignment or conveyance of rights hereunder: (a) such transfer or assignment is effected in accordance with applicable securities laws and, if applicable, the Company's organizational documents then in effect; (b) such transferee or assignee agrees in writing to become subject to the terms of this Agreement by executing and delivering to the Company a Joinder; and (c) the Company is given written notice by such Holder within 15 Business Days of such transfer or assignment, stating the name and address of the transferee or assignee, identifying the Registrable Securities with respect to which such rights are being transferred or assigned and the total number of Registrable Securities and other Equity Securities of the Company beneficially owned by such transferee or assignee. Any rights assigned under this Agreement shall apply only in respect of Registrable Securities that are transferred, assigned or conveyed and not in respect of any other securities that the transferee or assignee may hold, and any Registrable Securities that are transferred, assigned or conveyed may cease to constitute Registrable Securities following such transfer, assignment or conveyance in accordance with the terms of this Agreement.

12. Amendment, Modification and Waivers; Further Assurances.

(a) Amendment. This Agreement may be amended, modified, superseded, cancelled, renewed or extended, and the terms and conditions of this Agreement may be waived, only by a written instrument, (a) signed by (i) the Company, and (ii) the Holders of at least a majority of the Registrable Securities; *provided*, that no provision of this Agreement shall be modified or amended in a manner that is disproportionately and materially adverse to any Holder, without the prior written consent of such Holder, as applicable, or (b) in the case of a waiver, by the party hereto waiving compliance.

(b) Changes in Common Stock. If, and as often as, there are any changes in the Common Stock by way of stock split, stock dividend, combination or reclassification, or through merger, consolidation, reorganization or recapitalization, or by any other means, appropriate adjustment shall be made in the provisions hereof as may be required so that the rights and privileges granted hereby shall continue with respect to the Registrable Securities as so changed and the Company shall make appropriate provision in connection with any merger, consolidation, reorganization or recapitalization that any successor to the Company (or resulting parent thereof) shall agree, as a condition to the consummation of any such transaction, to expressly assume the Company's obligations hereunder.

(c) Effect of Waiver. No waiver of any terms or conditions of this Agreement shall operate as a waiver of any other breach of such terms and conditions or any other term or condition, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof. No written waiver hereunder, unless it by its own terms explicitly provides to the contrary, shall be construed to effect a continuing waiver of the provisions being waived and no such waiver in any instance shall constitute a waiver in any other instance or for any other purpose or impair the right of the party against whom such waiver is claimed in all other instances or for all other purposes to require full compliance with such provision. The failure of any party to enforce any provision of this Agreement shall not be construed as a waiver of such provision and shall not affect the right of such party thereafter to enforce each provision of this Agreement in accordance with its terms.

(d) Further Assurances. Each of the parties hereto shall execute all such further instruments and documents and take all such further action as any other party hereto may reasonably require in order to effectuate the terms and purposes of this Agreement.

13. Miscellaneous.

(a) Successors and Assigns. All covenants and agreements in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto (including any trustee in bankruptcy) whether so expressed or not. In addition, whether or not any express assignment has been made, the provisions of this Agreement which are for the benefit of purchasers or Holders of Registrable Securities are also for the benefit of, and enforceable by, any subsequent Holder. No assignment or delegation of this Agreement by the Company, or any of the Company's rights, interests or obligations hereunder, shall be effective against any Holder without the prior written consent of such Holder.

(b) Remedies; Specific Performance. Any Person having rights under any provision of this Agreement shall be entitled to enforce such rights specifically, to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor; *provided* that the liability of the Holders shall be several and not joint. The parties hereto agree and acknowledge that money damages would not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction for specific performance and/or injunctive relief (without posting any bond or other security) in order to enforce or prevent violation of the provisions of this Agreement, to the extent permitted by law. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies available under this Agreement or otherwise.

(c) Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when (i) delivered personally to the recipient, (ii) e-mailed or sent by facsimile to the recipient, or (iii) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid). Such notices, demands and other communications shall be sent to the Company at the address set forth below and to any Holder at the address set forth on the signature page hereto (with copies sent at the address set forth below), or at such address or to the attention of such other Person as the recipient party has specified by prior written notice to the sending party.

The Company's address is:

Tuesday Morning Corporation
6250 LBJ Freeway
Dallas, Texas 75240
Attention: General Counsel
E-mail: bzeterberg@tuesdaymorning.com

with copies to:

Haynes and Boone LLP
2323 Victory Avenue, Suite 700
Dallas, Texas 75219
Attention: Ian Peck
Email: ian.peck@haynesboone.com

Troutman Pepper Hamilton Sanders LLP
600 Peachtree Street, Suite 3000
Atlanta, Georgia 30308
Attention: Eric Koontz
Email: eric.koontz@troutman.com

Copies of notices to the Holders shall be sent to:

Osmium Partners (Larkspur SPV), LP
c/o Osmium Partners (Equation) LLC
300 Drakes Landing Road #172
Greenbrae, CA 94904
Attn: John H. Lewis; Douglas J. Dossey
Email: jl@osmiumpartners.com; ddossey@tensilecapital.com

with copies (which shall not constitute notice) to:

Tensile Capital Management
700 Larkspur Landing Circle #255
Larkspur, CA 94939
Attn: Douglas J. Dossey; Dan Katsikas
Email: ddossey@tensilecapital.com; dkatsikas@tensilecapital.com

Kirkland & Ellis LLP
555 California Street, Suite 2900
San Francisco, California 94104
Attn: Noah D. Boyens, P.C.
Email: noah.boyens@kirkland.com

Morrison & Foerster LLP
425 Market Street
San Francisco, California 94105
Attn: Murray A. Indick and Brad Kondracki
Email: mindick@mofo.com
bkondracki@mofo.com

If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the State of New York or the jurisdiction in which the Company's principal office is located, the time period shall automatically be extended to the Business Day immediately following such Saturday, Sunday or legal holiday.

(d) No Inconsistent Agreements. The Company shall not hereafter enter into any agreement with respect to its securities which is inconsistent with or violates the rights granted to the Holders of Registrable Securities in this Agreement.

(e) Counterparts. This Agreement may be executed in one or more counterparts, and may be delivered by means of facsimile or electronic transmission in portable document format ("**pdf**"), each of which shall be deemed to be an original and shall be binding upon the party who executed the same, but all of such counterparts shall constitute the same agreement.

(f) Descriptive Headings; Interpretation; No Strict Construction. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. Reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and, if applicable, hereof. The words "include," "includes" or "including" in this Agreement shall be deemed to be followed by "without limitation." The use of the words "or," "either" or "any" shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. All references to laws, rules, regulations and forms in this Agreement shall be deemed to be references to such laws, rules, regulations and forms, as amended from time to time or, to the extent replaced, the comparable successor thereto in effect at the time. All references to agencies, self-regulatory organizations or governmental entities in this Agreement shall be deemed to be references to the comparable successors thereto from time to time.

(g) Delivery by Facsimile and Electronic Means. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine or other electronic means, shall be treated in all manner and respects as an original agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto shall re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument shall raise the use of a facsimile machine or other electronic means to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or other electronic means as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

(h) Arm's Length Agreement. Each of the parties to this Agreement agrees and acknowledges that this Agreement has been negotiated in good faith, at arm's length, and not by any means prohibited by law.

(i) Sophisticated Parties; Advice of Counsel. Each of the parties to this Agreement specifically acknowledges that (i) it is a knowledgeable, informed, sophisticated Person capable of understanding and evaluating the provisions set forth in this Agreement and (ii) it has been fully advised and represented by legal counsel of its own independent selection and has relied wholly upon its independent judgment and the advice of such counsel in negotiating and entering into this Agreement.

(j) Governing Law. This Agreement and the exhibits, attachments and annexes hereto shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) to the extent such rules or provisions would cause the application of the laws of any jurisdiction other than the State of New York.

(k) Submission to Jurisdiction. Any action, suit or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby must be brought in the United States District Court for the in the Southern District of New York or any New York state court, in each case, located in the Borough of Manhattan, and each party consents to the exclusive jurisdiction and venue of such courts (and of the appropriate appellate courts therefrom) in any such action, suit or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such, action, suit or proceeding in any such court or that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

(l) Waiver of Jury Trial. Each of the parties to this Agreement hereby agrees to waive its respective rights to a jury trial of any claim or cause of action based upon or arising out of this Agreement. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement, including contract claims, tort claims and all other common law and statutory claims. Each party hereto acknowledges that this waiver is a material inducement to enter into this Agreement, that each has already relied on this waiver in entering into this Agreement and that each will continue to rely on this waiver in their related future dealings. Each party hereto further warrants and represents that it has reviewed this waiver with its legal counsel and that it knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 13(l) AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

(m) Complete Agreement. This Agreement and any certificates, documents, instruments and writings that are delivered pursuant hereto, represent the complete agreement among the parties hereto as to all matters covered hereby, and supersedes any prior agreements or understandings among the parties.

(n) Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

(o) Termination. This Agreement shall terminate and be of no further force or effect when there shall no longer be any Registrable Securities outstanding; *provided*, that the provisions of Sections 6(b), 7(e), 8, 10, 11, 12 and 13 shall survive any such termination; *provided further* that any Holder may elect to terminate its obligations under this Agreement by giving the Company written notice thereof subject to the survival of the foregoing provisions; *provided further* that this Agreement shall automatically terminate with respect to a Holder that no longer holds any Registrable Securities.

(p) Independent Agreement by the Holders. The obligations of each Holder hereunder are several and not joint with the obligations of any other Holder, and no provision of this Agreement is intended to confer any obligations on any Holder vis-à-vis any other Holder. Nothing contained herein, and no action taken by any Holder pursuant hereto, shall be deemed to constitute the Holders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Holders are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated herein.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

TUESDAY MORNING CORPORATION

By: /s/ Stacie R. Shirley
Name: Stacie R. Shirley
Title: EVP/CFO

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement as of the date first written above.

Holder:
Osmium Partners (Larkspur SPV), LP

By: Osmium Partners (Equation) LLC
General Partner

By: /s/ John H. Lewis
Name: John H. Lewis
Title: Managing Member

Address: 300 Drakes Landing Rd., #172
Greenbrae, CA 94904

Telephone:

Fax No.:

E-mail: jl@osmiumpartners.com;
ddossey@tensilecapital.com

[Signature Page to Registration Rights Agreement]

ANNEX A

Form of Joinder Agreement

THIS JOINDER AGREEMENT is made and entered into by the undersigned with reference to the following facts:

Reference is made to the Registration Rights Agreement, dated as of February __, 2021, as amended (the "**Registration Rights Agreement**"), by and among Tuesday Morning Corporation, a Delaware corporation (the "**Company**"), the other parties (the "**Holders**") thereto. Capitalized terms used but not defined in this Joinder Agreement shall have the meanings ascribed thereto in the Registration Rights Agreement.

As a condition to the acquisition of rights under the Registration Rights Agreement in accordance with the terms thereof, the undersigned agrees as follows:

1. The undersigned hereby agrees to be bound by the provisions of the Registration Rights Agreement and undertakes to perform each obligation as if a Holder thereunder and an original signatory thereto in such capacity.

2. This Joinder Agreement shall bind, and inure to the benefit of, the undersigned hereto and its respective devisees, heirs, personal and legal representatives, executors, administrators, successors and assigns.

3. This Joinder Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) to the extent such rules or provisions would cause the application of the laws of any jurisdiction other than the State of New York.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement.

[**HOLDER**]

By: _____
Name:
Title:

Date: _____

Address: _____

_____

_____

_____

Phone Number: _____

Facsimile Number: _____

E-mail for Notice: _____

I.R.S. I.D. Number: _____

Amount of Registrable Securities Acquired: _____

[Signature Page to Joinder Agreement]

Exhibit 4.2

Execution Version

WARRANT

THIS SECURITY AND THE SECURITIES, IF ANY, ISSUABLE UPON THE EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION THEREUNDER.

Warrant Certificate No.: W-1

Original Issue Date: February 9, 2021

FOR VALUE RECEIVED, Tuesday Morning Corporation, a Delaware corporation (the "**Company"**), hereby certifies that Osmium Partners (Larkspur SPV), LP, or its registered assigns (the "**Holder**") is entitled to purchase from the Company the Warrant Share Number of duly authorized, validly issued, fully paid and nonassessable shares of the Common Stock, at a purchase price per share of $1.65 (the "**Exercise Price**"), all subject to the terms, conditions and adjustments set forth below in this Warrant. Certain capitalized terms used herein are defined in **Section 1**.

This Warrant has been issued pursuant to the terms of the Backstop Commitment Agreement, dated as of November 16, 2020, by among the Company and the "Commitment Parties" party thereto (as amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "**Commitment Agreement**").

1. Definitions. As used in this Warrant, the following terms have the respective meanings set forth below:

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question.

"**Aggregate Exercise Price**" means an amount equal to the product of (a) the number of Warrant Shares in respect of which this Warrant is then being exercised pursuant to **Section 3** hereof, *multiplied by* (b) the Exercise Price.

"**Board**" means the board of directors of the Company.

"**Business Day**" means any day other than a Saturday, a Sunday or a day on which the Federal Reserve Bank of New York is authorized or required by law or executive order to close or be closed.

"**Closing**" has the meaning given such term in the Commitment Agreement.

"**Closing Date**" has the meaning given such term in the Commitment Agreement.

"**Commitment Agreement**" has the meaning set forth in the preamble.

"**Common Stock**" means the common stock, par value $0.01 per share, of the Company, and any capital stock into which such Common Stock shall have been converted, exchanged or reclassified following the date hereof.

"**Company**" has the meaning set forth in the preamble.

"**Ex-dividend Date**" means the first date on which shares of the Common Stock trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from the Company or, if applicable, from the seller of Common Stock on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market; provided that if the Common Stock does not trade on an exchange or market, the "Ex-Dividend date" shall mean the record date for such issuance, dividend or distribution.

"**Exercise Date**" means, for any given exercise of this Warrant, the date on which the conditions to such exercise as set forth in **Section 3** shall have been satisfied at or prior to 5:00 p.m., New York City time, on a Business Day, including, without limitation, the receipt by the Company of the Notice of Exercise, the Warrant and the Aggregate Exercise Price.

"**Exercise Period**" means any Business Day after the date hereof and on or before the Expiration Date.

"**Exercise Price**" has the meaning set forth in the preamble.

"Expiration Date" means December 31, 2025.

"**Fair Market Value**" means, as of any particular date: (a) the volume weighted average price per share of the Common Stock for each Business Day referred to below on the principal domestic securities exchange on which the Common Stock may at the time be listed; (b) if there have been no sales of the Common Stock on any such exchange on any such Business Day referred to below, the average of the highest bid and lowest asked prices for the Common Stock on such exchanges at the end of such Business Day referred to below; (c) if on any such Business Day referred to below the Common Stock is not listed on a domestic securities exchange, the closing sales price of the Common Stock as quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association for such Business Day referred to below; or (d) if there have been no sales of the Common Stock on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association on any such Business Day referred to below, the average of the highest bid and lowest asked prices for the Common Stock quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association at the end of such Business Day referred to below; in each case, averaged over ten (10) consecutive Business Days ending on the Business Day immediately prior to the day as of which "Fair Market Value" is being determined; provided, that if the Common Stock is listed on any domestic securities exchange, the term "Business Day" as used in this sentence means Business Days on which such exchange is open for trading. If at any time the Common Stock is not listed on any domestic securities exchange or quoted on the OTC Bulletin Board, the Pink OTC Markets or similar quotation system or association, the "Fair Market Value" of the Common Stock shall be the fair market value per share as determined jointly by the Board and the Holder. If such parties are unable to reach agreement within ten (10) Business Days after the occurrence of an event requiring valuation (the "**Valuation Event**"), the fair market value of such consideration will be determined within ten (10) Business Days after the tenth (10th) Business Day following the Valuation Event by an independent, reputable appraiser mutually selected by Holder and the Company. If Holder and the Company are not able to mutually agree upon such an appraiser then each of Holder and the Company shall promptly select an independent, reputable appraiser and promptly cause such two appraisers to mutually select a third independent, reputable appraiser to determine Fair Market Value. The determination of such appraiser shall be final and binding upon all parties, absent manifest error, and the fees and expenses of such appraiser shall be borne by the Company.

"**Holder**" has the meaning set forth in the preamble.

"**Notice of Exercise**" has the meaning set forth in **Section 3(a)(i)**.

"**Original Issue Date**" means February 9, 2021.

"**OTC Bulletin Board**" means the Financial Industry Regulatory Authority OTC Bulletin Board electronic inter-dealer quotation system.

"**Person**" means any individual, sole proprietorship, partnership, limited liability company, corporation, joint venture, trust, association, incorporated organization or government or department or agency thereof.

"**Pink OTC Markets**" means the OTC Markets Group Inc. electronic inter-dealer quotation system, including OTCQX, OTCQB and OTC Pink.

"**Warrant**" means this Warrant and all warrants issued upon division or combination of, or in substitution for, this Warrant.

"**Warrant Share Number**" means, at any time, the aggregate number of Warrant Shares for which this Warrant is exercisable at such time, as such number may be adjusted from time to time pursuant to the terms hereof. The Warrant Share Number shall initially be 10,000,000.

"**Warrant Shares**" means the shares of Common Stock or other capital stock of the Company then purchasable upon exercise of this Warrant in accordance with the terms of this Warrant.

2. Term of Warrant. Subject to the terms and conditions hereof, the Holder of this Warrant may exercise this Warrant at any time and from time to time during the Exercise Period and terminating on the Expiration Date.

3. Exercise of Warrant.

(a) **Exercise Procedure**. This Warrant may be exercised for any or all unexercised Warrant Shares upon:

(i) surrender of this Warrant to the Company at its then principal executive offices (or an indemnification undertaking with respect to this Warrant in the case of its loss, theft or destruction), together with a notice of exercise (each a "**Notice of Exercise**") substantially in the form attached hereto as **Exhibit A**, duly completed (including specifying the number of Warrant Shares to be purchased) and executed; and

(ii) payment to the Company of the Aggregate Exercise Price.

(b) **Delivery of Stock Certificates and/or Book-Entry Shares**. Upon receipt by the Company of a Notice of Exercise, surrender of this Warrant and payment of the Aggregate Exercise Price, the Company shall, as promptly as practicable, and in any event within three (3) Business Days thereafter, at the option of the Holder, either (i) execute (or cause to be executed) and deliver (or cause to be delivered) to the Holder a certificate or certificates representing the Warrant Shares issuable upon such exercise or (ii) cause to be issued to such Holder by entry on the books of the Company (or the Company's transfer agent, if any) the Warrant Shares issuable upon such exercise, in each case together with cash in lieu of any fraction of a share. The stock certificate or certificates or book-entry interests of Warrant Shares so delivered or issued, as the case may be, shall be, to the extent possible, in such denomination or denominations as the exercising Holder shall reasonably request in the Notice of Exercise and shall be registered in the name of the Holder or, subject to compliance with **Section 5** below, such other Person's name as shall be designated in the Notice of Exercise. This Warrant shall be deemed to have been exercised and such certificate or certificates or book-entry interests of Warrant Shares shall be deemed to have been issued, and the Holder or any other Person so designated to be named therein shall be deemed to have become a holder of record of such Warrant Shares for all purposes, as of the Exercise Date.

(c) **Delivery of New Warrant**. Unless the purchase rights represented by this Warrant shall have been fully exercised, the Company shall, at the time of delivery of the certificate or certificates or book-entry interests representing the Warrant Shares being issued in accordance with **Section 3(b)** hereof, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unexpired and unexercised Warrant Shares called for by this Warrant. Such new Warrant shall in all other respects be identical to this Warrant.

(d) **Valid Issuance of Warrant and Warrant Shares; Payment of Taxes**. With respect to the exercise of this Warrant, the Company hereby represents, warrants, covenants and agrees as follows:

(i) This Warrant is, and any Warrant issued in substitution for or replacement of this Warrant shall be, upon issuance, duly authorized and validly issued.

(ii) All Warrant Shares issuable upon the exercise of this Warrant pursuant to the terms hereof shall be, upon issuance, and the Company shall take all such actions as may be necessary or appropriate in order that such Warrant Shares are, validly issued, fully paid and non-assessable, issued without violation of any preemptive or similar rights of any stockholder of the Company and free and clear of all taxes, liens and charges.

(iii) The Company shall ensure that all such Warrant Shares are issued without violation by the Company of any applicable law or governmental regulation or any requirements of any domestic securities exchange upon which shares of Common Stock or other securities constituting Warrant Shares may be listed at the time of such exercise (except for official notice of issuance which shall be immediately delivered by the Company upon each such issuance); provided that the Warrant Shares may not be sold or transferred in the absence of an effective registration statement under the Securities Act or an available exemption from registration thereunder.

(iv) The Company shall pay all expenses in connection with, and all taxes and other governmental charges that may be imposed with respect to, the issuance or delivery of Warrant Shares upon exercise of this Warrant; provided, that the Company shall not be required to pay any tax or governmental charge that may be imposed with respect to any applicable withholding or the issuance or delivery of the Warrant Shares to any Person other than the Holder, and no such issuance or delivery shall be made unless and until the Person requesting such issuance has paid to the Company the amount of any such tax, or has established to the satisfaction of the Company that such tax has been paid.

(e) **Reservation of Shares**. During the Exercise Period, the Company shall at all times reserve and keep available out of its authorized but unissued Common Stock or treasury shares constituting Warrant Shares, solely for the purpose of issuance upon the exercise of this Warrant, the maximum number of Warrant Shares issuable upon the exercise of this Warrant, and the par value per Warrant Share shall at all times be less than or equal to the applicable Exercise Price. The Company shall not increase the par value of any Warrant Shares receivable upon the exercise of this Warrant above the Exercise Price then in effect, and shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant.

4. Adjustments. In order to prevent dilution of the purchase rights granted under this Warrant, the Warrant Share Number issuable upon exercise of this Warrant shall be subject to adjustment (an "**Adjustment**") from time to time as provided in this **Section 4** (in each case, after taking into consideration any prior Adjustments pursuant to this **Section 4**).

(a) **Adjustment of Warrant Share Number**. The Warrant Share Number shall be subject to adjustment from time to time as follows:

(i) in the case the Company shall at any time or from time to time after the Original Issue Date:

(A) pay a dividend or make a distribution on the outstanding shares of Common Stock in capital stock of the Company;

(B) forward split or subdivide the outstanding shares of Common Stock into a larger number of shares; or

(C) reverse split or combine the outstanding shares of Common Stock into a smaller number of shares;

then, and in each such case (A) through (C), the Warrant Share Number in effect immediately prior to such event shall be adjusted (and any other appropriate actions shall be taken by the Company) so that upon exercise thereafter the Holder of this Warrant will be entitled to receive the number of shares of Common Stock or other securities of the Company which such Holder would have owned or had been entitled to receive upon or by reason of any of the events described above, had this Warrant been exercised immediately prior to the happening of such event. An adjustment made pursuant to this **Section 4(a)(i)** shall become effective retroactively (x) in the case of any such dividend or distribution, immediately prior to the close of business on the record date for the determination of holders of shares of Common Stock entitled to receive such dividend or distribution, or (y) in the case of any such split, subdivision, combination or reclassification, immediately prior to the close of business on the date upon which such corporate action becomes effective.

(ii) Notwithstanding anything to the contrary contained in this **Section 4(a)**, the Company shall be entitled to make such upward adjustments in the Warrant Share Number, in addition to those otherwise required by this **Section 4(a)**, as the Board reasonably determines after consultation with Holder to be advisable in order that any stock dividend, split, subdivision or combination of shares, distribution of rights or warrants to purchase shares, stock or securities or distribution of securities convertible into or exchangeable for shares of Common Stock hereafter made by the Company to its stockholders shall not be taxable.

(b) **Adjustment of Exercise Price**.

(i) Whenever the Warrant Share Number is adjusted, as provided in this **Section 4**, Exercise Price shall be adjusted (to the nearest cent) by multiplying the Exercise Price in existence immediately prior to such adjustment by a fraction (A) the numerator of which shall be the Warrant Share Number immediately prior to such adjustment, and (B) the denominator of which shall be the Warrant Share Number immediately thereafter.

(ii) If the Company (A) pays any cash dividend or distribution in respect of the Common Stock, (B) purchases or causes any of its subsidiaries to purchase any shares of Common Stock (excluding transactions by and among the Company and its subsidiaries, but including a spin-off of the type contemplated by **Section 4(c)** below) or (C) makes any other distribution of the assets of the Company to the holders of Common Stock on account of their ownership thereof (other than a dividend in shares of capital stock), the Exercise Price shall be reduced, but not below the par value of the Common Stock, by the amount of such dividend, distribution or aggregate purchase price on a per share basis (or in the case of non-cash dividends, distributions or purchase prices, the Fair Market Value thereof). In the event that the Exercise Price is or has been reduced to the par value of the Common Stock and the Company declares a dividend or any other distribution, such excess shall be distributed to the Holders accordance with **Section 7**.

(c) **Adjustment of Warrant Upon Spin-off**. If, at any time after the issuance of this Warrant but prior to the exercise hereof, the Company shall spin-off another Person (the "**Spin-off Entity**"), then the Company (a) shall issue to the Holder a new warrant (the "**Spin-Off Warrant**") to purchase, at the Spin-Off Exercise Price (as defined below), the number of shares of common stock or other equity interest in the Spin-off Entity (and any other consideration) that the Holder would have owned had the Holder held the number of shares of Common Stock equal to the Warrant Share Number immediately prior to the consummation of such spin-off and (b) shall make provision therefor in the agreement, if any, relating to such spin-off. Such Spin-Off Warrant shall provide for rights and obligations which shall be as nearly equivalent as may be practicable to the rights and obligations provided for in this Warrant. The provisions of this **Section 4(c)** (and any equivalent thereof in any such new warrant) shall apply to successive transactions. For purposes of this **Section 4(c)**, the "**Spin-off Entity Exercise Price**" shall mean, for each share of common stock or equity interest in the Spin-off Entity subject to the Spin-Off Warrant, (a) the amount by which the Exercise Price under this Warrant was decreased with respect to the spin-off pursuant to the terms of **Section 4(b)(ii)** above, multiplied by the Warrant Share Number, and (b) such product in the foregoing clause (a) then divided by the number of shares of common stock or other equity interests subject to the Spin-off Warrant.

(d) **Certificate as to Adjustment**.

(i) As promptly as reasonably practicable following any adjustment of the number of Warrant Shares pursuant to the provisions of this **Section 4**, but in any event not later than five (5) Business Days thereafter, the Company shall furnish to the Holder a certificate of an officer of the Company setting forth in reasonable detail such Adjustment and the facts upon which it is based and certifying the calculation thereof.

(ii) As promptly as reasonably practicable following the receipt by the Company of a written request by the Holder, but in any event not later than five (5) Business Days thereafter, the Company shall furnish to the Holder a certificate of an officer of the Company certifying the number of Warrant Shares or the amount, if any, of other shares of stock, securities or assets then issuable upon exercise of the Warrant.

(e) **Notices**. In the event:

(i) that the Company shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon exercise of the Warrant) for the purpose of entitling or enabling them to receive any dividend or other distribution (including any spin-off);

(ii) of any capital reorganization of the Company, any reclassification of the Common Stock of the Company, any consolidation or merger of the Company with or into another Person, or sale of all or substantially all of the Company's assets to another Person;

(iii) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company; or

(iv) any other event that may cause an Adjustment;

then, and in each such case, the Company shall send or cause to be sent to the Holder at least twenty (20) Business Days prior to the applicable Ex-dividend Date, record date or the applicable expected effective date, as the case may be, for the event, a written notice specifying, as the case may be, (A) the Ex-dividend Date, the record date for such dividend or distribution, and a description of such dividend or distribution, or (B) the effective date on which such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation, winding-up or other event is proposed to take place, and the date, if any is to be fixed, as of which the books of the Company shall close or a record shall be taken with respect to which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon exercise of the Warrant) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation, winding-up or other event, and the amount per share and character of such exchange applicable to the Warrant and the Warrant Shares.

(f) **Multiple Adjustments.** In the event that more than one Adjustment is required to be made in connection with an event or series of events, the Adjustments pursuant to this **Section 4** shall be applied in such order as to provide the holders of the Warrants with the benefits to which they would have been entitled had the Warrants been exercised immediately prior to the earliest record date for such events.

(g) **Certain Events**. If any event of the type contemplated by the provisions of this **Section 4**, but not expressly provided for by such provisions occurs, then the Board shall make an appropriate adjustment in the Exercise Price and / or the Warrant Share Number, so as to protect the rights of the Holder in a manner consistent with the provisions of this **Section 4**; provided that no such adjustment pursuant to this **Section 4(g)** shall increase the Exercise Price or decrease the Warrant Share Number hereunder.

5. Transfer of Warrant. Subject to the transfer conditions referred to in the legend endorsed hereon and in **Section 8**, this Warrant and all rights hereunder are and will be transferable, in whole or in part, by the Holder without charge to the Holder, upon surrender of this Warrant to the Company at its then principal executive offices with a properly completed and duly executed assignment agreement in form and substance reasonably satisfactory to the Company, together with funds sufficient to pay any transfer taxes described in the proviso to **Section 3(d)(iii)** in connection with the making of such transfer. Upon such compliance, surrender and delivery and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees and in the denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant, if any, not so assigned and this Warrant shall promptly be cancelled.

6. Holder Not Deemed a Stockholder; Limitations on Liability. Except as expressly set forth herein, this Warrant does not entitle the Holder to any voting rights or other rights as a shareholder of the Company until the Holder has received Warrant Shares issuable upon exercise of this Warrant pursuant to the terms hereof, nor shall anything contained in this Warrant be construed to confer upon the Holder, as such, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends (except as set forth in **Section 5**) or subscription rights, or otherwise. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

7. Replacement on Loss; Division and Combination.

(a) **Replacement of Warrant on Loss**. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and upon delivery of an indemnity reasonably satisfactory to it and, in case of mutilation, upon surrender of such Warrant for cancellation to the Company, the Company at its own expense shall execute and deliver to the Holder, in lieu hereof, a new Warrant of like tenor and exercisable for an equivalent number of Warrant Shares as the Warrant so lost, stolen, mutilated or destroyed.

(b) **Division and Combination of Warrant**. Subject to compliance with the applicable provisions of this Warrant as to any transfer or other assignment which may be involved in such division or combination, including the provisions of **Section 8**, this Warrant may be divided or, following any such division of this Warrant, subsequently combined with other Warrants, upon the surrender of this Warrant or Warrants to the Company at its then principal executive offices, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the respective Holders or their agents or attorneys. Subject to compliance with the applicable provisions of this Warrant as to any transfer or assignment which may be involved in such division or combination, the Company shall at its own expense execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants so surrendered in accordance with such notice. Such new Warrant or Warrants shall be of like tenor to the surrendered Warrant or Warrants and shall be exercisable in the aggregate for an equivalent number of Warrant Shares as the Warrant or Warrants so surrendered in accordance with such notice.

8. Compliance with the Securities Act.

(a) **Agreement to Comply with the Securities Act; Legend**. The Holder, by acceptance of this Warrant, agrees to comply in all respects with the provisions of this **Section 8** and the restrictive legend requirements set forth on the face of this Warrant and further agrees that such Holder shall not offer, sell or otherwise dispose of this Warrant or any Warrant Shares to be issued upon exercise hereof except under circumstances that will not result in a violation of the Securities Act of 1933, as amended (the "**Securities Act**"). This Warrant and all Warrant Shares issued upon exercise of this Warrant shall be stamped or imprinted with a legend in substantially the following form:

"**THIS SECURITY AND THE SECURITIES, IF ANY, ISSUABLE UPON THE EXERCISE OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY APPLICABLE STATE SECURITIES LAWS, AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN AVAILABLE EXEMPTION FROM REGISTRATION THEREUNDER.**"

In connection with any transfers, the Holder, by acceptance of this warrant:

(i) represents that it is an accredited investor within the meaning of Regulation D as promulgated under the securities act, and

(ii) agrees for the benefit of the company Tuesday Morning Corporation (the "**Company**") that it will not offer, sell, pledge or otherwise transfer this security and the securities, if any, issuable upon exercise of this security or any beneficial interest herein or therein except:

(A) to the company or any subsidiary thereof, or

(B) pursuant to a registration statement which has become effective under the securities act, or

(C) pursuant to an exemption from registration under the securities act.

Prior to the registration of any transfer of this security or any security issuable upon exercise of this security, if any, the company reserves the right to require the delivery of such legal opinions, certifications or other evidence as may reasonably be required in order to determine that the proposed transfer is being made in compliance with the securities act and applicable state securities laws. No representation is made as to the availability of any exemption from the registration requirements of the securities act.

The requirement imposed by this **Section 8** shall cease and terminate as to this Warrant or any particular Warrant Share when, in the written opinion of counsel reasonably acceptable to the Company, such legend is no longer required in order to assure compliance by the Company with the Securities Act. Wherever such requirement shall cease and terminate as to this Warrant or any Warrant Share, the Holder or the holder of such Warrant Share, as the case may be, shall be entitled to receive from the Company, without expense, a new warrant or a new stock certificate, as the case may be, not bearing the legend set forth in this **Section 8**.

(b) **Representations of the Holder**. In connection with the issuance of this Warrant, the Holder specifically represents, as of the date hereof, to the Company by acceptance of this Warrant as follows:

(i) The Holder is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act. The Holder is acquiring this Warrant and the Warrant Shares to be issued upon exercise hereof for investment for its own account and not with a view towards, or for resale in connection with, the public sale or distribution of this Warrant or the Warrant Shares, except pursuant to sales registered or exempted under the Securities Act.

(ii) The Holder understands and acknowledges that this Warrant and the Warrant Shares to be issued upon exercise hereof are "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that, under such laws and applicable regulations, such securities may be resold without registration under the Securities Act only in certain limited circumstances. In addition, the Holder represents that it is familiar with Rule 144 under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

(iii) The Holder acknowledges that it can bear the economic and financial risk of its investment for an indefinite period, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Warrant and the Warrant Shares. The Holder has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Warrant and the business, properties, prospects and financial condition of the Company.

9. Warrant Register. The Company shall keep and properly maintain at its principal executive offices books for the registration of the Warrant and any transfers thereof. The Company may deem and treat the Person in whose name the Warrant is registered on such register as the Holder thereof for all purposes, and the Company shall not be affected by any notice to the contrary, except any assignment, division, combination or other transfer of the Warrant effected in accordance with the provisions of this Warrant.

10. Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission or if no error message is generated), if sent during normal business hours of the recipient, and on the next Business Day if so sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses indicated below (or at such other address for a party as shall be specified in a notice given in accordance with this **Section 10**).

If to the Company:

Tuesday Morning Corporation
6250 LBJ Freeway
Dallas, Texas 75240
Attn: General Counsel
Tel: (972) 387-3562
Email: sbecker@tuesdaymorning.com; bzeterberg@tuesdaymorning.com

with a copy to (which shall not constitute notice):

Haynes and Boone LLP
Victory Avenue, Suite 700
Dallas, Texas 75219
Attn: Ian T. Peck, Jarom J. Yates, and Jordan E. Chavez
Tel: (214) 651-5000 ext. 5155
Email: tryan@kirkland.com

Troutman Pepper Hamilton Sanders LLP
600 Peachtree Street N.E., Suite 3000
Atlanta, Georgia 30308
Attn: W. Brinkley Dickerson, Jr., Eric Koontz and Paul Davis Fancher.
Tel: (404) 885-3000
Email: brink.dickerson@troutman.com; eric.koontz@troutman.com; paul.fancher@troutman.com

If to the Holder:

Osmium Partners (Larkspur SPV), LP
c/o Osmium Partners (Equation) LLC
300 Drakes Landing Road #172
Greenbrae, CA 94904
Attn: John H. Lewis; Douglas J. Dossey
Email: jl@osmiumpartners.com; ddossey@tensilecapital.com

with a copy to (which shall not constitute notice):

Kirkland & Ellis LLP
555 California Street
San Francisco, CA 94104
Attn: Noah D. Boyens, P.C.
Email: noah.boyens@kirkland.com

Morrison & Foerster LLP
425 Market Street
San Francisco, CA 94105
Attn: Murray A. Indick
Email: MIndick@mofo.com

Tensile Capital Management
700 Larkspur Landing Circle #255
Larkspur, CA 94939
Attn: Douglas J. Dossey; Dan Katsikas
Email: ddossey@tensilecapital.com; dkatsikas@tensilecapital.com

11. Entire Agreement. This Warrant, the Commitment Agreement and the Registration Rights Agreement dated as of February 9, 2021 by and among Company and the Holder, as amended from time to time, constitute the sole and entire agreement of the parties to this Warrant with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the provisions contained in this Warrant and the Commitment Agreement, the provisions contained in this Warrant shall control.

12. Successor and Assigns. This Warrant and the rights evidenced hereby shall be binding upon and shall inure to the benefit of the successors of the Company and the successors and permitted assigns of the Holder. Such successors and/or permitted assigns of the Holder shall be deemed to be a Holder for all purposes hereunder.

13. No Third-Party Beneficiaries. This Warrant is for the sole benefit of the Company and the Holder and their respective successors and, in the case of the Holder, permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Warrant.

14. Headings. The headings in this Warrant are for reference only and shall not affect the interpretation of this Warrant.

15. Amendment and Modification; Waiver. Except as otherwise provided herein, this Warrant may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by the Company or the Holder of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Warrant shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

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

17. Governing Law; Specific Enforcement; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Warrant shall be governed by and construed in accordance with the internal laws of the State of Delaware applicable to agreements made and to be performed entirely within such state, without regard to the conflicts of law principles of such state.

(b) The parties hereto acknowledge and agree that irreparable damage would occur in the event that any of the provisions of this Warrant were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches or threatened breaches of this Warrant and to enforce specifically the terms and provisions of this Warrant in any court of competent jurisdiction, in each case without proof of damages or otherwise (and each party hereto hereby waives any requirement for the securing or posting of any bond in connection with such remedy), this being in addition to any other remedy to which they are entitled at law or in equity. The parties hereto agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to law or inequitable for any reason, nor to assert that a remedy of monetary damages would provide an adequate remedy.

(c) Each of the parties hereto irrevocably and unconditionally submits to the exclusive jurisdiction of the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware declines to accept jurisdiction, any state or federal court within the State of Delaware), for the purposes of any action or legal proceeding arising out of this Warrant and the rights and obligations arising hereunder, and irrevocably and unconditionally waives any objection to the laying of venue of any such action or legal proceeding in any such court, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action or legal proceeding has been brought in an inconvenient forum. Each party hereto agrees that service of any process, summons, notice or document by registered mail to such party's respective address set forth in **Section 10** shall be effective service of process for any such action or legal proceeding.

(d) EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, CLAIM OR LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS WARRANT. EACH PARTY HERETO (I) CERTIFIES THAT NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY ACTION, CLAIM OR LEGAL PROCEEDING, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS WARRANT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS **SECTION 17**.

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

19. No Strict Construction. This Warrant shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Company has duly executed this Warrant on the Original Issue Date.

TUESDAY MORNING
CORPORATION

By:/s/ Stacie R. Shirley
Name: Stacie R. Shirley
Title: EVP/CFO

Accepted and agreed,

OSMIUM PARTNERS (LARKSPUR SPV), LP

By:/s/ John Lewis
Name: John Lewis
Title: CIO

EXHIBIT A
NOTICE OF EXERCISE

Tuesday Morning Corporation
6250 LBJ Freeway
Dallas, Texas 75240
Attn:

Date: [_____]

Pursuant to the provisions set forth in the Warrant (Warrant Certificate No.: W-1), dated as of [_____], 2019 (the "Warrant"), attached hereto as Annex I, the undersigned hereby irrevocably elects to exercise such Warrant and hereby notifies you of such election to purchase [_____] Warrant Shares and herewith makes payment of $[_____] (the "Aggregate Exercise Price") in accordance with **Section 3(a)** of the Warrant, representing the full payment of the Aggregate Exercise Price for such Warrant Shares. Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Warrant.

Number of Warrant Shares (check the box that applies).

☐ This Notice of Exercise involves fewer than all of the Warrant Shares that are exercisable under the Warrant and I retain the right to exercise my Warrant for the balance of the Warrant Shares remaining in accordance with the terms and subject to the conditions of the Warrant. I hereby request that the Company deliver to me a new Warrant evidencing my rights to purchase the unexpired and unexercised Warrant Shares.

☐ This Notice of Exercise involves all of the Warrant Shares that are exercisable under the Warrant, which Warrant is hereby enclosed herewith and surrendered to the Company hereby (or, in the case of its loss, theft or destruction, the undersigned undertakes to indemnify the Company from any loss as a result thereof).

Payment of Aggregate Exercise Price (check the box(es) that applies).

☐ Payment of the Aggregate Exercise Price will be made by delivery to the Company of a certified or official bank check payable to the order of the Company in the amount of $[_____]; or

☐ Payment of the Aggregate Exercise Price will be made by wire transfer of immediately available funds to an account designated in writing by the Company.

[HOLDER]
By: _____
Name: _____
Title: _____

ANNEX I
WARRANT
[To be attached.]

Exhibit 10.1

Execution Version

AGREEMENT

This Agreement (this "Agreement") is made and entered into as of December 31, 2020 by and between Tuesday Morning Corporation, a Delaware corporation (the "Company"), Osmium Partners, LLC and the entities and natural persons set forth in the signature pages hereto (collectively, the "Osmium Group") (each of the Company and the Osmium Group, a "Party" to this Agreement, and collectively, the "Parties").

RECITALS

WHEREAS, the Company has submitted for approval to the United States Bankruptcy Court for the Northern District of Texas (the "Bankruptcy Court") a Plan of Reorganization (the "Plan");

WHEREAS, the Company and the Osmium Group are Parties to that certain Backstop Agreement (the "Backstop Agreement"), dated as of November 16, 2020;

WHEREAS, the Company intends to undertake an offering to its stockholders and Osmium Group of rights to acquire shares of the Company's common stock (the "Common Stock") (the "Rights Offering"), whereby, pursuant to the terms and conditions thereof and the Backstop Agreement, the Osmium Group will acquire and be deemed to beneficially own a significant number of shares of Common Stock;

WHEREAS, as of the date hereof, the Company and the members of the Osmium Group have determined to come to an agreement relating to the composition of the Board of Directors of the Company (the "Board") following the successful completion of the Rights Offering and the purchase of shares of Common Stock by the Osmium Group in connection therewith and as to certain other matters, as provided in this Agreement, all to become effective as of closing of the transactions contemplated by the of the Company's Plan of Reorganization and the closing of the transactions contemplated by the Rights Offering and the Backstop Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound hereby, agree as follows:

1. Board Matters and Related Agreements.

(a) Board Matters. Pursuant to the Plan, at the effective time of the Plan, the terms of all of the current members of the Board (the "Current Directors") shall expire. Immediately following such expiration, and pursuant to the Plan, the size of the Board will be set at nine (9) directors and will include the following members: (i) Steven R. Becker, (ii) four (4) directors selected from the Current Directors to be mutually agreed upon by the Current Directors, the Osmium Group and the Equity Committee (together with Steven R. Becker, the "Continuing Directors"), (iii) three (3) directors selected by the Osmium Group (the "Osmium Directors ") and (iv) one director selected by the Equity Committee (the "EC Director"). Each of the Continuing Directors, the Osmium Directors and the EC Director shall be determined pursuant to the foregoing, subject to completion of the Company's standard on-boarding procedures (including background and conflicts checks) satisfactory to the Company, and shall be named in the plan supplement, which is that certain compilation of documents and forms of documents, agreements, schedules, and exhibits to the Plan as further detailed in the Plan (the "Plan Supplement"), to the extent known at the time of filing the Plan Supplement. The Board shall take all necessary actions to nominate the Continuing Directors, the Osmium Directors and the EC Director for election at the 2021 annual meeting of stockholders (the "2021 Annual Meeting"). In the event that, prior to the 2021 Annual Meeting, (x) any of the Osmium Directors or the EC Director are unable to serve as a director, resigns as a director or are removed, the Osmium Group or the Equity Committee, as the case may be, shall have the right to recommend a replacement director to the Board, and (y) any of the Continuing Directors are unable to serve as a director, resign as a director or are removed, the Continuing Directors, after reasonable consultation with the Osmium Group and the Equity Committee, shall have the right to recommend a replacement director to the Board, and the Board shall appoint such recommended replacement director in each of (x) and (y) to the Board. The Board will recommend, support and solicit proxies for the election of the Osmium Directors and the EC Director in the same manner as for any other nominees of the Company at the 2021 Annual Meeting.

(b) Triggering Event. Upon the occurrence of a "Triggering Event" (as defined below), the Board shall take all necessary action to increase the size of the Board to ten (10) directors, and the Osmium Group shall have the right to appoint one (1) additional director. A "Triggering Event" means (i) EBIT (as defined below) is below 70% of the EBIT projections for calendar year 2021, fiscal years 2022 or 2023 as set forth in the Company projections filed with the Bankruptcy Court on November 18, 2020 in the Plan (the "EBIT Test") or (ii) total Company Availability (as defined below) is below the greater of (x) $25 million and (y) 22.5% of the Line Cap (as defined below) (the "Availability Threshold"). "EBIT" shall mean the earnings of the Company before interest and taxes. A Triggering Event relating to the EBIT Test shall be measured based upon a review of the Company's financial results filed with the Securities and Exchange Commission. "Availability" and "Line Cap" shall have the meanings ascribed to them in that certain Senior Secured Super Priority Debtor-in-Possession Credit Agreement dated as of May 29, 2020 by and among the Company, Tuesday Morning, Inc., TMI Holdings, Inc., JPMorgan Chase Bank, N.A., as administrative agent, Well Fargo Bank, N.A., as syndication agent, and the lenders party thereto. A Triggering Event relating to the Availability Threshold shall only exist if the Availability Threshold is met for 30 (thirty) consecutive calendar days. The Company agrees to provide the Osmium Group and its representatives with such information as it reasonably requests in order for the Osmium Group to determine and verify whether a Triggering Event has occurred.

(c) Committees. At least one (1) Osmium Director shall be appointed to each committee of the Board. Each of the Nominating and Governance and Compensation Committees of the Board shall be comprised of four members, two (2) Osmium Directors selected by the Osmium Group and two (2) Continuing Directors selected by the Continuing Directors. One of the Osmium Directors on each of the Nominating and Governance and Compensation Committees shall be entitled to serve as the chairperson of such committees.

(d) Voting. Subject to applicable law, (i) all Board action shall be taken by majority vote of all directors present and (ii) all transactions involving the Osmium Group that have been approved by the Bankruptcy Court may be voted upon by the Osmium Directors, provided, however, that, with respect to any transaction involving a conflict of interest, the conflicted director may recuse himself or vote in his discretion after informing the Board of the conflict in accordance with any Company conflict of interest policies.

(e) Additional Agreements.

(i) Each member of the Osmium Group agrees that it will cause its controlled Affiliates and controlled Associates to comply with the terms of this Agreement and shall be responsible for any breach of this Agreement by any such controlled Affiliate or Associate. As used in this Agreement, the terms "Affiliate" and "Associate" shall have the respective meanings set forth in Rule 12b-2 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, or the rules or regulations promulgated thereunder (the "Exchange Act") and shall include all persons or entities that at any time during the term of this Agreement become Affiliates or Associates of any person or entity referred to in this Agreement.

(ii) Each member of the Osmium Group agrees that it will appear in person or by proxy at the 2021 Annual Meeting and vote all shares of Common Stock of the Company beneficially owned by the Osmium Group at such meeting (x) in favor of the election of the director nominees recommended by the Board, (y) in favor of all proposals submitted to the Company's stockholders that are recommended by the Board, and (z) against all proposals submitted to the Company's stockholders that are not recommended by the Board; provided, however, that to the extent that the recommendation of both Institutional Shareholder Services Inc. ("ISS") and Glass Lewis & Co., LLC ("Glass Lewis") differs from the Board's recommendation with respect to any matter other than nominees for election as directors to the Board, the Osmium Group shall have the right to vote in accordance with the recommendation of ISS and Glass Lewis with respect to such matters.

(iii) Prior to appointment to the Board, and in a form and substance reasonably acceptable to the Company, the Osmium Directors and the EC Director will promptly submit to the Company (i) a completed copy of the Company's standard director & officer questionnaire and (ii) a written acknowledgement that the Osmium Directors and the EC Director agree to comply in all material respects with all policies, codes and guidelines applicable to all directors of the Company, including those regarding confidentiality, as such may be amended from time to time.

(iv) The Company agrees that, without the prior approval of the Osmium Group, it will not make any change to the Company's Certificate of Incorporation, Bylaws or other similar constitutive documents of the Company in order to interpose stockholder takeover defenses; provided, however, that the Company may take such actions as the Board deems reasonably necessary in order to maintain and preserve any net operating losses of the Company, including maintaining the Company's current tax benefit preservation plan.

(v) Each of the Osmium Directors and the EC Director shall be compensated for his or her services as a director and shall be reimbursed for his or her expenses on the same basis as all other non-employee directors of the Company and shall be eligible to be granted equity-based compensation on the same basis as all other non-employee directors of the Company.

(vi) Each of the Osmium Directors and the EC Director shall be entitled to the same rights of indemnification and directors' and officers' liability insurance coverage as the other non-employee directors of the Company as such rights may exist from time to time, including entering into the Company's standard form of indemnification agreement with each of the Osmium Directors and the EC Director.

(vii) In the event that the Osmium Group does not acquire at least sixteen million dollars ($16,000,000) of Common Stock by the conclusion of the Rights Offering pursuant to the Backstop Agreement, (x) one (1) of the Osmium Directors shall immediately tender his resignation to the Board and (y) Section 1(b) hereof shall be null and void in all respects.

2. Standstill Provisions.

(a) For purposes of this Agreement, "Standstill Period" shall mean the period from the date of execution of this Agreement until the date that is the first day to submit stockholder director nominations for the 2022 annual meeting of stockholders pursuant to the Company's Bylaws as in effect on the date of execution of this Agreement.

(b) Each member of the Osmium Group agrees that during the Standstill Period, neither it nor any of its controlled Affiliates or controlled Associates will, and it will cause each of its controlled Affiliates and controlled Associates not to, directly or indirectly, in any manner:

(i) except as contemplated by the Backstop Agreement, purchase or otherwise acquire beneficial ownership of Common Stock in excess of the number of shares (including warrants) beneficially owned by the Osmium Group at the time of the Company's emergence from bankruptcy; provided, that, subject to any restrictions reasonably imposed by the Board in order to maintain the Company's net operating losses (including maintaining the Company's current tax benefit preservation plan) and customary limitations on trading during blackout windows, if the Osmium Group at any time has beneficial ownership of less than 35% of the issued and outstanding shares of Common Stock, the Osmium Group may purchase up to that number of additional shares of Common Stock such that its' beneficial ownership (excluding the exercise of any warrants) is equal to 35% of the issued and outstanding Common Stock of the Company;

(ii) engage in any solicitation of proxies or consents or become a "participant" in a "solicitation" (as such terms are defined in Regulation 14A under the Exchange Act) of proxies or consents (including, without limitation, any solicitation of consents that seeks to call a special meeting of stockholders), in each case, with respect to securities of the Company or any securities convertible or exchangeable into or exercisable for any such securities;

(iii) form, join or in any way participate in any "group" (within the meaning of Section 13(d)(3) of the Exchange Act) with respect to the Common Stock (other than a "group" that includes all or some of the persons identified on Exhibit A, but does not include any other entities or persons not identified on Exhibit A as of the date hereof); provided, however, that nothing herein shall limit the ability of an Affiliate of any member of the Osmium Group to join the Osmium Group following the execution of this Agreement, so long as any such Affiliate agrees to be bound by the terms and conditions of this Agreement;

(iv) deposit any Common Stock in any voting trust or subject any Common Stock to any arrangement or agreement with respect to the voting of any Common Stock, other than any such voting trust, arrangement or agreement solely among the members of the Osmium Group and otherwise in accordance with this Agreement;

(v) other than as set forth in Section 2(b)(i), engage in any short sale or purchase, sale or grant of any option, warrant, convertible security, stock appreciation right or other similar right (including, without limitation, any put or call option or swap transaction) with respect to any security (other than a board-based market basket or index) that includes, related to or derives any significant part of its value from a decline in the market price or value of the securities of the Company;

(vi) seek, or encourage any person, to submit nominations in furtherance of a "contested solicitation" for the election or removal of directors with respect to the Company or seek, encourage or take any other action with respect to the election or removal of any directors (except as provided for in Section 1);

(vii) (A) call or seek to call or request the call of any meeting of stockholders, including by written consent, (B) seek, alone or in concert with others, representation on, or nominate or publicly recommend any candidate to, the Board, except as specifically set forth in Section 1, (C) seek the removal of any member of the Board, (D) solicit consents from stockholders or otherwise act or seek to act by written consent, (E) conduct a referendum of stockholders, (F) make a request for any stockholder list or other similar Company books and records, (G) make any proposal for consideration by stockholders at any meeting of stockholders, or by written consent, (H) make any offer or proposal (with or without conditions) with respect to any tender offer, merger, acquisition, recapitalization, restructuring, liquidation, disposition, distribution, spin-off, asset sale, joint venture or other business combination involving the Company (an "Extraordinary Transaction"), or encourage, initiate or support any other third party with respect to any of the foregoing, (I) make any public communication in opposition to any Extraordinary Transaction approved by the Board or (J) otherwise acting alone, or in concert with others, seek to control the governance or policies of the Company; provided, however, that nonpublic proposals or communications may be made to the Board without violating the provisions of this Section 2; and provided, further, that, notwithstanding anything herein to the contrary, if stockholders of the Company, other than the Osmium Group and its Affiliates, submit written consents to the Company with respect to matters permitted by written consent of stockholders, and such holders own a sufficient number of shares of Common Stock that, if taken together with the shares of Common Stock owned by the Osmium Group, would constitute a majority of the outstanding shares of Common Stock, then the Osmium Group, at its election, also may submit written consents and take other action otherwise prohibited by the provisions of subparagraphs (vii) and (viii) in support of such action by the other stockholders;

(viii) seek to advise, encourage, support or influence any person with respect to the voting or disposition of any securities of the Company at any annual or special meeting of stockholders or by written consent, except in accordance with Section 1;

(ix) make any public statement other than in support of the recommendations of the Board regarding how any member of the Osmium Group intends to vote or instructing other stockholders how to vote;

(x) make any public disclosure regarding any intent or proposal with respect to the Board, the Company, its management or policies, any of its securities or assets or agreement that is inconsistent with the provisions of this Agreement;

(xi) institute, solicit or join, as a party, any litigation, arbitration or other proceeding against the Company or any of its current or former directors or officers (including derivative actions), other than (A) litigation by the Osmium Group to enforce the provisions of this Agreement, (B) counterclaims with respect to any proceeding initiated by, or on behalf of, the Company or its Affiliates against the Osmium Group, and (C) the exercise of statutory appraisal rights; provided, that the foregoing shall not prevent any member of the Osmium Group from responding to or complying with a validly issued legal process;

(xii) enter into any negotiations, arrangements, understanding or agreements (whether written or oral) with, or advise, finance, assist, seek to persuade or knowingly encourage, any third party to take any action or make any statement in connection with any of the foregoing, or make any investment in or enter into any arrangement with any other person that engages, or offers or proposes to engage, in any of the foregoing, or otherwise take or cause any action or make any statement inconsistent with any of the foregoing;

(xiii) take any action challenging the validity or enforceability of this Section 2 or this Agreement, or make any request or submit any proposal to amend the terms of this Agreement other than through non-public communications with the Company that would not be reasonably determined to trigger public disclosure obligations for any Party; or

(xiv) disclose any intention, plan or arrangement inconsistent with any provision of this Section 2.

(c) Notwithstanding anything herein to the contrary, nothing in this Section 2 shall be deemed to in any way restrict or limit the Osmium Directors or the EC Director from, in their capacities as members of the Board, privately expressing or advocating for their views to the Company, other members of the Board or during Board meetings.

3. Representations and Warranties of the Company.

The Company represents and warrants to the Osmium Group that (a) the Company has the corporate power and authority to execute this Agreement and to bind it thereto, (b) this Agreement has been duly and validly authorized, executed and delivered by the Company, constitutes a valid and binding obligation and agreement of the Company, and is enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws generally affecting the rights of creditors and subject to general equity principles and (c) the execution, delivery and performance of this Agreement by the Company does not and will not violate or conflict with (i) any law, rule, regulation, order, judgment or decree applicable to the Company, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which the Company is a party or by which it is bound.

4. Representations and Warranties of the Osmium Group.

Each member of the Osmium Group represents and warrants, severally and not jointly, to the Company that (a) the authorized signatory of such member of the Osmium Group set forth on the signature page hereto has the power and authority to execute this Agreement and any other documents or agreements to be entered into in connection with this Agreement and to bind such member thereto, (b) this Agreement has been duly authorized, executed and delivered by such member of the Osmium Group, and is a valid and binding obligation, enforceable against such member of the Osmium Group in accordance with its terms, except as enforcement thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws generally affecting the rights of creditors and subject to general equity principles, (c) the execution of this Agreement, the consummation of any of the transactions contemplated hereby, and the fulfillment of the terms hereof, in each case in accordance with the terms hereof, will not conflict with, or result in a breach or violation of the organizational documents of such member of the Osmium Group as currently in effect, (d) the execution, delivery and performance of this Agreement by such member of the Osmium Group does not and will not violate or conflict with (i) any law, rule, regulation, order, judgment or decree applicable to such member of the Osmium Group, or (ii) result in any breach or violation of or constitute a default (or an event which with notice or lapse of time or both could constitute such a breach, violation or default) under or pursuant to, or result in the loss of a material benefit under, or give any right of termination, amendment, acceleration or cancellation of, any organizational document, agreement, contract, commitment, understanding or arrangement to which such member is a party or by which it is bound, (e) as of the date of this Agreement, the Osmium Group is deemed to beneficially own in the aggregate 2,050,000 shares of Common Stock, and (f) as of the date hereof, except as contemplated by the Backstop Agreement, the Osmium Group does not currently have, and does not currently have any right to acquire or any interest in any other securities of the Company (or any rights, options or other securities convertible into or exercisable or exchangeable (whether or not convertible, exercisable or exchangeable immediately or only after the passage of time or the occurrence of a specified event) for such securities or any obligations measured by the price or value of any securities of the Company or any of its controlled Affiliates, including any swaps or other derivative arrangements designed to produce economic benefits and risks that correspond to the ownership of Common Stock, whether or not any of the foregoing would give rise to beneficial ownership (as determined under Rule 13d-3 promulgated under the Exchange Act), and whether or not to be settled by delivery of Common Stock, payment of cash or by other consideration, and without regard to any short position under any such contract or arrangement), and (g) the Osmium Group will not, directly or indirectly, compensate or agree to compensate the Osmium Directors for their service as nominees or directors of the Company with any cash, securities (including any rights or options convertible into or exercisable for or exchangeable into securities or any profit sharing agreement or arrangement), or other form of compensation directly or indirectly related to the Company or its securities.

5. Expenses.

Except for such fees and expenses agreed to be paid by the Company to the Osmium Group pursuant to the Plan and the Backstop Agreement, each Party shall be responsible for its own fees and expenses in connection with the negotiation and execution of this Agreement and the transactions contemplated hereby.

6. Specific Performance.

The Osmium Group, on the one hand, and the Company, on the other hand, acknowledges and agrees that irreparable injury to the other Party hereto would occur in the event any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached and that such injury would not be adequately compensable by the remedies available at law (including the payment of money damages). It is accordingly agreed that the Osmium Group (or any of the entities and natural persons listed in the signature pages hereto), on the one hand, and the Company, on the other hand (the "Moving Party"), shall each be entitled to specific enforcement of, and injunctive relief to prevent any violation of, the terms hereof, and the other Party hereto will not take action, directly or indirectly, in opposition to the Moving Party seeking such relief on the grounds that any other remedy or relief is available at law or in equity. This Section 6 is not the exclusive remedy for any violation of this Agreement.

7. Severability.

If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated. It is hereby stipulated and declared to be the intention of the Parties that the Parties would have executed the remaining terms, provisions, covenants and restrictions without including any of such which may be hereafter declared invalid, void or unenforceable. In addition, the Parties agree to use their best efforts to agree upon and substitute a valid and enforceable term, provision, covenant or restriction for any of such that is held invalid, void or enforceable by a court of competent jurisdiction.

8. Notices.

Any notices, consents, determinations, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending Party); (iii) upon confirmation of receipt, when sent by email (provided such confirmation is not automatically generated); or (iv) one (1) business day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the Party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company:	Tuesday Morning Corporation 6250 LBJ Freeway Dallas, TX 75240 Attn: General Counsel Telephone: (972) 387-3562 Facsimile: (972) 934-7231 Email: BZeterberg@TuesdayMorning.com
With copies (which shall not constitute notice) to:	Skadden, Arps, Slate, Meagher & Flom LLP 300 South Grand Ave., Suite 3400 Los Angeles, CA 90071 Attn: Brian J. McCarthy Telephone: (213) 687-5070 Facsimile: (213) 621-5070 Email: Brian.McCarthy@skadden.com
If to the Osmium Group or any member thereof:	Osmium Partners, LLC Attn: John H. Lewis Telephone: (415) 747-8698 Email: jl@osmiumpartners.com
With a copy (which shall not constitute notice) to:	Morrison & Foerster LLP 425 Market St. San Francisco, CA 94105 Attn: Murray Indick Telephone: (415) 268-7096 Email: MIndick@mofo.com Kirkland & Ellis LLP 555 California Street San Francisco, California 94104 Tel: (415) 439-1400 Facsimile: (415) 439-1500 Attn: Noah D. Boyens Email: noah.boyens@kirkland.com

9. Applicable Law.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to the conflict of laws principles thereof. Each of the Parties hereto irrevocably agrees that any legal action or proceeding with respect to this Agreement and the rights and obligations arising hereunder, or for recognition and enforcement of any judgment in respect of this Agreement and the rights and obligations arising hereunder brought by the other Party hereto or its successors or assigns, shall be brought and determined exclusively in the Delaware Court of Chancery and any state appellate court therefrom within the State of Delaware (or, if the Delaware Court of Chancery declines to accept jurisdiction over a particular matter, any federal court within the State of Delaware). Each of the Parties hereto hereby irrevocably submits with regard to any such action or proceeding for itself and in respect of its property, generally and unconditionally, to the personal jurisdiction of the aforesaid courts and agrees that it will not bring any action relating to this Agreement in any court other than the aforesaid courts. Each of the Parties hereto hereby irrevocably waives, and agrees not to assert in any action or proceeding with respect to this Agreement, (i) any claim that it is not personally subject to the jurisdiction of the above-named courts for any reason, (ii) any claim that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (iii) to the fullest extent permitted by applicable legal requirements, any claim that (A) the suit, action or proceeding in such court is brought in an inconvenient forum, (B) the venue of such suit, action or proceeding is improper or (C) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

10. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the Parties and delivered to the other Party (including by means of electronic delivery or facsimile).

11. Mutual Non-Disparagement.

Subject to applicable law, each of the Parties covenants and agrees that, during the Standstill Period, or, if earlier, until such time as the other Party or any of its subsidiaries, affiliates (not including portfolio companies of the Osmium Group for all purposes of this Section 11 (provided, however, that such portfolio companies may not take any action prohibited by this Section 11 at the direction of a Party restricted under this Section 11 if such Party would otherwise be restricted from taking such action directly)), successors, assigns, officers, key employees or directors shall have breached this Section 11, neither it nor any of its respective, subsidiaries, affiliates, successors, assigns, officers, key employees or directors, shall in any way publicly disparage, defame or slander the other Parties or such other Parties' subsidiaries, affiliates, successors, assigns, officers (including any current officer of a Party or a Party's subsidiaries who no longer serves in such capacity following the execution of this Agreement), directors (including any current director of a Party or a Party's subsidiaries who no longer serves in such capacity following the execution of this Agreement), or employees, or any of such other Parties' businesses, products or services, in any manner that would reasonably be expected to damage the business or reputation of such other Parties, their businesses, products or services or their subsidiaries, affiliates, successors, assigns, officers (or former officers), directors (or former directors), or employees,. This Section 11 shall not limit the ability of any director of the Company to act in accordance with his or her fiduciary duties or otherwise in accordance with applicable law.

12. Entire Agreement; Amendment and Waiver; Successors and Assigns; Third Party Beneficiaries.

This Agreement and the Backstop Agreement contains the entire understanding of the Parties hereto with respect to their subject matter. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings between the Parties other than those expressly set forth herein and in the Backstop Agreement. No modifications of this Agreement can be made except in writing signed by an authorized representative of each of the Company and the Osmium Group. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by law. The terms and conditions of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties hereto and their respective successors, heirs, executors, legal representatives, and permitted assigns. No Party shall assign this Agreement or any rights or obligations hereunder without, with respect to any member of the Osmium Group, the prior written consent of the Company, and with respect to the Company, the prior written consent of an authorized representative of the Osmium Group. This Agreement is solely for the benefit of the Parties hereto and is not enforceable by any other persons.

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IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized signatories of the Parties as of the date hereof.

TUESDAY MORNING CORPORATION

By: /s/ Steven R. Becker
Name: Steven R. Becker
Title: Chief Executive Officer

[Signature Page to Agreement]

OSMIUM PARTNERS, LLC

By: /s/ John H. Lewis
Name: John H. Lewis
Title: CEO/CIO

OSMIUM PARTNERS (LARKSPUR SPV), LP

By: Osmium Partners, LLC,
its General Partners

By: /s/ John H. Lewis
Name: John H. Lewis
Title: CEO/CIO

[Signature Page to Agreement]

Exhibit 10.2

Tuesday Morning

To: Stacie Shirley

From: Douglas Dossey

Date: February 11, 2021

Subject: Enhanced Severance Opportunity

Thank you again for all that you have done for Tuesday Morning Corporation (the "***Company***"). You are a valued member of our team, and we hope to retain team members like you who are important to the Company's ability to meet the challenges and opportunities ahead.

As you know, the Company is currently conducting a search for a new Chief Executive Officer (the "***New CEO***"). In order to give you some additional security during this time, we are pleased to offer you an enhanced severance opportunity (the "***Enhanced Severance***") during the period beginning on the date of this letter and ending no later than the one-year anniversary of the New CEO's date of hire (the "***Enhanced Severance Period***"). The Enhanced Severance is subject to the terms and conditions set forth below:

- In the event of your termination by the Company without Cause (defined below), you currently are eligible for 12 months of base salary as severance under the terms of your offer letter with the Company effective January 18, 2016 (the "***Offer Letter***"), or, in lieu of such severance, in the event the Tuesday Morning Corporation Executive Severance Plan effective May 1, 2018 (the "***Severance Plan***") is in effect at the time of your termination of employment, 18 months of base salary as severance under the Severance Plan. For purposes of this letter, "***Cause***" shall have the meaning set forth in the Offer Letter or Severance Plan, as applicable. This letter is not intended to modify the terms and conditions of your Offer Letter or the Severance Plan, except to provide for additional severance as set forth below.

- During the Enhanced Severance Period, the Company shall initially increase your severance so that you shall receive up to an aggregate of 24 months of your base salary (inclusive of any amounts payable under the Offer Letter and/or Severance Plan) as severance in connection with your termination of employment by the Company without Cause. Such Enhanced Severance shall be calculated in accordance with the following formula: (a) your monthly base salary in effect at the time of your termination of employment, multiplied by (b) the number of months of potential Enhanced Severance (12 or 6 months, depending upon whether severance is paid pursuant to your Offer Letter or the Severance Plan, respectively), which shall be reduced by the number of whole days since the New CEO's date of hire. For example, if you are terminated without Cause after the New CEO has been employed for 90 days (approximately 3 months), and you are eligible for severance (I) for 12 months under your Offer Letter, your Enhanced Severance would equal 9 months of your base salary (for total severance of 21 months of base salary) or (II) for 18 months under the Severance Plan, your Enhanced Severance would equal 3 months of your base salary (for total severance of 21 months of base salary). As a further example, if you are terminated without Cause after the New CEO has been employed for 240 days (approximately 8 months), and you are eligible for severance (1) for 12 months under your Offer Letter, your Enhanced Severance would equal 4 months of your base salary (for total severance of 16 months of base salary) or(2) for 18 months under the Severance Plan, you would not be eligible for any Enhanced Severance (for total severance of 18 months of base salary).

- To the extent that any Enhanced Severance is payable pursuant to this letter, it shall be paid after the original amount of severance under the Offer Letter or Severance Plan (as applicable) in accordance with the Company's customary payroll practices over the number of actual days of Enhanced Severance (for example, if you are eligible to receive 240 days of Enhanced Severance, it shall be payable to you in accordance with the Company's customary payroll practices over the 240 day period beginning after your original severance amount has been paid to you).

- Payment of any severance (including the Enhanced Severance) shall be subject to and made in accordance with the terms and conditions of your Offer Letter or the Severance Plan, as applicable, including, without limitation, the requirement that you execute (and do not revoke) a release of claims to receive any severance payments (including the Enhanced Severance). If you are not eligible for severance under the terms of your Offer Letter or the Severance Plan, no Enhanced Severance (or any other severance) shall be payable pursuant this letter. The terms of this letter shall no longer apply if you remain employed after the end of the Enhanced Severance Period.

- Please note that your eligibility for the Enhanced Severance does not in any way alter, modify, or amend your relationship with the Company, nor does it guarantee you the right to continue in the employ or service of the Company.

- All questions concerning the construction, validity, and interpretation of this letter will be governed by the laws of the State of Texas, without giving effect to any conflict of laws principles thereof.

- This letter, your Offer Letter, and the Severance Plan constitute the entire agreement between you and the Company with respect to the Enhanced Severance and supersedes any and all prior agreements or understandings between you and the Company with respect to the Enhanced Severance, whether written or oral. This letter may be amended or modified only by a written instrument executed by you and the Company.

We ask that you acknowledge your receipt of this letter and your acceptance of its terms and conditions by signing and dating the Acknowledgement and Acceptance section below and returning it to me for the Company's records by February 19, 2021.

Very truly yours,

Douglas Dossey
Chair of the Compensation Committee

ACKNOWLEDGEMENT AND ACCEPTANCE

I hereby acknowledge receipt of this letter setting forth the terms and conditions governing the opportunity to receive the Enhanced Severance. I have carefully read this letter and hereby agree to and accept all those terms and conditions and agree that my entitlement to any Enhanced Severance described in this letter shall be determined solely by the terms and conditions described herein.

_____

Signature

_____

Printed Name: Stacie Shirley

Exhibit 10.3

Tuesday Morning

To: Bridgett Zeterberg

From: Douglas Dossey

Date: February 11, 2021

Subject: Enhanced Severance Opportunity

Thank you again for all that you have done for Tuesday Morning Corporation (the "***Company***"). You are a valued member of our team, and we hope to retain team members like you who are important to the Company's ability to meet the challenges and opportunities ahead.

As you know, the Company is currently conducting a search for a new Chief Executive Officer (the "***New CEO***"). In order to give you some additional security during this time, we are pleased to offer you an enhanced severance opportunity (the "***Enhanced Severance***") during the period beginning on the date of this letter and ending no later than the one-year anniversary of the New CEO's date of hire (the "***Enhanced Severance Period***"). The Enhanced Severance is subject to the terms and conditions set forth below:

- In the event of your termination by the Company without Cause (defined below), you currently are eligible for 12 months of base salary as severance under the terms of your offer letter with the Company effective July 11, 2016 (the "***Offer Letter***"), or, in lieu of such severance, in the event the Tuesday Morning Corporation Executive Severance Plan effective May 1, 2018 (the "***Severance Plan***") is in effect at the time of your termination of employment, 18 months of base salary as severance under the Severance Plan. For purposes of this letter, "***Cause***" shall have the meaning set forth in the Offer Letter or Severance Plan, as applicable. This letter is not intended to modify the terms and conditions of your Offer Letter or the Severance Plan, except to provide for additional severance as set forth below.

- During the Enhanced Severance Period, the Company shall initially increase your severance so that you shall receive up to an aggregate of 24 months of your base salary (inclusive of any amounts payable under the Offer Letter and/or Severance Plan) as severance in connection with your termination of employment by the Company without Cause. Such Enhanced Severance shall be calculated in accordance with the following formula: (a) your monthly base salary in effect at the time of your termination of employment, multiplied by (b) the number of months of potential Enhanced Severance (12 or 6 months, depending upon whether severance is paid pursuant to your Offer Letter or the Severance Plan, respectively), which shall be reduced by the number of whole days since the New CEO's date of hire. For example, if you are terminated without Cause after the New CEO has been employed for 90 days (approximately 3 months), and you are eligible for severance (I) for 12 months under your Offer Letter, your Enhanced Severance would equal 9 months of your base salary (for total severance of 21 months of base salary) or (II) for 18 months under the Severance Plan, your Enhanced Severance would equal 3 months of your base salary (for total severance of 21 months of base salary). As a further example, if you are terminated without Cause after the New CEO has been employed for 240 days (approximately 8 months), and you are eligible for severance (1) for 12 months under your Offer Letter, your Enhanced Severance would equal 4 months of your base salary (for total severance of 16 months of base salary) or (2) for 18 months under the Severance Plan, you would not be eligible for any Enhanced Severance (for total severance of 18 months of base salary).

- To the extent that any Enhanced Severance is payable pursuant to this letter, it shall be paid after the original amount of severance under the Offer Letter or Severance Plan (as applicable) in accordance with the Company's customary payroll practices over the number of actual days of Enhanced Severance (for example, if you are eligible to receive 240 days of Enhanced Severance, it shall be payable to you in accordance with the Company's customary payroll practices over the 240 day period beginning after your original severance amount has been paid to you).

- Payment of any severance (including the Enhanced Severance) shall be subject to and made in accordance with the terms and conditions of your Offer Letter or the Severance Plan, as applicable, including, without limitation, the requirement that you execute (and do not revoke) a release of claims to receive any severance payments (including the Enhanced Severance). If you are not eligible for severance under the terms of your Offer Letter or the Severance Plan, no Enhanced Severance (or any other severance) shall be payable pursuant this letter. The terms of this letter shall no longer apply if you remain employed after the end of the Enhanced Severance Period.

- Please note that your eligibility for the Enhanced Severance does not in any way alter, modify, or amend your relationship with the Company, nor does it guarantee you the right to continue in the employ or service of the Company.

- All questions concerning the construction, validity, and interpretation of this letter will be governed by the laws of the State of Texas, without giving effect to any conflict of laws principles thereof.

- This letter, your Offer Letter, and the Severance Plan constitute the entire agreement between you and the Company with respect to the Enhanced Severance and supersedes any and all prior agreements or understandings between you and the Company with respect to the Enhanced Severance, whether written or oral. This letter may be amended or modified only by a written instrument executed by you and the Company.

We ask that you acknowledge your receipt of this letter and your acceptance of its terms and conditions by signing and dating the Acknowledgement and Acceptance section below and returning it to me for the Company's records by February 19, 2021.

Very truly yours,

Douglas Dossey
Chair of the Compensation Committee

ACKNOWLEDGEMENT AND ACCEPTANCE

I hereby acknowledge receipt of this letter setting forth the terms and conditions governing the opportunity to receive the Enhanced Severance. I have carefully read this letter and hereby agree to and accept all those terms and conditions and agree that my entitlement to any Enhanced Severance described in this letter shall be determined solely by the terms and conditions described herein.

_____

Signature

_____

Printed Name: Bridgett Zeterberg