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

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**Form 8-K**

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**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 3, 2014**

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**Verint Systems Inc.**  
(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-34807**  
(Commission  
File Number)

**11-3200514**  
(I.R.S. Employer  
Identification No.)

**330 South Service Road, Melville, New York**  
(Address of principal executive offices)

**11747**  
(Zip code)

**(631) 962-9600**  
(Registrant's telephone number, including area code)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

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

The information regarding the amendments to the senior secured credit facilities of Verint Systems Inc. (“Verint”) and related transactions contained in Item 2.03 is incorporated herein by reference.

**Item 2.01. Completion of Acquisition or Disposition of Assets.**

On February 3, 2014 (the “Closing Date”), Verint completed the previously announced merger (the “Merger”) of Kay Technology Holdings, Inc. (“KANA”) with an indirect, wholly owned subsidiary (“Merger Sub”) of Verint, with KANA continuing as the surviving company and an indirect, wholly owned subsidiary of Verint. Pursuant to the terms of the Agreement and Plan of Merger, dated January 6, 2014 (the “Merger Agreement”), by and among Verint, Merger Sub, KANA and Accel-KKR Capital Partners III, LP, each share of KANA capital stock outstanding immediately prior to the effective time of the Merger, other than the shares of KANA capital stock held by KANA or its wholly owned subsidiaries, Verint or Merger Sub, were converted into the right to receive a portion of the Merger consideration, as set forth in the Merger Agreement. The Merger consideration consisted of cash in an amount equal to \$514.2 million, which is net of KANA’s cash received by Verint in the Merger. The Merger consideration was funded through cash on hand, the borrowing of incremental term loans in connection with Amendment No. 1 to the Existing Credit Agreement (each as defined below) and draws under Verint’s existing revolving credit facility.

The foregoing description of the Merger Agreement is qualified in its entirety by reference to the terms of the Merger Agreement, a copy of which was filed as Exhibit 2.1 to Verint’s Current Report on Form 8-K filed with the Securities and Exchange Commission (“SEC”) on January 6, 2014 and is incorporated herein by reference.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

In connection with the completion of the Merger, on the Closing Date, Verint entered into Amendment No. 1, Incremental Amendment and Joinder Agreement (“Amendment No. 1”) with, among others, the lenders from time to time party thereto (the “Incremental Term Loan Lenders”) and Credit Suisse AG, as administrative agent (the “Agent”), amending that certain Credit Agreement dated April 29, 2011 and amended and restated as of March 6, 2013 (the “Existing Credit Agreement”) with, among others, the lenders from time to time party thereto and the Agent. Pursuant to Amendment No. 1 and the Existing Credit Agreement, on the Closing Date, Verint incurred incremental term loans in an aggregate principal amount of \$300.0 million (the “Incremental Term Loans”). The proceeds of the Incremental Term Loans were used to fund a portion of the Merger consideration.

The Incremental Term Loans bear interest at a rate per annum equal to, at Verint’s election (a) in the case of Eurodollar loans, the Adjusted LIBO Rate plus 2.75% and (b) in the case of Base Rate loans, the Base Rate plus 1.75%. The “Adjusted LIBO Rate” is the greater of (i) 0.75% per annum and (ii) the product of (x) the LIBO Rate (as defined in the Existing Credit

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Agreement) and (y) Statutory Reserves (as defined in the Existing Credit Agreement). The "Base Rate" is the greatest of (i) the Agent's prime rate, (ii) the Federal Funds Effective Rate (as defined in the Existing Credit Agreement) plus 0.50% and (iii) the Adjusted LIBO Rate for a one month interest period plus 1.00%. Interest on the Incremental Term Loans are payable quarterly or, in the case of Eurodollar loans with an interest period of three months or less, at the end of the applicable interest period.

Pursuant to Amendment No. 1 and the Existing Credit Agreement, Verint is required to make principal payments on the Incremental Term Loans of \$750,000 per quarter commencing on May 1, 2014 and continuing through August 1, 2019, with the remaining balance due in September 2019. Optional prepayments of the Incremental Term Loans are permitted without premium or penalty, other than customary breakage costs associated with the prepayment of loans bearing interest based on LIBO Rates and a 1.0% premium applicable in the event of specified repricing transactions prior to September 8, 2014. The other terms, conditions and provisions applicable to the Incremental Term Loans, including provisions regarding security, guaranties, affirmative negative covenants and events of defaults, are consistent with those applicable to the term loans currently outstanding under the Existing Credit Agreement (the "Existing Term Loans"). A description of the Existing Credit Agreement is included under Item 1.01 of Verint's Current Report on Form 8-K filed with the SEC on February 8, 2013 and is incorporated herein by reference.

On the Closing Date, Verint also entered into Amendment No. 2 to the Existing Credit Agreement ("Amendment No. 2") with, among others, the Agent and the lenders party thereto, pursuant to which the Existing Credit Agreement was amended to, among other things, (i) permit Verint to increase the permitted amount of additional incremental term loans and revolving credit commitments under the Existing Credit Agreement (beyond the Incremental Term Loans borrowed under Amendment No. 1) by up to, in the aggregate, \$200.0 million plus an additional amount such that the First Lien Leverage Ratio (as defined in Amendment No. 2) would not exceed the specified maximum ratio set forth therein, (ii) increase the size of certain negative covenant "basket" carve-outs, (iii) permit Verint to issue Permitted Convertible Indebtedness (as defined in Amendment No. 2), and (iv) permit Verint to refinance all or a portion of any existing class of term loans under the Existing Credit Agreement with replacement term loans.

Further, on the Closing Date, Verint entered into Amendment No. 3 to the Existing Credit Agreement ("Amendment No. 3") with, among others, the Agent and the lenders party thereto, pursuant to which the Existing Credit Agreement was amended to extend by one year the step-down date of the leverage ratio covenant applicable to the revolving credit facility and, subject to and at the time of effectiveness of Amendment No. 4 (as defined below), the interest rate applicable to borrowings under the revolving credit facility would be repriced in a manner favorable to Verint. Verint additionally intends to seek approvals from its lenders pursuant to which, on or shortly after March 7, 2014, Verint and those lenders would enter into a separate amendment to the Existing Credit Agreement ("Amendment No. 4") to, among other things, reprice the interest rate applicable to the Existing Term Loans in a manner favorable to Verint. There can be no assurances as to whether or when those approvals will be provided. The repricing of the interest rate applicable to borrowings under the revolving credit facility contemplated by Amendment No. 3 will not become effective unless and until Amendment No. 4 becomes effective.

Certain of the lenders party to the Existing Credit Agreement and their respective affiliates have performed, and may in the future perform, various commercial banking, investment banking, underwriting and other financial advisory services for Verint and its subsidiaries for which they have received, or may receive, customary fees and expense reimbursements.

**Item 9.01. Financial Statements and Exhibits.**

**(a) Financial Statements of Business Acquired.**

Verint will furnish any financial statements required by Item 9.01(a) by amendment no later than 71 calendar days after the date this initial Current Report on Form 8-K is required to have been filed with the SEC pursuant SEC rules.

**(b) Pro Forma Financial Information.**

Verint will furnish any financial statements required by Item 9.01(b) by amendment no later than 71 calendar days after the date this initial Current Report on Form 8-K is required to have been filed with the SEC pursuant SEC rules.

**(d) Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 1, Incremental Amendment and Joinder Agreement dated February 3, 2014 to the Amended and Restated Credit Agreement, dated as of March 6, 2013, among Verint Systems Inc., as Borrower, the lenders from time to time party thereto, and Credit Suisse AG, as administrative agent and collateral agent (the "Existing Credit Agreement")
10.2	Amendment No. 2 dated February 3, 2014 to the Existing Credit Agreement
10.3	Amendment No. 3 dated February 3, 2014 to the Existing Credit Agreement

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**Cautions about Forward-Looking Statements**

This document contains forward-looking statements, including statements regarding expectations, predictions, views, opportunities, plans, strategies, beliefs, and statements of similar effect relating to Verint and the expected benefits of the Merger. These forward-looking statements are not guarantees of future performance and they are based on management's expectations that involve a number of risks, uncertainties and assumptions, any of which could cause actual results or events to differ materially from those expressed in or implied by the forward-looking statements, including risks associated with the Merger, such as uncertainties regarding the ability to realize the expected benefits of the Merger, as well as risks associated

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with related system integrations. For a detailed discussion of risk factors impacting Verint, see Verint's Annual Report on Form 10-K for the year ended January 31, 2013, its Quarterly Report on Form 10-Q for the quarter ended October 31, 2013, and other filings Verint makes with the SEC. The forward-looking statements contained in this document are made as of the date hereof, and Verint assumes no obligation to revise or update any forward-looking statement, except as otherwise required by law.

### **Qualification of Representations and Warranties**

The foregoing description of the Merger Agreement has been included to provide investors and security holders with information regarding its terms and conditions. It is not intended to provide any other factual information regarding Verint.

KANA and Verint made representations, warranties and covenants in the Merger Agreement that the parties believe are customary for transactions of this type. The representations, warranties and covenants were made to, and are solely for the benefit of, the parties to the Merger Agreement. The assertions embodied in the representations and warranties contained in such agreement were in some cases qualified by information in confidential disclosure letters or schedules provided by the parties to each other in connection with the signing of such agreement. While Verint does not believe that these disclosure letters or schedules contain information that the securities laws require the parties to publicly disclose, other than information that has already been so disclosed, they do contain information that modifies, qualifies and creates exceptions to the representations and warranties of the parties set forth in the Merger Agreement. The representations and warranties in the Merger Agreement should not be relied on as characterizations of the actual state of facts about Verint or KANA, since they were only made as of the date of such agreement or such other date as may be set forth in the Merger Agreement and may have been modified in important part by the associated disclosure letters or schedules. Moreover, the representations and warranties contained in the Merger Agreement were negotiated for the principal purpose of establishing the circumstances under which either party may have had the right to terminate the Merger Agreement or otherwise not complete the Merger if the representations and warranties of the other party proved to be untrue due to a change in circumstance or otherwise. The representations and warranties in the Merger Agreement were intended to allocate risk between Verint and KANA rather than establishing matters as facts and may have been subject to a contractual standard of materiality different from those generally applicable to investors. Finally, information concerning the subject matter of the representations and warranties may have changed since the date of the Merger Agreement, which subsequent information may or may not be fully reflected in existing public disclosures.

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**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.

**VERINT SYSTEMS INC.**

Date: February 3, 2014

By:                     /s/ Peter Fante                      
Name: Peter Fante  
Title: Chief Legal Officer

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**EXHIBIT INDEX**

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10.2	Amendment No. 2 dated February 3, 2014 to the Existing Credit Agreement
10.3	Amendment No. 3 dated February 3, 2014 to the Existing Credit Agreement

## AMENDMENT NO. 1, INCREMENTAL AMENDMENT AND JOINDER AGREEMENT

AMENDMENT NO. 1, INCREMENTAL AMENDMENT AND JOINDER AGREEMENT (this “**Agreement**”) dated as of February 3, 2014 relating to the Amended and Restated Credit Agreement dated as of April 29, 2011 and amended and restated as of March 6, 2013 (as otherwise heretofore amended or modified, the “**Credit Agreement**”) among VERINT SYSTEMS INC., a Delaware corporation (the “**Company**”), the SUBSIDIARY BORROWERS from time to time party thereto, the LENDERS from time to time party thereto, and CREDIT SUISSE AG, as administrative agent (in such capacity, the “**Administrative Agent**”) and collateral agent.

## RECITALS:

WHEREAS, the Company has, by notice to the Administrative Agent (the date of such notice, the “**Notice Date**”), requested Incremental Term Loans in an aggregate principal amount of \$300,000,000.

WHEREAS, each of Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., RBC Capital Markets, Barclays Bank PLC and HSBC Securities (USA) Inc. has agreed to act as a joint lead arranger and joint bookrunner in connection with the Incremental Term Loans (in such capacities, collectively, the “**Joint Lead Arrangers**”) pursuant to that certain Amended and Restated Commitment Letter dated as of January 10, 2014 (the “**Commitment Letter**”) entered into in connection herewith.

WHEREAS, each financial institution identified on the signature pages hereto as an “Incremental Term Loan Lender” (each, an “**Incremental Term Loan Lender**”) has agreed severally, on the terms and conditions set forth herein and in the Credit Agreement, to provide a portion of such Incremental Term Loans and to become, if not already, a Lender for all purposes under the Credit Agreement.

The parties hereto therefore agree as follows:

SECTION 1. *Defined Terms; References.* Unless otherwise specifically defined herein, each capitalized term used herein (including in the preamble and recitals hereto) that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to “hereof”, “hereunder”, “herein” and “hereby” and each other similar reference and each reference to “this Agreement” and each other similar reference contained in the Credit Agreement shall, after this Agreement becomes effective, refer to the Credit Agreement as amended hereby. For the avoidance of doubt, after the Incremental Facility Closing Date (as defined below), any references to “date hereof” or “date of this Agreement” in the Credit Agreement shall continue to refer to March 6, 2013.

SECTION 2. *Tranche B Incremental Term Loans.* Subject to and upon the terms and conditions set forth herein, each Incremental Term Loan Lender party hereto severally agrees to make, on the Incremental Facility Closing Date, a single loan of term loans (each, a “**Tranche B Incremental Term Loan**”) in Dollars to the Company in an amount equal to the commitment amount set forth next to such Incremental Term Loan Lender’s name in Schedule I hereto under the caption “Tranche B Incremental Term Loan Commitment”. The Tranche B Incremental Term Loans hereunder constitute Term Loans (as defined in the Credit Agreement). The gross proceeds required to be funded by each Incremental Term Loan Lender with respect to its Tranche B Incremental Term Loan shall be equal to 99.75% of the principal amount of such Tranche B Incremental Term Loan.



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SECTION 3. *Use of Proceeds.* The proceeds of the Tranche B Incremental Term Loans shall be used solely: (i) to finance all or a portion of the purchase price for the acquisition (the “**Acquisition**”) by the Company (or a wholly owned Domestic Subsidiary of the Company), via merger, of Kay Technology Holdings, Inc., a Delaware corporation (the “**Target**”) and (ii) to pay fees and expenses incurred in connection with the Acquisition, this Agreement and the transactions contemplated hereby.

SECTION 4. *Applicable Margin and Interest Period.* The “Applicable Margin” for each Tranche B Incremental Term Loan shall be (a) for Eurodollar Loans, 2.75% per annum and (b) for Base Rate Loans, 1.75% per annum.

The Tranche B Incremental Term Loans shall be funded on the Incremental Facility Closing Date as Eurodollar Loans and shall have an initial Interest Period that ends on May 1, 2014 (or such other date as determined by the Company and the Administrative Agent in order to synchronize the Interest Period for the Tranche B Incremental Term Loans with the Interest Period for the loans incurred in connection with the Initial Term Loan Refinancing (as defined below)).

SECTION 5. *Repayment of Tranche B Incremental Term Loans; Maturity Date.* (a) The Company shall pay to the Administrative Agent, on each Payment Date commencing on the first Payment Date to occur after the Incremental Facility Closing Date, a principal amount of the Tranche B Incremental Term Loans in accordance with Section 2.03 of the Credit Agreement (as amended pursuant to Section 7(d) below).

(b) To the extent not previously paid, all Tranche B Incremental Term Loans shall be due and payable on the Tranche B Term Loan Maturity Date (as defined in the Credit Agreement, as amended hereby).

(c) All such repayments shall be accompanied by accrued interest on the amount repaid and shall be subject to Section 2.19 of the Credit Agreement.

SECTION 6. *Prepayments of Tranche B Incremental Term Loans.* Notwithstanding anything to the contrary herein or in any other Loan Document, mandatory and optional prepayments of Term Loans (as defined in the Credit Agreement, as amended hereby) under the Loan Documents shall be applied on a pro rata basis between the Tranche B Incremental Term Loans and the Initial Term Loans (as defined in the Credit Agreement, as amended hereby); *provided*, any such prepayment made on or prior to March 7, 2014 from the proceeds of any Repricing Transaction (the “**Initial Term Loan Refinancing**”) may, at the option of the Company, be applied solely to prepay the Initial Term Loans (as defined in the Credit Agreement, as amended hereby). For the avoidance of doubt, any such Initial Term Loan Refinancing may be made under the Credit Agreement as an increase in Tranche B Incremental Term Loans.

SECTION 7. *Amendments to Credit Agreement.* Effective on and as of the Incremental Facility Closing Date, the Credit Agreement shall be amended as follows:

(a) Section 1.01 of the Credit Agreement is hereby amended to add the following new defined terms in appropriate alphabetical order:

“**Incremental Amendment No. 1**”: that certain Amendment No. 1, Incremental Amendment and Joinder Agreement dated as of February 3, 2014 among the Company, the other Loan Parties party thereto, the Tranche B Term Loan Lenders party thereto and the Administrative Agent.

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**“Incremental Facility No. 1 Closing Date”**: the “Incremental Facility Closing Date” as defined in the Incremental Amendment No. 1.

**“Initial Term Loan Commitment”**: as to any Lender, the obligation of such Lender, if any, to make an Initial Term Loan to the Company hereunder in a principal amount not to exceed the amount set forth under the heading “Term Loan Commitment” opposite such Lender’s name on Annex A, or, as the case may be, in the Assignment and Acceptance pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof.

**“Initial Term Loan Facility”**: as defined in the definition of “Facility” in this Section 1.01.

**“Initial Term Loan Lender”**: each Lender that has an Initial Term Loan Commitment or is the holder of an Initial Term Loan.

**“Initial Term Loan Maturity Date”**: the day that is six years and six months after the Amendment Effective Date; *provided* that if such day is not a Business Day, the Initial Term Loan Maturity Date shall be the immediately preceding Business Day.

**“Initial Term Loans”**: the term loans made by the Lenders to the Company on the Amendment Effective Date. The aggregate amount of the Initial Term Loans as of the Amendment Effective Date was \$650,000,000.

**“Tranche B Term Loan Commitment”**: as to any Lender, the obligation of such Lender, if any, to make a Tranche B Term Loan to the Company as provided under the Incremental Amendment No. 1 in a principal amount not to exceed the amount set forth under the heading “Tranche B Incremental Term Loan Commitment” opposite such Lender’s name on Schedule 1 to the Incremental Amendment No. 1, or, as the case may be, in the Assignment and Acceptance pursuant to which such Lender became a party hereto, as the same may be changed from time to time pursuant to the terms hereof.

**“Tranche B Term Loan Facility”**: as defined in the definition of “Facility” in this Section 1.01.

**“Tranche B Term Loan Lender”**: each Lender that has a Tranche B Term Loan Commitment or is the holder of a Tranche B Term Loan.

**“Tranche B Term Loan Maturity Date”**: the day that is six years and six months after the Amendment Effective Date; *provided* that if such day is not a Business Day, the Tranche B Term Loan Maturity Date shall be the immediately preceding Business Day.

**“Tranche B Term Loans”**: the term loans made by the Lenders to the Company pursuant to the Incremental Amendment No. 1. The aggregate amount of the Tranche B Term Loans as of the Incremental Facility No. 1 Closing Date is \$300,000,000.

(b) Section 1.01 of the Credit Agreement is hereby amended by amending and restating each of the definitions of “Adjusted LIBOR Rate”, “Applicable Margin”, “Facility”, “Term Loan”, “Term Loan Commitment”, “Term Loan Facility”, “Term Loan Lender” and “Term Loan Maturity Date”, in each case to read, respectively, as follows:

“**Adjusted LIBO Rate**”: with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum equal to the greater of (i) (A) in the case of Initial Term Loans and Revolving Credit Loans, 1.00% per annum and (B) in the case of Tranche B Term Loans, 0.75% per annum and (ii) the product of (x) the LIBO Rate in effect for such Interest Period and (y) Statutory Reserves.

“**Applicable Margin**”:

(a) in the case of Initial Term Loans and Revolving Credit Loans, for each Type of each such Loan for any day, the rate per annum, based upon the Pricing Level as set forth below as determined on such day:

	<b>Pricing Level</b>	<b>Eurodollar Loan</b>	<b>Base Rate Loan</b>
<b>Initial Term Loans</b>	1	2.75%	1.75%
	2	3.00%	2.00%
<b>Revolving Credit Loans</b>	1	2.75%	1.75%
	2	3.00%	2.00%

Pricing Level 1 shall apply if, as of any day, no Event of Default shall have occurred and be continuing and the Corporate Rating by S&P is BB- (stable outlook) or better and by Moody’s is Ba3 (stable outlook) or better. Pricing Level 2 shall apply if, as of any day, Pricing Level 1 does not apply.

(b) in the case of Tranche B Term Loans, (i) for Tranche B Term Loans that are Eurodollar Loans, 2.75% per annum and (ii) for Tranche B Term Loans that are Base Rate Loans, 1.75% per annum.

“**Facility**”: each of (a) the Initial Term Loan Commitments and the Initial Term Loans made thereunder (the “**Initial Term Loan Facility**”), (b) the Tranche B Term Loan Commitments and the Tranche B Term Loans made thereunder (the “**Tranche B Term Loan Facility**”) and (c) the Revolving Credit Commitments and the extensions of credit made thereunder (the “**Revolving Credit Facility**”).

“**Term Loan**”: an Initial Term Loan and/or a Tranche B Term Loan, as the context may require.

“**Term Loan Commitment**”: the Initial Term Loan Commitment and/or the Tranche B Term Loan Commitment, as the context may require.

“**Term Loan Facility**” collectively, the Initial Term Loan Facility and the Tranche B Term Loan Facility.

“**Term Loan Lender**”: a Lender with a Term Loan Commitment or an outstanding Term Loan.

“**Term Loan Maturity Date**”: the Initial Term Loan Maturity Date (in the case of Initial Term Loans) or the Tranche B Term Loan Maturity Date (in the case of Tranche B Term Loans).

(c) Section 2.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

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“Section 2.01. *Term Loan Commitments.*

(a) Subject to the terms and conditions hereof, the Initial Term Loan Lenders severally agreed to make Initial Term Loans to the Company on the Amendment Effective Date in an amount for each Initial Term Loan Lender not to exceed the amount of the Initial Term Loan Commitment of such Lender.

(b) Subject to the terms and conditions of the Incremental Amendment No. 1 and hereof, the Tranche B Term Loan Lenders severally agree to make Tranche B Term Loans to the Company on the Incremental Facility No. 1 Closing Date in an amount for each Tranche B Term Loan Lender not to exceed the amount of the Tranche B Term Loan Commitment of such Lender.

(c) The Term Loans may from time to time be Eurodollar Loans or Base Rate Loans, as determined by the Company and notified to the Administrative Agent in accordance with Sections 2.02 and 2.11.”

(d) Section 2.03 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“Section 2.03. *Repayment of Term Loans.* The Company shall pay to the Administrative Agent, (A) in the case of the Initial Term Loans, for the account of the Initial Term Loan Lenders, on each Payment Date commencing with the Payment Date occurring on May 1, 2013, a principal amount of Initial Term Loans equal to 0.25% of the aggregate principal amount of Initial Term Loans made on the Amendment Effective Date and (B) in the case of the Tranche B Term Loans, for the account of the Tranche B Term Loan Lenders, on each Payment Date commencing with the Payment Date occurring on May 1, 2014, a principal amount of Tranche B Term Loans equal to 0.25% of the aggregate principal amount of Tranche B Term Loans made on the Incremental Facility No. 1 Closing Date, in each case of clauses (A) and (B), as such amount may be reduced pursuant to Sections 2.09(b) and 2.10(g). To the extent not previously paid, (i) all Initial Term Loans shall be due and payable on the Initial Term Loan Maturity Date and (ii) all Tranche B Term Loans shall be due and payable on the Tranche B Term Loan Maturity Date. All repayments made pursuant to this Section 2.03 shall be accompanied by accrued interest on the amount repaid and shall be subject to Section 2.19.”

(e) Section 2.07 of the Credit Agreement is hereby amended:

(i) To amend and restate clause (b) thereof to read as follows:

“(b) The Company agrees to pay to the Administrative Agent for the account of each Initial Term Loan Lender on the Amendment Effective Date an upfront fee equal to 0.50% of such Initial Term Loan Lender’s Initial Term Loan Commitment on such date.”

(ii) To amend and restate clause (d) thereof to read as follows:

“(d) If, (x) in the case of Initial Term Loans, on or prior to the first anniversary of the Amendment Effective Date or (y) in the case of Tranche B Term Loans, on or prior to September 7, 2014, the Company effects a Repricing Transaction, the Company shall pay to the Administrative Agent, for the ratable account of (i) each of the Initial Term Loan Lenders in the case of such a Repricing Transaction with respect to Initial Term Loans or (ii) the Tranche B Term Loan Lenders in the case of such a Repricing Transaction with respect to Tranche B Term Loans, (I) in the case of a Repricing Transaction

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described in clause (a) of the definition thereof, a prepayment premium of 1.00% of the aggregate principal amount of the Term Loans so prepaid, refinanced, substituted or replaced and (II) in the case of a Repricing Transaction described in clause (b) of the definition thereof, a fee equal to 1.00% of the aggregate principal amount of the applicable Term Loans outstanding immediately prior to such amendment. Such amounts shall be due and payable on the date of effectiveness of such Repricing Transaction.”

(iii) To add a new clause (f) thereto to read as follows:

“(f) The Company agrees to pay to the Administrative Agent for the account of each Tranche B Term Loan Lender on the Incremental Facility No. 1 Closing Date an upfront fee equal to 0.25% of such Tranche B Term Loan Lender’s Tranche B Term Loan Commitment on such date.”

(f) Section 6.10 of the Credit Agreement is hereby amended and restated to read as follows:

“Section 6.10 *Use of Proceeds*. The proceeds of the Initial Term Loans shall be used solely to refinance the Existing Debt, to pay related fees and expenses and for working capital and general corporate purposes. The proceeds of the Tranche B Term Loans shall be used for the purposes specified in the Incremental Amendment No. 1. The proceeds of the Revolving Credit Loans and the Letters of Credit shall be used for working capital and general corporate purposes.”

SECTION 8. *Representations of the Company*. The Company represents and warrants to the Administrative Agent and each Incremental Term Loan Lender that:

(a) each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents will be true and correct in all material respects (except that any representation and warranty that is qualified by materiality will be true and correct in all respects) on and as of the Incremental Facility Closing Date after giving effect hereto, to any extension of credit requested to be made on the Incremental Facility Closing Date and to the consummation of the Acquisition as if made on and as of such date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties will be true and correct in all material respects (except that any representation and warranty that is qualified by materiality will be true and correct in all respects ) as of such date) (for purposes of this representation and warranty, the reference to “Amendment Effective Date” in Section 4.19 of the Credit Agreement will be deemed to refer to the Incremental Facility Closing Date and such representation shall be made immediately after giving effect to the Tranche B Incremental Term Loans and any other extension of credit made on the Incremental Facility Closing Date);

(b) no Default or Event of Default existed on the Notice Date and no Default or Event of Default will have occurred and be continuing on and as of the Incremental Facility Closing Date after giving effect hereto, to any extension of credit requested to be made on the Incremental Facility Closing Date and to the consummation of the Acquisition;

(c) each Loan Party has the corporate power and authority, and the legal right, to make, deliver and perform its obligations under this Agreement and under each of the Loan Documents as amended or supplemented hereby to which it is a party and, in the case of the Company, to borrow hereunder in accordance with the terms and conditions hereof and of the Credit Agreement. Each Loan Party has taken all necessary corporate action to authorize the execution, delivery and performance of this Agreement and each of the Loan Documents as amended or supplemented

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hereby to which it is a party and, in the case of the Company, to authorize the borrowings on the terms and conditions of this Agreement and of the Credit Agreement. This Agreement has been duly executed and delivered on behalf of each Loan Party that is a party hereto. This Agreement constitutes, and each other Loan Document as amended or supplemented hereby upon execution will constitute (in each case, assuming due execution by the parties other than the Loan Parties party thereto), a legal, valid and binding obligation of each Loan Party that is a party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law);

(d) no consent or authorization of, filing with, notice to or other act by or in respect of, any Governmental Authority or any other Person is required in connection with the borrowings hereunder or the execution, delivery, performance, validity or enforceability of this Agreement or any of the other Loan Documents as amended or supplemented hereby, except (i) those that have otherwise been obtained or made on or prior to the Incremental Facility Closing Date and which remain in full force and effect on the Incremental Facility Closing Date, (ii) any filings required under the Exchange Act in respect of the transactions contemplated hereby, and (iii) consents, authorizations, filings and notices required under the laws of the jurisdiction of organization of any Foreign Subsidiary in respect of the grant of a security interest in respect of its Capital Stock pursuant to the Guarantee and Collateral Agreement or any other Security Document;

(e) the execution, delivery and performance of this Agreement and the other Loan Documents as amended or supplemented hereby, the borrowings hereunder and the use of the proceeds thereof will not violate any Requirement of Law or any material Contractual Obligation of the Company or any of its Subsidiaries and will not result in, or require, the creation or imposition of any Lien on any of their respective properties or revenues pursuant to any Requirement of Law or any such material Contractual Obligation (other than the Liens created by the Security Documents);

(f) [Intentionally Omitted];

(g) immediately after giving effect to the borrowing of the Tranche B Incremental Term Loans and any other extensions of credit made on the Incremental Facility Closing Date, the Consolidated Leverage Ratio will not exceed 4.25:1.00, determined on a *pro forma* basis as of the last day of the most recent fiscal quarter for which financial statements are required to have been delivered under the Credit Agreement, as if such Tranche B Incremental Term Loans and other extensions of credit had been outstanding on the last day of such fiscal quarter for testing compliance therewith; and

(h) immediately after giving effect to the borrowing of the Tranche B Incremental Term Loans hereunder, the aggregate amount of Incremental Term Loans (as defined in the Credit Agreement) and Revolving Credit Commitment Increases will not exceed \$300,000,000.

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SECTION 9. *Conditions to the Incremental Facility Closing Date.* This Agreement shall become effective as of the first date (the “**Incremental Facility Closing Date**”) when each of the following conditions shall have been satisfied:

(a) *Representations and Warranties.* The representations and warranties set forth in Section 8 above shall be true and correct in all material respects (except that any representation and warranty that is qualified by materiality shall be true and correct in all respects) on and as of the Incremental Facility Closing Date after giving effect hereto and to any extension of credit requested to be made on the Incremental Facility Closing Date.

(b) *This Agreement.* The Administrative Agent shall have received executed counterparts hereof that, when taken together, bear the signatures of the Loan Parties, the Administrative Agent and each Incremental Term Loan Lender.

(c) *No Default or Event of Default.* No Default or Event of Default shall have occurred and be continuing or shall result from the borrowing of the Tranche B Incremental Term Loans or the consummation of the Acquisition.

(d) *Officer’s Certificate.* The Administrative Agent shall have received a certificate, dated the Incremental Facility Closing Date and signed by a Responsible Officer of the Company, confirming the accuracy of the representations and warranties set forth in Section 8 above (including, in the case of Section 8(g), reasonably detailed calculations confirming compliance therewith) and confirming the satisfaction of the conditions in clause (c) above and clauses (f), (k), (l), (o) and (u) below (which for the purposes of such certification with respect of the condition precedent in clause (k) below, may be qualified “to the knowledge” of such Responsible Officer).

(e) *Solvency Certificate.* The Joint Lead Arrangers shall have received a certificate from the chief financial officer of the Company in form substantially consistent with the solvency certificate delivered under the Credit Agreement on the Amendment Effective Date certifying that the Company and its Subsidiaries, on a consolidated basis immediately after giving effect to the borrowing of the Tranche B Incremental Term Loans and any other extensions of credit made on the Incremental Facility Closing Date and the transactions contemplated hereby, are Solvent.

(f) *Acquisition.* The Acquisition shall be consummated substantially simultaneously with the borrowing of the Tranche B Incremental Term Loans in accordance with applicable law and the acquisition agreement dated as of January 6, 2014 relating to the Acquisition (including, but not limited to, all schedules, annexes, exhibits and other attachments thereto) (collectively, the “**Acquisition Agreement**”) (without any amendment, modification or waiver thereof, or any consent thereunder, which is materially adverse to the Company, the Lenders or the Joint Lead Arrangers without the prior written consent of the Joint Lead Arrangers).

(g) *Fees and Expenses.* The Lenders and the Commitment Parties (as defined in the Commitment Letter) shall have received all fees required to be paid, and all expenses for which reasonably detailed invoices have been presented (including reasonable fees, disbursements and other charges of counsel to the Commitment Parties) at least one Business Day prior to the Incremental Facility Closing Date, which fees and expenses may be paid out of the proceeds of the Loans made on the Incremental Facility Closing Date or provision for the payment thereof reasonably satisfactory to the Administrative Agent shall have been made.

(h) *Organizational Documents; Incumbency.* The Administrative Agent shall have received such certificates, resolutions or other documents of the Loan Parties as the Administrative Agent may reasonably require in connection herewith, including all documents and certificates it may reasonably request relating to (i) the organization, existence and good standing of each Loan

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Party, (ii) the corporate or other authority for and validity of this Agreement and (iii) the incumbency of the officers of each Loan Party executing this Agreement, and other matters relevant hereto, all in form and substance reasonably satisfactory to the Administrative Agent (it being agreed that documents substantially consistent with those delivered under the Credit Agreement on the Amendment Effective Date with appropriate modifications to reflect the consummation of the transactions contemplated hereby will be reasonably acceptable to the Administrative Agent).

(i) *Legal Opinions*. The Administrative Agent shall have received the following executed legal opinions: (i) the legal opinion of Jones Day, counsel to the Company and its Subsidiaries; (ii) the legal opinion of local counsel to the Company in Nevada; and (iii) the legal opinion of local counsel to the Company in The Cayman Islands. Each such legal opinion shall cover such other matters incident to the transactions contemplated by this Agreement as the Administrative Agent may reasonably require and shall be addressed to the Administrative Agent and the Incremental Term Loan Lenders (it being agreed that legal opinions substantially consistent with those delivered under the Credit Agreement on the Amendment Effective Date with appropriate modifications to reflect the consummation of the transactions contemplated hereby will be reasonably acceptable to the Administrative Agent). The Company hereby requests such counsel to deliver such opinions.

(j) *PATRIOT Act, etc.* The Joint Lead Arrangers shall have received, at least three Business Days prior to the Incremental Facility Closing Date, all documentation and other information required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including, without limitation, the USA PATRIOT ACT and requested by the Administrative Agent in writing (including email) at least seven Business Days prior to the Incremental Facility Closing Date.

(k) *Target Material Adverse Effect*. Since September 30, 2013, there shall not have occurred a Material Adverse Effect. A “Material Adverse Effect” for purposes of this clause (k) means a change, effect, occurrence or event that, individually or in the aggregate, is or would reasonably be expected to be material and adverse to the business, assets, properties, liabilities, results of operations or financial condition of the Target and its Subsidiaries (taken as a whole), other than an effect (in whole or in part) resulting from an Excluded Matter. “Excluded Matter” for purposes of this clause (k) means any one or more of the following: (A) the effect of any change that generally affects the industry in which the Target and its Subsidiaries operate; (B) changes generally affecting the economy or the credit, debt, financial or capital markets; (C) the effect of any change arising in connection with natural disasters or acts of nature, hostilities, acts of war, sabotage or terrorism or military actions or any escalation or material worsening of any such hostilities, acts of war, sabotage or terrorism or military actions existing or underway as of January 6, 2014; (D) the negotiation, execution, announcement or performance of the Acquisition Agreement or the consummation of the Transactions (as defined in the Acquisition Agreement), including, to the extent applicable, the impact thereof on relationships, contractual or otherwise, with customers, suppliers, distributors, partners, employees and revenue; (E) the effect of any changes in applicable Laws, GAAP or accounting rules, or the interpretation thereof, or (F) the failure of the Target or its Subsidiaries (in and of itself) to meet any financial plan or projection; provided, however, that the facts and circumstances underlying any such failure in clause (F) may (if not otherwise an Excluded Matter) be considered in determining whether a Material Adverse Effect has occurred, and provided further that any event or occurrence listed in clauses (A), (B), (C), and/or (E) that materially impacts the Target or its Subsidiaries (taken as a whole) in a manner



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disproportionate to the impact on other companies in the industry in which the Target and its Subsidiaries operate will not be excluded. All capitalized terms used but not defined in this clause (k) shall have the meanings assigned to such terms in the Acquisition Agreement as in effect on January 6, 2014.

(l) *Existing Indebtedness*. Immediately after giving effect to the transactions contemplated hereby, the Company and its Subsidiaries shall have outstanding no Indebtedness other than the Tranche B Incremental Term Loans and other Indebtedness permitted under the Credit Agreement.

(m) *Target Financial Statements*. The Joint Lead Arrangers shall have received KANA Software, Inc.'s U.S. GAAP audited consolidated balance sheets and related statements of income, stockholders' equity and cash flows, including related footnotes, for the 2012 and 2011 fiscal years and each subsequent fiscal year ended at least 90 days before the Incremental Facility Closing Date and unaudited consolidated balance sheets and related statements of income and cash flows for each subsequent fiscal quarter (other than a fourth fiscal quarter of any fiscal year) ended at least 45 days before the Incremental Facility Closing Date.

(n) *Pro Forma Financial Statements*. The Joint Lead Arrangers shall have received a pro forma consolidated balance sheet and related pro forma consolidated statements of income and cash flows of the Company as of and for the twelve-month period ending on the last day of the most recently completed four-fiscal quarter period for which financial statements have been delivered pursuant to the Credit Agreement, prepared giving effect to the transactions contemplated hereby as if such transactions had occurred as of such date (in the case of such balance sheet) or at the beginning of such period (in the case of such other financial statements).

(o) *Liquidity*. The Company shall have unrestricted cash on hand and/or has received, or substantially simultaneously with the borrowing of the Tranche B Incremental Term Loans shall receive, proceeds of Revolving Credit Loans under the Credit Agreement, in an aggregate amount, which, together with the proceeds of the Tranche B Incremental Term Loans, shall be sufficient to finance the Acquisition and to pay the transaction costs due on the Incremental Facility Closing Date.

(p) *Lien Searches*. The Administrative Agent shall have received the results of recent lien searches in each of the jurisdictions in which Uniform Commercial Code financing statement or other filings or recordations will be made to evidence or perfect security interests in all assets of the Loan Parties, and such search shall reveal no liens on any of the assets of any Loan Party, except for Liens permitted by Section 7.03 of the Credit Agreement or which are subject to payoff arrangements reasonably satisfactory to the Administrative Agent.

(q) *Pledged Stock; Pledged Notes*. The Collateral Agent shall have received (i) the certificates representing the shares of Capital Stock pledged pursuant to the Guarantee and Collateral Agreement, together with an undated stock power for each such certificate executed in blank by a duly authorized officer of the pledgor thereof and (ii) each promissory note pledged pursuant to the Guarantee and Collateral Agreement endorsed (without recourse) in blank (or accompanied by an executed transfer form in blank reasonably satisfactory to the Collateral Agent) by the pledgor thereof, in each case, to the extent required to be delivered under the Guarantee and Collateral Agreement (or arrangements for the delivery of the foregoing to the Collateral Agent reasonably satisfactory to it shall have been made).

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(r) *Filings, Registrations and Recordings*. Each document (including, without limitation, any Uniform Commercial Code financing statement) required by the Security Documents or under law or reasonably requested by the Collateral Agent to be filed, registered or recorded to create in favor of the Collateral Agent, for the benefit of the Secured Parties, a perfected Lien on the Collateral described therein, prior and superior in right to any other Person (other than with respect to Liens permitted by Section 7.03 of the Credit Agreement), shall have been filed, registered or recorded or shall have been delivered to the Collateral Agent in proper form for filing, registration or recordation.

(s) *Insurance*. The Administrative Agent shall have received insurance certificates satisfying the requirements of Section 5.02 of the Guarantee and Collateral Agreement.

(t) *Notice of Borrowing*. The Administrative Agent shall have received a Borrowing Notice with respect to the Tranche B Incremental Term Loans substantially in the form of Exhibit H to the Credit Agreement.

(u) *Company Material Adverse Effect*. There shall not have occurred, since January 31, 2013, any development or event that has had or could reasonably be expected to have a Material Adverse Effect (assuming for purposes of this clause that the Commitment Parties referred to in the Commitment Letter are “Lenders” for purposes thereof).

(v) *Permitted Acquisition*. Substantially concurrently with the making of the Tranche B Incremental Term Loans, the Acquisition shall have been consummated as a “Permitted Acquisition” pursuant to, and in accordance with the requirements of, the Credit Agreement.

Notwithstanding the foregoing, to the extent permitted under the Credit Agreement, if any security interest in any Collateral (other than to the extent that a lien on such Collateral may be perfected (x) by the filing of a financing statement under the Uniform Commercial Code, (y) by the delivery of stock certificates of the Target and its domestic subsidiaries which are required to be delivered under the Credit Agreement or (z) by the filing of a security agreement on the applicable form with the United States Patent and Trademark Office or the United States Copyright Office) is not perfected on the Incremental Facility Closing Date, then arrangements reasonably satisfactory to the Administrative Agent shall have been made to perfect such security interest within the applicable time period set forth in Section 6.08 of the Credit Agreement.

SECTION 10. *Acknowledgment of Incremental Term Loan Lenders*. Each Incremental Term Loan Lender expressly acknowledges that neither any of the Agents, nor any Joint Lead Arranger, nor any of their Affiliates nor any of their respective officers, directors, employees, agents or attorneys-in-fact have made any representations or warranties to it and that no act by any Agent or Joint Lead Arranger hereafter taken, including any review of the affairs of a Loan Party or any affiliate of a Loan Party, shall be deemed to constitute any representation or warranty by any Agent or any Joint Lead Arranger to any Incremental Term Loan Lender. Each Incremental Term Loan Lender represents to the Agents and the Joint Lead Arrangers that it has, independently and without reliance upon any Agent, Joint Lead Arranger or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates and made its own decision to provide its Tranche B Incremental Term Loans hereunder and enter into this Agreement and become a Lender under the Credit Agreement. Each Incremental Term Loan Lender also represents that it will, independently and without reliance upon any Agent, Joint Lead Arranger or any other Lender, and based on such

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documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under the Credit Agreement and the other Loan Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their affiliates. Each Incremental Term Loan Lender hereby (a) confirms that it has received a copy of the Credit Agreement and each other Loan Document and such other documents (including financial statements) and information as it deems appropriate to make its decision to enter into this Agreement, (b) agrees that it shall be bound by the terms of the Credit Agreement as a Lender thereunder and that it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender, (c) irrevocably designates and appoints the Agents as the agents of such Incremental Term Loan Lender under the Credit Agreement and the other Loan Documents, and each Incremental Term Loan Lender irrevocably authorizes each Agent, in such capacity, to take such action on its behalf under the provisions of the Credit Agreement and the other Loan Documents and to exercise such powers and perform such duties as are delegated to such Agent by the terms of the Credit Agreement and the other Loan Documents, together with such other powers as are reasonably incidental thereto and (d) specifies as its lending office and address for notices the offices set forth on the Administrative Questionnaire provided by it to the Administrative Agent prior to the date hereof.

SECTION 11. *Governing Law.* THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 12. *Confirmation of Guarantees and Security Interests.* By signing this Agreement, each Loan Party hereby confirms that (a) the obligations of the Loan Parties under the Credit Agreement as modified or supplemented hereby (including with respect to the Tranche B Incremental Term Loans contemplated by this Agreement) and the other Loan Documents (i) are entitled to the benefits of the guarantees and the security interests set forth or created in the Guarantee and Collateral Agreement, Security Documents and the other Loan Documents, (ii) constitute "Obligations" and "Secured Obligations" or other similar term for purposes of the Credit Agreement, the Security Documents and all other Loan Documents, (iii) notwithstanding the effectiveness of the terms hereof, the Guarantee and Collateral Agreement, the other Security Documents and the other Loan Documents are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects and (b) each Incremental Term Loan Lender shall be a "Secured Party" and a "Lender" (including without limitation for purposes of the definition of "Required Lenders" contained in Section 1.01 of the Credit Agreement) for all purposes of the Credit Agreement and the other Loan Documents. Each Loan Party ratifies and confirms that all Liens granted, conveyed, or assigned to any Agent by such Person pursuant to any Loan Document to which it is a party remain in full force and effect, are not released or reduced, and continue to secure full payment and performance of the Obligations as increased hereby.

SECTION 13. *Credit Agreement Governs.* Except as expressly set forth herein, this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of any Lender or Agent under the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances.

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SECTION 14. *Counterparts*. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of any executed counterpart of a signature page of this Agreement by facsimile or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

SECTION 15. *Miscellaneous*. This Agreement shall constitute an Incremental Amendment and Loan Document for all purposes of the Credit Agreement and the other Loan Documents. The Company shall pay all reasonable fees, costs and expenses of the Administrative Agent incurred in connection with the negotiation, preparation and execution of this Agreement and the transactions contemplated hereby. To the extent required by the Credit Agreement, each of the Company and the Administrative Agent hereby consent to each Incremental Term Loan Lender that is not a Lender as of the date hereof becoming a Lender under the Credit Agreement on the Incremental Facility Closing Date. In addition, the Company hereby consents to the assignment in connection with the primary syndication and made within 60 days of the Incremental Facility Closing Date by any Incremental Term Loan Lender of all or a portion of its Tranche B Incremental Term Loans to any Joint Lead Arranger or any Affiliate thereof or to any other bank, financial institution or other investor identified by any Joint Lead Arranger to the Company on January 23, 2014.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

VERINT SYSTEMS INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Chief Financial Officer

VERINT VIDEO SOLUTIONS INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

VERINT AMERICAS INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

VERINT WITNESS SYSTEMS LLC

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

VICTORY ACQUISITION I LLC

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

GLOBAL MANAGEMENT  
TECHNOLOGIES, LLC

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

[Signature Page to Amendment No. 1, Incremental Amendment and Joinder Agreement]

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VERINT SYSTEMS CAYMAN LIMITED

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

KAY TECHNOLOGY HOLDINGS, INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

BROADBASE SOFTWARE, INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

CIBOODLE INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

KANA SOFTWARE, INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

LAGAN TECHNOLOGIES, INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

OVERTONE, INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

[Signature Page to Amendment No. 1, Incremental Amendment and Joinder Agreement]

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SWORD SOFT INC.

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

VERINT ACQUISITION LLC

By: /s/ Douglas E. Robinson  
Name: Douglas E. Robinson  
Title: Treasurer

[Signature Page to Amendment No. 1, Incremental Amendment and Joinder Agreement]

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**ADMINISTRATIVE AGENT**

CREDIT SUISSE AG, CAYMAN ISLANDS  
BRANCH, as Administrative Agent

By: /s/ Judith E. Smith

Name: Judith E. Smith

Title: Authorized Signatory

By: /s/ Michael D'Onofrio

Name: Michael D'Onofrio

Title: Authorized Signatory

[Signature Page to Amendment No. 1, Incremental Amendment and Joinder Agreement]



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**INCREMENTAL TERM LOAN LENDERS**

CREDIT SUISSE AG, CAYMAN ISLANDS  
BRANCH, as an Incremental Term Loan  
Lender

By: /s/ Judith E. Smith

Name: Judith E. Smith

Title: Authorized Signatory

By: /s/ Michael D'Onofrio

Name: Michael D'Onofrio

Title: Authorized Signatory

[Signature Page to Amendment No. 1, Incremental Amendment and Joinder Agreement]

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**SCHEDULE 1**

Name of Incremental Term Loan Lender	Tranche B Incremental Term Loan Commitment
Credit Suisse AG, Cayman Islands Branch	\$300,000,000
	Total: \$300,000,000

## EXECUTION VERSION

AMENDMENT NO. 2 dated as of February 3, 2014 (this “**Amendment**”) to the Amended and Restated Credit Agreement dated as of April 29, 2011 and amended and restated as of March 6, 2013 (as heretofore amended or modified, the “**Credit Agreement**”) among VERINT SYSTEMS INC., a Delaware corporation (the “**Company**”), the SUBSIDIARY BORROWERS from time to time party thereto, the LENDERS from time to time party thereto, and CREDIT SUISSE AG, as administrative agent (in such capacity, the “**Administrative Agent**”) and collateral agent.

WHEREAS, the Company has requested the amendments to the Credit Agreement set forth in Section 2 below; and

WHEREAS, the Administrative Agent and each of the financial institutions identified on the signature pages hereto as a Lender and which, collectively, constitute Required Lenders, have agreed, on the terms and conditions set forth herein, to amend certain provisions of the Credit Agreement;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. *Defined Terms; References.* Unless otherwise specifically defined herein, each capitalized term used herein (including in the preamble and recitals hereto) that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to “hereof”, “hereunder”, “herein” and “hereby” and each other similar reference and each reference to “this Agreement” and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby. For the avoidance of doubt, after the Effective Date (as defined below), any references to “date hereof” or “date of this Agreement” in the Credit Agreement shall continue to refer to March 6, 2013.

Section 2. *Amendments to Credit Agreement.* Effective as of the Effective Date:

(a) Section 1.01 of the Credit Agreement is hereby amended to add the following new defined terms in appropriate alphabetical order:

“**Additional Refinancing Lender**”: as defined in Section 2.26(a).

“**Amendment No. 2**”: that certain Amendment No. 2 dated as of February 3, 2014 among the Company, the Lenders party thereto and the Administrative Agent.

“**Amendment No. 2 Effective Date**”: has the meaning assigned to the term “Effective Date” in Amendment No. 2.

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**“First Lien Net Leverage Ratio”**: as at the last day of any Test Period, the ratio of (a) Consolidated Total Debt on such day minus the sum (without duplication) of (x) any portion thereof that is not secured by any Lien on any property or asset of the Company or any Subsidiary and (y) any portion thereof that is secured by a Lien on any property or asset of the Company or any Subsidiary, which Lien is expressly subordinated or junior to the Liens securing the Obligations to (b) Consolidated EBITDA of the Company and its Subsidiaries for such period. For the avoidance of doubt and without limiting the foregoing, the Loans shall not be subtracted in any calculation of the First Lien Net Leverage Ratio.

**“Limited Condition Acquisition”**: any Permitted Acquisition the consummation of which by the Company or any Subsidiary is not expressly conditioned on the availability of, or on obtaining, third party financing.

**“Permitted Bond Hedge Transaction”**: any bond hedge, capped call or similar option transaction entered into in connection with the issuance of Permitted Convertible Indebtedness for the purpose or having the effect of increasing the effective conversion price of such Permitted Convertible Indebtedness.

**“Permitted Call Spread Transaction”**: any Permitted Bond Hedge Transaction together with, if applicable, any Permitted Warrant Transaction.

**“Permitted Convertible Indebtedness”**: any notes, bonds, debentures or similar instruments issued by the Company that are convertible into or exchangeable for (x) cash, (y) shares of the Company’s common stock or preferred stock or other equity securities that constitute Qualified Capital Stock or (z) a combination thereof.

**“Permitted Warrant Transaction”**: any warrant issued by the Company concurrently with the purchase, by the Company, of a Permitted Bond Hedge Transaction for the purpose of offsetting the cost of such Permitted Bond Hedge Transaction.

**“Refinanced Term Loans”**: as defined in Section 2.26.

**“Refinancing Amendment”**: an amendment to this Agreement (which may, at the option of the Administrative Agent, be in the form of an amendment and restatement of this Agreement) providing for Refinancing Term Loans pursuant to Section 2.26, which shall be consistent with Section 2.26 and otherwise satisfactory to the parties thereto. Each Refinancing Amendment shall be executed by the Administrative Agent, the Loan Parties and the other parties specified in Section 2.26 (but not any other Lender).

**“Refinancing Term Loans”**: one or more classes of Term Loans that result from a Refinancing Amendment in accordance with Section 2.26.

**“Specified Representations”**: those representations and warranties set forth in Section 4.04 (other than the third sentence thereof), the first sentence of Section 4.05, Section 4.11, Section 4.14, Section 4.18, Section 4.19 (for this purpose, assuming that the “Amendment Effective Date” is the date on which the related Limited Condition Acquisition is consummated and determined immediately after giving effect to the incurrence of any Indebtedness incurred in connection with such Limited Condition Acquisition), Section 4.20 and Section 4.21.

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(b) The definition of “Available Amount” in Section 1.01 of the Credit Agreement is amended to replace the reference therein to “\$50,000,000” with “\$75,000,000”.

(c) The definition of “Capital Stock” in Section 1.01 of the Credit Agreement is amended to add the following proviso at the end thereof:

; *provided* that Capital Stock shall exclude any Indebtedness convertible into or exchangeable for Capital Stock until such time as such Indebtedness is converted into or exchanged for Capital Stock and such Capital Stock has been delivered by the Company to converting or exchanging holders.

(d) Clause (c) of the definition of “Cash Equivalents” in Section 1.01 of the Credit Agreement is amended by (i) inserting the phrase “or variable or fixed rate notes or bonds” after the first occurrence of “commercial paper” therein and (ii) replacing the phrase “commercial paper issuers generally” with “issuers of such instruments as applicable generally”.

(e) The definition of “Consolidated EBITDA” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“**Consolidated EBITDA**”: of any Person for any period, Consolidated Net Income of such Person and its Subsidiaries for such period *plus*, without duplication and to the extent reflected as a charge in the statement of such Consolidated Net Income for such period, the *sum* of (a) income tax expense, (b) interest expense of such Person and its Subsidiaries, amortization or writeoff of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness (including the Loans), (c) depreciation and amortization expense, (d) amortization of intangibles (including, but not limited to, goodwill), (e) losses relating to Hedge Agreements, (f) any extraordinary, unusual or non-recurring expenses or losses (including, whether or not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, losses on sales of assets outside of the ordinary course of business), (g) any other non-cash charges and (h) transaction costs, fees and expenses in connection with any Permitted Acquisition (or any contemplated acquisition of a Permitted Acquisition Target that is not consummated) or any amendment or waiver hereof (or any contemplated amendment or waiver hereof that is not consummated); *provided* that if any non-cash charge added back pursuant to clause (f) or (g) represents an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA in such future period, *plus* purchase accounting revenue adjustments for such period related to Permitted Acquisitions, and *minus*, to the extent included in the statement of such Consolidated Net Income for such period, the *sum* of (a) interest income (except to the extent deducted in determining such Consolidated Net Income), (b) any extraordinary, unusual or non-recurring income or gains (including, whether or

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not otherwise includable as a separate item in the statement of such Consolidated Net Income for such period, gains on the sales of assets outside of the ordinary course of business), (c) gains relating to Hedge Agreements and (d) any other non-cash income, all as determined on a consolidated basis in accordance with GAAP.

(f) The definition of “Consolidated Leverage Ratio” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

“**Consolidated Leverage Ratio**”: as at the last day of any Test Period, the ratio of (a) Consolidated Total Debt on such day to (b) Consolidated EBITDA of the Company and its Subsidiaries for such period.

(g) The proviso to clause (b)(i) of the definition of “Consolidated Total Debt” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

*provided* that for purposes of determining compliance with the Consolidated Leverage Ratio or the First Lien Net Leverage Ratio upon an incurrence of Indebtedness, such unrestricted cash and Cash Equivalents shall not include the Net Cash Proceeds of any such Indebtedness)

(h) Clause (b) of the definition of “Net Cash Proceeds” in Section 1.01 of the Credit Agreement is amended and restated in its entirety to read as follows:

in connection with any issuance or sale of equity securities or debt securities or instruments or the incurrence of loans, the cash proceeds received from such issuance or incurrence, net of attorneys’ fees, investment banking fees, accountants’ fees, underwriting discounts and commissions, other customary fees and expenses actually incurred in connection therewith and, in the case of any Indebtedness that constitutes Permitted Convertible Indebtedness, the net cost of any Permitted Call Spread Transaction executed substantially concurrently with the pricing of such Permitted Convertible Indebtedness.

(i) Clauses (i) and (ii) of the definition of “Permitted Acquisition” in Section 1.01 of the Credit Agreement are hereby amended and restated in their entirety to read as follows:

(i) in the case of a Limited Condition Acquisition, no Default or Event of Default shall exist as of the date the definitive acquisition agreement for such Limited Condition Acquisition is entered into, and, in the case of any other Permitted Acquisition, no Default or Event of Default shall then exist or would exist immediately after giving effect thereto, (ii) for any acquisition for an aggregate consideration greater than \$25,000,000, both at the time of the proposed acquisition and immediately after giving effect to the acquisition, the Company shall be in compliance with the Incurrence Financial Covenant, determined on a *pro forma* basis as of the last day of the most recently ended fiscal quarter for which the Company’s consolidated financial statements have been delivered hereunder,

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(j) Clause (iii)(C) of the definition of “Permitted Acquisition” in Section 1.01 of the Credit Agreement is hereby amended by deleting the words “and substance” appearing therein.

(k) Clause (v) of the definition of “Permitted Acquisition” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

(v) the aggregate consideration paid by the Loan Parties in the case of acquisitions after the Amendment No. 2 Effective Date of (A) entities that are not and do not become Subsidiary Guarantors or (B) assets that are not owned by a Loan Party shall not exceed the greater of (x) \$125,000,000 and (y) 6.5% of Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder (provided that amounts available under Section 7.07(i), Section 7.07(n) and Section 7.07(o) for making Investments may also be used to pay consideration for such Permitted Acquisitions).

(l) The definition of “Permitted Equity Issuance” in Section 1.01 of the Credit Agreement is amended by adding a sentence to read as follows at the end thereof:

For the avoidance of doubt, neither the incurrence of any Indebtedness convertible into or exchangeable for Capital Stock nor the conversion or exchange of any such Indebtedness into or for Capital Stock shall constitute a Permitted Equity Issuance.

(m) The definition of “Permitted Refinancing” in Section 1.01 of the Credit Agreement is amended by adding the phrase “other than with respect to Permitted Convertible Indebtedness incurred in reliance on Section 7.02(j)(i)(y),” at the beginning of clause (ii) thereof.

(n) The definition of “Repricing Transaction” in Section 1.01 of the Credit Agreement is amended by replacing the word “Indebtedness” therein with the phrase “commercial bank or other credit facility”.

(o) A new clause (e) is added to Section 1.02 in the Credit Agreement to read as follows:

(e) Notwithstanding any other provision contained herein, all computations of amounts and ratios referred to herein shall be made without giving effect to any treatment of Indebtedness relating to convertible debt securities under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) requiring the valuation of any such Indebtedness in a reduced or bifurcated manner as described therein. In addition, in the case of any Permitted Convertible Indebtedness for which the embedded conversion obligation must be settled by paying solely cash, so long as substantially concurrently with the offering of such Permitted Convertible Indebtedness, the Company enters into a cash-settled Permitted Bond Hedge Transaction relating to such Permitted Convertible Indebtedness, notwithstanding any other provision contained herein,

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for so long as such Permitted Bond Hedge Transaction (or a portion thereof corresponding to the amount of outstanding Permitted Convertible Indebtedness) remains in effect, all computations of amounts and ratios referred to herein shall be made as if the amount of Indebtedness represented by such Permitted Convertible Indebtedness were equal to the face principal amount thereof without regard to any mark-to-market derivative accounting for such Indebtedness.

(p) A new Section 1.04 is inserted in the Credit Agreement to read as follows:

Section 1.04. *Pro Forma Calculations*. For purposes of calculating Consolidated EBITDA of the Company and its Subsidiaries for any period, (i) for any acquisition or series of related acquisitions (including by merger or consolidation), the Company may, and if the aggregate consideration for such acquisition or acquisitions exceeds \$25,000,000 shall, include for such period the Consolidated EBITDA of any Person acquired by the Company or its Subsidiaries during such period on a pro forma basis (assuming the consummation of such acquisition and the incurrence or assumption of any Indebtedness in connection therewith occurred on the first day of such period) and (ii) for any Disposition or series of related Dispositions, the Company may, and if the aggregate proceeds of such Disposition or Dispositions exceeds \$25,000,000 shall, exclude for such period the Consolidated EBITDA of any Person Disposed of by the Company or its Subsidiaries during such period (assuming the consummation of such Disposition and the repayment of any Indebtedness in connection therewith occurred on the first day of such period). For purposes hereof, whenever pro forma effect is given to a transaction, the pro forma calculations shall be made in good faith by a Responsible Officer, as set forth in a certificate of a Responsible Officer with supporting calculations, including with respect to related expenses and cost savings estimated in good faith by such Responsible Officer to be realized within 18 months following such transaction (for the avoidance of doubt, net of additional costs estimated to result from such transaction), such as with respect to (but not limited to) (w) reduction in personnel expenses, (x) reduction of costs related to administrative functions, (y) reductions of costs related to leased or owned properties and (z) reductions from the consolidation of operations and streamlining of corporate overhead; *provided*, that the aggregate amount of adjustments made pursuant to this sentence at any time when such pro forma calculations are made that are not made in a manner consistent with Article 11 of Regulation S-X of the Securities Act of 1933 shall at no time exceed 20% of Consolidated EBITDA for the relevant period after giving pro forma effect thereto.

(q) A new Section 1.05 is inserted in the Credit Agreement to read as follows:

Section 1.05. *Designated Senior Indebtedness*. The Obligations hereunder are hereby designated by the Company as “Designated Senior Indebtedness” (or similar term) for all purposes of any subordinated Permitted Convertible Indebtedness, any other subordinated Indebtedness of the Company or any Subsidiary Guarantor and any Permitted Refinancing thereof.

(r) Section 2.22(a) of the Credit Agreement is hereby amended as follows:



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(i) The proviso in the first sentence thereof is hereby amended and restated in its entirety to read as follows:

; *provided* that at the time of such request, no Default or Event of Default shall exist

(ii) The ultimate sentence thereof is hereby amended and restated in its entirety to read as follows:

Notwithstanding anything to the contrary herein, the aggregate principal amount of the Incremental Term Loans (excluding any Incremental Term Loans incurred on or prior to February 3, 2014) and the Revolving Credit Commitment Increases shall not exceed the sum of (x) \$200,000,000 and (y) an additional amount such that immediately after giving effect to the effectiveness of the applicable Incremental Amendment effectuating such Incremental Term Loans and/or Revolving Credit Commitment Increases, the First Lien Net Leverage Ratio shall not exceed 3.50:1.00, determined on a *pro forma* basis as of the last day of the most recent fiscal quarter for which financial statements are required to have been delivered hereunder, in each case, as if such Incremental Term Loans or Revolving Credit Commitment Increases, as applicable, had been outstanding, and in the case of any Revolving Credit Commitment Increase, fully drawn, on the last day of such fiscal quarter for testing compliance therewith.

(s) The second sentence of Section 2.22(e) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

The effectiveness of any Incremental Amendment shall be subject to the satisfaction on the date thereof (each, an “ **Incremental Facility Closing Date**”) and determined after giving effect to any extension of credit thereunder of each of the conditions set forth in Section 5.02 (it being understood that all references to “the date of such extension of credit” or similar language in such Section 5.02 shall be deemed to refer to the effective date of such Incremental Amendment), of the payment of any fees payable in connection therewith, the delivery of any documentation required under Section 6.05 and such other conditions as the parties thereto shall agree; *provided* that if the proceeds of such Incremental Term Loans or Revolving Credit Commitment Increases are being used to finance a Limited Condition Acquisition, (x)(i) the reference in Section 5.02(a) to the accuracy of the representations and warranties shall solely refer to the accuracy of the representations and warranties that would constitute Specified Representations and (ii) the reference to “Material Adverse Effect” in the Specified Representations shall be understood for this purpose to refer to “Material Adverse Effect” or similar definition as defined in the definitive acquisition agreement governing such Limited Condition Acquisition and (y) the reference in Section 5.02(b) to no Default or Event of Default shall solely refer to an Event of Default under clause (a) or (f) of Article 8.

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(j) A new Section 2.26 is inserted in the Credit Agreement to read as follows:

Section 2.26. *Term Loan Refinancing Facilities.* (a) The Company may, by written notice to the Administrative Agent from time to time, request Refinancing Term Loans to refinance all or a portion of any existing class of Term Loans (the “**Refinanced Term Loans**”) in an aggregate principal amount not to exceed the aggregate principal amount of the Refinanced Term Loans plus any accrued interest, fees, costs and expenses related thereto (including any original issue discount or upfront fees). Such notice shall set forth (i) the amount of the applicable Refinanced Term Loans (which shall be in minimum increments of \$1,000,000 and a minimum amount of \$5,000,000 or such other amount as is reasonably acceptable to the Administrative Agent) and (ii) the date on which the applicable Refinancing Amendment is to become effective (which shall not be less than 10 Business Days nor more than 60 days after the date of such notice (or such longer or shorter periods as the Administrative Agent shall agree)). Refinancing Term Loans may be made by any existing Lender or by any other bank or other financial institution (any such other bank or other financial institution being called an “**Additional Refinancing Lender**”), *provided* that the Administrative Agent shall have consented (such consent not to be unreasonably withheld, delayed or conditioned) to such Lender’s or Additional Refinancing Lender’s making such Refinancing Term Loans if such consent would be required under Section 10.06 for an assignment of Term Loans to such Lender or Additional Refinancing Lender.

(b) The effectiveness of any Refinancing Amendment shall be subject to the satisfaction on the date thereof (each, a “**Refinancing Facility Closing Date**”) of each of the conditions set forth in Section 5.02 (it being understood that all references to “the date of such extension of credit” or similar language in such Section 5.02 shall be deemed to refer to the effective date of such Refinancing Amendment), of the payment of any fees payable in connection therewith and such other conditions as the parties thereto shall agree. The terms of the Refinancing Term Loans shall comply with Section 2.26(c). Substantially concurrently with the incurrence of any such Refinancing Term Loans, 100% of the net cash proceeds thereof shall be applied to repay the Refinanced Term Loans (including accrued interest, fees and premiums (if any) payable in connection therewith).

(c) The Refinancing Term Loans (i) shall rank *pari passu* in right of payment and of security with the Revolving Credit Loans and the Term Loans and none of the obligors or guarantors with respect thereto shall be a Person that is not a Loan Party, (ii) shall not be secured by any assets other than the Collateral, (iii) shall not mature earlier than the Term Loan Maturity Date, (iv) shall not have a weighted average life to maturity shorter than the weighted average life to maturity of the Term Loans, (v) shall be treated substantially the same as the Term Loans (in each case, including with respect to mandatory and voluntary prepayments, it being understood that mandatory prepayments shall be applied ratably to the Term Loans based on the aggregate principal amount of Term Loans and Refinancing Term Loans then outstanding and in accordance with the terms of Section 2.10 except to the extent the terms of the relevant

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Refinancing Amendment shall provide that such Refinancing Term Loans shall not be subject to mandatory prepayments or be prepaid at a rate or percentage less than is otherwise applicable to prepayments of Term Loans pursuant to Section 2.10), (vi) the interest rate margin, rate floors, fees, original issue discount and premiums applicable to the Refinancing Term Loans shall be determined by the Company and the applicable lenders providing such Refinancing Term Loans and (vii) to the extent the terms of the Refinancing Amendment are inconsistent with the terms set forth herein (except as set forth in clause (i) through (vi) above), such terms shall be reasonably satisfactory to the Administrative Agent.

(d) In connection with any Refinancing Term Loans incurred pursuant to this Section 2.26, the Company, the Administrative Agent and each applicable Lender or Additional Refinancing Lender shall execute and deliver to the Administrative Agent a Refinancing Amendment and such other documentation as the Administrative Agent shall reasonably specify to evidence such Refinancing Term Loans. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Any Refinancing Amendment may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Company, to effect the provisions of this Section 2.26, including any amendments necessary to establish the applicable Refinancing Term Loans as a new class or tranche of Term Loans, or, if contemplated by such Refinancing Amendment and not inconsistent with the provisions hereof, an increase in any existing class of Term Loans, and such other technical amendments as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Company in connection with the establishment of, or increases in, such classes or tranches (including to preserve the pro rata treatment of the refinanced and non-refinanced tranches), in each case on terms consistent with this Section 2.26. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(k) A new Section 4.24 is inserted in the Credit Agreement to read as follows:

Section 4.24. *Subordination of Permitted Convertible Indebtedness*. The Obligations hereunder constitute “Designated Senior Indebtedness” (or any comparable term) for all purposes of any subordinated Permitted Convertible Indebtedness, any other subordinated Indebtedness of the Company or any Subsidiary Guarantor and any Permitted Refinancing thereof.

(l) Section 5.02 of the Credit Agreement is hereby amended by inserting the following sentence at the end thereof:

For the avoidance of doubt, in the case of any Limited Condition Acquisition, the foregoing provisions shall be superseded by the provisions of Section 2.22 and, in the case of an extension of credit pursuant to an Incremental Term Loan or

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Revolving Credit Commitment Increase in connection with a Limited Condition Acquisition, the relevant borrowing by any Borrower hereunder shall constitute a representation and warranty by the Company as of the date of such extension of credit that the conditions contained in Section 2.22(e) have been satisfied.

(m) Section 7.02(c) of the Credit Agreement is hereby amended by replacing the word “\$22,000,000” with “the greater of (x) \$22,000,000 and (y) 1.2% of the Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder”.

(n) Section 7.02(i) of the Credit Agreement is hereby amended by replacing the word “\$55,000,000” with “the greater of (x) \$55,000,000 and (y) 2.75% of the Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder”.

(o) Clause (i) of Section 7.02(j) of the Credit Agreement is hereby amended and restated in its entirety to read as follows:

(i) such Indebtedness and any Permitted Refinancing thereof has no scheduled principal payments, prepayments or maturity, or any mandatory prepayment, redemption or repurchase provisions or sinking fund obligations (except (x) customary ones, including in the context of asset sales, casualty events or a change of control or (y) those included with respect to Permitted Convertible Indebtedness if the Net Cash Proceeds from the issuance and sale of such Permitted Convertible Indebtedness (unless such Indebtedness is a Permitted Refinancing of Permitted Convertible Indebtedness incurred under this clause (y)) are applied by the Company to prepay Loans pursuant to Section 2.09 by not later than the third Business Day following incurrence thereof), in each case prior to the date that is 90 days following the later of the Term Loan Maturity Date and the latest maturity date of any Incremental Term Loans at the time of incurrence; and

(p) Section 7.02(p) of the Credit Agreement is hereby amended by replacing the word “\$27,500,000” with “the greater of (x) \$27,500,000 and (y) 1.5% of the Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder”.

(q) Section 7.03(r) of the Credit Agreement is hereby amended by replacing the word “\$16,500,000” with “the greater of (x) \$16,500,000 and (y) 1% of the Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder”.

(r) Section 7.06 of the Credit Agreement is amended to replace the “; and” at the end of clause (g) thereof with a “;”, to replace the “.” at the end of clause (h) with a “;” and to add new clauses (i) and (j) to read as follows:

(i) the Company may enter into any Permitted Bond Hedge Transaction; and

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(j) the Company may deliver common stock or preferred stock or other equity securities that constitute Qualified Capital Stock of the Company to holders upon conversion or exchange of any convertible preferred stock of the Company.

(s) Section 7.07 of the Credit Agreement is hereby amended by:

(i) replacing the words “\$50,000,000 after the Amendment Effective Date” in Section 7.07(i) with “after the Amendment No. 2 Effective Date, the greater of (x) \$75,000,000 and (y) 4.00% of Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder”;

(ii) replacing the words “\$50,000,000 after the Amendment Effective Date” in Section 7.07(n) with “after the Amendment No. 2 Effective Date, the greater of (x) \$75,000,000 and (y) 4.00% of Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder”;

(iii) replacing the word “\$25,000,000” in Section 7.07(p) with “the greater of (x) \$25,000,000 and (y) 1.3% of Consolidated Total Assets of the Company as determined as of the last day of the most recent fiscal period for which financial statements have been delivered hereunder”; and

(iv) (A) deleting the “and” at the end of Section 7.07(o), (B) replacing the “.” at the end of Section 7.07(p) with “;” and (C) inserting new clauses (q), (r) and (s) in Section 7.07 to read as follows:

(q) cash contributions by the Company and its Subsidiaries to Verint Technology UK Limited (“**VTUK**”) to the extent that (x) VTUK reasonably promptly after receipt of such cash applies such cash to pay accrued interest to Verint Systems Cayman Limited (“**Verint Cayman**”) on (i) that certain Unsecured Loan Stock 2016 dated October 31, 2011, issued by VTUK with the Tranche A original principal amount of \$120,000,000 and the Tranche B original principal amount of \$30,000,000, (ii) that certain Series 1 Unsecured Loan Stock 2016 dated October 31, 2011 issued by VTUK in the original principal amount of \$50,000,000 or (iii) any permitted refinancings, refundings, renewals or extensions of the foregoing (collectively, the “**Loan Stock**”) and (y) Verint Cayman reasonably promptly after receipt of any accrued interest on the Loan Stock from VTUK pursuant to clause (x), distributes or dividends such amounts to a Loan Party (it being agreed that any such distribution or dividend of cash shall be made no later than 14 days after the date on which the applicable contribution was made to VTUK);

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(r) additional Investments by the Company or any Subsidiary that is a Loan Party in any Subsidiary that is not a Loan Party; *provided that* (w) the aggregate amount of such Investments shall not exceed \$100,000,000 at any time outstanding (without giving effect to any write-off thereof), (x) no Default or Event of Default shall have occurred and be continuing at the time of such Investment or shall result therefrom, (y) any such Investment shall be returned to a Loan Party no later than 14 days after the date on which the applicable Investment was made and (z) such Investment shall be for the primary purpose of bona fide tax planning or bona fide cash management and shall not be for the purpose of circumventing any covenant set forth in this Agreement; and

(s) Investments by the Company in any Permitted Bond Hedge Transaction.

(t) Section 7.08 of the Credit Agreement is amended and restated in its entirety to read as follows:

Section 7.08. *Limitation on Payments and Modifications of Debt Instruments, Etc.* . (a) Make any payment (it being agreed that any payment in cash or other property, other than common stock or preferred stock or other equity securities that constitute Qualified Capital Stock of the Company or cash in lieu of any fractional share of common stock of the Company, in connection with the conversion or exchange of any Indebtedness shall be deemed to be a payment on such Indebtedness for purposes hereof), exchange, repayment, prepayment, repurchase or redemption of, or otherwise defease, or make any payment in violation of any of any subordination terms of, any Indebtedness incurred pursuant to Section 7.02(j) or segregate funds for any such payment, repayment, prepayment, repurchase, redemption or defeasance (any of the foregoing, a “**Payment**”) (other than any Permitted Refinancing) other than (1) Payments of such Indebtedness in an aggregate amount not to exceed the Available Amount at such time (as determined immediately before giving effect to the making of such Payment) so long as (A) no Default or Event of Default then exists or would result therefrom, (B) the Company would at the time of and immediately after giving effect to such Payment be in compliance with the Incurrence Financial Covenant, determined on a pro forma basis as of the last day of the most recently ended fiscal quarter for which the Company’s consolidated financial statement shall have been delivered hereunder and (C) prior to the making of such Payment, the Company shall have delivered to the Administrative Agent a certificate of a Responsible Officer of the Company certifying compliance with preceding sub-clauses (A) and (B) and containing the calculations (in reasonable detail) required to establish compliance with preceding sub-clause (B) and (2) additional Payments of such Indebtedness so long as (A) no Default or Event of Default then exists or would result therefrom, (B) the First Lien Net Leverage Ratio at the time of and immediately after giving effect to such Payment shall not exceed 3.60 to 1.00, determined on a pro forma basis as of the last day of the most recently ended

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fiscal quarter for which the Company's consolidated financial statement shall have been delivered hereunder, (C) the Consolidated Leverage Ratio at the time of and immediately after giving effect to such Payment shall not exceed 5.00 to 1.00, determined on a pro forma basis as of the last day of the most recently ended fiscal quarter for which the Company's consolidated financial statement shall have been delivered hereunder and (D) prior to the making of such Payment, the Company shall have delivered to the Administrative Agent a certificate of a Responsible Officer of the Company certifying compliance with preceding sub-clauses (A), (B) and (C) and containing the calculations (in reasonable detail) required to establish compliance with preceding sub-clauses (B) and (C); *provided* that nothing herein shall restrict the Company or any of its Subsidiaries from making required payments of fees and regularly scheduled payments of interest on any Indebtedness incurred pursuant to Section 7.02(j) (provided that the payment of such fees and interest with respect to subordinated Indebtedness shall be subject to the subordination provisions governing such Indebtedness), or (b) amend, modify or otherwise change, or consent or agree to any amendment, modification, waiver or other change to, any of the terms of any Indebtedness incurred pursuant to Section 7.02(j) if such Indebtedness immediately after giving effect to such amendment, modification or other change could not have been incurred under Section 7.02(j).

(u) Clause (e)(iii) of Article 8 of the Credit Agreement is amended to add the parenthetical phrase "(excluding, in the case of any Permitted Convertible Indebtedness, any event or condition that would permit the holder or beneficiary of such Permitted Convertible Indebtedness to convert such Permitted Convertible Indebtedness into cash, shares of the Company's common stock or a combination thereof, in each case to the extent permitted hereunder)" immediately after the word "exist" therein.

(v) Section 10.19(b) of the Credit Agreement is hereby amended by replacing each reference therein to "66 2/3%" with "50%".

Section 3. *Agreements*. The parties hereto agree that any Investment by the Company or its Subsidiaries in Cash Equivalents, as such definition has been amended hereby, prior to the Effective Date shall be deemed not to have used any portion of any basket provided for in Sections 7.07(i), (n) or (o) of the Credit Agreement.

Section 4. *Representations and Warranties*. The Company hereby represents and warrants to the Administrative Agent and each Lender that:

(a) each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents will be true and correct in all material respects (except that any representation and warranty that is qualified by materiality will be true and correct in all respects) on and as of the Effective Date after giving effect hereto (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties will be true and correct in all material respects (except that any representation and warranty that is qualified by materiality will be true and correct in all respects ) as of such date); and

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(b) no Default or Event of Default will have occurred and be continuing on and as of the Effective Date after giving effect hereto.

Section 5. *Effectiveness of this Amendment.* This Amendment shall become effective as of the first date (the “**Effective Date**”) when the Administrative Agent shall have received duly executed counterparts hereof that, when taken together, bear the signatures of the Company, the Administrative Agent and the Required Lenders.

Section 6. *Effect of Amendment; No Novation.* (a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the Agents under the Credit Agreement or any other Loan Document and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect.

(b) Nothing herein shall be deemed to entitle the Company to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances.

(c) This Amendment shall constitute a “Loan Document” for all purposes of the Credit Agreement and the other Loan Documents.

(d) Nothing contained in this Amendment, the Credit Agreement or any other Loan Document shall constitute or be construed as a novation of any of the Obligations.

Section 7. *Governing Law.* THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Section 8. *Costs and Expenses.* In accordance with Section 10.05 of the Credit Agreement, the Company agrees to reimburse the Administrative Agent for its reasonable documented out-of-pocket expenses in connection with this Amendment, including the reasonable documented fees, charges and disbursements of counsel for the Administrative Agent.

Section 9. *Counterparts.* This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of any executed counterpart of a signature page of this Amendment by facsimile or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

Section 10. *Headings.* The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

*[Remainder of page intentionally blank]*



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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective duly authorized officers or representatives as of the day and year first above written.

**VERINT SYSTEMS INC.**

By: /s/ Douglas E. Robinson

Name: Douglas E. Robinson

Title: Chief Financial Officer

[Signature Page to Amendment No. 2]

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**CREDIT SUISSE AG, CAYMAN ISLANDS**  
**BRANCH, as Administrative Agent**

By: /s/ Judith E. Smith

Name: Judith E. Smith

Title: Authorized Signatory

By: /s/ Michael D'Onofrio

Name: Michael D'Onofrio

Title: Authorized Signatory

[Signature Page to Amendment No. 2]

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Lenders' signature pages are on file with the Administrative Agent

## EXECUTION VERSION

AMENDMENT NO. 3 dated as of February 3, 2014 (this “**Amendment**”) to the Amended and Restated Credit Agreement dated as of April 29, 2011 and amended and restated as of March 6, 2013 (as heretofore amended or modified, the “**Credit Agreement**”) among VERINT SYSTEMS INC., a Delaware corporation (the “**Company**”), the SUBSIDIARY BORROWERS from time to time party thereto, the LENDERS from time to time party thereto, and CREDIT SUISSE AG, as administrative agent (in such capacity, the “**Administrative Agent**”) and collateral agent.

WHEREAS, the Company has requested the amendments to the Credit Agreement set forth in Sections 2 and 3 below; and

WHEREAS, the Administrative Agent and each of the financial institutions identified on the signature pages hereto as a Revolving Credit Lender and which, collectively, (x) in the case of the amendments in Section 2, constitute the Majority Revolving Credit Facility Lenders and (y) in the case of the amendments in Section 3, constitute all of the Revolving Credit Lenders, have agreed, on the terms and conditions set forth herein, to amend certain provisions of the Credit Agreement;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. *Defined Terms; References.* Unless otherwise specifically defined herein, each capitalized term used herein (including in the preamble and recitals hereto) that is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to “hereof”, “hereunder”, “herein” and “hereby” and each other similar reference and each reference to “this Agreement” and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby. For the avoidance of doubt, after the Covenant Amendment Effective Date and the Pricing Amendment Effective Date (each as defined below), any references to “date hereof” or “date of this Agreement” in the Credit Agreement shall continue to refer to March 6, 2013.

Section 2. *Covenant Amendment to Credit Agreement.* Effective as of the Covenant Amendment Effective Date (as defined below) Section 7.01 of the Credit Agreement is hereby amended (the amendment in this Section 2, the “**Covenant Amendment**”) to replace the reference therein to “January 31, 2015” with “January 31, 2016”.

Section 3. *Pricing Amendments to Credit Agreement.* Effective as of the Pricing Amendment Effective Date (as defined below) the Credit Agreement shall be amended as provided below (the amendments effected under this Section 3, the “**Pricing Amendments**”):

(a) The “Adjusted LIBO Rate” with respect of the Revolving Credit Facility, shall mean with respect to any Eurodollar Borrowing for any Interest Period, an interest rate per annum equal to the greater of (i) 0.75% per annum and (ii) the product of (x) the LIBO Rate in effect for such Interest Period and (y) Statutory Reserves.

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(b) The “Applicable Margin” for each Revolving Credit Loan shall be (a) for Eurodollar Loans, 2.75% per annum and (b) for Base Rate Loans, 1.75% per annum.

(c) On the Pricing Amendment Effective Date, each Revolving Credit Lender hereby agrees that the Administrative Agent may agree to reflect the Pricing Amendments in a conformed copy of the Credit Agreement in a manner satisfactory to it.

Section 4. *Representations and Warranties.* The Company hereby represents and warrants to the Administrative Agent and each Lender that:

(a) each of the representations and warranties made by any Loan Party in or pursuant to the Loan Documents will be true and correct in all material respects (except that any representation and warranty that is qualified by materiality will be true and correct in all respects) on and as of the Covenant Amendment Effective Date and on and as of the Pricing Amendment Effective Date, in each case after giving effect to the Covenant Amendment and the Pricing Amendments, respectively (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties will be true and correct in all material respects (except that any representation and warranty that is qualified by materiality will be true and correct in all respects ) as of such date); and

(b) no Default or Event of Default will have occurred and be continuing on and as of the Pricing Amendment Effective Date or on and as of the Covenant Amendment Effective Date, in each case after giving effect to the Covenant Amendment and the Pricing Amendments, respectively.

Section 5. *Covenant Amendment Effective Date.* The Covenant Amendment shall become effective as of the first date (the “**Covenant Amendment Effective Date**”) when the Administrative Agent shall have received duly executed counterparts hereof that, when taken together, bear the signatures of the Company, the Administrative Agent and the Majority Revolving Credit Facility Lenders.

Section 6. *Pricing Amendment Effective Date.* The Pricing Amendments shall become effective as of the first date (the “**Pricing Amendment Effective Date**”) when each of the following conditions shall have been satisfied:

(a) the Administrative Agent shall have received duly executed counterparts hereof that, when taken together, bear the signatures of the Company, the Administrative Agent and each Revolving Credit Lender; and

(b) the interest rate margin and the “LIBOR floor” applicable to the Initial Term Loans shall have been modified to be the same as the interest rate margin and the “LIBOR floor” applicable to the Revolving Credit Facility after giving effect to the Pricing Amendments.

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Section 7. *Effect of Amendment; No Novation.* (a) Except as expressly set forth herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the Agents under the Credit Agreement or any other Loan Document and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect.

(b) Nothing herein shall be deemed to entitle the Company to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances.

(c) This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

(d) Nothing contained in this Amendment, the Credit Agreement or any other Loan Document shall constitute or be construed as a novation of any of the Obligations.

Section 8. *Governing Law.* THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Section 9. *Costs and Expenses.* In accordance with Section 10.05 of the Credit Agreement, the Company agrees to reimburse the Administrative Agent for its reasonable documented out-of-pocket expenses in connection with this Amendment, including the reasonable documented fees, charges and disbursements of counsel for the Administrative Agent.

Section 10. *Counterparts.* This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of any executed counterpart of a signature page of this Amendment by facsimile or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.

Section 11. *Headings.* The headings of this Amendment are for purposes of reference only and shall not limit or otherwise affect the meaning hereof.

*[Remainder of page intentionally blank]*

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective duly authorized officers or representatives as of the day and year first above written.

**VERINT SYSTEMS INC.**

By: /s/ Douglas E. Robinson

Name: Douglas E. Robinson

Title: Chief Financial Officer

[Signature Page to Amendment No. 3]

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**CREDIT SUISSE AG, CAYMAN ISLANDS**  
**BRANCH, as Administrative Agent**

By: /s/ Judith E. Smith

Name: Judith E. Smith

Title: Authorized Signatory

By: /s/ Michael D'Onofrio

Name: Michael D'Onofrio

Title: Authorized Signatory

[Signature Page to Amendment No. 3]



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**DEUTSCHE BANK TRUST COMPANY, as** Revolving  
Credit Lender

By: /s/ Kirk L. Tashjian  
Name: Kirk L. Tashjian  
Title: Vice President

By: /s/ Peter Cucchiara  
Name: Peter Cucchiara  
Title: Vice President

[Signature Page to Amendment No. 3]

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**ROYAL BANK OF CANADA**, as Revolving Credit  
Lender

By: /s/ Mark Gronich

Name: Mark Gronich

Title: Authorized Signatory

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**Barclays Bank PLC**, as Revolving Credit Lender

By: /s/ Irina Dimova

Name: Irina Dimova

Title: Vice President

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**HSBC Bank USA, National Association**, as Revolving  
Credit Lender

By: /s/ William Conlan

Name: William Conlan

Title: Senior Vice President