

Viggie Inc.  
Form PRE 14C  
December 23, 2015

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

SCHEDULE 14C INFORMATION

Information Statement Pursuant to Section 14(c) of

the Securities Exchange Act of 1934 (Amendment No.     )

Check the appropriate box:

- ☒ Preliminary Information Statement
- ☐ Confidential, for Use of the Commission Only (as permitted by Rule 14c-5(d)(2))
- ☐ Definitive Information Statement

VIGGLE INC.

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(Name of Registrant as Specified in Its Charter)

Payment of Filing Fee (Check the appropriate box):

- ☐ No fee required
- ☒ Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.

- |     |   |
|-----|---|
| (1) | Title of each class of securities to which transaction applies:   |
|     |   |
| (2) | Aggregate number of securities to which transaction applies:  |
|     |   |
| (3) | Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): |
|     |   |
| (4) | Proposed maximum aggregate value of transaction:  |

\$21,679,093, calculated pursuant to Rule 0-11(c)(1)(i) and Rule 0-11(a)(4) of the Securities Exchange Act of 1934, as amended, which represents the market value of securities received by the Registrant in the transaction as of December 22, 2012, assuming the amount is achieved, assuming a value of \$1 million for warrants received and for liabilities assumed by the purchaser.

(5)

Total fee paid:

\$4,335.82

Fee paid previously with preliminary materials.

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- o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

NOTICE OF WRITTEN CONSENT IN LIEU OF ANNUAL MEETING OF STOCKHOLDERS

WE ARE NOT ASKING YOU FOR A PROXY  
AND YOU ARE REQUESTED NOT TO SEND US A PROXY

Dear Stockholders:

Notice is hereby given to you that our Board of Directors has approved and the holders of a majority of the outstanding shares of our common stock have approved by written consent in lieu of a stockholders' meeting the following corporate actions: (1) election of the five (5) nominees named in the attached Information Statement to the Board of Directors of Viggle Inc. to serve one-year terms expiring at the later of the next Annual Meeting of Stockholders or upon a successor being elected and qualified; (4) ratification of the appointment of BDO USA, LLP as independent auditor for the Company for the fiscal year ending June 30, 2016; (2) approval of the sale of the Company's rewards business to Perk.com, Inc.; and (3) approval of the change of the Company's name from Viggle Inc. to DraftDay Fantasy Sports, Inc.

Because the holders of a majority of the outstanding shares of our common stock, being 50.2%, have approved the foregoing corporate actions pursuant to a written consent, our Board of Directors believes it is not in the best interest of our company and stockholders to incur the costs of holding a stockholders' meeting or of soliciting proxies or consents from additional stockholders in connection with these corporate actions.

This Notice, the accompanying Information Statement and our Annual Report on Form 10-K for the fiscal year ended June 30, 2015 are being made available on or about January [\_\_\_], 2015 to all of our stockholders of record at the close of business on December 21, 2015.

In accordance with Rule 14c-2 of the Securities Exchange Act of 1934, as amended, this Information Statement is being given to our stockholders at least 20 days prior to the taking of the corporate actions approved pursuant to the written consent referred to above.

By Order of the Board of Directors,

Mitchell J. Nelson  
Executive Vice President and Secretary

INFORMATION STATEMENT  
OF  
VIGGLE INC.

902 Broadway, 11th Floor  
New York, New York

NOTICE OF WRITTEN CONSENT IN LIEU OF MEETING OF STOCKHOLDERS

WE ARE NOT ASKING YOU FOR A PROXY  
AND YOU ARE REQUESTED NOT TO SEND US A PROXY

Viggie Inc., a Delaware corporation (the “Company,” “we,” “our,” or “us”), is making this Information Statement available on or about January [\_\_\_], 2015 to all of the Company’s stockholders of record as of December 21, 2015 (the “record date”). As of the record date, 33,891,030 shares of our common stock were issued and outstanding, and 10,000 shares of our Series C preferred stock were issued and outstanding.

Each outstanding share of our common stock and each share of our Series C preferred stock is entitled to one vote per share. Holders of 50.2% of the outstanding shares of our common stock have approved by written consents in lieu of an annual stockholders’ meeting (the “Written Consents”) the following corporate actions: (1) re-election of the following five (5) incumbent directors to serve on the Company’s board of directors until the next annual meeting of stockholders and until their respective successors are duly elected and qualified: (a) Robert F.X. Sillerman, (b) Peter Horan, (c) Michael J. Meyer, (d) Mitchell J. Nelson, and (e) Birame Sock, (2) approval of the sale of the Company’s rewards business to Perk.com, Inc.; (3) approval of the change of the Company’s name from Viggie Inc. to DraftDay Fantasy Sports, Inc.; and (4) ratification of the appointment of BDO USA, LLP to serve as the Company’s independent registered public accounting firm for its fiscal year ending June 30, 2016.

This Information Statement is being made available pursuant to the requirements of Rule 14c-2 promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), to inform holders of our common stock who were entitled to consent to the matters authorized by the Written Consents. This Information Statement also constitutes notice of the actions that have been approved pursuant to the Written Consents for purposes of Section 228 of the General Corporation Law of the State of Delaware (the “DGCL”).

Because holders of approximately 50.2% of the outstanding shares of our common stock executed the Written Consents, no vote or consent of any other stockholder is being, or will be, solicited in connection with the authorization of the matters set forth in the Written Consents. Under the DGCL and our Bylaws, the votes represented by the holders signing the Written Consents are sufficient in number to elect directors and authorize the other matters set forth in the Written Consents, without the vote or consent of any other stockholder of the Company. The DGCL provides that any action that is required to be taken, or that may be taken, at any annual or special meeting of stockholders of a Delaware corporation may be taken, without a meeting, without prior notice and without a vote, if a written consent, setting forth the action taken, is signed by the holders of outstanding capital stock having not less than the minimum number of votes necessary to authorize such action.

Based on the foregoing, our board of directors has determined not to call a meeting of stockholders to approve such actions. The board of directors believes it would not be in the best interests of the Company and its stockholders to incur the costs of holding a meeting or of soliciting proxies or consents from additional stockholders in connection with these actions. There are no dissenters' or appraisal rights as a result of the approval of these actions.

Our Annual Report on Form 10-K for the fiscal year ended June 30, 2015 is also being made available to our stockholders of record as of the record date.

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## INFORMATION ON CONSENTING STOCKHOLDERS

Pursuant to our Bylaws and the DGCL, a vote by the holders of at least a majority of our outstanding shares of common stock was required to approve the corporate actions set forth in the Written Consent. Our Certificate of Incorporation does not authorize cumulative voting. As of the record date, 33,891,030 shares of our common stock were issued and outstanding and 10,000 shares of our Series C preferred stock. Each share of Series C preferred stock is entitled to one vote per share. Therefore, there were 33,901,030 total votes on matters submitted to the Company's stockholders, of which 16,950,516 of combined common shares and Series C preferred shares were required to pass any stockholder resolutions. The consenting stockholders, who consist of Robert F.X. Sillerman, our Executive Chairman and Chief Executive Officer, and his affiliates, were collectively the record and/or beneficial owners of 17,027,891 shares of the outstanding shares of our common stock outstanding on the record date, which represented 50.2% of the issued and outstanding shares of our common stock as of that date. Pursuant to Section 228 of the DGCL, the consenting stockholders voted in favor of the actions described herein in the written consents attached hereto as Annex A. No consideration was paid for any stockholder's consent. Mr. Sillerman's beneficial holdings of our outstanding common stock are set forth in the table under "Security Ownership of Certain Beneficial Owners and Management" included elsewhere in this Information Statement.

1. To elect the five nominees named herein to the Board of Directors of Viggle Inc., each to serve a one-year term expiring at the later of the Annual Meeting of Stockholders in 2016 or upon his or her successor being elected and qualified.
2. To approve the Asset Purchase Agreement (the "Asset Purchase Agreement") made and entered into as of December 13, 2015, by and between the Company and Perk.com Inc., an Ontario corporation ("Perk"), the Other Agreements (as defined in the Asset Purchase Agreement) and the transactions contemplated by the Asset Purchase Agreement and the Other Agreements.
3. To approve the change of the Company's name from Viggle Inc. to DraftDay Fantasy Sports, Inc.
4. To ratify the appointment of BDO USA, LLP as independent auditor for the Company for the fiscal year ending June 30, 2016.

## SUMMARY TERM SHEET

This summary highlights information included elsewhere in this Information Statement relating to Action 2, the sale of assets pursuant to the Asset Purchase Agreement. You should read the entire Information Statement carefully, including the annexes attached hereto.

**Parties to the Asset Purchase Agreement.** Viggle Inc. (the “Company”) is a mobile and web-based entertainment marketing platform that uses incentives to make content consumption and discovery more rewarding for media companies, brands and consumers. The Company also owns and operates Wetpaint.com, a leading entertainment publishing website and Choose Digital, Inc., a business-to-business provider of digital rewards for loyalty and rewards programs, and MyGuy, a real-time play-along game. The Company also owns an interest in DraftDay Gaming Group, Inc., which operates a daily fantasy sports website. The Company’s principal executive offices are located at 902 Broadway, 11th Floor, New York, NY 10010, and our main telephone number is (212) 231-0092.

Perk.com, Inc. (“Perk” or the “Buyer”) is traded on the Toronto Stock Exchange. Information and public filings on Perk can be found at [www.perk.com](http://www.perk.com). For more complete information, the public filings should be consulted directly. The phone number of Perk’s headquarters is (519) 827-1999. Perk provides a rewards platform targeting consumers primarily by providing cash and gift card rewards for people’s every day mobile and internet activities. Headquartered at 720 Brazos Street, Suite 110, Austin, Texas 78701, Perk offers Perk Points, a digital currency, earned by members for a wide variety of activities where members interact with third party consumer brands. Perk currently owns and operates 12 mobile applications allowing members to earn Perk Points through activities such as shopping, watching videos, and playing social games. Perk also operates numerous owned websites. In addition to offering Perk Points through its own mobile applications and websites, in 2015, Perk launched its Appsaholic Software Development Kit (SDK) which allows mobile publishers to reward their users with real world rewards (gift cards, consumer goods, etc.) for engaging with the publisher’s applications. See Action No. 2 – Sale of the Rewards Business – Information About Perk.com, Inc.

**Asset Purchase Agreement:** On December 13, 2015, the Company entered into an Asset Purchase Agreement (the “Asset Purchase Agreement”) and certain Other Agreements (as defined in the Asset Purchase Agreement) with Perk including the Credit Facility described below. Pursuant to the Asset Purchase Agreement, the Company will sell (the “Asset Sale”) to Perk certain assets and liabilities of the Company relating to the Company’s consumer-based mobile rewards program using audio recognition technology (the “Business”). The Company will retain its interest in DraftDay Gaming Group, Inc., Wetpaint.com, Inc., Choose Digital, Inc. and the assets relating to its MyGuy game. See Action No. 2 – Sale of Rewards Business – Asset Purchase Agreement.

**Purchase Price and Adjustments:** As consideration for the assets to be sold, the Company will receive the following consideration:

- 1,500,000 Perk common shares free and clear of all liens, less the number of Perk common shares applied to the repayment of principal and interest of the credit facility described below (the “Initial Perk Shares”);
- 2,000,000 Perk common shares if Perk’s combined revenue, as calculated pursuant to the Asset Purchase Agreement, is at least USD \$130.0 million for the calendar year commencing on January 1, 2016 or January 1, 2017 (the “Earn-Out”);
- A warrant (“Warrant 1”) entitling the Company to purchase 1,000,000 Perk common shares at a strike price of CDN \$6.25 per share in the event the volume weighted average price (“VWAP”) of Perk common shares is greater than or equal to CDN \$12.50 per share for 20 consecutive trading days in the two year period following the closing of the Acquisition;



- A warrant (“Warrant 2”, and together with Warrant 1, the “Warrants”) entitling the Company to purchase 1,000,000 Perk common shares at a strike price of CDN \$6.25 per share in the event that the VWAP of Perk common shares is greater than or equal to CDN \$18.75 per share for 20 consecutive trading days in the two year period following the closing of the Acquisition; and
- Perk will also assume certain liabilities of the Company, including points liability. See Action No. 2 – Sale of Rewards Business – Purchase Price and Adjustments.

Escrow. At the Closing, 37.5% of the Initial Perk Shares will be issued and delivered to an escrow agent to be used exclusively for the purpose of securing the indemnification obligations of the Company under the Asset Purchase Agreement. The escrow agent will hold such shares for one year from the Closing of the Asset Sale and will hold them in accordance with the terms of an escrow agreement.

Credit Agreement. On December 13, 2015, the Company entered into a Credit Agreement with Perk pursuant to which Perk will provide a \$1,000,000 line of credit to the Company (the “Credit Agreement”). The Credit Agreement provides for three drawdowns pursuant to which Perk will make advances to the Company, not to exceed \$1,000,000 in total. The first advance will be upon signing of the Asset Purchase Agreement. The second will be on the business day after approval of the Asset Sale is obtained from the holders of a majority of the Company’s voting shares. As Stockholder Approval was obtained on December 13, 2015, the Company received the first two drawdowns, totaling \$666,666.66, on December 14, 2015. The final drawdown will be made when this Information Statement is filed with the SEC. Amounts outstanding under the Credit Agreement will bear interest at 12% per annum, with an additional 12% if the Company is in default of its obligations under the Credit Agreement. Amounts outstanding under the Credit Agreement will become payable upon the closing of the Asset Sale or April 30, 2016, whichever comes first. If the Asset Sale closes, the Company may elect to repay all amounts outstanding pursuant to the Credit Agreement by reducing the number of the Initial Perk Shares payable upon closing of the Asset Sale by 130,000 shares, in which case, Perk would deliver 1,370,000 shares of Perk common stock to the Company at closing of the Asset Sale. In connection with the Credit Agreement, the Company also entered into a Security Agreement, pursuant to which the Company will provide Perk with a security interest in its assets to secure repayment of amounts outstanding under the Credit Agreement. SIC III agreed to subordinate payment of the Promissory Note, and SIC IV agreed to subordinate payment of the Grid Promissory Note, to amounts owed to Perk under the Credit Agreement, and received a security interest in the assets of the Company in exchange for their consent and their agreement to subordinate. See Action No. 2 – Sale of Rewards Business – Credit Agreement.

Recommendation. Our Board of Directors believes that the Asset Sale is advisable and in the best interests of the Company and its stockholders for the following reasons:

- The challenges facing the Company given its lack of operating capital.
- The Company’s current and historical financial condition, results of operations, and anticipated future losses.
- The purchase price proposed by Buyer, which represents the highest price that the Board believes it could receive, from Buyer, or any other party, for the Business.
- Perk’s potential to further develop these Business and ultimately value for our stockholders. See Action No. 2 – Sale of Rewards Business – Recommendation.

Nature of the Company's Business Following the Transaction. The Company will retain its interest in DraftDay Gaming Group, Inc., Wetpaint.com, Inc., Choose Digital, Inc. and the assets relating to its MyGuy game. The Company will change its name to DraftDay Fantasy Sports, Inc.

Certain U.S. Federal Income Tax Consequences to the Company. For U.S. federal income tax purposes, the Company will recognize gain or loss on the disposition of each of the Assets of the Company pursuant to the Asset Sale in an amount equal to the difference between the portion of the total purchase price allocable to each such Asset and adjusted tax basis in each Asset. Any gain recognized by the Company from the Asset Sale may be offset by other tax attributes of the Company such as consolidated net operating loss carryforward and/or tax credits to the extent they are available and allowed by the U.S. federal tax laws. At June 30, 2015, the Company had a tax net operating loss carryforward of \$164.5 million, which will begin to expire in 2030. The Company has not fully evaluated the adjusted tax basis of the Assets and/or how the purchase price will be allocated among the Assets for U.S. federal income tax purposes. Therefore, it is not able to fully analyze the tax treatment of the transaction to determine how much gain or loss will be realized in the transaction or provide additional disclosure in this report with respect to the U.S. federal income tax consequences of the Asset Sale to the Company. The Company anticipates that the Company's net operating loss carryforward will offset any gain on the sale of the Assets; provided, however, that the Company could be subject to an alternative minimum tax. See Action No. 2 – Sale of Rewards Business – Certain U.S. Federal Tax Consequences.

Federal Income Tax Consequences to the Stockholders. The Asset Sale will not produce any separate and independent tax consequences to the Company's stockholders. However, upon distributions of any amounts (whether in cash or in kind) to the Company's stockholders, the stockholders may recognize income or gain and be subject to the payment of income tax at that time. No distributions to stockholders are intended as a result of the consummation of the Asset Sale.

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ACTION 1 – ELECTION OF DIRECTORS

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Size of Board of Directors

Our Board of Directors currently consists of six members, but is to be reduced to five members upon the Written Consent becoming effective. All members of the Board of Directors are elected by the holders of our common stock.

Current Nominees

The director nominees are Robert F.X. Sillerman, Peter C. Horan, Michael J. Meyer, Mitchell J. Nelson, and Birame N. Sock. Each of the nominees is currently a member of the Board of Directors and each has been nominated for election pursuant to the Written Consent. Current director John D. Miller has decided not to stand for re-election. He will continue to serve as a member of the board until this election. The Board intends to reduce the number of members by one.

Using Rule 5605 of the NASDAQ Listing Rules as a guide, the Board of Directors, upon the advice of the Nominating & Governance Committee, has determined that all of the director nominees other than Mr. Sillerman and Mr. Nelson are “independent directors” because they are not executive officers or employees of the Company; and in the opinion of the Board of Directors, they do not have a relationship that will interfere with the exercise of independent judgment in carrying out their responsibilities as directors.<sup>1</sup> This independence question is analyzed annually in both fact and appearance to promote arms-length oversight. Mr. Sillerman and Mr. Nelson are current Company officers, and accordingly the Board of Directors has concluded that neither is currently an independent director.

Further discussion concerning director independence is available on the Company website at: <http://ir.viggleinc.com/governance-docs>.

Under the DCGL and our Bylaws, the Written Consent is sufficient to elect all nominees to our board of directors without the vote or consent of any of the other stockholders of the Company.

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<sup>1</sup> Rule 5605 of the NASDAQ Listing Rules specifically excludes the following persons from the definition of Independent Director: (A) a director who is, or at any time during the past three years was, employed by the company or by any parent or subsidiary of the company; (B) a director who accepted or who has a family member who accepted any compensation from the company in excess of \$120,000 during any period of twelve consecutive months within the three years preceding the determination of independence, other than the following: (i) compensation for board or board committee service; (ii) compensation paid to a family member who is an employee (other than an executive officer) of the company; or (iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation; provided, however, that in addition to the requirements contained in this clause (B), audit committee members are also subject to the additional, more stringent requirements of NASDAQ Listing Rules 5605(c)(2); (C) a director who is a family member of an individual who is, or at any time during the past three years was, employed by the company as an executive officer; (D) a director who is, or has a family member who is a partner in, or a controlling stockholder or an executive officer of, any organization to which the company made, or from which the company received, payments for property or services in the current or any of the past three fiscal years that exceed 5% of the recipient’s consolidated gross revenues for that year, or \$200,000, whichever is more, other than the following: (i) payments arising solely from investments in the company’s securities; or (ii) payments under non-discretionary charitable contribution matching programs; (E) a director of the company who is, or has a family member who is, employed as an executive

officer of another entity where at any time during the past three years any of the executive officers of the issuer serve on the compensation committee of such other entity; or (F) a director who is, or has a family member who is a current partner of the company's outside auditor, or was a partner or employee of the company's outside auditor who worked on the company's audit at any time during any of the past three years.



The information provided below is biographical information about each of the nominees. Age and other information in each nominee's biography are as of December 21, 2015.

#### INFORMATION REGARDING DIRECTORS AND EXECUTIVE OFFICERS

The following tables set forth the nominees for director and our executive officers and each such person's age and positions with the Company as of the record date.

##### Directors

Name	Age	Position
Robert F.X. Sillerman	67	Director*
Mitchell J. Nelson	67	Director*
Peter Horan	60	Director
Michael J. Meyer	50	Director
Birame N. Sock	40	Director

\* Also an executive officer (see below)

##### Executive Officers

Name	Age	Position
Robert F.X. Sillerman	67	Executive Chairman and Chief Executive Officer**
Mitchell J. Nelson	67	Executive Vice President and Secretary**
Olga Bashkatova	30	Principal Accounting Officer
Kyle Brink	48	General Manager

\*\* Also a director (see above)

The business experience of each such person is set forth below.

Robert F.X. Sillerman was elected a director of the Company and Executive Chairman of our Board of Directors effective as of February 7, 2011 and Chief Executive Officer effective June 19, 2012. He is also Executive Chairman and Chief Executive Officer of SFX Entertainment Inc. ("SFX"), a NASDAQ-listed company in the Electronic Dance Music area. Between January 10, 2008 and December 31, 2012, he served as Chairman and Chief Executive Officer of Circle Entertainment Inc. ("Circle"). Mr. Sillerman also served as the Chief Executive Officer and Chairman of CKX Inc. from February 2005 until May 2010. From August 2000 to February 2005, Mr. Sillerman was Chairman of FXM, Inc., a private investment firm. Mr. Sillerman is the founder and has served as managing member of FXM Asset Management LLC, the managing member of MJX Asset Management, a company principally engaged in the management of collateralized loan obligation funds, from November 2003 through April 2010. Prior to that, Mr. Sillerman served as the Executive Chairman, a Member of the Office of the Chairman and a director of SFX Entertainment, Inc., from its formation in December 1997 through its sale to Clear Channel Communications in August 2000. Our Board of Directors selected Mr. Sillerman to serve as a director because he is our company's Executive Chairman and Chief Executive Officer and our Board of Directors believes he possesses significant entertainment and financial expertise, which will benefit our company.



Peter C. Horan was appointed as a Non-Executive Board Member of the Company on February 15, 2011, and was named Lead Independent Director on August 4, 2015. Mr. Horan is a partner in Horan MediaTech Advisors, an investment and consulting firm founded in 2014. Previously, he served as Executive Chairman of Halogen Network, a next generation digital media company. Mr. Horan has served as CEO of many internet companies, including Goodmail Systems, Inc. from 2008 to 2010. Mr. Horan was CEO of IAC's Media and Advertising Group from 2007 to 2008. He was CEO of AllBusiness.com from 2005 to 2007. As CEO of About.com from 2003 to 2005, Mr. Horan led the sale of the company to the New York Times Company. Mr. Horan was CEO of DevX.com from 2000 to 2003. Previously at International Data Group, he served as Senior Vice President from 1991 until 2000, where he was also the publisher of their flagship publication Computerworld. He held senior account management roles at leading advertising agencies including BBD&O and Ogilvy & Mather. Mr. Horan was selected as a director because our Board of Directors believes that his technology, internet and advertising experience will benefit the Company.

Michael J. Meyer was appointed as a Non-Executive Board Member of the Company on June 1, 2013. Mr. Meyer is the founding partner of 17 Broad LLC, a diversified investment vehicle and securities consulting firm. Prior to founding 17 Broad, from 2002 to 2007, he served as Managing Director and Head of Credit Sales and Trading for Bank of America. Prior to that, Mr. Meyer spent four years as the Head of High Grade Credit Sales and Trading for UBS. Mr. Meyer is a member of the board of directors and Chair of the Audit Committee of Circle. Mr. Meyer is also a member of the board of directors, Chair of the Compensation Committee, and a member of the Audit Committee and the Nominating and Corporate Governance Committee of SFX Entertainment, Inc. (Mr. Sillerman serves as Chief Executive Officer and Chairman of the Board of SFX). Mr. Meyer was selected by the Board of Directors because it believes his experience in financial planning and debt issues will benefit the Company.

Mitchell J. Nelson was appointed Director, Executive Vice President, General Counsel and Secretary on February 7, 2011. He stepped down as General Counsel effective April 16, 2013, but remains a director and the Company's Executive Vice President and Secretary. Mr. Nelson also serves as Executive Vice President, General Counsel and Secretary of Circle, having served in such capacity since January 2008, and served as President of its wholly-owned subsidiary, FX Luxury Las Vegas I, LLC (which was reorganized in bankruptcy) in 2010. He has been a Senior Legal Advisor to SFX since January 1, 2012. He also served as President of Atlas Real Estate Funds, Inc., a private investment fund which invested in United States-based real estate securities, from 1994 to 2008, and as Senior Vice President, Corporate Affairs for Flag Luxury Properties, LLC from 2003 to 2015. Prior to 2008, Mr. Nelson served as counsel to various law firms, having started his career in 1973 at the firm of Wien, Malkin & Bettex. At Wien, Malkin & Bettex, which he left in 1992, he became a senior partner with supervisory responsibility for various commercial real estate properties. Mr. Nelson is an Adjunct Assistant Professor of Real Estate Development at Columbia University. He was a director of The Merchants Bank of New York and its holding company until its merger with Valley National Bank. Additionally, he has served on the boards of various not-for-profit organizations, including as a director of the 92nd Street YMHA and a trustee of Collegiate School, both in New York City. Our Board of Directors has selected Mr. Nelson as a director because it believes his legal and business experience will benefit the Company.

Birame Sock was appointed as a Non-Executive Board Member of the Company on February 12, 2013. Ms. Sock is the founder of a new startup, Flyscan, a real-time interactive mobile marketing platform. She was the founder and CEO of Third Solutions, Inc., the leading digital receipts company, which she founded in 2007. In 2002, Ms. Sock founded Musicphone, a wireless entertainment company, which she led until its acquisition by Gracenote, Inc. in 2007. Birame Sock served as a member of the Board of Directors of CKX Inc. from 2005 until 2006, when she became a consultant for CKX Inc. and affiliated companies. Ms. Sock attended the University of Miami, where she studied computer science and broadcasting. The Board of Directors selected Ms. Sock as a director because it believes her experience in technology and consumer marketing will benefit the Company.



Olga Bashkatova was named as Principal Accounting Officer on October 21, 2015. Ms. Bashkatova is the Company's Controller. She served as the Company's Director of Accounting from May 2013 to April 2015. Before rejoining the Company, Olga was Controller at Bizfi from April 2015 until September 2015. She previously worked at Merchantry, Inc., as Financial Controller (2011- 2013), as Finance & Accounting Manager at Group Commerce Inc. (2011), and as a Senior Associate at Kroll, Inc. (2006-2011). She has extensive experience in the preparation of financial statements, accounting and audit management, budgeting, payroll and benefits management, and financial investigations. Ms. Bashkatova is a Certified Public Accountant and holds a B.S. in Accounting from New York University.

Kyle Brink was named the Company's General Manager on July 1, 2015. He joined the company in September 2011 as Product Director, in which role he was responsible for all product features and user experience, from play-along games like MYGUY and Viggle LIVE to social TV elements. Mr. Brink was promoted to Vice President, Product, in September of 2012. Prior to joining Viggle, Mr. Brink held leadership positions in game design and production at Activision, Sega, and Electronic Arts.

#### Corporate Governance Guidelines and Director Independence

The Company has Corporate Governance Guidelines which provide, among other things, that a majority of the members of our Board of Directors must meet the criteria for independence required by The NASDAQ Global Market. Although neither our common stock nor our preferred stock is listed on The NASDAQ Global Market, we voluntarily choose to comply with these criteria. The NASDAQ Global Market requires that a majority of our Board of Directors qualify as "independent" and that the Company shall at all times have an audit committee, compensation committee and nominating and corporate governance committee, which committees will be made up entirely of independent directors.

Peter Horan, Michael Meyer, and Birame Sock, whose biographical information is included above under the heading "Information Regarding Directors and Executive Officers" are incumbent directors and director nominees who qualify as independent director under the applicable rules of The NASDAQ Global Market.

The Nominating & Governance Committee, consisting solely of "independent directors" as defined in Rule 5605 of the NASDAQ Listing Rules, recommended the five directors set forth in Action 1 for nomination by our full Board of Directors. Based on this recommendation and each nominee's credentials and experience outlined above, the Board of Directors has determined that each such nominee can make a significant contribution to the Board of Directors and should serve as a director of the Company. Our Board of Directors nominated such directors for election. All nominees are currently directors, and each nominee has agreed to be named in this Information Statement and to serve if elected. Although we know of no reason why any of the nominees would not be able to serve, if any nominee is unavailable for election, the stockholders may vote for another nominee proposed by the Board of Directors. The Board of Directors may also choose to reduce the number of directors to be elected, as permitted by our Bylaws.

The Corporate Governance Guidelines also outline director responsibilities, provide that our Board of Directors shall have full and free access to officers and employees of the Company and require our Board of Directors to conduct an annual self-evaluation to determine whether it and its committees are functioning effectively. The Corporate Governance Guidelines can be found on the Company's website at [www.viggle.com](http://www.viggle.com).

#### Board of Directors Leadership Structure and Role in Risk Oversight

Our Board of Directors believes the interests of all stockholders are best served at the present time through a leadership model with a combined Chairman and CEO position. Our Board of Directors has overall responsibility for risk oversight. The role of the Board of Directors in the risk oversight of the Company includes, among other things:

- appointing, retaining and overseeing the work of the independent auditors, including resolving disagreements between the management and the independent auditors relating to financial reporting;
- approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing annually the independence and quality control procedures of the independent auditors;
- reviewing and approving all proposed related party transactions;
- discussing the annual audited financial statements with the management; and
- meeting separately with the independent auditors to discuss critical accounting policies, management letters, recommendations on internal controls, the auditor's engagement letter and independence letter and other material written communications between the independent auditors and the management.

#### Code of Business Conduct and Ethics

The Company has a Code of Business Conduct and Ethics, which is applicable to all our employees and directors, including our principal executive officer, chief financial officer, principal accounting officer, controller and persons performing similar functions. The Code of Business Conduct and Ethics is posted on our website at [www.viggie.com](http://www.viggie.com).

We intend to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of our Code of Business Conduct and Ethics that applies to our principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions by posting such information on our website at [www.viggie.com](http://www.viggie.com).

#### Meetings and Committees of the Board of Directors

During the fiscal year ended June 30, 2015, our Board of Directors held six (6) meetings and acted by unanimous written consent twenty-one (21) times. Each of Messrs. Sillerman, Horan, Meyer, Miller and Nelson, and Ms. Sock attended at least seventy-five percent (75%) of the total number of meetings of our Board of Directors and committees (if any) on which he or she served that were held during 2015.

The following chart sets forth the current membership of each Board committee. Our Board of Directors reviews and determines the membership of the committees at least annually.

Committee	Members
Audit Committee	Peter Horan Michael J. Meyer (Chair) John D. Miller
Compensation Committee	Peter Horan John D. Miller (Chair)
Nominating and Corporate Governance Committee	John D. Miller (Chair) Birame Sock



Information about the committees, their respective roles and responsibilities and their charters is set forth below.

#### Audit Committee

The audit committee is currently comprised of Messrs. Horan, Meyer and Miller. Mr. Meyer serves as the chair of the audit committee. The audit committee assists our Board of Directors in fulfilling its responsibility to oversee management's conduct of our financial reporting process, including the selection of our outside auditors, review of the financial reports and other financial information we provide to the public, our systems of internal accounting, financial and disclosure controls and the annual independent audit of our financial statements. The audit committee met four (4) times during the fiscal year ended June 30, 2015.

All members of the audit committee are independent within the meaning of the rules and regulations of the Securities and Exchange Commission (the "SEC") and our Corporate Governance Guidelines. In addition, Mr. Meyer is qualified as an audit committee financial expert under the regulations of the SEC and has the accounting and related financial management expertise required by our Corporate Governance Guidelines. The audit committee's charter can be found on the Company's website at [www.viggle.com](http://www.viggle.com).

#### Compensation Committee

We have a standing compensation committee currently comprised of Messrs. Horan and Miller. The compensation committee represents our Company in reviewing and approving the executive employment agreements with our Chief Executive Officer, President, Principal Accounting Officer and General Counsel. The compensation committee also reviews management's recommendations with respect to executive compensation and employee benefits and is authorized to act on behalf of our board of directors with respect thereto. The compensation committee also administers the Company's stock option and incentive plans, including our 2011 Executive Incentive Plan. All members of the compensation committee are independent within the meaning of the rules and regulations of the SEC and our Corporate Governance Guidelines. The compensation committee's charter can be found on the Company's website at [www.viggle.com](http://www.viggle.com). During the fiscal year ended June 30, 2015, the compensation committee met one (1) time and acted by unanimous consent four (4) times.

#### Nominating and Corporate Governance Committee

The nominating and corporate governance committee is currently comprised of Mr. Miller and Ms. Sock. Mr. Miller is the chair of the nominating and corporate governance committee. The nominating and corporate governance committee is responsible for recommending qualified candidates to our Board of Directors for election as directors of our Company, including the slate of directors proposed by our Board of Directors for election by stockholders. The nominating and corporate governance committee also advises and makes recommendations to our Board of Directors on all matters concerning directorship practices and recommendations concerning the functions and duties of the committees of our Board of Directors. To assist in formulating such recommendations, the nominating and corporate governance committee utilizes feedback that it receives from our Board of Directors' annual self-evaluation process, which it oversees and which includes a committee and director self-evaluation component. The nominating and corporate governance committee developed and recommended to our Board of Directors Corporate Governance Guidelines and will review, on a regular basis, the overall corporate governance of our Company. The nominating and corporate governance committee met one (1) time and acted by unanimous consent one (1) time during the fiscal year ended June 30, 2015.



All members of the nominating and corporate governance committee are independent within the meaning of our Corporate Governance Guidelines. The nominating and corporate governance committee's charter can be found on the Company's website at [www.viggie.com](http://www.viggie.com).

When considering the nomination of directors for election, the Nominating and Governance Committee takes into account all factors it considers appropriate, which may include strength of character, mature judgment, diversity, career specialization, relevant technical skills and the extent to which the candidate would fill a present need on our Board of Directors. The Nominating and Governance Committee may engage, as appropriate, a third party search firm to assist in identifying qualified candidates. The process may also include interviews and all necessary and appropriate inquiries into the background and qualifications of possible candidates. The nominating and corporate governance committee currently does not have a policy whereby it will consider recommendations from stockholders for its director nominees.

#### Lead Director

Peter Horan currently serves as the Lead Independent Director. The Lead Independent Director is an enhancement to the responsible functioning of each director in carrying out his or her fiduciary obligations to the Company and its stockholders. The Lead Independent Director is responsible for review of Board meeting agendas, calling meetings of the independent directors, chairing executive sessions of the independent directors and serving as liaison between the independent directors and Company management, as necessary. Mr. Horan was appointed to the role of Lead Independent Director on August 4, 2015.

#### Compensation Committee Interlocks and Insider Participation

No member of our compensation committee was at any time during the past fiscal year an officer or employee of us, was formerly an officer of us or any of our subsidiaries or has an immediate family member that was an officer or employee of us or had any relationship requiring disclosure under Item 13. Certain Relationships, Related Transactions, and Director Independence of our Annual Report on Form 10-K for the fiscal year ended June 30, 2015, filed with the SEC on September 21, 2015.

During the last fiscal year, none of our executive officers served as:

- a member of the compensation committee (or other committee of our Board of Directors performing equivalent functions or, in the absence of any such committee, the entire Board of Directors) or another entity, one of whose executive officers served on our compensation committee;
- a director of another entity, one of whose executive officers served on our compensation committee; and
- a member of the compensation committee (or other committee of our Board of Directors performing equivalent functions or, in the absence of any such committee, the entire Board of Directors) of another entity, one of whose executive officers served as a director of us.

#### Board Oversight of Enterprise Risk

Risk management is primarily the responsibility of the Company's management team. However, our Board of Directors oversees the management team's assessment of the material risks faced by the Company at both the full Board of Directors level and at the committee level. In accordance with our Audit Committee charter, the Audit Committee is responsible for assisting the Board of Directors in fulfilling its responsibility for monitoring Company risk and the Company's control system and for assisting the Board of Directors in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and reporting practices of the Company. To assist the Audit Committee in assessing the Company's approach to risk management, the management team prepares a list of

what it perceives to be the most significant risks facing the Company, along with a statement reflecting any associated action the Company is taking to mitigate each type of risk. The Audit Committee reports on risk to the full Board of Directors as necessary.

In addition, each quarterly Board report from management addresses matters of particular importance or concern including any significant areas of risk that require Board of Directors and/or committee attention. Throughout the year the Board of Directors and committees receive a variety of management presentations on different business topics that include discussion of associated significant risks.

#### Communications with the Board

Any matter intended for the Board, or for any individual member or members of the Board, should be directed to the Company's General Counsel at 902 Broadway, 11th Floor, New York, NY 10010, with a request to forward the communication to the intended recipient or recipients. In general, any stockholder communication delivered to the Company for forwarding to the Board or specified Board member or members will be forwarded in accordance with the stockholder's instructions. However, the Company reserves the right not to forward to Board members any abusive, threatening or otherwise inappropriate materials, or materials that do not relate to the Company's business.

## COMPENSATION OF DIRECTORS

Employee directors do not receive any separate compensation for their board service. Independent directors receive the compensation described below.

Each of our independent directors will receive an annual fee of \$80,000, which includes attendance fees for four meetings a year. Each independent director will also receive an additional \$7,500 for attendance at additional meetings of our Board of Directors (over four). The chairperson of the audit committee will receive an additional fee of \$15,000 per annum and the chairpersons of each other committee will receive an additional fee of \$5,000 per annum. Each of the other members of the audit committee will receive \$3,000 per annum and the other members of each of the other committees will receive a fee of \$1,000 per annum. All fees described above were payable in stock options priced based on the closing price on the day before issuance.

The total compensation earned by our independent directors during fiscal year ended June 30, 2015 is shown in the following table (amounts in thousands):

Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards (1) (2)	All Other Compensation	Total
Peter Horan	\$—	\$101	\$406	\$ —	\$507
Michael J. Meyer	—	95	312	—	407
John D. Miller	—	104	425	—	529
Birame Sock	—	83	281	—	364

(1) The amount reflects the aggregate grant date fair value of the option awards and stock awards granted during the fiscal year, computed in accordance with FASB ASC Topic 718. We provide information regarding the assumptions used to calculate the value of the option awards and stock awards in note 10 to the notes to our financial statements filed in the Company's Annual Report on Form 10-K for the period ending June 30, 2015, as filed on September 21, 2015. There can be no assurance that awards will vest or options will be exercised (in which case no value will be realized by the individual), or that the value upon exercise or vesting, as applicable, will approximate the aggregate grant date fair value.

(2) As of June 30, 2015, each non-employee director held the following number of outstanding vested and unvested stock options: Mr. Horan: 143,122 vested stock options and 0 unvested stock options, Mr. Meyer: 94,747 vested stock options and 0 unvested stock options, Mr. Miller: 147,184 vested stock options and 0 unvested stock options, and Ms. Sock: 53,748 vested stock options and 0 unvested stock options.

## Compensation Discussion and Analysis

## Overview

The following discussion and analysis of the compensation arrangements of our named executive officers should be read together with the compensation tables and related disclosures set forth below. This discussion contains forward-looking statements that are based on our current plans, considerations, expectations, and determinations regarding future compensation programs. The actual amount and form of compensation and the compensation policies and practices that we adopt in the future may differ materially from currently planned programs as summarized in this discussion.

The compensation provided to our named executive officers for the fiscal year ended June 30, 2015 is detailed in the Summary Compensation Table and accompanying footnotes and narrative that follows this section.

Our named executive officers for the fiscal year ended June 30, 2015 were:

Robert F.X. Sillerman  
John Small  
Gregory Consiglio  
Kevin Arrix

Mr. Consiglio resigned from his positions with the Company on June 29, 2015. Mr. Arrix and Mr. Small also resigned from the Company after the end of the 2015 fiscal year, which was June 30, 2015. Kyle Brink and Olga Bashkatova were both appointed as officers after the end of the fiscal year and would be named executive officers today. However, because neither of such individuals was an executive officer as of the end of the last fiscal year, neither has been included in the Summary Compensation Table below. Details of their compensation are nevertheless described in the narrative sections of this Information Statement.

The Company's compensation program consists only of salary, some bonuses as detailed in the Summary Compensation Table below, and equity awards that vest on the basis of time. In 2015, no equity awards were re-priced or otherwise materially modified. The Company does not maintain any deferred compensation plans. The Company does not maintain any non-equity incentive plan compensation.

#### 2015 Summary Compensation Table

The table below summarizes the compensation earned for services rendered to the Company for the fiscal years ended June 30, 2015 and 2014 by our Chief Executive Officers, our Principal Financial Officer, and the three other most highly compensated executive officers of the Company (the "named executive officers") who served in such capacities at the end of the fiscal year ended June 30, 2015. Except as provided below, none of our named executive officers received any other compensation required to be disclosed by law or in excess of \$10,000 annually. All dollar amounts (except share and per share data) in the table and footnotes are in thousands.

Name and Principal Position (12)	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$ (2)	Option Awards (\$ (3)	All Other Compensation (\$)	Total (\$)
Robert F.X. Sillerman Executive Chairman, Chief Executive Officer(1)	2015	-- (4)	250	622 (5)	--	--	872
Gregory Consiglio (6)	2014	208	—	—	--		208
President and Chief Operating Officer	2015	---	(4)	---	1,479 (7)	---	1,479
John Small (8)	2014	333	—	—	---	—	333
Chief Financial Officer	2015	---	(4)	210	984 (9)	---	1,194
Kevin Arrix (10)	2014	250	--	--	---	—	250
	2015	---	(4)	---	1,171 (11)	--	&#