Section 1: 10-Q (10-Q)

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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2017

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-37870

TiVo Corporation
(Exact name of registrant as specified in its charter)

Delaware	**61-1793262**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

Two Circle Star Way, San Carlos, CA 94070
(Address of principal executive offices, including zip code)

(408) 562-8400
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer ☑	Accelerated filer ☐	Non-accelerated filer ☐
		(Do not check if a smaller reporting company)
Smaller reporting company ☐	Emerging growth company ☐	

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

(in thousands) **Class**	**Outstanding as of October 27, 2017**
Common Stock	122,054

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TIVO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except per share amounts)

	September 30, 2017	December 31, 2016
ASSETS	(Unaudited)	
Current assets:		
Cash and cash equivalents	$ 92,787	$ 192,627
Short-term marketable securities	132,418	117,084
Accounts receivable, net	191,010	147,142
Inventory	11,710	13,186
Prepaid expenses and other current assets	47,449	37,400
Total current assets	475,374	507,439
Long-term marketable securities	88,112	128,929
Property and equipment, net	44,339	48,372
Intangible assets, net	685,455	806,838
Goodwill	1,813,236	1,812,118
Other long-term assets	66,235	17,147
Total assets	$ 3,172,751	$ 3,320,843
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 124,977	$ 226,451
Deferred revenue	67,445	49,145
Current portion of long-term debt	7,000	7,000
Total current liabilities	199,422	282,596
Taxes payable, less current portion	4,936	4,893
Deferred revenue, less current portion	43,521	43,545
Long-term debt, less current portion	973,957	967,732
Deferred tax liabilities, net	78,399	77,454
Other long-term liabilities	28,528	34,987
Total liabilities	1,328,763	1,411,207
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Preferred stock, $0.001 par value, 5,000 shares authorized; no shares issued or outstanding	—	—
Common stock, $0.001 par value, 250,000 shares authorized; 123,040 shares issued and 121,895 shares outstanding as of September 30, 2017; and 120,526 shares issued and 120,061 shares outstanding as of December 31, 2016	123	121
Treasury stock, 1,145 shares and 465 shares as of September 30, 2017 and December 31, 2016, respectively, at cost	(22,430)	(9,646)
Additional paid-in capital	3,280,689	3,280,905
Accumulated other comprehensive loss	(3,304)	(7,049)
Accumulated deficit	(1,411,090)	(1,354,695)
Total stockholders' equity	1,843,988	1,909,636
Total liabilities and stockholders' equity	$ 3,172,751	$ 3,320,843

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

TIVO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenues, net:				
Licensing, services and software	$ 188,031	$ 148,509	$ 577,545	$ 390,998
Hardware	9,867	4,612	34,675	5,752
Total Revenues, net	197,898	153,121	612,220	396,750
Costs and expenses:				
Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets	42,811	31,661	124,398	78,651
Cost of hardware revenues, excluding depreciation and amortization of intangible assets	9,889	4,560	35,877	5,072
Research and development	48,872	30,380	144,386	76,112
Selling, general and administrative	47,431	54,697	147,121	134,463
Depreciation	5,015	4,622	15,869	13,181
Amortization of intangible assets	41,722	24,925	125,100	63,087
Restructuring and asset impairment charges	3,710	22,311	17,623	24,644
Total costs and expenses	199,450	173,156	610,374	395,210
Operating (loss) income	(1,552)	(20,035)	1,846	1,540
Interest expense	(10,990)	(11,021)	(31,827)	(32,411)
Interest income and other, net	1,059	353	3,819	322
(Loss) income on interest rate swaps	(39)	1,697	(1,374)	(16,897)
TiVo Acquisition litigation	(1,100)	—	(14,006)	—
Loss on debt extinguishment	—	—	(108)	—
Loss on debt modification	—	—	(929)	—
Loss before income taxes	(12,622)	(29,006)	(42,579)	(47,446)
Income tax expense (benefit)	4,341	(83,445)	13,816	(74,825)
(Loss) income from continuing operations, net of tax	(16,963)	54,439	(56,395)	27,379
Loss from discontinued operations, net of tax	—	(4,517)	—	(4,517)
Net (loss) income	$ (16,963)	$ 49,922	$ (56,395)	$ 22,862
Basic (loss) earnings per share:				
Continuing operations	$ (0.14)	$ 0.60	$ (0.47)	$ 0.32
Discontinued operations	—	(0.05)	—	(0.05)
Basic (loss) earnings per share	$ (0.14)	$ 0.55	$ (0.47)	$ 0.27
Weighted average shares used in computing basic per share amounts	120,935	91,131	119,994	84,895
Diluted (loss) earnings per share:				
Continuing operations	$ (0.14)	$ 0.59	$ (0.47)	$ 0.32
Discontinued operations	—	(0.05)	—	(0.05)
Diluted (loss) earnings per share	$ (0.14)	$ 0.54	$ (0.47)	$ 0.27
Weighted average shares used in computing diluted per share amounts	120,935	92,144	119,994	85,858
Dividends declared per share	$ 0.18	$ —	$ 0.54	$ —

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

TIVO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net (loss) income	$ (16,963)	$ 49,922	$ (56,395)	$ 22,862
Other comprehensive income, net of tax:				
Foreign currency translation adjustment	267	452	3,394	2,636
Unrealized gains (losses) on marketable securities	82	(282)	351	493
Other comprehensive income, net of tax	349	170	3,745	3,129
Comprehensive (loss) income	$ (16,614)	$ 50,092	$ (52,650)	$ 25,991

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

TIVO CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Cash flows from operating activities:		
Net (loss) income	$ (56,395)	$ 22,862
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Loss from discontinued operations, net of tax	—	4,517
Depreciation	15,869	13,181
Amortization of intangible assets	125,100	63,087
Amortization of convertible note discount and note issuance costs	11,016	10,468
Restructuring and asset impairment charges	17,623	24,644
Equity-based compensation	38,781	32,031
Change in fair value of interest rate swaps	(5,102)	9,716
TiVo Acquisition litigation	14,006	—
Loss on debt extinguishment	108	—
Loss on debt modification	929	—
Deferred income taxes	1,035	(87,512)
Other operating, net	(3,358)	1,548
Changes in operating assets and liabilities:		
Accounts receivable	(42,155)	(9,798)
Inventory	1,476	1,260
Prepaid expenses and other current assets and other long-term assets	(58,411)	(10,737)
Accounts payable and accrued expenses and other long-term liabilities	(29,680)	2,663
Taxes payable	2,141	(1,827)
Deferred revenue	18,276	2,071
Net cash provided by operating activities	51,259	78,174
Cash flows from investing activities:		
Payments for purchase of short- and long-term marketable securities	(121,979)	(132,159)
Proceeds from sales or maturities of short- and long-term marketable securities	150,261	183,992
Cash acquired in Tivo Acquisition, net of cash paid	—	166,312
Return of cash paid for TiVo Acquisition	25,143	—
Payment to Dissenting Holders in TiVo Acquisition	(117,030)	—
Payments for purchase of property and equipment	(22,534)	(15,810)
Payments for purchase of patents	(2,000)	(2,500)
Other investing, net	(67)	(48)
Net cash (used in) provided by investing activities	(88,206)	199,787
Cash flows from financing activities:		
Proceeds from issuance of long-term debt, net of issuance costs	681,552	—
Principal payments on long-term debt	(687,750)	(5,250)
Payments for dividends	(65,238)	—
Payments for purchase of warrants	—	(2,923)
Proceeds from sale of call options	—	5,706
Payments for contingent consideration and deferred holdback	(2,650)	(750)
Payments for withholding taxes related to net settlement of restricted awards	(12,784)	(9,365)
Proceeds from exercise of employee stock options and employee stock purchase plan	22,364	13,964
Net cash (used in) provided by financing activities	(64,506)	1,382
Effect of exchange rate changes on cash and cash equivalents	1,613	1,598
Net (decrease) increase in cash and cash equivalents	(99,840)	280,941
Cash and cash equivalents at beginning of period	192,627	101,675
Cash and cash equivalents at end of period	$ 92,787	$ 382,616

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

TIVO CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(1) Basis of Presentation and Summary of Significant Accounting Policies

Description of Business

On April 28, 2016, Rovi Corporation ("Rovi") and TiVo Inc. (renamed TiVo Solutions Inc. ("TiVo Solutions")) entered into an Agreement and Plan of Merger (the “Merger Agreement”) for Rovi to acquire TiVo Solutions in a cash and stock transaction (the "TiVo Acquisition"). Following consummation of the TiVo Acquisition on September 7, 2016 (the "TiVo Acquisition Date"), TiVo Corporation (the "Company"), a Delaware corporation founded in April 2016 as Titan Technologies Corporation and then a wholly-owned subsidiary of Rovi, owns both Rovi and TiVo Solutions. The common stocks of Rovi and TiVo Solutions were de-registered after completion of the TiVo Acquisition.

The Company is a global leader in media and entertainment products that power consumer entertainment experiences and enable its customers to deepen and further monetize their audience relationships. The Company provides a broad set of intellectual property, cloud-based services and set-top box solutions that enable people to find and enjoy online video, television, movies and music entertainment, including content discovery through device embedded and cloud-based interactive program guides (“IPGs”), digital video recorders ("DVRs"), natural language voice and text search, cloud-based recommendations services and our extensive entertainment metadata (i.e., descriptive information, promotional images or other content that describes or relates to television shows, videos, movies, sports, music, books, games or other entertainment content). The Company's integrated platform includes software and cloud-based services that provide an all-in-one approach for navigating a fragmented universe of content by seamlessly combining live, recorded, video-on-demand ("VOD") and over-the-top ("OTT") content into one intuitive user interface with simple universal search, discovery, viewing and recording, to create a unified viewing experience. The Company distributes its products through service provider relationships, integrated into third party devices and directly to retail consumers. The Company also offers data analytics solutions, including advertising and programming promotion optimizers, which enable advanced audience targeting in linear television advertising. Solutions are sold globally to cable, satellite, consumer electronics, entertainment, media and online distribution companies, and, in the United States, we sell a suite of DVR and whole home media products and services directly to retail consumers.

Basis of Presentation and Principles of Consolidation

Rovi is the predecessor registrant to TiVo Corporation and therefore, for periods prior to the TiVo Acquisition Date, the Condensed Consolidated Financial Statements reflect the financial position, results of operations and cash flows of Rovi. As used herein, the “Company” refers to Rovi when referring to periods prior to and including the TiVo Acquisition Date and to TiVo Corporation when referring to periods subsequent to the TiVo Acquisition Date. The Company’s results of operations include the operations of TiVo Solutions after the TiVo Acquisition Date. See Note 2 for additional information on the TiVo Acquisition.

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission. Certain information and disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") have been condensed or omitted in accordance with such rules and regulations. However, the Company believes the disclosures made are adequate to make the information not misleading. In the opinion of management, the accompanying unaudited Condensed Consolidated Financial Statements reflect all adjustments, consisting only of normal recurring adjustments, which in the opinion of management, are considered necessary to present fairly the results for the periods presented.

The information contained in this Quarterly Report on Form 10-Q should be read in conjunction with the audited financial statements and notes thereto and other disclosures contained in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016. The Condensed Consolidated Statements of Operations and the Condensed Consolidated Statements of Cash Flows for the interim periods presented are not necessarily indicative of the results to be expected for the year ending December 31, 2017, for any future year, or for any other future interim period.

The accompanying unaudited Condensed Consolidated Financial Statements include the accounts of TiVo Corporation and subsidiaries and affiliates in which the Company has a controlling financial interest after the elimination of intercompany accounts and transactions.

Certain prior year amounts have been reclassified to conform to the current year presentation.

Use of Estimates

The preparation of the Condensed Consolidated Financial Statements in conformity with U.S. GAAP requires management to make estimates, assumptions and judgments that affect the reported amounts of assets and liabilities and related disclosures at the date of the financial statements and the results of operations for the reporting period. On an ongoing basis, management evaluates its estimates, including those related to revenue recognition, long-lived asset impairment, including goodwill and intangible assets, equity-based compensation and income taxes. Actual results may differ from those estimates.

Concentrations of Risk

Customers representing 10% or more of Total Revenues, net were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	**2016**	**2017**	**2016**
AT&T Inc. ("AT&T")	14%	13%	14%	13%
Charter Communications Inc.	(1)	(1)	(1)	11%

(1) Customer represented less than 10% of Total Revenues, net.

Substantially all of the Company's revenue from AT&T is reported in the Intellectual Property Licensing segment.

Customers representing 10% or more of Accounts receivable, net were as follows.

	September 30, 2017	December 31, 2016
AT&T	22%	15%
Virgin Media Inc.	(1)	13%

(1) Customer represented less than 10% of Accounts receivable, net.

The TiVo service is enabled through the use of a DVR manufactured by a third-party contract manufacturer. The Company also relies on third parties with whom it outsources supply-chain activities related to inventory warehousing, order fulfillment, distribution and other direct sales logistics. The Company cannot be sure that these parties will perform their obligations as expected or that any revenue, cost savings or other benefits will be derived from the efforts of these parties. If any of these parties breaches or terminates their agreement with the Company or otherwise fails to perform their obligations in a timely manner, the Company may be delayed or prevented from commercializing its products and services.

In instances where a supply agreement does not exist and suppliers fail to perform their obligations, the Company may be unable to find alternative suppliers or deliver its products and services to its customers on time, if at all. The Company does not have a long-term written supply agreement with Broadcom Corporation, the sole supplier of the system controller for its DVR.

Recent Accounting Pronouncements

Standards Recently Adopted

In January 2017, the Financial Accounting Standards ("FASB") simplified the goodwill impairment test by eliminating its second step. Pursuant to the simplified test, an entity performs its annual or interim goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. An impairment charge is recognized for the amount by which the carrying amount exceeds the reporting unit's fair value. The Company elected to early adopt the simplified test. Application of this guidance on January 1, 2017 did not have an effect on the Condensed Consolidated Financial Statements.

In March 2016, the FASB simplified certain areas of accounting for stock-based compensation, including accounting for the income tax consequences of stock-based compensation, determining the classification of awards as either equity or liabilities, presenting certain items within the statement of cash flows and introducing an accounting policy election to account for forfeitures of nonvested awards as they occur. Application of this guidance on January 1, 2017 increased the Company's deferred tax assets and the related valuation allowance by $70.1 million, resulting in no material effect on the Condensed

Consolidated Financial Statements. On adoption, the Company did not change its accounting policy of estimating forfeitures for nonvested awards subject to service conditions.

In March 2016, the FASB clarified the assessment of whether contingent options that can accelerate the payment of principal on debt instruments requires bifurcation as an embedded derivative. The amendments require a contingent option embedded in a debt instrument to be evaluated for possible separate accounting as a derivative instrument without regard to the nature of the exercise contingency. Application of the clarified guidance on January 1, 2017 did not have an effect on the Condensed Consolidated Financial Statements.

In July 2015, the FASB changed the measurement principle for inventory from the lower of cost or market to the lower of cost and net realizable value for entities that do not use the last-in, first-out ("LIFO") or retail inventory method. The changes also eliminated the requirement to consider replacement cost or net realizable value less an approximately normal profit margin when measuring inventory for entities that do not use the LIFO or retail inventory method. Application of the changed measurement principle for inventory on January 1, 2017 did not have an effect on the Condensed Consolidated Financial Statements.

Standards Pending Adoption

In March 2017, the FASB shortened the amortization period for certain investments in callable debt securities held at a premium to the earliest call date. Application of the shortened amortization period is effective for the Company in the first quarter of 2019 on a modified retrospective basis, with early application permitted. The Company does not expect application of the shortened amortization period to have a material effect on its Condensed Consolidated Financial Statements.

In January 2017, the FASB clarified the definition of a business. The clarified guidance provides a more defined framework to use in determining when a set of assets and activities constitute a business. The clarified definition is effective for the Company in the first quarter of 2018 on a prospective basis, with early application permitted. The Company does not expect application of the clarified definition of a business to have a material effect on its Condensed Consolidated Financial Statements.

In October 2016, the FASB amended its guidance on the tax effects of intra-entity transfers of assets other than inventory. The amended guidance requires an entity to recognize the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. The amendments are effective for the Company in the first quarter of 2018 and is required to be applied on a modified retrospective basis. Early application is permitted. The Company does not expect application of the amended guidance to have a material effect on its Condensed Consolidated Financial Statements.

In August 2016, the FASB issued clarifying guidance on the presentation of eight specific cash flow issues for which previous guidance was either unclear or not specific. The clarified guidance is effective for the Company in the first quarter of 2018 and is required to be applied on a retrospective basis. Early application is permitted. The Company is evaluating the effect of application on its Condensed Consolidated Financial Statements.

In June 2016, the FASB issued updated guidance that requires entities to use a current expected credit loss model to measure credit-related impairments for financial instruments held at amortized cost. The current expected credit loss model is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect collectibility. Current expected credit losses, and subsequent adjustments, represent an estimate of lifetime expected credit losses that are recorded as an allowance deducted from the amortized cost basis of the financial instrument. The updated guidance also amends the current other-than-temporary impairment model for available-for-sale debt securities by requiring the recognition of impairments for credit-related losses through an allowance and eliminating the length of time a security has been in an unrealized loss position as a consideration in the determination of whether a credit loss exists. The guidance is effective for the Company in the first quarter of 2020, and is effective using a modified retrospective approach for application of the current expected credit loss model to financial instruments and a prospective approach for credit losses on available-for-sale debt securities. Early application is permitted. The Company is evaluating the effect of application on its Condensed Consolidated Financial Statements.

In March 2016, the FASB provided guidance on the derecognition of prepaid stored-value product liabilities, such as gift cards. The guidance is effective for the Company in the first quarter of 2018 and may be applied using a full retrospective or modified retrospective approach, with early adoption permitted. The Company is evaluating the effect of application on its Condensed Consolidated Financial Statements.

In February 2016, the FASB issued a new accounting standard for leases. The new standard generally requires the recognition of financing and operating lease liabilities and corresponding right-of-use assets on the balance sheet. For financing leases, a lessee recognizes amortization of the right-of-use asset as an operating expense over the lease term separately from interest on the lease liability. For operating leases, a lessee recognizes its total lease expense as an operating expense over the lease term. The amendments are effective for the Company in the first quarter of 2019 using a modified retrospective approach, with early application permitted. The Company is evaluating the effect of application on its Condensed Consolidated Financial Statements and expects to recognize its existing operating lease commitments as operating lease liabilities and right-of-use assets.

In May 2014, the FASB issued an amended accounting standard for revenue recognition. The amendments address how revenue is recognized in order to improve comparability between the financial statements of companies applying U.S. GAAP and International Financial Reporting Standards. The core principle of the amended revenue standard is for an entity to recognize revenue to depict the transfer of promised goods or services to customers in amounts that reflect the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the FASB amended its guidance related to the capitalization and amortization of the incremental costs of obtaining a contract with a customer. The amendments also require enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity’s contracts with customers. The amendments are effective for the Company in the first quarter of 2018 and may be applied using a full retrospective or modified retrospective approach. The Company expects to initially apply the amendments in the first quarter of 2018 using the modified retrospective transition approach.

While the Company has not finalized its evaluation of the effect of the amended revenue recognition standard on its Condensed Consolidated Financial Statements, revenue from both its fixed-fee and per-unit intellectual property licensees may be materially impacted. Under the amended revenue recognition standard, the Company may be required to recognize a substantial portion of license fees under a fixed-fee intellectual property license agreement at inception of the agreement, as opposed to recognizing the license fees ratably over the license term, which is its practice in accordance with existing U.S. GAAP. This could impact revenue recognition for all fixed-fee intellectual property license agreements, including certain fixed-fee agreements that license the Company's existing intellectual property portfolio and intellectual property that is added to the Company's portfolio during the term of the license. In addition, in accordance with existing U.S. GAAP, the Company currently recognizes revenue from per-unit royalty licenses with certain consumer electronics manufacturers and third party IPG providers in the period the licensee reports its sales, which is generally in the quarter after the underlying sales by the licensee occurred. On adoption of the amended revenue recognition standard, per-unit royalties are recognized as revenue during the period in which the licensee's sales are estimated to have occurred, which results in an adjustment to revenue when actual amounts are subsequently reported by the Company's licensees. In addition, some deferred revenue recognized in accordance with existing U.S. GAAP could be eliminated as part of the effect of adoption. The Company is evaluating the effect of the amended revenue recognition standard on its Condensed Consolidated Financial Statements

In accordance with existing U.S. GAAP, cost deferrals related to obtaining a contract have been minimal; however, under the amended cost capitalization guidance, the deferral of incremental costs to obtain a contract with a customer are expected to be more significant. Any incremental costs to obtain a contract with a customer capitalized would be amortized over a period of time commensurate with the period of benefit, which may exceed the contract term, and would be subject to periodic impairment reviews. The Company is currently assessing the types and amounts of costs requiring capitalization and the associated amortization period.

(2) Acquisitions

TiVo Acquisition

On September 7, 2016, Rovi completed its acquisition of TiVo Solutions, a global leader in next-generation video technology and innovative cloud-based software-as-a-service solutions. On the TiVo Acquisition Date, each issued and outstanding share of TiVo Solutions common stock (other than shares of TiVo Solutions common stock held by those TiVo Solutions stockholders who had properly demanded and not waived or withdrawn appraisal rights under Delaware law as further discussed below) automatically converted into the right to receive $2.75 per share in cash and 0.3853 (the “Exchange Ratio”) validly issued, fully paid and non-assessable shares of TiVo Corporation common stock. As the employee restricted stock awards, stock options and performance-based restricted stock awards remained outstanding after the TiVo Acquisition Date, employee holders were not eligible for the cash component of the merger consideration and the number of TiVo Corporation restricted stock awards or stock options delivered at the TiVo Acquisition Date was based on an exchange ratio of 0.5186.

TiVo Solutions' results of operations and cash flows have been included in the Condensed Consolidated Financial Statements for periods subsequent to September 7, 2016. For the three months ended September 30, 2017, TiVo Corporation's results include revenue and operating loss from TiVo Solutions of $85.1 million and $0.6 million, respectively. For the nine months ended September 30, 2017, TiVo Corporation's results include revenue and operating loss from TiVo Solutions of $264.8 million and $1.9 million, respectively.

Purchase Price

In November 2016, holders of 9.1 million shares of TiVo Solutions common stock outstanding at the TiVo Acquisition Date who did not vote to approve the TiVo Acquisition filed a petition for appraisal ("Dissenting Holders", and the shares held by such Dissenting Holders, the "Dissenting Shares") in the Delaware Court of Chancery. See Note 10 for additional information about the claims asserted by the Dissenting Holders.

As of December 31, 2016, $79.0 million was included in the aggregate merger consideration based on 9.1 million Dissenting Shares assuming a right to receive 0.3853 shares of TiVo Corporation common stock, or 3.5 million shares of TiVo Corporation common stock. In addition, on the TiVo Acquisition Date, TiVo Corporation paid the cash portion of the merger consideration related to the Dissenting Shares, which was $2.75 per share, to an account held by the exchange agent in the TiVo Acquisition. As of December 31, 2016, the exchange agent in the TiVo Acquisition was holding $25.3 million in cash, substantially all of which related to the Dissenting Holders. The accrued merger consideration was presented in Accounts payable and accrued expenses on the Condensed Consolidated Balance Sheets as of December 31, 2016.

On March 27, 2017, TiVo Corporation agreed to settle the claims of the Dissenting Holders for $117.0 million, which was paid in cash in April 2017. In connection with the settlement, in March 2017, the exchange agent in the TiVo Acquisition returned $25.1 million in cash related to the Dissenting Holders to TiVo Corporation. As the amount paid to Dissenting Holders resulted from a settlement other than a judgment from the Delaware Court of Chancery, a TiVo Acquisition litigation loss of $12.9 million was recognized in the Condensed Consolidated Statements of Operations for the nine months ended September 30, 2017. The TiVo Acquisition litigation loss includes the settlement amount in excess of the amount due to the Dissenting Holders as merger consideration.

In the three months ended September 30, 2017, a $1.1 million loss was recognized related to a separate TiVo Acquisition litigation matter.

Final Purchase Price Allocation

The Condensed Consolidated Financial Statements have been prepared using the acquisition method of accounting under U.S. GAAP with Rovi treated as the acquirer of TiVo Solutions for accounting purposes. Under the acquisition method of accounting, the purchase consideration delivered by TiVo Corporation to complete the TiVo Acquisition was allocated to the assets acquired and liabilities assumed generally based on their fair value at the TiVo Acquisition Date. TiVo Corporation has made significant estimates and assumptions in determining the fair value of the assets acquired and liabilities assumed based on discussions with TiVo Solutions’ management and TiVo Corporation’s informed insights into the industries in which TiVo Solutions competes.

Changes in the preliminary purchase price allocation from December 31, 2016 to the end of the measurement period were as follows (in thousands):

	December 31, 2016	Measurement Period Adjustments	September 30, 2017
Prepaid expenses and other current assets and other long-term assets	$ 25,909	$ 2	$ 25,911
Goodwill	468,330	932	469,262
Accounts payable and accrued expenses and other long-term liabilities	(73,456)	(1,175)	(74,631)
Deferred tax liabilities, net	(97,305)	241	(97,064)
Total merger consideration	1,129,726	—	1,129,726

If the measurement period adjustments had been recognized as of the TiVo Acquisition Date, their effect on Net (loss) income for the three and nine months ended September 30, 2017 would have been immaterial.

Unaudited Pro Forma Information

The following unaudited pro forma financial information (in thousands, except per share amounts) has been adjusted to give effect to the TiVo Acquisition as if it were consummated on January 1, 2015. The unaudited pro forma financial information is presented for informational purposes only. The unaudited pro forma financial information is not intended to represent or be indicative of the results of operations that would have been reported had the TiVo Acquisition occurred on January 1, 2015 and should not be taken as representative of future results of operations of the combined company.

	Three Months Ended September 30,	Nine Months Ended September 30,
	2016	2016
Total Revenues, net	$ 211,724	$ 619,885
Net loss	$ (35,712)	$ (118,906)
Basic loss per share	$ (0.31)	$ (1.03)
Diluted loss per share	$ (0.31)	$ (1.03)

The unaudited pro forma financial information includes material, nonrecurring pro forma adjustments directly attributable to the TiVo Acquisition primarily related to a reduction in revenues and costs to adjust TiVo Solutions' historical deferred revenue amortization and deferred technology cost amortization to fair value, the elimination of intercompany revenue as TiVo Solutions purchased products from Rovi prior to the TiVo Acquisition Date, adjustments to the amortization of intangible assets, adjustments for direct and incremental acquisition-related costs and the related tax effects, as well as Rovi's deferred tax asset valuation allowance release as a result of the TiVo Acquisition reflected in the historical financial statements. The unaudited pro forma financial information does not include any cost saving synergies from operating efficiencies or the effect of incremental costs incurred from integrating the companies.

(3) Discontinued Operations and Assets Held for Sale

DivX and MainConcept

During the fourth quarter of 2013, the Company determined it would pursue selling its DivX and MainConcept businesses. DivX and MainConcept were providers of high-quality video compression-decompression software and a software library that enabled the distribution of content across the internet and through recordable media, in either physical or streamed forms. On March 31, 2014, the Company sold its DivX and MainConcept businesses for $52.5 million in cash, plus up to $22.5 million in additional payments based on the achievement of certain revenue milestones over the three years following the acquisition. In the three years following the acquisition of DivX and MainConcept, no additional payments were received as the revenue milestones were not satisfied.

(4) Financial Statement Details

Accounts receivable, net (in thousands):

	September 30, 2017	December 31, 2016
Accounts receivable, gross	$ 193,223	$ 149,105
Less: Allowance for doubtful accounts	(2,213)	(1,963)
Accounts receivable, net	$ 191,010	$ 147,142

Inventory (in thousands):

	September 30, 2017	December 31, 2016
Raw materials	$ 3,134	$ 1,595
Finished goods	8,576	11,591
Inventory	$ 11,710	$ 13,186

Property and equipment, net (in thousands):

	September 30, 2017	December 31, 2016
Computer software and equipment	$ 154,039	$ 136,776
Leasehold improvements	27,061	26,201
Furniture and fixtures	7,063	6,627
Property and equipment, gross	188,163	169,604
Less: Accumulated depreciation and amortization	(143,824)	(121,232)
Property and equipment, net	$ 44,339	$ 48,372

Accounts payable and accrued expenses (in thousands):

	September 30, 2017	December 31, 2016
Accounts payable	$ 11,027	$ 29,218
Accrued compensation and benefits	34,712	54,571
Accrual for merger consideration	—	78,981
Other accrued liabilities	79,238	63,681
Accounts payable and accrued expenses	$ 124,977	$ 226,451

Supplemental cash flow information (in thousands):

	Nine Months Ended September 30,	
	2017	2016
Significant noncash transactions		
Fair value of shares issued in connection with TiVo Acquisition	$ 536	$ 751,385

(5) Investments

The amortized cost and fair value of cash, cash equivalents and marketable securities by significant investment category were as follows (in thousands):

	September 30, 2017			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Cash	$ 33,753	$ —	$ —	$ 33,753
Cash equivalents - Money market funds	59,034	—	—	59,034
Cash and cash equivalents	$ 92,787	$ —	$ —	$ 92,787
Auction rate securities	$ 10,800	$ —	$ (216)	$ 10,584
Corporate debt securities	96,853	5	(108)	96,750
Foreign government obligations	2,248	—	(4)	2,244
U.S. Treasuries / Agencies	111,205	—	(253)	110,952
Marketable securities	$ 221,106	$ 5	$ (581)	$ 220,530
Cash, cash equivalents and marketable securities				$ 313,317

	December 31, 2016			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Cash	$ 50,969	$ —	$ —	$ 50,969
Cash equivalents - Money market funds	141,658	—	—	141,658
Cash and cash equivalents	$ 192,627	$ —	$ —	$ 192,627
Auction rate securities	$ 10,800	$ —	$ (432)	$ 10,368
Corporate debt securities	106,128	8	(215)	105,921
Foreign government obligations	2,246	—	(8)	2,238
U.S. Treasuries / Agencies	127,734	14	(262)	127,486
Marketable securities	$ 246,908	$ 22	$ (917)	$ 246,013
Cash, cash equivalents and marketable securities				$ 438,640

The Company attributes unrealized losses on its auction rate securities to liquidity issues rather than credit issues. The Company's auction rate securities are comprised solely of AAA-rated federally insured student loans. The Company continues to earn interest on its auction rate securities and has the ability and intent to hold these securities until they recover their amortized cost.

As of September 30, 2017, the amortized cost and fair value of marketable securities, by contractual maturity, were as follows (in thousands):

	Amortized Cost	Fair Value
Due in less than 1 year	$ 132,637	$ 132,418
Due in 1-2 years	77,669	77,528
Due in more than 2 years	10,800	10,584
Total	$ 221,106	$ 220,530

As of September 30, 2017 and December 31, 2016, non-marketable equity securities accounted for under the equity method had a carrying amount of $1.0 million and $1.6 million, respectively, and non-marketable equity securities accounted for under the cost method had a carrying amount of $2.7 million and $2.7 million, respectively. We periodically review our non-marketable equity securities for potential impairment. No impairments were recognized during the three and nine months ended September 30, 2017 on non-marketable equity securities.

(6) Fair Value Measurements

Fair Value Hierarchy

The Company uses valuation techniques that are based on observable and unobservable inputs to measure fair value. Observable inputs are developed using publicly available information and reflect the assumptions market participants would use, while unobservable inputs are developed using the best information available about the assumptions market participants would use. Fair value measurements are classified in a hierarchy that gives the highest priority to observable inputs and the lowest priority to unobservable inputs. Assets and liabilities are classified in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement in its entirety:

Level 1. Quoted prices in active markets for identical assets or liabilities.

Level 2. Inputs other than Level 1 inputs that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or market-corroborated inputs.

Level 3. Unobservable inputs for the asset or liability.

Recurring Fair Value Measurements

Assets and liabilities reported at fair value on a recurring basis in the Condensed Consolidated Balance Sheets were classified in the fair value hierarchy as follows (in thousands):

	September 30, 2017			
	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash and cash equivalents				
Money market funds	$ 59,034	$ 59,034	$ —	$ —
Short-term marketable securities				
Corporate debt securities	56,595	—	56,595	—
Foreign government obligations	2,244	—	2,244	—
U.S. Treasuries / Agencies	73,579	—	73,579	—
Long-term marketable securities				
Auction rate securities	10,584	—	—	10,584
Corporate debt securities	40,155	—	40,155	—
U.S. Treasuries / Agencies	37,373	—	37,373	—
Total Assets	$ 279,564	$ 59,034	$ 209,946	$ 10,584
Liabilities				
Accounts payable and accrued expenses				
Cubiware contingent consideration	$ (3,451)	$ —	$ —	$ (3,451)
Other long-term liabilities				
Interest rate swaps	(14,850)	—	(14,850)	—
Total Liabilities	$ (18,301)	$ —	$ (14,850)	$ (3,451)

	December 31, 2016			
	Total	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Cash and cash equivalents				
Money market funds	$ 141,658	$ 141,658	$ —	$ —
Short-term marketable securities				
Corporate debt securities	76,568	—	76,568	—
U.S. Treasuries / Agencies	40,516	—	40,516	—
Long-term marketable securities				
Auction rate securities	10,368	—	—	10,368
Corporate debt securities	29,353	—	29,353	—
Foreign government obligations	2,238	—	2,238	—
U.S. Treasuries / Agencies	86,970	—	86,970	—
Total Assets	$ 387,671	$ 141,658	$ 235,645	$ 10,368
Liabilities				
Accounts payable and accrued expenses				
Cubiware contingent consideration	$ (1,988)	$ —	$ —	$ (1,988)
Interest rate swaps	(648)	—	(648)	—
Other long-term liabilities				
Cubiware contingent consideration	(3,285)	—	—	(3,285)
Interest rate swaps	(19,303)	—	(19,303)	—
Total Liabilities	$ (25,224)	$ —	$ (19,951)	$ (5,273)

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period. For the three and nine months ended September 30, 2017 and 2016, there were no transfers between levels of the fair value hierarchy.

Changes in the fair value of assets and liabilities classified in Level 3 of the fair value hierarchy were as follows (in thousands):

	Three Months Ended September 30,			
	2017		2016	
	Auction Rate Securities	Cubiware Contingent Consideration	Auction Rate Securities	Cubiware Contingent Consideration
Balance at beginning of period	$ 10,584	$ (5,715)	$ 10,260	$ —
Assumed in TiVo Acquisition	—	—	—	(7,542)
Settlements	—	2,650	—	—
Loss included in earnings	—	(386)	—	(67)
Unrealized gains included in other comprehensive income	—	—	108	—
Balance at end of period	$ 10,584	$ (3,451)	$ 10,368	$ (7,609)

For the three months ended September 30, 2017, the Loss included in earnings related to the Cubiware contingent consideration liability is included in Selling, general and administrative expense as a $243 thousand cost related to remeasurement of the liability and $143 thousand of Interest expense related to accretion of the liability to future value.

	Nine Months Ended September 30,			
	2017		2016	
	Auction Rate Securities	Cubiware Contingent Consideration	Auction Rate Securities	Cubiware Contingent Consideration
Balance at beginning of period	$ 10,368	$ (5,273)	$ 10,260	$ —
Assumed in TiVo Acquisition	—	—	—	(7,542)
Settlements	—	2,650	—	—
Loss included in earnings	—	(828)	—	(67)
Unrealized gains included in other comprehensive income	216	—	108	—
Balance at end of period	$ 10,584	$ (3,451)	$ 10,368	$ (7,609)

For the nine months ended September 30, 2017, the Loss included in earnings related to the Cubiware contingent consideration liability is included in Selling, general and administrative expense as a $0.3 million cost related to remeasurement of the liability and $0.5 million of Interest expense related to accretion of the liability to future value.

Non-recurring Fair Value Measurements

In May 2017, TiVo Corporation vacated a portion of a leased facility as part of its ongoing TiVo Integration Restructuring Plan (as described in Note 8) resulting in a $6.7 million loss on the impairment of certain property and equipment, principally leasehold improvements. The fair value of the impaired assets was estimated using a discounted cash flow analysis that incorporated among other items, the timing and amount of expected future cash flows associated with the assets, income tax rates, and economic and market conditions, as well as a risk adjusted discount rate. The fair value of the impaired assets would be classified in Level 2 of the fair value hierarchy.

Valuation Techniques

The fair value of marketable securities, other than auction rate securities, is estimated using observable market-corroborated inputs, such as quoted prices in active markets for similar assets or independent pricing vendors, obtained from a third party pricing service.

The fair value of auction rate securities is estimated using a discounted cash flow analysis or other type of valuation model. These estimates are highly judgmental and incorporate, among other items, the likelihood of redemption, credit and liquidity spreads, duration, interest rates and the timing and amount of expected future cash flows. These securities are also compared, when possible, to other observable data for securities with characteristics similar to the securities held by the Company.

The fair value of contingent consideration liabilities related to acquisitions is estimated utilizing a probability-weighted discounted cash flow analysis based on the terms of the underlying purchase agreement. The significant unobservable inputs used in calculating the fair value of contingent consideration liabilities related to acquisitions include financial performance scenarios, the probability of achieving those scenarios and the risk adjusted discount rate.

The fair value of interest rate swaps is estimated using a discounted cash flow analysis that considers the expected future cash flows of each interest rate swap. This analysis reflects the contractual terms of the interest rate swap, including the remaining period to maturity, and uses market-corroborated inputs, including forward interest rate curves and implied interest rate volatilities. The fair value of an interest rate swap is estimated by netting the discounted future fixed cash payments against the discounted expected variable cash receipts. The variable cash receipts are estimated based on an expectation of future interest rates derived from forward interest rate curves. The fair value of an interest rate swap also incorporates credit valuation adjustments to reflect the nonperformance risk of the Company and the respective counterparty. In adjusting the fair value of its interest rate swaps for the effect of nonperformance risk, the Company considers the effect of its master netting agreements.

Other Fair Value Disclosures

The carrying amount and fair value of debt issued or assumed by the Company were as follows (in thousands):

	September 30, 2017		December 31, 2016	
	Carrying Amount	Fair Value (1)	Carrying Amount	Fair Value (1)
2020 Convertible Notes	$ 308,167	$ 347,367	$ 297,646	$ 349,140
2021 Convertible Notes	48	48	48	48
Term Loan Facility B	672,742	678,943	677,038	686,766
Total Long-term debt	$ 980,957	$ 1,026,358	$ 974,732	$ 1,035,954

(1) The fair value of debt issued by the Company is estimated using quoted prices for the identical instrument in a market that is not active and considers interest rates currently available to companies of similar credit standing for similar terms and remaining maturities and considers the nonperformance risk of the Company. If reported at fair value in the Condensed Consolidated Balance Sheets, debt issued or assumed by the Company would be classified in Level 2 of the fair value hierarchy.

(7) Goodwill and Intangible Assets, Net

Goodwill

Goodwill allocated to the reportable segments and changes in the carrying amount of goodwill for the nine months ended September 30, 2017 were as follows (in thousands):

	Intellectual Property Licensing	Product	Total
Beginning of period	$ 1,291,120	$ 520,998	$ 1,812,118
TiVo Acquisition	212	720	932
Foreign currency translation	—	186	186
End of period	$ 1,291,332	$ 521,904	$ 1,813,236

Goodwill resulting from the TiVo Acquisition was allocated to the Company's reportable segments based on the relative fair value of the TiVo Solutions businesses assigned to the Company's reporting units.

Goodwill at each reporting unit is evaluated for potential impairment annually, as of the beginning of the fourth quarter, and whenever events or changes in circumstances indicate the carrying amount of goodwill may not be recoverable.

Intangible Assets, Net

Intangible assets, net consisted of the following (in thousands):

	September 30, 2017		
	Gross	Accumulated Amortization	Net
Finite-lived intangible assets			
Developed technology and patents	$ 1,034,128	$ (654,102)	$ 380,026
Existing contracts and customer relationships	402,936	(120,496)	282,440
Content databases and other	59,697	(50,708)	8,989
Trademarks / Tradenames	8,300	(8,300)	—
Total finite-lived intangible assets	1,505,061	(833,606)	671,455
Indefinite-lived intangible assets			
TiVo Tradename	14,000	—	14,000
Total intangible assets	$ 1,519,061	$ (833,606)	$ 685,455

	December 31, 2016		
	Gross	Accumulated Amortization	Net
Finite-lived intangible assets			
Developed technology and patents	$ 1,031,280	$ (586,800)	$ 444,480
Existing contracts and customer relationships	402,143	(64,123)	338,020
Content databases and other	59,390	(49,052)	10,338
Trademarks / Tradenames	8,300	(8,300)	—
Total finite-lived intangible assets	1,501,113	(708,275)	792,838
Indefinite-lived intangible assets			
TiVo Tradename	14,000	—	14,000
Total intangible assets	$ 1,515,113	$ (708,275)	$ 806,838

Patent Acquisitions

In the nine months ended September 30, 2017, the Company purchased a portfolio of patents for $2.0 million in cash. The Company accounted for the patent portfolio purchase as an asset acquisition and is amortizing the purchase price over a weighted average period of five years.

In January 2016, the Company purchased a portfolio of patents for $2.5 million in cash. The Company accounted for the patent portfolio purchase as an asset acquisition and is amortizing the purchase price over a weighted average period of five years.

Future Amortization

As of September 30, 2017, future estimated amortization expense for finite-lived intangible assets was as follows (in thousands):

Remainder of 2017	$ 41,538
2018	147,432
2019	109,996
2020	109,172
2021	66,363
Thereafter	196,954
Total	$ 671,455

(8) Restructuring and Asset Impairment Charges

Components of Restructuring and asset impairment charges were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Facility-related costs	$ 3,034	$ —	$ 4,244	$ 214
Severance costs	220	7,580	4,260	7,968
Share-based payments	456	14,731	2,374	14,731
Contract termination costs	—	—	4	1,279
Asset impairment	—	—	6,741	452
Restructuring and asset impairment charges	$ 3,710	$ 22,311	$ 17,623	$ 24,644

Accrued restructuring costs were as follows (in thousands):

	September 30, 2017	December 31, 2016
Facility-related costs	$ 3,006	$ 758
Severance costs	668	3,796
Contract termination costs	68	183
Accrued restructuring costs	$ 3,742	$ 4,737

We expect a substantial portion of the Accrued restructuring costs, including those associated with the TiVo Acquisition, to be paid at various dates through December 31, 2017.

TiVo Integration Restructuring Plan

Following completion of the TiVo Acquisition, TiVo Corporation began implementing its integration plans which are intended to realize operational synergies between Rovi and TiVo Solutions (the "TiVo Integration Restructuring Plan"). As a result of these integration plans, TiVo Corporation expects to eliminate duplicative positions resulting in severance costs and the termination of certain leases and other contracts. In May 2017, TiVo Corporation vacated a portion of a leased facility resulting in a $6.7 million loss on the impairment of certain property and equipment, principally leasehold improvements. Restructuring activities related to the TiVo Integration Restructuring Plan for the nine months ended September 30, 2017 were as follows (in thousands):

	Balance at Beginning of Period	Restructuring Expense	Cash Settlements	Non-Cash Settlements	Other	Balance at End of Period
Facility-related costs	$ 224	$ 3,610	$ (1,204)	$ —	$ (237)	$ 2,393
Severance costs	3,504	4,413	(7,354)	—	(31)	532
Share-based payments	—	2,374	—	(2,374)	—	—
Contract termination costs	63	4	(67)	—	—	—
Asset impairment	—	6,741	—	(6,741)	—	—
Total	$ 3,791	$ 17,142	$ (8,625)	$ (9,115)	$ (268)	$ 2,925

Legacy TiVo Solutions Restructuring Plans

In the nine months ended September 30, 2017, certain termination benefits were offered by TiVo Solutions in connection with the elimination of a number of positions prior to the TiVo Acquisition Date (the "Legacy TiVo Solutions Restructuring Plans") expired. As a result of these termination benefits expiring unused, Restructuring and asset impairment charges recognized for the nine months ended September 30, 2017 were reduced by $0.2 million. As of September 30, 2017, the Legacy TiVo Solutions Restructuring Plans were completed and no Accrued restructuring costs are included in the Condensed Consolidated Balance Sheets related to the Legacy TiVo Solutions Restructuring Plans.

Legacy Rovi Restructuring Plans

In the three months ended March 31, 2016, Rovi initiated certain facility rationalization activities (the "Legacy Rovi Restructuring Plans"), including relocating its corporate headquarters from Santa Clara, California to San Carlos, California and consolidating its Silicon Valley operations into the corporate headquarters, and eliminated a number of positions associated with a reorganization of the sales force structure, downsizing the global services workforce and eliminating certain general and administrative positions. As a result of changes in estimates related to sublease rental rates expected to be obtained for vacated facilities, Restructuring and asset impairment charges were reduced by $0.2 million in the three months ended September 30, 2017. As a result of the Legacy Rovi Restructuring Plans, Restructuring and asset impairment charges of $0.6 million and $2.3 million, respectively, were recognized in the nine months ended September 30, 2017 and 2016.

As of September 30, 2017, Accrued restructuring costs of $0.8 million are included in Accounts payable and accrued expenses in the Condensed Consolidated Balance Sheets related to the Legacy Rovi Restructuring Plans.

(9) Debt and Interest Rate Swaps

A summary of the Company's financing arrangements was as follows (dollars in thousands):

				September 30, 2017		December 31, 2016	
	Stated Interest Rate	Issue Date	Maturity Date	Outstanding Principal	Carrying Amount	Outstanding Principal	Carrying Amount
2020 Convertible Notes	0.500%	March 4, 2015	March 1, 2020	$ 345,000	$ 308,167	$ 345,000	$ 297,646
2021 Convertible Notes	2.000%	September 22, 2014	October 1, 2021	48	48	48	48
Term Loan Facility B	Variable	July 2, 2014	July 2, 2021	677,250	672,742	682,500	677,038
Total Long-term debt				$ 1,022,298	980,957	$ 1,027,548	974,732
Less: Current portion of long-term debt					7,000		7,000
Long-term debt, less current portion					$ 973,957		$ 967,732

2020 Convertible Notes

Rovi issued $345.0 million in aggregate principal of 0.500% Convertible Senior Notes that mature March 1, 2020 (the “2020 Convertible Notes”) at par pursuant to an Indenture dated March 4, 2015 (as supplemented, the "2015 Indenture"). The 2020 Convertible Notes were sold in a private placement and bear interest at an annual rate of 0.500% payable semi-annually in arrears on March 1 and September 1 of each year, commencing September 1, 2015. In connection with the TiVo Acquisition, TiVo Corporation and Rovi entered into a supplemental indenture under which TiVo Corporation became a guarantor of the 2020 Convertible Notes and the notes became convertible into TiVo Corporation common stock.

The 2020 Convertible Notes were convertible at an initial conversion rate of 34.5968 shares of TiVo Corporation common stock per $1,000 of principal of notes, which was equivalent to an initial conversion price of $28.9044 per share of TiVo Corporation common stock. The conversion rate and conversion price are subject to adjustment pursuant to the 2015 Indenture, including as a result of dividends paid by TiVo Corporation. As of September 30, 2017, the 2020 Convertible Notes are convertible at a conversion rate of 35.6341 shares of TiVo Corporation common stock per $1,000 principal of notes, which is equivalent to a conversion price of $28.0630 per share of TiVo Corporation common stock.

Holders may convert the 2020 Convertible Notes, prior to the close of business on the business day immediately preceding December 1, 2019, in multiples of $1,000 of principal under the following circumstances:

- during any calendar quarter commencing after the calendar quarter ending on June 30, 2015 (and only during such calendar quarter), if the last reported sale price of TiVo Corporation's common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- during the five business day period after any ten consecutive trading day period in which the trading price per $1,000 of principal of 2020 Convertible Notes for each trading day was less than 98% of the product of the last reported sale price of TiVo Corporation’s common stock and the conversion rate on each such trading day; or
- on the occurrence of specified corporate events.

On or after December 1, 2019 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert the 2020 Convertible Notes, in multiples of $1,000 of principal, at any time.

In addition, during the 35-day trading period following a Merger Event, as defined in the 2015 Indenture, holders may convert the 2020 Convertible Notes, in multiples of $1,000 of principal.

On conversion, a holder will receive the conversion value of the 2020 Convertible Notes converted based on the conversion rate multiplied by the volume-weighted average price of TiVo Corporation’s common stock over a specified observation period. On conversion, Rovi will pay cash up to the aggregate principal of the 2020 Convertible Notes converted and deliver shares of TiVo Corporation’s common stock in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal of the 2020 Convertible Notes being converted.

The conversion rate is subject to adjustment in certain events, including certain events that constitute a "Make-Whole Fundamental Change" (as defined in the 2015 Indenture). In addition, if Rovi undergoes a "Fundamental Change" (as defined in the 2015 Indenture) prior to March 1, 2020, holders may require Rovi to repurchase for cash all or a portion of the 2020 Convertible Notes at a repurchase price equal to 100% of the principal of the repurchased 2020 Convertible Notes, plus accrued and unpaid interest. The conversion rate is also subject to customary anti-dilution adjustments.

The 2020 Convertible Notes are not redeemable prior to maturity by Rovi and no sinking fund is provided. The 2020 Convertible Notes are unsecured and do not contain financial covenants or restrictions on the payment of dividends, the incurrence of indebtedness or the repurchase of other securities by Rovi. The 2015 Indenture includes customary terms and covenants, including certain events of default after which the 2020 Convertible Notes may be due and payable immediately.

TiVo Corporation has separately accounted for the liability and equity components of the 2020 Convertible Notes. The initial carrying amount of the liability component was calculated by estimating the value of the 2020 Convertible Notes using TiVo Corporation’s estimated non-convertible borrowing rate of 4.75% at the time the instrument was issued. The carrying amount of the equity component, representing the value of the conversion option, was determined by deducting the liability component from the principal of the 2020 Convertible Notes. The difference between the principal of the 2020 Convertible Notes and the liability component is considered a debt discount which is being amortized to interest expense using the effective interest method over the expected term of the 2020 Convertible Notes. The equity component of the 2020 Convertible Notes was recorded as a component of Additional paid-in capital in the Condensed Consolidated Balance Sheets and will not be remeasured as long as it continues to meet the conditions for equity classification. Related to the 2020 Convertible Notes, the Condensed Consolidated Balance Sheets included the following (in thousands):

	September 30, 2017	December 31, 2016
Liability component		
Principal outstanding	$ 345,000	$ 345,000
Less: Unamortized debt discount	(32,716)	(42,144)
Less: Unamortized debt issuance costs	(4,117)	(5,210)
Carrying amount	$ 308,167	$ 297,646
Equity component	$ 63,854	$ 63,854

Components of interest expense related to the 2020 Convertible Notes included in the Condensed Consolidated Statements of Operations were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	**2016**	**2017**	**2016**
Stated interest	$ 431	$ 431	$ 1,294	$ 1,294
Amortization of debt discount	3,179	3,035	9,428	9,000
Amortization of debt issuance costs	374	338	1,093	988
Total interest expense	$ 3,984	$ 3,804	$ 11,815	$ 11,282

Rovi incurred $9.3 million in transaction costs related to the issuance of the 2020 Convertible Notes which were allocated to liability and equity components based on the relative amounts calculated for the 2020 Convertible Notes at the date of issuance. Transaction costs of $7.6 million attributable to the liability component were recorded in Long-term debt, less current portion in the Condensed Consolidated Balance Sheets and are being amortized to interest expense using the effective interest method over the expected term of the 2020 Convertible Notes. Transaction costs of $1.7 million attributable to the equity component were recorded as a component of Additional paid-in capital in the Condensed Consolidated Balance Sheets.

Purchased Call Options and Sold Warrants related to the 2020 Convertible Notes

Concurrent with the issuance of the 2020 Convertible Notes, Rovi paid $64.8 million to purchase call options with respect to its common stock. The call options gave TiVo Corporation the right, but not the obligation, to purchase up to 11.9 million shares of TiVo Corporation's common stock at an exercise price of $28.9044 per share, which corresponds to the initial conversion price of the 2020 Convertible Notes, and are exercisable by TiVo Corporation on conversion of the 2020 Convertible Notes. The exercise price is subject to adjustment, including as a result of dividends paid by TiVo Corporation. As of September 30, 2017, the call options give TiVo Corporation the right, but not the obligation, to purchase up to 12.3 million shares of TiVo Corporation's common stock at an exercise price of $28.0630 per share. The call options are intended to reduce the potential dilution from conversion of the 2020 Convertible Notes. The purchased call options are separate transactions from the 2020 Convertible Notes and holders of the 2020 Convertible Notes do not have any rights with respect to the purchased call options.

Concurrent with the issuance of the 2020 Convertible Notes, Rovi received $31.3 million from the sale of warrants that provide the holder of the warrant the right, but not the obligation, to purchase up to 11.9 million shares of TiVo Corporation common stock at an exercise price of $40.1450 per share. The exercise price is subject to adjustment, including as a result of dividends paid by TiVo Corporation. As of September 30, 2017, the warrants have an exercise price of $38.9764 per share. The warrants are exercisable beginning June 1, 2020 and can be settled in cash or shares at TiVo Corporation's election. The warrants were entered into to offset the cost of the purchased call options. The warrants are separate transactions from the 2020 Convertible Notes and holders of the 2020 Convertible Notes do not have any rights with respect to the warrants.

The amounts paid to purchase the call options and received to sell the warrants were recorded in Additional paid-in capital in the Condensed Consolidated Balance Sheets.

2021 Convertible Notes

TiVo Solutions issued $230.0 million in aggregate principal of 2.0% Convertible Senior Notes that mature October 1, 2021 (the "2021 Convertible Notes") at par pursuant to an Indenture dated September 22, 2014 (as supplemented, "the 2014 Indenture"). The 2021 Convertible Notes bear interest at an annual rate of 2.0%, payable semi-annually in arrears on April 1 and October 1 of each year, commencing April 2015. On October 12, 2016, TiVo Solutions repaid $229.95 million of the par value of the 2021 Convertible Notes.

The 2021 Convertible Notes were convertible at an initial conversion rate of 56.1073 shares of TiVo Solutions common stock per $1,000 principal of notes, which was equivalent to an initial conversion price of $17.8230 per share of TiVo Solutions common stock. Following the TiVo Acquisition, the 2021 Convertible Notes were convertible at a conversion rate of 21.6181 shares of TiVo Corporation common stock per $1,000 principal of notes and $154.30 per $1,000 principal of notes, which was equivalent to a conversion price of $39.12 per share of TiVo Corporation common stock. The conversion rate and conversion price are subject to adjustment pursuant to the 2014 Indenture, including as a result of dividends paid by TiVo Corporation. As of September 30, 2017, the 2021 Convertible Notes are convertible at a conversion rate of 22.0534 shares of

TiVo Corporation common stock per $1,000 principal of notes and $154.30 per $1,000 principal of notes, which is equivalent to a conversion price of $38.3478 per share of TiVo Corporation common stock.

TiVo Solutions can settle the 2021 Convertible Notes in cash, shares of common stock, or any combination thereof pursuant to the 2014 Indenture. Subject to certain exceptions, holders may require TiVo Solutions to repurchase, for cash, all or part of their 2021 Convertible Notes upon a “Fundamental Change” (as defined in the 2014 Indenture) at a price equal to 100% of the principal amount of the 2021 Convertible Notes being repurchased plus any accrued and unpaid interest up to, but excluding, the “Fundamental Change Repurchase Date” (as defined in the 2014 Indenture). In addition, on a “Make-Whole Fundamental Change” (as defined in the 2014 Indenture) prior to the maturity date of the 2021 Convertible Notes, TiVo Solutions will, in some cases, increase the conversion rate for a holder that elects to convert its 2021 Convertible Notes in connection with such Make-Whole Fundamental Change.

Senior Secured Credit Facility

On July 2, 2014, Rovi Corporation, as parent guarantor, and two of its wholly-owned subsidiaries, Rovi Solutions Corporation and Rovi Guides, Inc., as borrowers, and certain of its other subsidiaries, as subsidiary guarantors, entered into a Credit Agreement (the “Credit Agreement”). After the completion of the TiVo Acquisition, TiVo Corporation became a guarantor under the Credit Agreement. The Credit Agreement provided for a (i) five-year $125.0 million term loan A facility (“Term Loan Facility A”), (ii) seven-year $700.0 million term loan B facility (“Term Loan Facility B” and together with Term Loan Facility A, the “Term Loan Facility”) and (iii) five-year $175.0 million revolving credit facility (including a letter of credit sub-facility) (the "Revolving Facility” and together with the Term Loan Facility, the “Senior Secured Credit Facility”). In September 2015, Rovi made a voluntary principal prepayment to extinguish Term Loan Facility A and elected to terminate the Revolving Facility.

Prior to the refinancing described below, loans under Term Loan Facility B bore interest, at the Company's option, at a rate equal to either LIBOR, plus an applicable margin equal to 3.00% per annum (subject to a 0.75% LIBOR floor) or the prime lending rate, plus an applicable margin equal to 2.00% per annum.

On January 26, 2017, TiVo Corporation, as parent guarantor, two of its wholly-owned subsidiaries, Rovi Solutions Corporation and Rovi Guides, Inc., as borrowers, and certain of TiVo Corporation’s other subsidiaries, as subsidiary guarantors, entered into Refinancing Agreement No. 1 with respect to Term Loan Facility B. The $682.5 million in proceeds from Refinancing Agreement No. 1 was used to repay existing loans under Term Loan Facility B in full. The borrowing terms for Refinancing Agreement No. 1 are substantially similar to the borrowing terms of Term Loan Facility B. However, loans under Refinancing Agreement No. 1 bear interest, at the borrower's option, at a rate equal to either LIBOR, plus an applicable margin equal to 2.50% per annum (subject to a 0.75% LIBOR floor) or the prime lending rate, plus an applicable margin equal to 1.50% per annum. Refinancing Agreement No. 1 requires quarterly principal payments of $1.75 million through June 2021, with any remaining balance payable in July 2021. Refinancing Agreement No. 1 is part of the Senior Secured Credit Facility.

The refinancing of Term Loan Facility B resulted in a Loss on debt extinguishment of $0.1 million and a Loss on debt modification of $0.9 million for the nine months ended September 30, 2017. Creditors in Term Loan Facility B that elected not to participate in Refinancing Agreement No. 1 were extinguished. Creditors in Term Loan Facility B that elected to participate in Refinancing Agreement No. 1 and for which the present value of future cash flows was not substantially different were accounted for as a debt modification.

The Credit Agreement contains customary representations and warranties and customary affirmative and negative covenants applicable to the Company and its subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, prepayment of other indebtedness, and dividends and other distributions. The Credit Agreement is secured by substantially all of the Company's assets. The Company may be required to make an additional payment on the Term Loan Facility each February. This payment is calculated as a percentage of the prior year's "Excess Cash Flow" as defined in the Credit Agreement. No additional payment was required in February 2017.

Debt Maturities

As of September 30, 2017, aggregate expected future principal payments on long-term debt, including the current portion of long-term debt, were as follows (in thousands):

Remainder of 2017	$	1,750
2018		7,000
2019 (1)		352,000
2020		7,000
2021		654,548
Total	$	1,022,298

(1) While the 2020 Convertible Notes are scheduled to mature on March 1, 2020, future principal payments are presented based on the date the 2020 Convertible Notes can be freely converted by holders, which is December 1, 2019. However, the 2020 Convertible Notes may be converted by holders prior to December 1, 2019 in certain circumstances.

Interest Rate Swaps

The Company issues long-term debt denominated in U.S. dollars based on market conditions at the time of financing and may enter into interest rate swaps to achieve a primarily fixed interest rate. Alternatively, the Company may choose not to enter into interest rate swaps or may terminate a previously executed swap if it believes a larger proportion of floating-rate debt would be beneficial. The Company has not designated any of its interest rate swaps as hedges for accounting purposes. The Company records interest rate swaps in the Condensed Consolidated Balance Sheets at fair value with changes in fair value recorded as (Loss) income on interest rate swaps in the Condensed Consolidated Statements of Operations. Amounts are presented in the Condensed Consolidated Balance Sheets after considering the right of offset and the effect of master netting agreements. During the three months ended September 30, 2017 and 2016, the Company recorded a loss of $39 thousand and a gain of $1.7 million, respectively, from adjusting its interest rate swaps to fair value. During the nine months ended September 30, 2017 and 2016, the Company recorded a loss of $1.4 million and $16.9 million, respectively, from adjusting its interest rate swaps to fair value.

Details of the Company's interest rate swaps as of September 30, 2017 and December 31, 2016 were as follows (dollars in thousands):

			Notional			
Contract Inception	**Contract Effective Date**	**Contract Maturity**	**September 30, 2017**	**December 31, 2016**	**Interest Rate Paid**	**Interest Rate Received**
Senior Secured Credit Facility						
May 2012	April 2014	March 2017	$ —	$ 215,000	(1)	One month USD-LIBOR
June 2013	January 2016	March 2019	$ 250,000	$ 250,000	2.23%	One month USD-LIBOR
September 2014	January 2016	July 2021	$ 125,000	$ 125,000	2.66%	One month USD-LIBOR
September 2014	March 2017	July 2021	$ 200,000	$ 200,000	2.93%	One month USD-LIBOR

(1) The Company paid a fixed interest rate which gradually increased from 0.65% for the three-month settlement period ended in June 2014 to 2.11% for the settlement period ended in March 2017.

(10) Commitments and Contingencies

Purchase Commitments

In August 2016, Rovi entered into a 10-year patent license agreement with DISH. Under the terms of the license agreement, DISH will pay a monthly, per-subscriber license fee to Rovi for the period beginning on April 5, 2016 consistent with Rovi’s existing licensing program for its largest pay TV providers. In addition, DISH agreed to provide TiVo Solutions with a release for all past products and a going-forward covenant not-to-sue under DISH’s existing patents during the 10-year license term in exchange for TiVo Solutions providing DISH certain TiVo Solutions products during the term and cash payments by TiVo Solutions to DISH of $60.3 million in the aggregate, of which $30.3 million was paid in the third quarter of 2017, $15.0 million was paid in the second quarter of 2017 and $15.0 million was paid in the fourth quarter of 2016. The TiVo Solutions release and covenant transaction is being recognized as a reduction to revenue over the license term in the Condensed Consolidated Statements of Operations. No changes were made to the prior, existing patent settlement between EchoStar Corporation and DISH Network Corporation (together, "EchoStar"), and TiVo Solutions as a result of this agreement.

The Company purchases components from a variety of suppliers and uses several contract manufacturers to provide manufacturing services for its products. During the normal course of business, in order to manage manufacturing lead times and help ensure adequate component supply, the Company enters into agreements with contract manufacturers and suppliers that either allow them to procure inventory based on criteria as defined by the Company or that establish the parameters defining the Company’s requirements. A significant portion of the Company’s purchase commitments arising from these agreements consists of firm, non-cancelable and unconditional purchase commitments. In certain instances, these agreements allow the Company the option to cancel, reschedule or adjust the Company’s purchase commitments based on its business needs prior to firm orders being placed. As of September 30, 2017, the Company had total purchase commitments for inventory of $8.7 million, of which $1.3 million was accrued in the Condensed Consolidated Balance Sheets.

Indemnifications

In the normal course of business, the Company provides indemnifications of varying scopes and amounts to certain of its licensees against claims made by third parties arising out of the use and / or incorporation of the Company's products, intellectual property, services and / or technologies into the licensees' products and services. TiVo Solutions has also indemnified certain customers and business partners for, among other things, the licensing of its products, the sale of its DVRs, and the provision of engineering and consulting services. The Company’s obligation under its indemnification agreements with customer and business partners would arise in the event that a third party filed a claim against one of the parties that was covered by the Company’s indemnification. Pursuant to these agreements, the Company may indemnify the other party for certain losses suffered or incurred by the indemnified party in connection with various types of claims, which may include, without limitation, intellectual property infringement, advertising and consumer disclosure laws, certain tax liabilities, negligence and intentional acts in the performance of services and violations of laws.

In some cases, the Company may receive tenders of defense and indemnity arising out of products, intellectual property services and / or technologies that are no longer provided by the Company due to having divested certain assets, but which were previously licensed or provided by the Company.

The term of the Company's indemnification obligations is generally perpetual. The Company's indemnification obligations are typically limited to the cumulative amount paid to the Company by the licensee under the license agreement; however, some license agreements, including those with the Company's largest multiple system operators and digital broadcast satellite providers, have larger limits or do not specify a limit on amounts that may be payable under the indemnity arrangements.

The Company cannot reasonably estimate the possible range of losses that may be incurred pursuant to its indemnification obligations, if any. Variables affecting any such assessment include but are not limited to: the nature of the claim asserted; the relative merits of the claim; the financial ability of the party suing the indemnified party to engage in protracted litigation; the number of parties seeking indemnification; the nature and amount of damages claimed by the party suing the indemnified party; and the willingness of such party to engage in settlement negotiations. Due to the nature of the Company's potential indemnity liability, the Condensed Consolidated Financial Statements could be materially affected in a particular period by one or more of these indemnities.

Under certain circumstances, TiVo Solutions may seek to recover some or all amounts paid to an indemnified party from its insurers. TiVo Solutions does not have any assets held either as collateral or by third parties that, on the occurrence of an event requiring it to indemnify a customer, TiVo Solutions could obtain and liquidate to recover all or a portion of the amounts paid pursuant to its indemnification obligations.

Legal Proceedings

The Company may be involved in various lawsuits, claims and proceedings, including intellectual property, commercial, securities and employment matters that arise in the normal course of business. The Company accrues a liability when management believes information available prior to the issuance of the financial statements indicates it is probable a loss has been incurred as of the date of the financial statements and the amount of loss can be reasonably estimated. The Company adjusts its accruals to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular case. The Company believes it has recorded adequate provisions for any such matters and, as of September 30, 2017, it was not reasonably possible that a material loss had been incurred in excess of the amounts recognized in the Condensed Consolidated Financial Statements. Legal costs are expensed as incurred. Based on its experience, the Company believes that damage amounts claimed in these matters are not meaningful indicators of potential liability. Some of the matters pending against the Company involve potential compensatory, punitive or treble damage claims or sanctions, that, if granted, could require the Company to pay damages or make other expenditures in amounts that could have a material adverse effect on its Condensed Consolidated Financial Statements.

On November 15, 2016, Driehaus Appraisal Litigation Fund, L.P., Driehaus Companies Profit Sharing Plan and Trust, and Richard H. Driehaus IRA (the “Driehaus Entities”) filed a petition for appraisal pursuant to Section 262 of the Delaware General Corporation Law ("Section 262") in the Court of Chancery of the State of Delaware covering a total of 1.9 million shares of common stock of TiVo Solutions in connection with the TiVo Acquisition. Additionally, on November 15, 2016, Fir Tree Value Master Fund L.P. and Fir Tree Capital Opportunity Master Fund L.P. (the “Fir Tree Entities” and together with the Driehaus Entities, the “Appraisal Petitioners”) filed a petition for appraisal pursuant to Section 262 in the Court of Chancery of the State of Delaware covering a total of 7.2 million shares of common stock of TiVo Solutions in connection with the TiVo Acquisition. On January 11, 2017, the Court of Chancery consolidated the two petitions into a consolidated action entitled In re Appraisal of TiVo, Inc., C.A. No. 12909-CB (Del. Ch.). The Appraisal Petitioners were also seeking the payment of their costs and attorneys’ fees. As discussed in Note 2, on March 27, 2017, TiVo Corporation executed a settlement agreement with the Dissenting Holders to settle the claims of the Dissenting Holders for $117.0 million, which was paid in cash in April 2017.

On January 27, 2017, UBS Securities LLC ("UBS") filed a complaint against TiVo Solutions alleging TiVo Solutions breached its contractual obligations to UBS under a September 14, 2010 letter agreement (the "Letter Agreement") whereby TiVo Solutions retained UBS as its financial advisor. In the complaint, UBS alleged that TiVo Solutions never terminated its Letter Agreement with UBS and, as a result, TiVo Solutions breached its obligations to UBS by (i) not paying UBS's annual retainer fee of $0.3 million for an unspecified number of years, but totaling an amount of $1.4 million, including unpaid retainer fees and out-of-pocket expenses, and (ii) not considering or retaining UBS as TiVo Solutions' financial advisor in connection with its merger with Rovi, for which UBS alleged TiVo Solutions owed it a fee of $14.5 million (the amount TiVo Solutions paid its financial advisor for the merger). The Company and UBS settled this matter in May 2017 for $0.7 million, to be paid in a combination of a current cash payment and potential future service fees.

(11) Stockholders' Equity

Earnings (Loss) Per Share

Basic earnings per share ("EPS") is computed using the weighted average number of common shares outstanding during the period. Diluted EPS is computed using the weighted average number of common shares and dilutive common share equivalents outstanding during the period, except for periods of a loss from continuing operations. In periods of a loss from continuing operations, no common share equivalents are included in Diluted EPS because their effect would be anti-dilutive.

The number of shares used to calculate Basic EPS and Diluted EPS were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Weighted average shares used in computing basic per share amounts	120,935	91,131	119,994	84,895
Dilutive effect of equity-based compensation awards	—	1,013	—	963
Weighted average shares used in computing diluted per share amounts	120,935	92,144	119,994	85,858

Weighted average potential shares excluded from the calculation of Diluted EPS as their effect would have been anti-dilutive were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Restricted awards	5,234	1,483	4,444	2,176
Stock options	2,544	3,332	3,004	3,497
2020 Convertible Notes (1)	12,294	11,936	12,294	11,936
2021 Convertible Notes (1)	1	1,470	1	494
Warrants related to 2020 Convertible Notes (1)	12,079	11,936	12,079	11,936
Weighted average potential shares excluded from the calculation of Diluted EPS	32,152	30,157	31,822	30,039

(1) See Note 9 for additional details.

The calculation of earnings per share for the three and nine months ended September 30, 2016 excludes 3.8 million shares of TiVo Corporation common stock that were potentially issuable to Dissenting Holders as the Dissenting Holders had not decided whether or not to receive the consideration they were entitled to as a result of the TiVo Acquisition. As the contingency had not been satisfied as of September 30, 2016, the potentially issuable shares of common stock were excluded from the calculation of Basic and Diluted EPS. See Note 2 for additional details.

For the three months ended September 30, 2017 and 2016, 0.5 million and 0.7 million weighted average performance-based restricted awards, respectively, were excluded from the calculation of Diluted EPS as the performance metric had yet to be achieved or their inclusion would have been anti-dilutive. For the nine months ended September 30, 2017 and 2016, 0.5 million and 0.7 million weighted average performance-based restricted awards, respectively, were excluded from the calculation of Diluted EPS as the performance metric had yet to be achieved or their inclusion would have been anti-dilutive.

Effect of the 2020 Convertible Notes and related transactions on Diluted EPS

In periods when the Company reports income from continuing operations, the potential dilutive effect of additional shares of common stock that may be issued on conversion of the 2020 Convertible Notes are included in the calculation of Diluted EPS under the treasury stock method if the price of the Company's common stock exceeds the conversion price. The 2020 Convertible Notes have no impact on Diluted EPS until the price of the Company's common stock exceeds the conversion price of $28.0630 per share because the principal of the 2020 Convertible Notes is required to be settled in cash. Based on the closing price of the Company's common stock of $19.85 per share on September 30, 2017, the if-converted value of the 2020 Convertible Notes was less than the outstanding principal.

Under the treasury stock method, the 2020 Convertible Notes would be dilutive if the Company's common stock closes at or above $28.0630 per share. However, on conversion, no economic dilution is expected from the 2020 Convertible Notes as the exercise of call options purchased by the Company with respect to its common stock described in Note 9 is expected to eliminate any potential dilution from the 2020 Convertible Notes that would have otherwise occurred. The call options are always excluded from the calculation of Diluted EPS as they are anti-dilutive under the treasury stock method.

The warrants sold by the Company with respect to its common stock in connection with the 2020 Convertible Notes described in Note 9 have an effect on Diluted EPS when the Company's share price exceeds the warrant's strike price of

$38.9764 per share. As the price of the Company's common stock increases above the warrant strike price, additional dilution would occur.

Share Repurchase Program

On February 14, 2017, TiVo Corporation's Board of Directors approved an increase to the share repurchase program authorization to $150.0 million. The February 2017 authorization includes amounts which were outstanding under previously authorized share repurchase programs. As of September 30, 2017, the Company had $150.0 million of share repurchase authorization remaining.

The Company issues restricted awards as part of the equity incentive plans described in Note 12. For the majority of restricted awards, shares are withheld to satisfy required withholding taxes at the vesting date. Shares withheld to satisfy required withholding taxes in connection with the vesting of restricted awards are treated as common stock repurchases in the Condensed Consolidated Financial Statements because they reduce the number of shares that would have been issued on vesting. However, these withheld shares are not considered common stock repurchases under the Company's authorized share repurchase plan. During the three months ended September 30, 2017 and 2016, the Company withheld 0.1 million and 0.3 million shares of common stock to satisfy $1.5 million and $5.3 million of required withholding taxes, respectively. During the nine months ended September 30, 2017 and 2016, the Company withheld 0.7 million and 0.4 million shares of common stock to satisfy $12.8 million and $9.4 million of required withholding taxes, respectively.

Dividend

For the three and nine months ended September 30, 2017, the Company declared and paid dividends of $0.18 and $0.54 per share, respectively, for aggregate payments of $21.9 million and $65.2 million, respectively. No dividend payments were made in the three and nine months ended September 30, 2016.

Section 382 Transfer Restrictions

On September 7, 2016, upon the effective time of the TiVo Acquisition, the Company's certificate of incorporation was amended and restated to include certain transfer restrictions intended to preserve tax benefits related to the net operating loss carryforwards ("NOLs") of the Company pursuant to Section 382 of Internal Revenue Code of 1986, as amended (the "Code"), that apply to transfers made by 5% stockholders, transferees related to a 5% stockholder, transferees acting in coordination with a 5% stockholder, or transfers that would result in a stockholder becoming a 5% stockholder. If the Company experiences an "ownership change," as defined in Section 382 of the Code, its ability to fully utilize the NOLs on an annual basis will be substantially limited, and the timing of the usage of the NOLs could be substantially delayed, which could therefore significantly impair the value of those benefits. These transfer restrictions are intended to act as a deterrent to any person (an "Acquiring Person") acquiring (together with all affiliates and associates of such person) beneficial ownership of 5% or more of the Company's outstanding common stock within the meaning of Section 382 of the Code, without the approval of the Company's Board of Directors. Such transfer restrictions will expire on the earlier of (i) the repeal of Section 382 or any successor statute if the Company's Board of Directors determines that such restrictions are no longer necessary or desirable for the preservation of certain tax benefits, (ii) the beginning of a taxable year to which the Company's Board of Directors determines that no tax benefits may be carried forward or (iii) the end of the day on September 7, 2019, three years from the effective time of the TiVo Acquisition when the Company's certificate of incorporation was amended and restated to include certain transfer restrictions. The Company conducted a stockholder advisory vote with respect to the maintenance of such transfer restrictions in its certificate of incorporation at its 2017 Annual Meeting of Stockholders and the stockholders approved of such transfer restrictions.

(12) Equity-based Compensation

Restricted Awards and Stock Options

The Company grants equity-based compensation awards from the Rovi 2008 Equity Incentive Plan (the "Rovi 2008 Plan"). The Rovi 2008 Plan permits the grant of restricted stock, restricted stock units, stock options and similar types of equity awards to employees, officers, directors and consultants of the Company. Restricted stock is considered outstanding at the time of the grant as holders are entitled to voting rights. Awards of restricted stock and restricted stock units (collectively, "restricted awards") are generally subject to a four year graded vesting period. Stock options generally have vesting periods of four years with one quarter of the grant vesting on the first anniversary of the grant, followed by monthly vesting thereafter. Stock options generally have a contractual term of seven years. As of September 30, 2017, the Company had 30.0 million shares of common stock reserved and 11.1 million shares of common stock available for issuance under the Rovi 2008 Plan.

On September 7, 2016, the Company assumed the TiVo Inc. Amended and Restated 2008 Equity Incentive Award Plan (the "TiVo 2008 Plan"). The Company amended and restated the TiVo 2008 Plan effective as of the closing of the TiVo Acquisition to be the TiVo Corporation Titan Equity Incentive Award Plan for purposes of awards granted following the closing of the TiVo Acquisition. The TiVo 2008 Plan permits the grant of restricted stock, restricted stock units, stock options and similar types of equity awards to employees, officers, directors and consultants of the Company. Restricted stock is considered outstanding at the time of the grant as holders are entitled to voting rights. Restricted awards assumed from the TiVo 2008 Plan are generally subject to a three year vesting period, with semiannual vesting. Restricted awards issued by the Company from the TiVo 2008 Plan are generally subject to a four year graded vesting period. Stock options assumed from the TiVo 2008 Plan generally have a four year vesting period with one quarter of the grant vesting on the first anniversary of the grant followed by monthly vesting thereafter. Stock options assumed from TiVo 2008 Plan generally have a contractual term of seven years. As of September 30, 2017, there were 3.9 million shares of common stock reserved and 3.9 million shares of common stock available for future grant under the TiVo 2008 Plan.

The Company also grants performance-based restricted stock units to certain of its senior officers for three-year performance periods. Vesting in the performance-based restricted stock units may subject to either market conditions or performance conditions as well as a three-year service period. Depending on the level of achievement, the maximum number of shares that could be issued on vesting could be up to 200% of the target number of performance-based restricted stock units granted.

For awards subject to a market condition, the fair value per award is fixed at the grant date and the amount of compensation expense is not adjusted during the performance period regardless of changes in the level of achievement of the market condition (a relative Total Shareholder Return metric). For awards subject to performance conditions, the fair value per award is fixed at the grant date; however, the amount of compensation expense is adjusted throughout the performance period based on the probability of achievement of the performance condition (a target revenue compound annual growth rate and a target Adjusted EBITDA (as defined in Note 14) margin), with compensation expense based on the number of shares ultimately issued.

Employee Stock Purchase Plan

The Company's 2008 Employee Stock Purchase Plan ("ESPP") allows eligible employees to purchase shares of the Company's common stock at a discount through payroll deductions. The ESPP consists of up to four consecutive six-month purchase periods within a twenty-four month offering period. Employees purchase shares each purchase period at the lower of 85% of the market value of the Company's common stock at either the beginning of the offering period or the end of the purchase period.

As of September 30, 2017, the Company had 5.8 million shares of common stock reserved and 5.8 million shares available for issuance under the ESPP.

Valuation Techniques and Assumptions

For restricted awards subject to service or performance conditions granted prior to February 14, 2017, fair value was estimated as the price of the Company's common stock at the close of trading on the date of grant. As restricted awards subject to service or performance conditions granted after February 14, 2017 are not dividend-protected, fair value is estimated as the price of the Company's common stock at the close of trading on the date of grant, less the present value of dividends expected to be paid during the vesting period. A Monte Carlo simulation is used to estimate the fair value of restricted stock units subject to market conditions.

The Company uses the Black-Scholes-Merton option-pricing formula to estimate the fair value of stock options and ESPP shares. The fair value of stock options and ESPP shares is estimated on the grant date using complex and subjective inputs, such as the expected volatility of the Company's common stock over the expected term of the award and projected employee exercise behavior.

Assumptions used to estimate the fair value of equity-based compensation awards granted during the period were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Restricted stock units subject to market conditions:				
Expected volatility	53.1%	55.9%	53.1%	55.9%
Expected term	2.5 years	2.7 years	2.5 years	3.0 years
Risk-free interest rate	1.5%	1.0%	1.5%	1.0%
Expected dividend yield	3.9%	0.0%	3.9%	0.0%
ESPP shares:				
Expected volatility	42.2%	50.4%	42.0%	55.6%
Expected term	1.3 years	1.3 years	1.3 years	1.3 years
Risk-free interest rate	1.3%	0.5%	1.1%	0.6%
Expected dividend yield	3.9%	0.0%	2.4%	0.0%
Stock options:				
Expected volatility	N/A	55.5%	N/A	55.7%
Expected term	N/A	4.1 years	N/A	4.1 years
Risk-free interest rate	N/A	0.9%	N/A	1.1%
Expected dividend yield	N/A	0.0%	N/A	0.0%

Expected volatility is estimated using a combination of historical volatility and implied volatility derived from publicly-traded options on the Company's common stock. When historical data is available and relevant, the expected term of the award is estimated by calculating the average term from historical experience. When there is insufficient historical data to provide a reasonable basis on which to estimate the expected term, the Company uses an average of the vesting period and the contractual term of the award to estimate the expected term of the award. The risk-free interest rate is the yield on U.S. Treasury zero-coupon bonds with remaining terms similar to the expected term of the award at the grant date. For awards granted prior to February 14, 2017, the Company assumed an expected dividend yield of zero as it had not historically paid a dividend. For awards granted subsequent to February 14, 2017, the Company assumes a constant dividend yield commensurate with dividend yield at the grant date. The number of awards expected to vest during the requisite service period is estimated at the time of grant using historical data and equity-based compensation is only recognized for awards for which the requisite service is expected to be rendered. Forfeiture estimates are revised during the requisite service period and the effect of changes in the number of awards expected to vest during the requisite service period is recognized as a cumulative effect adjustment in the period estimates are revised.

The weighted-average grant date fair value of equity-based awards (per award) and pre-tax equity-based compensation expense (in thousands) was as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Restricted awards	$ 17.05	$ 16.70	$ 17.48	$ 22.98
ESPP shares	$ 5.78	$ 7.02	$ 5.70	$ 7.30
Stock options	N/A	$ 7.21	N/A	$ 10.15
Pre-tax equity-based compensation, excluding amounts included in restructuring expense	$ 13,007	$ 13,676	$ 38,781	$ 32,031
Pre-tax equity-based compensation, included in restructuring expense	$ 456	$ 14,731	$ 2,374	$ 14,731

Included in Pre-tax equity-based compensation, excluding amounts included in restructuring expense is $3.5 million of expense for the three and nine months ended September 30, 2016 related to the incremental fair value resulting from the replacement of TiVo Solutions equity-based awards with corresponding TiVo Corporation equity-based awards.

As of September 30, 2017, there was $79.2 million of unrecognized compensation cost, net of estimated forfeitures, related to unvested equity-based awards which is expected to be recognized over a remaining weighted average period of 2.4 years.

Equity-Based Compensation Award Activity

Activity related to the Company's restricted awards for the nine months ended September 30, 2017 was as follows:

	Restricted Awards (In Thousands)	Weighted-Average Grant Date Fair Value
Outstanding as of beginning of period	5,162	$ 21.80
Granted	2,719	$ 17.48
Vested	(2,212)	$ 22.34
Forfeited	(384)	$ 20.42
Outstanding as of end of period	5,285	$ 19.49

As of September 30, 2017, 4.6 million restricted stock units were unvested, which includes 0.5 million performance-based restricted stock units. As of September 30, 2017, 0.7 million shares of restricted stock were unvested. The aggregate fair value of restricted awards vested during the three months ended September 30, 2017 and 2016 was $5.0 million and $13.1 million, respectively. The aggregate fair value of restricted awards vested during the nine months ended September 30, 2017 and 2016 was $41.6 million and $34.5 million, respectively.

Activity related to the Company's stock options for the nine months ended September 30, 2017 was as follows:

	Options (In Thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value (In Thousands)
Outstanding as of beginning of period	3,938	$ 28.21		
Exercised	(463)	$ 14.56		
Forfeited and expired	(1,011)	$ 37.29		
Outstanding as of end of period	2,464	$ 27.05	2.7 years	$ 537
Vested and expected to vest as of September 30, 2017	2,430	$ 27.11	2.6 years	$ 531
Exercisable as of September 30, 2017	2,049	$ 27.83	2.4 years	$ 486

The aggregate intrinsic value in the table above represents the total pre-tax intrinsic value that option holders would have received had all option holders exercised their options at the end of the last trading day in the period. The aggregate intrinsic value is the difference between the closing price of the Company's common stock on the last trading day of the period and the exercise price of the option, multiplied by the number of in-the-money options.

The aggregate intrinsic value of stock options exercised is the difference between the market price of the Company's common stock at the time of exercise and the exercise price of the stock option multiplied by the number of stock options exercised. The aggregate intrinsic value of stock options exercised during the three months ended September 30, 2017 and 2016 was immaterial. The aggregate intrinsic value of stock options exercised during the nine months ended September 30, 2017 and 2016 was $2.0 million and $0.7 million, respectively.

(13) Income Taxes

Due to the fact that the Company has significant net operating loss carryforwards and has recorded a valuation allowance against a significant portion of its deferred tax assets, foreign withholding taxes are the primary driver of Income tax expense (benefit).

During the three and nine months ended September 30, 2016, the Company recorded an income tax benefit of $88.1 million due to a change in the deferred tax asset valuation allowance resulting from the TiVo Acquisition. In connection with the TiVo Acquisition, a deferred tax liability was recorded for finite-lived intangible assets. These deferred tax liabilities are considered a source of future taxable income which allowed TiVo Corporation to reduce its pre-acquisition deferred tax asset valuation allowance. The change in the pre-acquisition deferred tax asset valuation allowance is a transaction recognized separate from the business combination and reduces income tax expense in the period of the business combination.

Components of Income tax expense (benefit) were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Foreign withholding tax	$ 4,106	$ 3,316	$ 11,118	$ 9,759
State income tax	(992)	140	143	263
Foreign income tax	252	934	996	1,771
Increase in (release of) deferred tax asset valuation allowance	348	(88,138)	195	(88,138)
Change in net deferred tax liabilities	691	303	1,372	1,224
Change in unrecognized tax benefits	(64)	—	(8)	296
Income tax expense (benefit)	$ 4,341	$ (83,445)	$ 13,816	$ (74,825)

The Company believes it has provided adequate reserves for all tax deficiencies or reductions in tax benefits that could result from U.S. federal, state and foreign tax audits. The Company regularly assesses potential outcomes of these audits in order to determine the appropriateness of its tax provision. Adjustments to accruals for unrecognized tax benefits are made to reflect the impact of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular income tax audit. However, income tax audits are inherently unpredictable and there can be no assurance that the Company will accurately predict the outcome of these audits. The amounts ultimately paid on resolution of an audit could be materially different from the amounts previously recognized, and therefore the resolution of one or more of these uncertainties in any particular period could have a material adverse impact on the Condensed Consolidated Financial Statements.

(14) Segment Information

Reportable segments are identified based on the Company's organizational structure and information reviewed by the Company’s chief operating decision maker ("CODM") to evaluate performance and allocate resources. The Company's operations are organized into two reportable segments for financial reporting purposes: Intellectual Property Licensing and Product. The Intellectual Property Licensing segment consists primarily of licensing the Company's patent portfolio to U.S. and international pay-television providers (directly and through their suppliers), mobile device manufacturers, consumer electronics ("CE") manufacturers and over-the-top ("OTT") video providers. The Product segment consists primarily of licensing Company-developed IPG products and services to multi-channel video service providers and CE manufacturers, in-guide advertising revenue, data analytics revenue and revenue from licensing the TiVo service, licensing metadata and selling TiVo-enabled devices. The Product segment also includes sales of legacy Analog Content Protection, VCR Plus+ and media recognition products.

During the first quarter of 2017, the Company reorganized the presentation of revenue within its Intellectual Property Licensing segment to US Pay TV Providers and Other to better portray its growth strategy. Revenue from US Pay TV Providers includes direct and indirect licensing of multi-channel linear video providers regardless of the particular distribution technology (e.g., cable, satellite or the internet). Specifically, this includes licensing to traditional Pay TV providers and internet-based Pay TV providers based in the U.S. Other revenue includes licensing international Pay TV providers, mobile device manufacturers, CE manufacturers and on-demand OTT video providers. Revenue within the Intellectual Property Licensing segment for prior periods has been reclassified to conform to the current presentation.

Segment results are derived from the Company's internal management reporting system. The accounting policies used to derive segment results are substantially the same as those used by the consolidated company. Intersegment revenues and expenses have been eliminated from segment financial information as transactions between reportable segments are excluded from the measure of segment profitability reviewed by the CODM. In addition, certain costs are not allocated to the segments as they are considered corporate costs. Corporate costs primarily include general and administrative costs such as corporate management, finance, legal and human resources. The CODM uses an Adjusted EBITDA (as defined below) measure to evaluate the performance of, and allocate resources to, the segments. Segment balance sheets are not used by the CODM to allocate resources or assess performance.

Segment results were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Intellectual Property Licensing				
US Pay TV Providers	$ 63,288	$ 58,150	$ 195,365	$ 135,027
Other	31,020	24,936	93,859	72,038
Revenues, net	94,308	83,086	289,224	207,065
Adjusted Operating Expenses (1)	24,243	19,349	69,247	51,203
Adjusted EBITDA (2)	70,065	63,737	219,977	155,862
Product				
Platform Solutions	82,244	47,285	253,398	119,364
Software and Services	20,718	19,994	65,739	59,863
Other	628	2,756	3,859	10,458
Revenues, net	103,590	70,035	322,996	189,685
Adjusted Operating Expenses (1)	91,307	59,807	280,314	150,957
Adjusted EBITDA (2)	12,283	10,228	42,682	38,728
Corporate:				
Adjusted Operating Expenses (1)	15,851	14,151	47,084	38,406
Adjusted EBITDA (2)	(15,851)	(14,151)	(47,084)	(38,406)
Consolidated:				
Total Revenues, net	197,898	153,121	612,220	396,750
Adjusted Operating Expenses (1)	131,401	93,307	396,645	240,566
Adjusted EBITDA (2)	66,497	59,814	215,575	156,184
Depreciation	5,015	4,622	15,869	13,181
Amortization of intangible assets	41,722	24,925	125,100	63,087
Restructuring and asset impairment charges	3,710	22,311	17,623	24,644
Equity-based compensation	13,007	13,676	38,781	32,031
Transaction, transition and integration costs	3,394	13,996	15,701	20,039
Earnout amortization and settlement	958	319	2,875	1,508
Remeasurement of contingent consideration	243	—	317	—
Gain on settlement of acquired receivable	—	—	(2,537)	—
Change in franchise tax reserve	—	—	—	154
Operating (loss) income	(1,552)	(20,035)	1,846	1,540
Interest expense	(10,990)	(11,021)	(31,827)	(32,411)
Interest income and other, net	1,059	353	3,819	322
(Loss) income on interest rate swaps	(39)	1,697	(1,374)	(16,897)
TiVo Acquisition litigation	(1,100)	—	(14,006)	—
Loss on debt extinguishment	—	—	(108)	—
Loss on debt modification	—	—	(929)	—
Loss before income taxes	$ (12,622)	$ (29,006)	$ (42,579)	$ (47,446)

(1) Adjusted Operating Expenses is defined as operating expenses excluding depreciation, amortization of intangible assets, restructuring and asset impairment charges, equity-based compensation, transaction, transition and integration costs, gain on settlement of acquired receivable, retention earn-outs payable to former shareholders of acquired businesses, earn-out settlements, changes in contingent consideration and changes in franchise tax reserves.

(2) Adjusted EBITDA is defined as operating income excluding depreciation, amortization of intangible assets, restructuring and asset impairment charges, equity-based compensation, transaction, transition and integration costs,

gain on settlement of acquired receivable, retention earn-outs payable to former shareholders of acquired businesses, earn-out settlements, changes in contingent consideration and changes in franchise tax reserves.

(15) Subsequent Event

On November 1, 2017, TiVo Corporation's Board of Directors declared a cash dividend of $0.18 per share, payable on December 20, 2017, to stockholders of record on December 6, 2017.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This Quarterly Report on Form 10-Q for TiVo Corporation (the "Company," "we" or "us") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities and Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, including the discussion contained in Item 2., "Management's Discussion and Analysis of Financial Condition and Results of Operations." We have based these forward-looking statements on our current expectations and projections about future events or future financial performance, which include implementing our business strategy, successfully integrating Rovi Corporation ("Rovi") and TiVo Inc. (renamed TiVo Solutions Inc. ("TiVo Solutions")) following our acquisition of TiVo Inc. on September 7, 2016, realizing planned synergies and cost-savings associated with the TiVo Acquisition, developing and introducing new technologies, obtaining, maintaining and expanding market acceptance of the technologies we offer, successfully renewing intellectual property licenses with the major North American service providers and competition in our markets.

In some cases, these forward-looking statements can be identified by terminology such as "may," "will," "should," "expect," "plan," "anticipate," "believe," "estimate," "future," "predict," "potential," "intend," or "continue," and similar expressions. These statements are based on the beliefs and assumptions of our management and on information currently available to our management. Our actual results, performance and achievements may differ materially from the results, performance and achievements expressed or implied in such forward-looking statements. For a discussion of some of the factors that might cause such a difference, see the "Risk Factors" contained in Part II, Item 1A. of this Quarterly Report on Form 10-Q. Except as required by law, we specifically disclaim any obligation to update such forward-looking statements.

The following commentary should be read in conjunction with the Condensed Consolidated Financial Statements and related notes contained in our Annual Report on Form 10-K for the year ended December 31, 2016 and the Condensed Consolidated Financial Statements and related notes contained in Part I, Item 1. of this Quarterly Report on Form 10-Q.

Executive Overview of Results

On September 7, 2016 (the "TiVo Acquisition Date"), Rovi Corporation ("Rovi") completed its acquisition of TiVo Inc. (renamed TiVo Solutions Inc. ("TiVo Solutions")), a global leader in next-generation video technology and innovative cloud-based software-as-a-service solutions, for $1.1 billion (the "TiVo Acquisition"). The TiVo Acquisition created a new company, TiVo Corporation ("TiVo" or the "Company"), which is a global leader in entertainment technology and audience insights. From the interactive program guide ("IPG") to the digital video recorder ("DVR"), we provide innovative products and licensable technologies that enable the world's leading media and entertainment companies to deliver the ultimate entertainment experience and improve how people find content across a changing media landscape. For further details on the TiVo Acquisition, see Note 2 of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein.

Our operations are organized into two reportable segments for financial reporting purposes: Intellectual Property Licensing and Product. The Intellectual Property Licensing segment consists primarily of licensing our patent portfolio to U.S. and international pay-television providers (directly and through their suppliers), mobile device manufacturers, consumer electronics ("CE") manufacturers and over-the-top ("OTT") video providers. Our broad portfolio of licensable technology patents covers many aspects of content discovery, DVR, video-on-demand ("VOD"), OTT experiences, multi-screen functionality and personalization, as well as interactive applications and advertising. We group our Intellectual Property Licensing revenues into two verticals based primarily on the business of our customer: US Pay TV Providers and Other. Revenue from US Pay TV Providers includes direct and indirect licensing of multi-channel linear video providers regardless of the particular distribution technology (e.g., cable, satellite or the internet). Specifically, this includes licensing to traditional Pay TV providers and internet-based Pay TV providers based in the U.S. Other revenue includes licensing international Pay TV providers, mobile device manufacturers, CE manufacturers and on-demand OTT video providers.

The Product segment consists primarily of the licensing of Company-developed IPG products and services to multi-channel video service providers and CE manufacturers, in-guide advertising revenue, analytics revenue and revenue from licensing the TiVo service, licensing metadata and selling TiVo-enabled devices. We group our Product revenues into three verticals based on the products delivered to our customer: Platform Solutions; Software and Services; and Other. Platform Solutions includes revenue from licensing Company-developed IPG products and the TiVo service and selling TiVo-enabled devices. Software and Services includes revenue from licensing our metadata, advanced search and recommendation and data analytics products, as well as in-guide advertising revenue. Other revenue includes sales of legacy Analog Content Protection ("ACP"), VCR Plus+ and media recognition products.

Total Revenues, net for the three months ended September 30, 2017 increased by 29% compared to the prior year primarily as a result of the TiVo Acquisition, as including TiVo Solutions' results for the full period increased revenue by $63.5 million. The benefit from higher TiVo Solutions revenue was partially offset by lower revenue from the remainder of Intellectual Property Licensing and Product. For additional details on the changes in Total Revenues, net, see the discussion of our segment results below.

Our Intellectual Property Licensing contract with Comcast Corporation ("Comcast") expired on March 31, 2016. Our Product relationship with Comcast, primarily a metadata license, remained in effect through September 2017. The expiration of our intellectual property license with Comcast, as well as litigation initiated against Comcast, has resulted in a reduction of revenue and an increase in litigation costs. While the Company anticipates Comcast will eventually execute a new intellectual property license, the length of time that Comcast is out of license prior to executing a new license is uncertain. The amount of revenue recognized in the reporting period a license is executed is uncertain and will depend on a variety of factors, including license terms such as duration, pricing, covered products and fields of use, and the duration of the out-of-license period. In addition, while litigation costs may increase, whether the litigation initiated against Comcast will cause total expenses to increase or decrease longer-term will be a function of several factors, including the length of time Comcast is out of license and the length of time we remain in litigation with Comcast.

For the three months ended September 30, 2017, our Net loss was $17.0 million, or $0.14 per diluted share, compared to a Net income of $49.9 million, or $0.54 per diluted share, in the prior year. The change was primarily due to the three months ended September 30, 2016 including an income tax benefit of $88.1 million due to a change in the deferred tax asset valuation allowance resulting from the TiVo Acquisition which was partially offset by a decrease in Restructuring and asset impairment charges of $18.6 million.

Comparison of Three Months Ended September 30, 2017 and 2016

The consolidated results of operations for the three months ended September 30, 2017 compared to the prior year were as follows (dollars in thousands):

	Three Months Ended September 30,			
	2017	2016	Change $	Change %
Revenues, net:				
Licensing, services and software	$ 188,031	$ 148,509	$ 39,522	27 %
Hardware	9,867	4,612	5,255	114 %
Total Revenues, net	197,898	153,121	44,777	29 %
Costs and expenses:				
Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets	42,811	31,661	11,150	35 %
Cost of hardware revenues, excluding depreciation and amortization of intangible assets	9,889	4,560	5,329	117 %
Research and development	48,872	30,380	18,492	61 %
Selling, general and administrative	47,431	54,697	(7,266)	(13)%
Depreciation	5,015	4,622	393	9 %
Amortization of intangible assets	41,722	24,925	16,797	67 %
Restructuring and asset impairment charges	3,710	22,311	(18,601)	(83)%
Total costs and expenses	199,450	173,156	26,294	15 %
Operating loss	(1,552)	(20,035)	18,483	(92)%
Interest expense	(10,990)	(11,021)	31	— %
Interest income and other, net	1,059	353	706	200 %
(Loss) income on interest rate swaps	(39)	1,697	(1,736)	(102)%
TiVo Acquisition litigation	(1,100)	—	(1,100)	N/a
Loss before income taxes	(12,622)	(29,006)	16,384	(56)%
Income tax expense (benefit)	4,341	(83,445)	87,786	(105)%
(Loss) income from continuing operations, net of tax	(16,963)	54,439	(71,402)	(131)%
Loss from discontinued operations, net of tax	—	(4,517)	4,517	(100)%
Net (loss) income	$ (16,963)	$ 49,922	$ (66,885)	(134)%

	Nine Months Ended September 30, 2017	2016	Change $	Change %
Revenues, net:				
Licensing, services and software	$ 577,545	$ 390,998	$ 186,547	48 %
Hardware	34,675	5,752	28,923	503 %
Total Revenues, net	612,220	396,750	215,470	54 %
Costs and expenses:				
Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets	124,398	78,651	45,747	58 %
Cost of hardware revenues, excluding depreciation and amortization of intangible assets	35,877	5,072	30,805	607 %
Research and development	144,386	76,112	68,274	90 %
Selling, general and administrative	147,121	134,463	12,658	9 %
Depreciation	15,869	13,181	2,688	20 %
Amortization of intangible assets	125,100	63,087	62,013	98 %
Restructuring and asset impairment charges	17,623	24,644	(7,021)	(28)%
Total costs and expenses	610,374	395,210	215,164	54 %
Operating income	1,846	1,540	306	20 %
Interest expense	(31,827)	(32,411)	584	(2)%
Interest income and other, net	3,819	322	3,497	1,086 %
Loss on interest rate swaps	(1,374)	(16,897)	15,523	(92)%
TiVo Acquisition litigation	(14,006)	—	(14,006)	N/a
Loss on debt extinguishment	(108)	—	(108)	N/a
Loss on debt modification	(929)	—	(929)	N/a
Loss before income taxes	(42,579)	(47,446)	4,867	(10)%
Income tax expense (benefit)	13,816	(74,825)	88,641	(118)%
(Loss) income from continuing operations, net of tax	(56,395)	27,379	(83,774)	(306)%
Loss from discontinued operations, net of tax	—	(4,517)	4,517	(100)%
Net (loss) income	$ (56,395)	$ 22,862	$ (79,257)	(347)%

Total Revenues, net

For the three months ended September 30, 2017, Total Revenues, net increased 29% compared to the prior year as Intellectual Property Licensing and Product revenues increased $11.2 million and $33.6 million, respectively. These increases were primarily a result of the TiVo Acquisition. Intellectual Property Licensing generated 47.7% and 54.3% of Total Revenues, net for the three months ended September 30, 2017 and 2016, respectively.

For the nine months ended September 30, 2017, Total Revenues, net increased 54% compared to the prior year as Intellectual Property Licensing and Product revenues increased $82.2 million and $133.3 million, respectively. These increases were primarily a result of the TiVo Acquisition. Intellectual Property Licensing generated 47.2% and 52.2% of Total Revenues, net for the nine months ended September 30, 2017 and 2016, respectively.

For additional details on the changes in Total Revenues, net, see the discussion of our segment results below.

Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets

Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets, consist primarily of employee-related costs, patent prosecution, maintenance and litigation costs and an allocation of overhead and facilities costs, as well as service center and other expenses related to providing the TiVo service.

For the three months ended September 30, 2017, Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets increased 35% compared to the prior year primarily as a result of the TiVo Acquisition, as including TiVo Solutions' results for the full period increased costs by $7.6 million. Other than the effects of including TiVo Solutions in the results for the full period, Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets increased $3.6 million from the prior period primarily due to a $2.8 million increase in patent litigation and maintenance costs which primarily relate to the ongoing Comcast litigation.

For the nine months ended September 30, 2017, Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets increased 58% compared to the prior year primarily as a result of the TiVo Acquisition, as including TiVo Solutions' results for the full period increased costs by $40.4 million. Other than the effects of including TiVo Solutions in the results for the full period, Cost of licensing, services and software revenues, excluding depreciation and amortization of intangible assets increased $5.3 million from the prior period due to a $7.5 million increase in patent litigation and maintenance costs which primarily relate to the ongoing Comcast litigation, which were partially offset by a $2.9 million decrease in compensation costs.

Cost of hardware revenues, excluding depreciation and amortization of intangible assets

Cost of hardware revenues, excluding depreciation and amortization of intangible assets includes all product-related costs associated with TiVo-enabled devices, including manufacturing costs, employee-related costs, warranty costs and order fulfillment costs, as well as certain licensing costs and an allocation of overhead and facilities costs. Hardware is sold primarily as a means to grow our Licensing, services and software revenues and, as a result, generating positive gross margins from hardware sales is not the primary goal of the hardware operations.

For the three months ended September 30, 2017, the increase in Cost of hardware revenues, excluding depreciation and amortization of intangible assets was attributable to including TiVo Solutions' results for the full period.

For the nine months ended September 30, 2017, the increase in Cost of hardware revenues, excluding depreciation and amortization of intangible assets was attributable to including TiVo Solutions' results for the full period and an increase in Transaction, transition and integration costs associated with the TiVo Acquisition of $1.0 million.

Research and development

Research and development expenses are comprised primarily of employee-related costs, consulting costs and an allocation of overhead and facilities costs.

For the three months ended September 30, 2017, Research and development expenses increased 61% compared to the prior year primarily as a result of the TiVo Acquisition, as including TiVo Solutions' results for the full period increased costs by $19.5 million. Other than the effects of including TiVo Solutions in the results for the full period, Research and development costs decreased $1.0 million primarily due to a $0.8 million decrease in Transaction, transition and integration costs associated with the TiVo Acquisition.

For the nine months ended September 30, 2017, Research and development expenses increased 90% compared to the prior year primarily as a result of the TiVo Acquisition, as including TiVo Solutions' results for the full period increased costs by $70.5 million. Other than the effects of including TiVo Solutions in the results for the full period, Research and development costs decreased $2.2 million primarily due to a $2.9 million decrease in compensation costs, partially offset by an increase in Transaction, transition and integration costs associated with the TiVo Acquisition of $1.9 million.

Selling, general and administrative

Selling expenses are comprised primarily of employee-related costs, including travel costs, advertising costs and an allocation of overhead and facilities costs. General and administrative expenses are comprised primarily of employee-related costs, including travel costs, corporate accounting, consulting, legal and tax fees and an allocation of overhead and facilities costs.

The 13% decrease in Selling, general and administrative expenses for the three months ended September 30, 2017 was primarily due to a $9.7 million decrease in Transaction, transition and integration costs associated with the TiVo Acquisition, which was partially offset by a $0.9 million increase in consulting costs, including TiVo Solutions' results for the full period which increased costs by $0.8 million and a $0.7 million increase in compensation costs.

The 9% increase in Selling, general and administrative expenses during the nine months ended September 30, 2017 was primarily due to the TiVo Acquisition as including TiVo Solutions' results for the full period increased costs by $21.8 million. Other than the effects of including TiVo Solutions in the results for the full period, Selling, general and administrative costs decreased $9.1 million primarily as a result of a $7.5 million decrease in Transaction, transition and integration costs associated with the TiVo Acquisition and a $1.5 million decrease in compensation costs.

We anticipate incurring transition and integration-related costs, primarily consisting of employee-related costs and information systems investments in connection with integrating the operations of TiVo Solutions with the operations of Rovi through the first half of 2018.

Depreciation and Amortization of intangible assets

For the three and nine months ended September 30, 2017, Depreciation and Amortization of intangible assets increased from the prior year due to the TiVo Acquisition. For the three and nine months ended September 30, 2017, the inclusion of TiVo Solutions increased Depreciation by $1.5 million and $6.0 million, respectively, and increased Amortization of intangible assets by $17.2 million and $63.3 million, respectively.

Restructuring and asset impairment charges

TiVo Integration Restructuring Plan

Following completion of the TiVo Acquisition, integration plans were implemented which are intended to realize operational synergies between Rovi and TiVo Solutions (the "TiVo Integration Restructuring Plan"). We expect to eliminate duplicative positions resulting in severance costs and the termination of certain leases and other contracts as part of the integration plans. We expect to generate over $100 million in annualized cost synergies from the TiVo Acquisition and have taken actions to produce approximately $90 million of run-rate synergies as of September 30, 2017. We expect to achieve the remaining cost synergies in the first half of 2018. As a result of these actions, Restructuring and asset impairment charges of $3.9 million and $17.1 million, respectively, were recognized in connection with the TiVo Integration Restructuring Plan in the three and nine months ended September 30, 2017 primarily related to termination and transition agreements executed with former TiVo Solutions' employees. Restructuring and asset impairment charges for the nine months ended September 30, 2017 also includes an impairment charge of $6.7 million from vacating a leased facility.

We expect to incur restructuring costs in connection with the TiVo Integration Restructuring Plan through the first half of 2018.

Legacy Rovi Restructuring Plans

In the three months ended March 31, 2016, Rovi initiated certain facility rationalization activities (the "Legacy Rovi Restructuring Plans"), including relocating its corporate headquarters from Santa Clara, California to San Carlos, California and consolidating its Silicon Valley operations into the corporate headquarters, and eliminating a number of positions associated with a reorganization of the sales force structure, downsizing the global services workforce and eliminating certain general and administrative positions. As a result of changes in estimates related to sublease rental rates expected to be obtained for vacated facilities, Restructuring and asset impairment charges were reduced by $0.2 million in the three months ended September 30, 2017. As a result of the Legacy Rovi Restructuring Plans, Restructuring and asset impairment charges of $0.6 million and $2.3 million, respectively, were recognized in the nine months ended September 30, 2017 and 2016.

Interest income and other, net

The $0.7 million increase in Interest income and other, net during the three months ended September 30, 2017 was primarily due to a decreased loss on foreign currency of $0.4 million. The $3.5 million increase in Interest income and other, net during the nine months ended September 30, 2017 was primarily due to a $3.1 million gain from the sale of strategic investments.

(Loss) income on interest rate swaps

We have not designated any of our interest rate swaps as hedges for accounting purposes. Therefore, changes in the fair value of our interest rate swaps are not offset by changes in the fair value of the related hedged item in our Condensed Consolidated Statements of Operations (see Note 9 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein). We generally utilize interest rate swaps to convert the interest rate on a portion of our loans with a floating interest rate to a fixed interest rate. Under the terms of our interest rate swaps, we generally receive a floating rate of interest and pay a fixed rate of interest. When there is an increase in expected future London Interbank Offering Rate ("LIBOR"), we generally have gains when adjusting our interest rate swaps to fair value. When there is a decrease in expected future LIBOR, we generally have losses when adjusting our interest rate swaps to fair value.

TiVo Acquisition litigation

On November 15, 2016, holders of 9.1 million shares of TiVo Solutions common stock outstanding at the TiVo Acquisition Date who did not vote to approve the TiVo Acquisition filed a petition for appraisal ("Dissenting Holders", and the shares held by such Dissenting Holders, the "Dissenting Shares") in the Delaware Court of Chancery.

On March 27, 2017, TiVo Corporation agreed to settle the claims of the Dissenting Holders for $117.0 million, which was paid in cash in April 2017. In connection with the settlement, in March 2017, the exchange agent in the TiVo Acquisition returned $25.1 million in cash related to the Dissenting Holders to TiVo Corporation. As the amount paid to Dissenting Holders resulted from a settlement other than a judgment from the Delaware Court of Chancery, a TiVo Acquisition litigation loss of $12.9 million was recognized in the Condensed Consolidated Statements of Operations for the nine months ended September 30, 2017. The TiVo Acquisition litigation loss represents the settlement amount in excess of the amount due to the Dissenting Holders as merger consideration.

In the three months ended September 30, 2017, a $1.1 million loss was recognized related to a separate TiVo Acquisition litigation matter.

Loss on debt extinguishment and Loss on debt modification

On January 26, 2017, TiVo Corporation, as parent guarantor, two of its wholly-owned subsidiaries, Rovi Solutions Corporation and Rovi Guides, Inc., as borrowers, and certain of TiVo Corporation's other subsidiaries, as subsidiary guarantors, entered into Refinancing Agreement No. 1 with respect to Term Loan Facility B. The $682.5 million in proceeds from Refinancing Agreement No. 1 was used to repay existing loans under Term Loan Facility B in full. The refinancing of Term Loan Facility B resulted in a Loss on debt extinguishment of $0.1 million and a Loss on debt modification of $0.9 million for the nine months ended September 30, 2017. Creditors in Term Loan Facility B that elected not to participate in Refinancing Agreement No. 1 were extinguished. Creditors in Term Loan Facility B that elected to participate in Refinancing Agreement No. 1 and for which the present value of future cash flows was not substantially different were accounted for as a debt modification.

Income tax expense (benefit)

Due to our significant net operating loss carryforwards and a valuation allowance applied against a significant portion of our deferred tax assets, foreign withholding taxes are the primary driver of our Income tax expense (benefit).

We recorded Income tax expense for the three months ended September 30, 2017 of $4.3 million, which primarily consists of $4.1 million of foreign withholding taxes, a $0.7 million increase in net deferred tax liabilities and a $0.3 million increase in our deferred tax asset valuation allowance, partially offset by a $1.0 million reduction of state income taxes.

We recorded Income tax benefit for the three months ended September 30, 2016 of $83.4 million, which primarily consists of an income tax benefit of $88.1 million due to a change in the deferred tax asset valuation allowance resulting from the TiVo Acquisition. In connection with the TiVo Acquisition, a deferred tax liability was recorded for finite-lived intangible assets. These deferred tax liabilities are considered a source of future taxable income which allowed TiVo Corporation to reduce its pre-acquisition deferred tax asset valuation allowance. The change in the pre-acquisition deferred tax asset valuation allowance is a transaction recognized separate from the business combination and reduces income tax expense in the period of the business combination. Offsetting the change in the deferred tax asset valuation allowance was $3.3 million of foreign withholding taxes and $0.9 million of foreign income taxes.

We recorded Income tax expense for the nine months ended September 30, 2017 of $13.8 million, which primarily consists of $11.1 million of foreign withholding taxes, a $1.4 million increase in net deferred tax liabilities and $1.0 million of foreign income taxes. We recorded Income tax benefit for the nine months ended September 30, 2016 of $74.8 million, which primarily consists of an income tax benefit of $88.1 million due to a change in the deferred tax asset valuation allowance resulting from the TiVo Acquisition. Offsetting the change in the deferred tax asset valuation allowance was $9.8 million of foreign withholding taxes, $1.8 million of foreign income taxes and a $1.2 million increase in net deferred tax liabilities.

The year-over-year increase in foreign withholding taxes for three and nine months ended September 30, 2017 was due to a larger portion of license fees received in 2017 coming from licensees in countries subject to foreign withholding taxes.

Segment Results

We report segment information in the same way management internally organizes the business for assessing performance and making decisions regarding the allocation of resources to the business units. The terms Adjusted Operating Expenses and Adjusted EBITDA in the following discussion use the definitions provided in Note 14 of the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein.

During the first quarter of 2017, the Company reorganized the presentation of revenue within its Intellectual Property Licensing segment to US Pay TV Providers and Other to better portray our growth strategy. Revenue within the Intellectual Property Licensing segment for prior periods has been reclassified to conform to the current presentation.

Intellectual Property Licensing

The Intellectual Property Licensing segment's results of operations for the three and nine months ended September 30, 2017 compared to the prior year were as follows (dollars in thousands):

	Three Months Ended September 30,			
	2017	2016	Change $	Change %
US Pay TV Providers	$ 63,288	$ 58,150	$ 5,138	9%
Other	31,020	24,936	6,084	24%
Intellectual Property Licensing Revenues	94,308	83,086	11,222	14%
Adjusted Operating Expenses	24,243	19,349	4,894	25%
Adjusted EBITDA	$ 70,065	$ 63,737	$ 6,328	10%
Adjusted EBITDA Margin	74.3%	76.7%		

	Nine Months Ended September 30,			
	2017	2016	Change $	Change %
US Pay TV Providers	$ 195,365	$ 135,027	$ 60,338	45%
Other	93,859	72,038	21,821	30%
Intellectual Property Licensing Revenues	289,224	207,065	82,159	40%
Adjusted Operating Expenses	69,247	51,203	18,044	35%
Adjusted EBITDA	$ 219,977	$ 155,862	$ 64,115	41%
Adjusted EBITDA Margin	76.1%	75.3%		

For the three months ended September 30, 2017, Intellectual Property Licensing revenue increased 14% compared to the prior year due to a 9% increase in US Pay TV Providers revenue and a 24% increase in Other revenue. Revenue from US Pay TV Providers increased primarily due to an increase of $18.4 million in TiVo Solutions revenue. Partially offsetting this increase was an $8.7 million decrease in revenue from licenses with large US Pay TV Providers primarily due to agreements executed in 2016 that included catch-up payments intended to make us whole for the pre-license period of use and the loss of $3.3 million in revenue from TiVo Solutions prior to the TiVo Acquisition Date. The increase in Other revenue was primarily due to an increase of $6.6 million in revenue from license agreements which include catch-up payments intended to make us whole for the pre-license period of use.

For the nine months ended September 30, 2017, Intellectual Property Licensing revenue increased 40% compared to the prior year due to a 45% increase in US Pay TV Providers revenue and a 30% increase in Other revenue. Revenue from US Pay TV Providers increased primarily due to an increase of $72.2 million in TiVo Solutions revenue. Partially offsetting this increase was the expiration of the Comcast license on March 31, 2016 and the loss of $7.3 million of revenue from TiVo Solutions prior to the TiVo Acquisition Date. The increase in Other revenue was primarily due to an increase of $21.2 million of TiVo Solutions revenue, which includes an increase of $13.6 million in catch-up payments in intended to make us whole for the pre-license period of use.

Prior to the TiVo Acquisition Date, TiVo Solutions entered into intellectual property licenses and settlements with AT&T, EchoStar and Verizon Communications, Inc. These agreements expire in July 2018. Revenue from US Pay TV Providers includes $18.4 million and $55.5 million for the three and nine months ended September 30, 2017, respectively, from these agreements. Based on current U.S. GAAP, revenue and cash received from the contractual minimums under these licenses are expected to be as follows (in thousands):

	Revenues	Cash Receipts
Remainder of 2017	$ 18,307	$ 6,016
2018	42,715	32,714
Thereafter	—	21,558
Total	$ 61,022	$ 60,288

Prior to the TiVo Acquisition Date, TiVo Solutions also entered into a software and patent non-assertion agreement with DirecTV, which expires in February 2018. Revenue for the three and nine months ended September 30, 2017 from US Pay TV Providers includes $5.2 million and $15.6 million, respectively, from this agreement and we anticipate recognizing an additional $5.7 million in revenue during the remainder of 2017 and $2.8 million in the first quarter of 2018 from this agreement.

Consistent with our expectations, to date, renewals of the prior TiVo Solutions intellectual property licenses described above have not been executed on terms consistent with TiVo Solutions' historical pricing, and we do not anticipate that the remaining agreements will be renewed on terms similar to their historical pricing. We do, however, anticipate generating meaningful future revenues from licensing the TiVo Solutions patent portfolio to other parties (such as the Samsung license agreement executed in the fourth quarter of 2016).

Intellectual Property Licensing Adjusted Operating Expenses increased 25% and 35% during the three and nine months ended September 30, 2017, respectively, primarily due to the effect of including TiVo Solutions' results for the full period and an increase of $2.8 million and $7.5 million, respectively, for patent litigation and maintenance costs which primarily relate to the ongoing Comcast litigation.

The decline in Adjusted EBITDA Margin for Intellectual Property Licensing in the three months ended September 30, 2017 is primarily the result of the increase in patent litigation and maintenance costs discussed above. The improvement in Adjusted EBITDA Margin for Intellectual Property Licensing in the nine months ended September 30, 2017 is primarily the result of the increase in revenue, partially offset by the increase in patent litigation and maintenance costs discussed above.

Product

The Product segment's results of operations for the three months ended September 30, 2017 compared to the prior year were as follows (dollars in thousands):

	Three Months Ended September 30,			
	2017	2016	Change $	Change %
Platform Solutions	$ 82,244	$ 47,285	$ 34,959	74 %
Software and Services	20,718	19,994	724	4 %
Other	628	2,756	(2,128)	(77)%
Product Revenues	103,590	70,035	33,555	48 %
Adjusted Operating Expenses	91,307	59,807	31,500	53 %
Adjusted EBITDA	$ 12,283	$ 10,228	$ 2,055	20 %
Adjusted EBITDA Margin	11.9%	14.6%		

	Nine Months Ended September 30, 2017	2016	Change $	Change %
Platform Solutions	$ 253,398	$ 119,364	$ 134,034	112 %
Software and Services	65,739	59,863	5,876	10 %
Other	3,859	10,458	(6,599)	(63)%
Product Revenues	322,996	189,685	133,311	70 %
Adjusted Operating Expenses	280,314	150,957	129,357	86 %
Adjusted EBITDA	$ 42,682	$ 38,728	$ 3,954	10 %
Adjusted EBITDA Margin	13.2%	20.4%		

For the three months ended September 30, 2017, Product revenue increased 48% compared to the prior year as Platform Solutions and Software and Services revenues increased 74% and 4%, respectively, while Other revenue decreased 77%. TiVo Solutions contributed $36.0 million and $1.6 million of the increase in Platform Solutions and Software and Services revenues, respectively. TiVo Solutions Product revenue includes $9.3 million of hardware revenue for the three months ended September 30, 2017. Hardware revenue is expected to decrease in the future as multiple system operator partners shift to deploying the TiVo service on third-party hardware resulting in a decrease in the number of TiVo manufactured set-top boxes sold to multiple system operator partners. Other than the effects of including TiVo Solutions in the results for the full period, Platform Solutions revenue decreased $1.0 million primarily as a result of the renewal of an iGuide service provider contract at a lower rate. Other than the effects of including TiVo Solutions in the results for the full period, Software and Services revenue decreased $0.9 million as a result of a decline in metadata revenue. Other revenue primarily consists of ACP revenue, which is expected to continue to decline in the future.

For the nine months ended September 30, 2017, Product revenue increased 70% compared to the prior year as Platform Solutions and Software and Services revenues increased 112% and 10%, respectively, while Other revenue decreased 63%. TiVo Solutions contributed $139.2 million and $10.5 million of the increase in Platform Solutions and Software and Services revenues, respectively. TiVo Solutions Product revenue includes $31.4 million of hardware sales for the nine months ended September 30, 2017. Other than the effects of including TiVo Solutions in the results for the full period, Platform Solutions revenue decreased $5.2 million primarily as a result of the renewal of an iGuide service provider contract at a lower rate. Other than the effects of including TiVo Solutions in the results for the full period, Software and Services revenue decreased $4.6 million as a result of a decline in metadata revenues. The $6.6 million decline in Other revenue was the result of a continued decline in ACP revenue.

Product Adjusted Operating Expenses increased 53% and 86% for the three and nine months ended September 30, 2017, respectively, compared to the prior year primarily as a result of including TiVo Solutions' results for the full period, partially offset by lower compensation costs and benefits from cost saving initiatives.

The decrease in Adjusted EBITDA Margin for the three and nine months ended September 30, 2017 relates to a change in Product business mix following the TiVo Acquisition toward lower margin hardware products.

Corporate

Corporate costs primarily include general and administrative costs such as corporate management, finance, legal and human resources.

Corporate costs for the three and nine months ended September 30, 2017 compared to the prior year were as follows (dollars in thousands):

	Three Months Ended September 30, 2017	2016	Change $	Change %
Adjusted Operating Expenses	$ 15,851	$ 14,151	$ 1,700	12%

	Nine Months Ended September 30, 2017	2016	Change $	Change %
Adjusted Operating Expenses	$ 47,084	$ 38,406	$ 8,678	23%

For the three and nine months ended September 30, 2017, the increase in Corporate Adjusted Operating Expenses reflects the effect of including TiVo Solutions in results for the full period, offset by a decrease in compensation costs and benefits from cost saving initiatives.

Liquidity and Capital Resources

We finance our business primarily from operating cash flow. We believe our cash position remains strong and our cash, cash equivalents and marketable securities and anticipated operating cash flow, supplemented with access to capital markets as necessary, are generally sufficient to support our operating businesses, capital expenditures, restructuring activities, maturing debt, interest payments and income tax payments, in addition to investments in future growth opportunities and payments for dividends and share repurchases for at least the next twelve months. Our access to capital markets may be constrained and our cost of borrowing may increase under certain business, market and economic conditions; however, our use of a variety of funding sources to meet our liquidity needs is designed to facilitate continued access to sufficient capital resources under such conditions.

As of September 30, 2017, we had $92.8 million in Cash and cash equivalents, $132.4 million in Short-term marketable securities and $88.1 million in Long-term marketable securities. Our cash, cash equivalents and marketable securities are held in numerous locations around the world, with $231.0 million held by our foreign subsidiaries as of September 30, 2017. Due to our net operating loss carryforwards, we could repatriate amounts to the U.S. with minimal income tax impacts.

Sources and Uses of Cash

Cash flows for the nine months ended September 30, 2017 compared to the prior year were as follows (in thousands):

	Nine Months Ended September 30,			
	2017	2016	Change $	Change %
Net cash provided by operating activities	$ 51,259	$ 78,174	$ (26,915)	(34)%
Net cash (used in) provided by investing activities	(88,206)	199,787	(287,993)	(144)%
Net cash (used in) provided by financing activities	(64,506)	1,382	(65,888)	(4,768)%
Effect of exchange rate changes on cash and cash equivalents	1,613	1,598	15	1 %
Net (decrease) increase in cash and cash equivalents	$ (99,840)	$ 280,941	$ (380,781)	(136)%

Net cash provided by operating activities for the nine months ended September 30, 2017 decreased $26.9 million. The decrease was primarily due to the timing of collections on Accounts receivable, net, higher cash bonus payments in 2017, payments made to DISH in connection with the 2016 agreement described below and payments made in connection with the TiVo Integration Restructuring Plan, partially offset by benefits from the TiVo Acquisition and certain cash collections in advance of revenue being recognized. We expect to make material cash payments for restructuring actions in connection with the TiVo Integration Restructuring Plan through the first half of 2018. The availability of cash generated by our operations in the future could be adversely affected by business risks including, but not limited to, the Risk Factors described in Part I, Item 1A. of our Annual Report on Form 10-K, which are incorporated by reference herein.

In August 2016, Rovi entered into a 10-year patent license agreement with DISH Network Corporation ("DISH"). As part of the agreement, DISH agreed to provide TiVo Solutions with a release for all past products and a going-forward covenant not-to-sue under DISH’s existing patents during the 10-year license term in exchange for TiVo Inc. providing DISH certain TiVo Inc. products during the license term and cash payments by TiVo Inc. to DISH of $60.3 million, of which $30.3 million was paid in the third quarter of 2017, $15.0 million was paid in the second quarter of 2017 and $15.0 million was paid in the fourth quarter of 2016. The agreement with DISH is described in more detail in Note 10 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein.

Net cash (used in) provided by investing activities for the nine months ended September 30, 2017 decreased $288.0 million. On November 15, 2016, holders of 9.1 million shares of TiVo Solutions common stock outstanding at the TiVo Acquisition Date who did not vote to approve the TiVo Acquisition filed a petition for appraisal in the Delaware Court of Chancery. On March 27, 2017, TiVo Corporation agreed to settle the claims of the Dissenting Holders for $117.0 million, which was paid in cash in April 2017. In connection with the settlement, in March 2017, the exchange agent in the TiVo Acquisition returned $25.1 million in cash related to the Dissenting Holders to TiVo Corporation. For additional details regarding the settlement with the Dissenting Holders, see Note 2 and Note 10 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which are incorporated by reference herein. Investing activities for the nine months ended September 30, 2016 included net cash acquired in the TiVo Acquisition in excess of the cash portion of the merger consideration by $166.3 million. Net proceeds from marketable security investment activities decreased by $23.6 million compared to the prior year. The increase in capital expenditures for the nine months ended September 30, 2017 was primarily associated with infrastructure projects designed to integrate the TiVo Acquisition. We anticipate capital expenditures to support the anticipated growth in our business and strengthen our operations infrastructure of between $35 million and $45 million in 2017.

Net cash (used in) provided by financing activities for the nine months ended September 30, 2017 includes $12.8 million in tax withholding payments from the net share settlement of restricted awards and a $2.7 million contingent consideration payment in connection with TiVo Solutions acquisition of Cubiware, partially offset by the receipt of $22.4 million from the exercise of employee stock options and sales of stock through our employee stock purchase plan. Net cash (used in) provided by financing activities for the nine months ended September 30, 2017 also includes the effect of refinancing Term Loan Facility B and $5.3 million in principal payments on Term Loan Facility B.

For the three and nine months ended September 30, 2017, we declared and paid dividends of $0.18 and $0.54 per share, respectively, for aggregate payments of $21.9 million and $65.2 million, respectively. No dividend payments were made in the three and nine months ended September 30, 2016. On November 1, 2017, we declared a cash dividend of $0.18 per share, payable on December 20, 2017 to stockholders of record on December 6, 2017.

Net cash (used in) provided by financing activities for the nine months ended September 30, 2016 includes $9.4 million in tax withholding payments from the net share settlement of restricted awards and $5.3 million in principal payments on Term Loan Facility B offset by the receipt of $14.0 million from the exercise of employee stock options and sales of stock through our employee stock purchase plan.

On February 14, 2017, TiVo Corporation's Board of Directors approved an increase to the share repurchase program authorization to $150.0 million. The February 2017 authorization includes amounts which were outstanding under previously authorized share repurchase programs.

Capital Resources

The outstanding principal and carrying amount of debt we issued were as follows (in thousands):

	September 30, 2017		December 31, 2016	
	Outstanding Principal	Carrying Amount	Outstanding Principal	Carrying Amount
2020 Convertible Notes	$ 345,000	$ 308,167	$ 345,000	$ 297,646
2021 Convertible Notes	48	48	48	48
Term Loan Facility B	677,250	672,742	682,500	677,038
Total	$ 1,022,298	$ 980,957	$ 1,027,548	$ 974,732

During the next twelve months, $7.0 million of outstanding principal is scheduled to be repaid. For more information on our borrowings, see Note 9 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein.

2020 Convertible Notes

Rovi issued $345.0 million in aggregate principal of 0.500% Convertible Notes that mature on March 1, 2020 at par pursuant to an Indenture dated March 4, 2015 (the "2015 Indenture").

The 2020 Convertible Notes were convertible at an initial conversion rate of 34.5968 shares of TiVo Corporation common stock per $1,000 of principal of notes, which was equivalent to an initial conversion price of $28.9044 per share of TiVo Corporation common stock. The conversion rate and conversion price are subject to adjustment pursuant to the 2015 Indenture, including as a result of dividends paid by TiVo Corporation. As of September 30, 2017, the 2020 Convertible Notes are convertible at a conversion rate of 35.6341 shares of TiVo Corporation common stock per $1,000 principal of notes, which is equivalent to a conversion price of $28.0630 per share of TiVo Corporation common stock.

Holders may convert the 2020 Convertible Notes prior to the close of business on the business day immediately preceding December 1, 2019, in multiples of $1,000 of principal under the following circumstances:

- during any calendar quarter commencing after the calendar quarter ending on June 30, 2015 (and only during such calendar quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during the period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- during the five business day period after any ten consecutive trading day period in which the trading price per $1,000 of principal of 2020 Convertible Notes for each trading day was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; or
- on the occurrence of specified corporate events.

On or after December 1, 2019 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert the 2020 Convertible Notes, in multiples of $1,000 of principal, at any time.

In addition, during the 35-day trading period following a Merger Event, as defined in the 2015 Indenture, holders may convert the 2020 Convertible Notes, in multiples of $1,000 of principal.

On conversion, a holder will receive the conversion value of the 2020 Convertible Notes converted based on the conversion rate multiplied by the volume-weighted average price of our common stock over a specified observation period. On conversion, Rovi will pay cash up to the aggregate principal of the 2020 Convertible Notes converted and deliver shares of our common stock in respect of the remainder, if any, of the conversion obligation in excess of the aggregate principal of the 2020 Convertible Notes being converted.

The conversion rate is subject to adjustment in certain events, including certain events that constitute a "Make-Whole Fundamental Change" (as defined in the 2015 Indenture). In addition, if we undergo a "Fundamental Change" (as defined in the 2015 Indenture) prior to March 1, 2020, holders may require Rovi to repurchase for cash all or a portion of the 2020 Convertible Notes at a repurchase price equal to 100% of the principal of the repurchased 2020 Convertible Notes, plus accrued and unpaid interest. The conversion rate is also subject to customary anti-dilution adjustments.

The 2020 Convertible Notes are not redeemable prior to maturity by Rovi and no sinking fund is provided. The 2020 Convertible Notes are unsecured and do not contain financial covenants or restrictions on the payment of dividends, the incurrence of indebtedness or the repurchase of other securities by Rovi. The 2015 Indenture includes customary terms and covenants, including certain events of default after which the 2020 Convertible Notes may be due and payable immediately.

2021 Convertible Notes

TiVo Solutions issued $230.0 million in aggregate principal of 2.0% Convertible Senior Notes that mature October 1, 2021 (the "2021 Convertible Notes") at par pursuant to an Indenture dated September 22, 2014 ("the 2014 Indenture"). On October 12, 2016, TiVo Solutions repaid $229.95 million of the par value of the 2021 Convertible Notes.

The 2021 Convertible Notes were convertible at an initial conversion rate of 56.1073 shares of TiVo Solutions common stock per $1,000 principal of notes, which was equivalent to an initial conversion price of $17.8230 per share of TiVo Solutions common stock. Following the TiVo Acquisition, the 2021 Convertible Notes were convertible at a conversion rate of 21.6181 shares of TiVo Corporation common stock per $1,000 principal of notes and $154.30 per $1,000 principal of notes, which was equivalent to a conversion price of $39.12 per share of TiVo Corporation common stock. The conversion rate and conversion price are subject to adjustment pursuant to the 2014 Indenture, including as a result of dividends paid by TiVo Corporation. As of September 30, 2017, the 2021 Convertible Notes are convertible at a conversion rate of 22.0534 shares of TiVo Corporation common stock per $1,000 principal of notes and $154.30 per $1,000 principal of notes, which is equivalent to a conversion price of $38.3478 per share of TiVo Corporation common stock.

TiVo Solutions can settle the 2021 Convertible Notes in cash, shares of common stock, or any combination thereof pursuant to the 2014 Indenture. Subject to certain exceptions, holders may require TiVo Solutions to repurchase, for cash, all or part of their 2021 Convertible Notes upon a “Fundamental Change” (as defined in the 2014 Indenture) at a price equal to 100% of the principal amount of the 2021 Convertible Notes being repurchased plus any accrued and unpaid interest up to, but excluding, the “Fundamental Change Repurchase Date” (as defined in the 2014 Indenture). In addition, on a “Make-Whole Fundamental Change” (as defined in the 2014 Indenture) prior to the maturity date of the 2021 Convertible Notes, TiVo Solutions will, in some cases, increase the conversion rate for a holder that elects to convert its 2021 Convertible Notes in connection with such Make-Whole Fundamental Change.

Senior Secured Credit Facility

On July 2, 2014, Rovi Corporation, as parent guarantor, and two of its wholly-owned subsidiaries, Rovi Solutions Corporation and Rovi Guides, Inc., as borrowers, and certain of its other subsidiaries, as subsidiary guarantors, entered into a Credit Agreement (the “Credit Agreement”). After the completion of the TiVo Acquisition, TiVo Corporation became a guarantor under the Credit Agreement. The Credit Agreement provided for a (i) five-year $125.0 million term loan A facility (the “Term Loan Facility A”), (ii) seven-year $700.0 million term loan B facility (the “Term Loan Facility B” and together with Term Loan Facility A, the “Term Loan Facility”) and (iii) five-year $175.0 million revolving credit facility (including a letter of credit sub-facility) (the "Revolving Facility” and together with the Term Loan Facility, the “Senior Secured Credit Facility”). In September 2015, Rovi made a voluntary principal prepayment to extinguish Term Loan Facility A and elected to terminate the Revolving Facility.

Prior to the refinancing described below, Term Loan Facility B was amortizing in equal quarterly installments in an aggregate annual amount equal to 1% of the original principal amount thereof, with any remaining balance payable on the final maturity date of Term Loan Facility B. Prior to the refinancing described below, loans under Term Loan Facility B bore interest, at our option, at a rate equal to either LIBOR, plus an applicable margin equal to 3.00% per annum (subject to a 0.75% LIBOR floor) or the prime lending rate, plus an applicable margin equal to 2.00% per annum.

On January 26, 2017, TiVo Corporation, as parent guarantor, two of its wholly-owned subsidiaries, Rovi Solutions Corporation and Rovi Guides, Inc., as borrowers, and certain of TiVo Corporation’s other subsidiaries, as subsidiary guarantors, entered into Refinancing Agreement No. 1 with respect to Term Loan Facility B. The $682.5 million in proceeds from Refinancing Agreement No. 1 was used to repay existing loans under Term Loan Facility B in full. The borrowing terms for Refinancing Agreement No. 1 are substantially similar to the borrowing terms. However, loans under Refinancing Agreement No. 1 bear interest, at the borrower's option, at a rate equal to either LIBOR, plus an applicable margin equal to 2.50% per annum (subject to a 0.75% LIBOR floor) or the prime lending rate, plus an applicable margin equal to 1.50% per annum. Refinancing Agreement No. 1 requires quarterly principal payments of $1.75 million through June 2021, with any remaining balance payable in July 2021. Refinancing Agreement No. 1 is part of the Senior Secured Credit Facility,

The Credit Agreement contains customary representations and warranties and customary affirmative and negative covenants applicable to us and our subsidiaries, including, among other things, restrictions on indebtedness, liens, investments, mergers, dispositions, prepayment of other indebtedness, dividends and other distributions. The Credit Agreement is secured by substantially all of the Company's assets. We may be required to make an additional payment on Refinancing Agreement No. 1 each February. This payment is calculated as a percentage of the prior year's "Excess Cash Flow" as defined in the Credit Agreement. No payment was required in February 2017.

Critical Accounting Policies and Estimates

The preparation of our Condensed Consolidated Financial Statements in accordance with accounting principles generally accepted in the U.S. requires management to make estimates, assumptions and judgments that affect the amounts reported in the financial statements and accompanying notes. Our estimates, assumptions and judgments are based on historical experience and various other assumptions believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying amount of assets and liabilities that are not readily apparent from other sources. Making estimates, assumptions and judgments about future events is inherently unpredictable and is subject to significant uncertainties, some of which are beyond our control. Management believes the estimates, assumptions and judgments employed and resulting amounts reported in the Condensed Consolidated Financial Statements are reasonable; however, actual results could differ materially.

On January 1, 2017, we elected to early adopt a new accounting standard that eliminated the second step of the goodwill impairment test. As a result of adopting the change in accounting, a goodwill impairment loss is measured as the amount by which the carrying amount of a reporting unit exceeds its fair value. For additional information, see Note 1 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein.

Other than the adoption of the simplified goodwill impairment test, there have been no significant changes to our critical accounting policies and estimates as compared to those disclosed in "Critical Accounting Policies and Estimates" in Part II, Item 7. of our Annual Report on Form 10-K, which is incorporated by reference herein.

Contractual Obligations

For information about our contractual obligations, see "Contractual Obligations" in Part II, Item 7. of our Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference herein.

On March 27, 2017, TiVo Corporation agreed to settle the claims of the Dissenting Holders for $117.0 million, which was paid in cash in April 2017. For additional details regarding the settlement with the Dissenting Holders, see Note 2 and Note 10 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which are incorporated by reference herein.

In September 2016, TiVo Solutions entered into an agreement with DISH under which DISH agreed to provide TiVo Solutions with a release for all past products and a going-forward covenant not-to-sue under DISH’s existing patents during the 10-year license term in exchange for TiVo Solutions providing DISH certain TiVo Solutions products during the term and cash payments by TiVo Solutions to DISH of $60.3 million, of which $30.3 million was paid in the third quarter of 2017, $15.0 million was paid in the second quarter of 2017 and $15.0 million was paid in the fourth quarter of 2016.

Other than the items described above, our contractual obligations have not changed materially since December 31, 2016.

Off-Balance Sheet Arrangements

For information about our off-balance sheet arrangements, see "Off-Balance Sheet Arrangements" in Part II, Item 7. of our Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference herein. Since December 31, 2016, we have not engaged in any material off-balance sheet arrangements, including the use of structured finance vehicles, special purpose entities or variable interest entities.

Recent Accounting Pronouncements

For a summary of applicable recent accounting pronouncements, see Note 1 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In the normal course of business, we are exposed to market risks, including those related to changes in interest rates, foreign currency exchange rates and security prices that could impact our financial position, results of operations or cash flows. For quantitative and qualitative disclosures about market risk, see Part II, Item 7A. of our Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated reference herein. Our exposure to market risk has not changed materially since December 31, 2016.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with participation of management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). In evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

On September 7, 2016, we completed our acquisition of TiVo Solutions. As a result of the TiVo Acquisition, we have incorporated internal controls over significant processes specific to the acquisition and to post-acquisition activities that we believe are appropriate and necessary in consideration of the related integration, including controls associated with the TiVo Acquisition for the valuation of certain assets acquired and liabilities assumed, as well as the adoption of common financial reporting and internal control practices for the combined company. As we further integrate TiVo Solutions, we will continue to review our internal controls to validate that they are effective and integrated appropriately.

We are in the process of evaluating the existing controls and procedures of TiVo Solutions and integrating TiVo Solutions into our internal control over financial reporting. In accordance with SEC Staff guidance permitting a company to exclude an acquired business from management's assessment of the effectiveness of internal control over financial reporting for the year in which the acquisition is completed, we excluded TiVo Solutions from our assessment of the effectiveness of internal control over financial reporting as of December 31, 2016.

Changes in Internal Control Over Financial Reporting

We believe there have been no changes to our internal controls over financial reporting during the quarter ended September 30, 2017, that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information with respect to this item is contained in Note 10 to the Condensed Consolidated Financial Statements included in Part I, Item 1. of this Quarterly Report on Form 10-Q, which is incorporated by reference herein.

ITEM 1A. RISK FACTORS

For information about our risk factors, see "Risk Factors" in Part 1, Item 1A. of our Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference herein. Management believes that there have been no significant changes to the risk factors associated with our business since December 31, 2016.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

TiVo Corporation may choose to repurchase shares under its ongoing repurchase program when sufficient liquidity exists, the shares are trading at a discount relative to estimated intrinsic value and there are no alternative investment opportunities expected to generate a higher risk-adjusted return on investment.

The following table provides information about the Company's purchases of its common stock during the three months ended September 30, 2017 (in thousands, except per share amounts):

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share (1)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (2)
July 2017	—	$ —	—	$ 150,000.0
August 2017	—	$ —	—	$ 150,000.0
September 2017	—	$ —	—	$ 150,000.0
Total	—	$ —	—	

(1) Excludes shares withheld to satisfy minimum statutory tax withholding requirements in connection with the net share settlement of restricted stock units. During the three months ended September 30, 2017, the Company withheld 0.1 million shares of common stock to satisfy $1.5 million of required withholding taxes.

(2) On February 14, 2017, TiVo Corporation's Board of Directors approved an increase to its common stock repurchase program authorization to $150.0 million. The February 2017 authorization includes amounts which were outstanding under previously authorized share repurchase programs.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Company Form	Filing Date	Exhibit Number	
10.01	TiVo Corporation Executive Severance Plan*	TiVo Corp. 8-K	7/7/2017	10.1	
10.02	Form of Restricted Stock Unit Notice and Agreement for TiVo Corporation Titan Equity Incentive Award Plan (stock-settled) (Former TiVo Inc. Employee Form)*				X
10.03	Form of Restricted Stock Unit Notice and Agreement for TiVo Corporation Titan Equity Incentive Award Plan (stock-settled) (Non-Former TiVo Inc. Employee Form)*				X
31.01	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
31.02	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002				X
32.01	Certification of Chief Executive Officer pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002				**
32.02	Certification of Chief Financial Officer pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002				**
101.INS	XBRL Instance Document				X
101.SCH	XBRL Taxonomy Extension Schema Document				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document				X

* Management contract or compensatory plan or arrangement.

** Furnished herewith.

Signatures

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

TIVO CORPORATION	
Authorized Officer:	
Date:	By: /s/ Thomas Carson
November 2, 2017	Thomas Carson
	President and Chief Executive Officer
Principal Financial Officer:	
Date:	By: /s/ Peter C. Halt
November 2, 2017	Peter C. Halt
	Chief Financial Officer
Principal Accounting Officer:	
Date:	By: /s/ Wesley Gutierrez
November 2, 2017	Wesley Gutierrez
	Chief Accounting Officer and Treasurer

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Section 2: EX-10.02 (EXHIBIT 10.02)

Exhibit 10.02

TIVO CORPORATION

TITAN EQUITY INCENTIVE AWARD PLAN

NOTICE OF RESTRICTED STOCK UNIT GRANT

TiVo Corporation (the "Company") hereby grants you, **%%FIRST_NAME%-% %%LAST_NAME%-%** (the "Participant"), Restricted Stock Units under the Titan Equity Incentive Award Plan (the "Plan"). The date of this Notice of Restricted Stock Unit Grant ("Notice") is **%%OPTION_DATE,'Month DD, YYYY'%-%**. Subject to the provisions of this Notice, the Restricted Stock Unit Grant Agreement (the "Agreement") and of the Plan, the features of the Restricted Stock Units are as follows:

Number of Shares: **%%TOTAL_SHARES_GRANTED,'999,999,999'%-%**

Vesting Commencement Date: **%%OPTION_DATE,'Month DD, YYYY'%-%**

Vesting of Restricted Stock Units: The Restricted Stock Units will vest over a four-year period according to the following schedule:

> Twenty-five percent (25%) of the Restricted Stock Units shall vest on each 12-month anniversary of the Vesting Commencement Date, subject to Participant continuing to be an employee, consultant, director or independent contractor of the Company or one of its Subsidiaries through the applicable vesting date.

This equity grant shall not be subject to any acceleration pursuant to a Change of Control Terms and Conditions Letter Agreement between you and the Company or one of its subsidiaries (the "Letter Agreement"), if applicable. Furthermore, by accepting this equity grant as consideration, you hereby agree that such Letter Agreement and all benefits contained therein, if applicable, shall terminate in its entirety upon the thirteenth (13th) month anniversary of the closing of the acquisition of TiVo Inc. by Rovi Corporation (and your acceptance of this grant shall be deemed your waiver of any further notice of such termination).

Issuance Schedule: Subject to any adjustment as set forth in the Plan or Section 11 of the Agreement, one share of Common Stock will be issued for each Restricted Stock Unit that vests at the time set forth in Section 5 of the Agreement.

Unless otherwise defined herein or in the Agreement, capitalized terms herein or in the Agreement will have the defined meanings ascribed to them in the Plan.

The Company and Participant agree that the Restricted Stock Units described in this Notice are governed by the provisions of the Agreement attached to and made a part of this document. The Participant acknowledges receipt of this Notice and the Agreement, represents that the Participant has read and is familiar with the provisions in this Notice and the attached Agreement, and hereby accepts the Restricted Stock Unit Grant subject to all of the terms and conditions set forth in this Notice and the attached Agreement.

TiVo Corporation		Accepted by: PARTICIPANT	
By:			
		Name:	____________________
Title:	President and CEO	Signature:	____________________
Address:	2 Circle Star Way	Date:	____________________
	San Carlos, CA 94070	Address:	____________________

ATTACHMENTS: Restricted Stock Unit Grant Agreement
TiVo Corporation Titan Equity Incentive Award Plan

TIVO CORPORATION

TITAN EQUITY INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT GRANT AGREEMENT

THE RESTRICTED STOCK UNITS ARE SUBJECT TO THE TERMS AND CONDITIONS OF THE PLAN. ONLY CERTAIN PROVISIONS OF THE PLAN ARE INCLUDED IN THIS AGREEMENT. A COPY OF THE PLAN IS ATTACHED TO THIS AGREEMENT AND SHOULD BE READ CAREFULLY.

1. Grant of Restricted Stock Units. The Company hereby grants to Participant a Restricted Stock Unit Grant for that number of units of Stock set forth in the Notice. This award represents the right to be issued on a future date one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 11 below) as indicated in the Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for Participant's benefit the number of Restricted Stock Units/shares of Common Stock subject to the award. This award was granted in consideration of Participant's services to the Company.

2. Leave of Absence. During any authorized leave of absence, the vesting of the Restricted Stock Units shall be suspended after the leave of absence exceeds a period of thirty (30) days. Vesting of the Restricted Stock Units shall resume upon Participant's termination of the leave of absence and return to service to the Company and/or its Subsidiaries. The vesting schedule of the Restricted Stock Units shall be extended by the length of the suspension.

3. Non-transferability of Restricted Stock Units. The Restricted Stock Units shall not be transferable (including by sale, assignment, pledge or hypothecation) other than by will or the laws of intestate succession. The designation of a beneficiary does not constitute a transfer. Participant shall not sell, transfer, assign, pledge or otherwise encumber the Restricted Stock Units until all vesting requirements have been met.

4. Stockholder Rights. Stock underlying Restricted Stock Units will not be issued until the Restricted Stock Units have vested. A participant awarded Restricted Stock Units shall have no rights as a Company stockholder with respect to such Restricted Stock Units until such time as the Restricted Stock Units have vested and Stock underlying the Restricted Stock Units has been issued.

5. Vesting and Earning of Restricted Stock Unit; Date of Issuance.

(a) If Participant remains in Continuous Service, then the Restricted Stock Units shall vest and shares shall be issued as promptly as reasonably practicable thereafter in accordance with the Notice. The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury Regulations Section 1.409A-1(b)(4) and will be construed and administered in such a manner. Subject to the satisfaction of the withholding obligations set forth in this Agreement, in the event one or more Restricted Stock Units vests, the Company shall issue to Participant one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 11 below). The issuance date determined by this paragraph is referred to as the "Original Issuance Date".

(b) If the Original Issuance Date falls on a date that is not a business day, delivery shall instead occur as promptly as reasonably practicable thereafter.

(c) The foregoing notwithstanding, in the event that Participant remains in Continuous Service at the time a Corporate Transaction (as defined in the Plan) occurs, the Board, or the board of directors of any corporation assuming the obligations of the Company hereunder, shall either (a) assume the outstanding Restricted Stock Units or make a substitution on an equitable basis of appropriate Stock of the Company or of the merged, consolidated, or otherwise reorganized corporation which will be issuable in respect to the shares of Stock, or (b) provide that the Restricted Stock Units shall become immediately vested with respect to all the units of the Restricted Stock Unit Grant.

(a) The Committee has sole authority to determine whether and to what degree the Restricted Stock Units have vested and been earned and shares are issuable and to interpret the terms and conditions of this Agreement and the Plan.

6. Termination of Employment. In the event that Participant's Continuous Service is terminated for any reason, including death or Disability, and Participant has not yet vested all or part of the Restricted Stock Units pursuant to the Notice and Section 5, then the Restricted Stock Units, to the extent not vested as of Participant's termination date, shall be forfeited immediately

upon such termination, and Participant shall have no further rights with respect to the Restricted Stock Units that have not yet vested. In jurisdictions requiring notice in advance of an effective termination of Participant's Continuous Service, Participant shall be deemed terminated upon the actual cessation of providing services to the Company notwithstanding any required notice period that must be fulfilled before a termination of Participant's Continuous Service can be effective under applicable laws. Participant expressly acknowledges and agrees that the termination of Participant's Continuous Service shall result in forfeiture of the Restricted Stock Units to the extent the Restricted Stock Units have not vested as of the date of his or her termination of Continuous Service.

7. Payment of Par Value. As a condition to the delivery to Participant of the shares of Stock subject to the Restricted Stock Units after such units have vested, Participant authorizes the Company to deduct from compensation due to Participant from the Company or Participant's employer, if different (the "Employer"), an amount equal to the par value of the shares of Stock to be issued hereunder. Such withholding shall be deducted from Participant's compensation payable on the Company's or the Employer's regularly scheduled payroll date immediately prior to each vesting date of the Restricted Stock Units, as set forth in the Notice and in this Agreement, unless otherwise determined by the Committee. As of the date of this Agreement, the par value for one share of the Company's common stock is $.001.

8. Settlement of Restricted Stock Units. The Company shall not be obligated to deliver any shares of Stock hereunder for such period as may be required by it in order to comply with applicable federal or state statutes, laws and regulations.

9. No Acquired Rights. Participant agrees and acknowledges that:

(a) the Plan is discretionary in nature and that the Company can amend, cancel, or terminate it at any time;

(b) the grant of the Restricted Stock Units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any Restricted Stock Units or benefits in lieu of any Restricted Stock Units, even if Restricted Stock Units have been granted repeatedly in the past and regardless of any reasonable notice period mandated under local law;

(c) the value of the Restricted Stock Units is an extraordinary item of compensation which is outside the scope of Participant's employment contract, if any;

(d) the Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating termination, severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, retirement benefits, or similar payments;

(e) the Restricted Stock Units shall expire upon termination of Participant's Continuous Service for any reason except as may otherwise be explicitly provided in the Plan and this Agreement;

(f) the future value of the shares of Stock awarded under the Plan is unknown and cannot be predicted with certainty;

(g) no claim or entitlement to compensation or damages arises from the termination of the Restricted Stock Units or diminution in value of the Restricted Stock Units or shares of Stock purchased under the Plan and Participant irrevocably releases the Company from any such claim; and

(h) Participant's participation in the Plan shall not create a right to further employment with the Company and shall not interfere with the ability of the Company to terminate Participant's Continuous Service at any time, with or without Cause.

10. Tax Withholding.

(a) Participant is responsible for, and by accepting the Restricted Stock Units agrees to bear, all taxes of any nature, including withholding taxes, interest or penalties arising out of the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the distribution of the shares underlying the Restricted Stock Units, or the subsequent sale of the shares, that are legally imposed upon Participant in connection with the Restricted Stock Units, and the Company does not assume, and will not be liable to any party for, any cost or liability arising in connection with such tax liability legally imposed on Participant. The Company has not provided any tax advice with respect to the Restricted Stock Units or the disposition of the shares. Participant should obtain advice from an appropriate independent professional adviser with respect to the taxation implications of any aspect of the Restricted Stock Units, including the grant or vesting of the Restricted Stock Units or the subsequent sale of any shares.

(b) In the event that the Company or the Participant’s Employer, including any Subsidiary qualified to deduct tax at source, is required to withhold minimum statutory withholding amounts (including in connection with income tax, employment or payroll taxes, social security contributions or other similar amounts, with such obligation in aggregate referred to herein as the “Tax Items”) as a result of any event occurring in connection with the Restricted Stock Units, the Employer will satisfy Tax Items by withholding, from the shares to be delivered to the Participant upon vesting, a number of shares having an aggregate fair market value sufficient to pay the Tax Items. The number of shares withheld to satisfy the Tax Items will be rounded up to the nearest whole share. Once the Tax Items have been satisfied by withholding a number of shares for tax purposes, the Participant is deemed to have been issued the full number of shares subject to the release tranche in this grant. The Participant shall pay the Tax Items that the Company may be required to withhold if the Tax Items cannot be satisfied by the means previously described. The Company has sole discretion to require or permit the Participant to make alternate arrangements satisfactory to the Company for such withholdings in advance of the arising withholding obligations. No shares will be issued unless and until satisfactory arrangements (as determined by the Company) have been made by the Participant with respect to the payment of any income and other taxes which the Company determines must be withheld or collected with respect to such shares. By accepting this award, Participant expressly consents to the withholding of shares and to any additional cash withholding as provided for in this paragraph.

(c) Participant acknowledges and agrees that the ultimate liability for any tax-related item legally due by Participant is and remains Participant’s responsibility and that the Company and or the Employer (a) make no representations nor undertakings regarding the treatment of any such tax items in connection with any aspect of the Restricted Stock Units, including the grant or vesting of the Restricted Stock Units, the distribution of the shares underlying the Restricted Stock Units, or the subsequent sale of the shares acquired from the Restricted Stock Units; and (b) do not commit to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate the Participant’s liability for such tax items. The Company may refuse to deliver the shares if Participant fails to comply with Participant’s obligations in connection with the satisfaction of the Tax Items.

11. Administration. The authority to construe and interpret this Agreement and the Plan, and to administer all aspects of the Plan, shall be vested in the Committee (as such term is defined in the Plan), and the Committee shall have all powers with respect to this Agreement as are provided in the Plan. Any interpretation of this Agreement by the Committee and any decision made by it with respect to this Agreement is final and binding.

12. Adjustments Upon Changes in Capitalization. In the event of any change in the outstanding Stock of the Company by reason of stock dividends, recapitalization, mergers, consolidations, split-up, combinations or exchanges of shares and the like, the number and kind of shares subject to the Restricted Stock Units immediately prior to such event shall be appropriately adjusted by the Board in accordance with the terms of the Plan, and such adjustment shall be conclusive.

13. Data Transfer. Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this document by and among, as applicable, the Employer or the Company, including any of its Subsidiaries, for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan. Participant understands that the Company, its Subsidiaries and the Employer hold certain personal information about Participant, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in Participant's favor for the purpose of implementing, managing and administering the Plan (“Data”). Participant understands that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in Participant's country or elsewhere and that the recipient country may have different data privacy laws and protections than Participant's country. Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Stock Plan Administrator at the Company. Participant authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Participant's participation in the Plan, including any requisite transfer of such Data, as may be required

to a broker or other third party with whom Participant may elect to deposit any Shares acquired in connection with the Restricted Stock Units. Participant understands that Data will be held only as long as is necessary to implement, administer and manage participation in the Plan. Participant may, at any time, view Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Participant understands that refusing or withdrawing consent may affect Participant's ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, Participant may contact the Stock Plan Administrator at the Company.

14. Appendix. The Restricted Stock Units shall be subject to any special provisions set forth in the Appendix for Participant’s country. Moreover, if Participant relocates to one of the countries included in the Appendix during the life of the Restricted Stock Units or while holding shares of Common Stock acquired under the Plan, the special provisions for such country shall apply to Participant to the extent the Company determines that the application of such provisions is advisable or necessary in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

15. Entire Agreement; Amendment; Binding Effect; Governing Law; Plan Controls. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, and may not be modified adversely to Participant's interest except by means of a writing signed by the Company and Participant. The waiver by the Company of a breach of any provision of this Agreement by Participant shall not operate or be construed as a waiver of any subsequent breach by Participant. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective executors, administrators, next-of-kin, successors and assigns. This Agreement is governed by the laws of the state of Delaware. In the event of any conflict between the terms and provisions of the Plan and this Agreement, the Plan terms and provisions shall govern. Capitalized terms used but not defined in this Agreement have the meanings assigned to them in the Plan. Certain other important terms governing this Agreement are contained in the Plan.

16. Notices. All notices and other communications of any kind which either party to this Agreement may be required or may desire to serve on the other party hereto in connection with this Agreement shall be in writing and may be delivered by personal service or by registered or certified mail, return receipt requested, deposited in the United States mail with the postage thereon fully prepaid, addressed to the parties at their respective addresses set forth in the Notice of Restricted Stock Unit. Service of any such notice or other communication so made by mail shall be deemed complete on the date of actual delivery as shown by the addressee’s registry or certification receipt or at the expiration of the third (3rd) business day after the date of mailing, whichever is earlier in time. Either party may from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different person to which such notices or other communications are thereafter to be addressed or delivered.

17. Compliance with Section 409A of the Code. This award is intended to comply with the “short-term deferral” rule set forth in Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise deferred compensation subject to Section 409A, and if Participant is a “specified employee” (within the meaning set forth in Section 409A(a)(2)(B)(i) of the Code) as of the date of Participant’s “separation from service” (within the meaning of Treasury Regulation Section 1.409A-1(h) and without regard to any alternative definition thereunder), then the issuance of any shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of adverse taxation on Participant in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a “separate payment” for purposes of Treasury Regulation Section 1.409A-2(b)(2).

RETAIN THIS AGREEMENT FOR YOUR RECORDS

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Section 3: EX-10.03 (EXHIBIT 10.03)

Exhibit 10.03

TIVO CORPORATION

TITAN EQUITY INCENTIVE AWARD PLAN

NOTICE OF RESTRICTED STOCK UNIT GRANT

TiVo Corporation (the "Company") hereby grants you, **%%FIRST_NAME%-% %%LAST_NAME%-%** (the "Participant"), Restricted Stock Units under the Titan Equity Incentive Award Plan (the "Plan"). The date of this Notice of Restricted Stock Unit Grant ("Notice") is **%% OPTION_DATE,'Month DD, YYYY'%-%** . Subject to the provisions of this Notice, the Restricted Stock Unit Grant Agreement (the "Agreement") and of the Plan, the features of the Restricted Stock Units are as follows:

Number of Shares: **%%TOTAL_SHARES_GRANTED,'999,999,999'%-%**

Vesting Commencement Date: **%%OPTION_DATE,'Month DD, YYYY'%-%**

Vesting of Restricted Stock Units: The Restricted Stock Units will vest over a four-year period according to the following schedule:

> Twenty-five percent (25%) of the Restricted Stock Units shall vest on each 12-month anniversary of the Vesting Commencement Date, subject to Participant continuing to be an employee, consultant, director or independent contractor of the Company or one of its Subsidiaries through the applicable vesting date.

Issuance Schedule: Subject to any adjustment as set forth in the Plan or Section 11 of the Agreement, one share of Common Stock will be issued for each Restricted Stock Unit that vests at the time set forth in Section 5 of the Agreement.

Unless otherwise defined herein or in the Agreement, capitalized terms herein or in the Agreement will have the defined meanings ascribed to them in the Plan.

The Company and Participant agree that the Restricted Stock Units described in this Notice are governed by the provisions of the Agreement attached to and made a part of this document. The Participant acknowledges receipt of this Notice and the Agreement, represents that the Participant has read and is familiar with the provisions in this Notice and the attached Agreement, and hereby accepts the Restricted Stock Unit Grant subject to all of the terms and conditions set forth in this Notice and the attached Agreement.

TiVo Corporation		Accepted by: PARTICIPANT	
By:			
		Name:	______________________
Title:	President and CEO	Signature:	______________________
Address:	2 Circle Star Way	Date:	______________________
	San Carlos, CA 94070	Address:	______________________

ATTACHMENTS: Restricted Stock Unit Grant Agreement
TiVo Corporation Titan Equity Incentive Award Plan

TIVO CORPORATION

TITAN EQUITY INCENTIVE AWARD PLAN

RESTRICTED STOCK UNIT GRANT AGREEMENT

THE RESTRICTED STOCK UNITS ARE SUBJECT TO THE TERMS AND CONDITIONS OF THE PLAN. ONLY CERTAIN PROVISIONS OF THE PLAN ARE INCLUDED IN THIS AGREEMENT. A COPY OF THE PLAN IS ATTACHED TO THIS AGREEMENT AND SHOULD BE READ CAREFULLY.

1. Grant of Restricted Stock Units. The Company hereby grants to Participant a Restricted Stock Unit Grant for that number of units of Stock set forth in the Notice. This award represents the right to be issued on a future date one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 11 below) as indicated in the Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for Participant's benefit the number of Restricted Stock Units/shares of Common Stock subject to the award. This award was granted in consideration of Participant's services to the Company.

2. Leave of Absence. During any authorized leave of absence, the vesting of the Restricted Stock Units shall be suspended after the leave of absence exceeds a period of thirty (30) days. Vesting of the Restricted Stock Units shall resume upon Participant's termination of the leave of absence and return to service to the Company and/or its Subsidiaries. The vesting schedule of the Restricted Stock Units shall be extended by the length of the suspension.

3. Non-transferability of Restricted Stock Units. The Restricted Stock Units shall not be transferable (including by sale, assignment, pledge or hypothecation) other than by will or the laws of intestate succession. The designation of a beneficiary does not constitute a transfer. Participant shall not sell, transfer, assign, pledge or otherwise encumber the Restricted Stock Units until all vesting requirements have been met.

4. Stockholder Rights. Stock underlying Restricted Stock Units will not be issued until the Restricted Stock Units have vested. A participant awarded Restricted Stock Units shall have no rights as a Company stockholder with respect to such Restricted Stock Units until such time as the Restricted Stock Units have vested and Stock underlying the Restricted Stock Units has been issued.

5. Vesting and Earning of Restricted Stock Unit; Date of Issuance.

(a) If Participant remains in Continuous Service, then the Restricted Stock Units shall vest and shares shall be issued as promptly as reasonably practicable thereafter in accordance with the Notice. The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury Regulations Section 1.409A-1(b)(4) and will be construed and administered in such a manner. Subject to the satisfaction of the withholding obligations set forth in this Agreement, in the event one or more Restricted Stock Units vests, the Company shall issue to Participant one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 11 below). The issuance date determined by this paragraph is referred to as the "Original Issuance Date".

(b) If the Original Issuance Date falls on a date that is not a business day, delivery shall instead occur as promptly as reasonably practicable thereafter.

(c) The foregoing notwithstanding, in the event that Participant remains in Continuous Service at the time a Corporate Transaction (as defined in the Plan) occurs, the Board, or the board of directors of any corporation assuming the obligations of the Company hereunder, shall either (a) assume the outstanding Restricted Stock Units or make a substitution on an equitable basis of appropriate Stock of the Company or of the merged, consolidated, or otherwise reorganized corporation which will be issuable in respect to the shares of Stock, or (b) provide that the Restricted Stock Units shall become immediately vested with respect to all the units of the Restricted Stock Unit Grant.

(a) The Committee has sole authority to determine whether and to what degree the Restricted Stock Units have vested and been earned and shares are issuable and to interpret the terms and conditions of this Agreement and the Plan.

6. Termination of Employment. In the event that Participant's Continuous Service is terminated for any reason, including death or Disability, and Participant has not yet vested all or part of the Restricted Stock Units pursuant to the Notice and Section 5, then the Restricted Stock Units, to the extent not vested as of Participant's termination date, shall be forfeited immediately

upon such termination, and Participant shall have no further rights with respect to the Restricted Stock Units that have not yet vested. In jurisdictions requiring notice in advance of an effective termination of Participant's Continuous Service, Participant shall be deemed terminated upon the actual cessation of providing services to the Company notwithstanding any required notice period that must be fulfilled before a termination of Participant's Continuous Service can be effective under applicable laws. Participant expressly acknowledges and agrees that the termination of Participant's Continuous Service shall result in forfeiture of the Restricted Stock Units to the extent the Restricted Stock Units have not vested as of the date of his or her termination of Continuous Service.

7. Payment of Par Value. As a condition to the delivery to Participant of the shares of Stock subject to the Restricted Stock Units after such units have vested, Participant authorizes the Company to deduct from compensation due to Participant from the Company or Participant's employer, if different (the "Employer"), an amount equal to the par value of the shares of Stock to be issued hereunder. Such withholding shall be deducted from Participant's compensation payable on the Company's or the Employer's regularly scheduled payroll date immediately prior to each vesting date of the Restricted Stock Units, as set forth in the Notice and in this Agreement, unless otherwise determined by the Committee. As of the date of this Agreement, the par value for one share of the Company's common stock is $.001.

8. Settlement of Restricted Stock Units. The Company shall not be obligated to deliver any shares of Stock hereunder for such period as may be required by it in order to comply with applicable federal or state statutes, laws and regulations.

9. No Acquired Rights. Participant agrees and acknowledges that:

(a) the Plan is discretionary in nature and that the Company can amend, cancel, or terminate it at any time;

(b) the grant of the Restricted Stock Units under the Plan is voluntary and occasional and does not create any contractual or other right to receive future grants of any Restricted Stock Units or benefits in lieu of any Restricted Stock Units, even if Restricted Stock Units have been granted repeatedly in the past and regardless of any reasonable notice period mandated under local law;

(c) the value of the Restricted Stock Units is an extraordinary item of compensation which is outside the scope of Participant's employment contract, if any;

(d) the Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating termination, severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, retirement benefits, or similar payments;

(e) the Restricted Stock Units shall expire upon termination of Participant's Continuous Service for any reason except as may otherwise be explicitly provided in the Plan and this Agreement;

(f) the future value of the shares of Stock awarded under the Plan is unknown and cannot be predicted with certainty;

(g) no claim or entitlement to compensation or damages arises from the termination of the Restricted Stock Units or diminution in value of the Restricted Stock Units or shares of Stock purchased under the Plan and Participant irrevocably releases the Company from any such claim; and

(h) Participant's participation in the Plan shall not create a right to further employment with the Company and shall not interfere with the ability of the Company to terminate Participant's Continuous Service at any time, with or without Cause.

10. Tax Withholding.

(a) Participant is responsible for, and by accepting the Restricted Stock Units agrees to bear, all taxes of any nature, including withholding taxes, interest or penalties arising out of the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the distribution of the shares underlying the Restricted Stock Units, or the subsequent sale of the shares, that are legally imposed upon Participant in connection with the Restricted Stock Units, and the Company does not assume, and will not be liable to any party for, any cost or liability arising in connection with such tax liability legally imposed on Participant. The Company has not provided any tax advice with respect to the Restricted Stock Units or the disposition of the shares. Participant should obtain advice from an appropriate independent professional adviser with respect to the taxation implications of any aspect of the Restricted Stock Units, including the grant or vesting of the Restricted Stock Units or the subsequent sale of any shares.

(b) In the event that the Company or the Participant's Employer, including any Subsidiary qualified to deduct tax at source, is required to withhold minimum statutory withholding amounts (including in connection with income tax, employment or payroll taxes, social security contributions or other similar amounts, with such obligation in aggregate referred to herein as the "Tax Items") as a result of any event occurring in connection with the Restricted Stock Units, the Employer will satisfy Tax Items by withholding, from the shares to be delivered to the Participant upon vesting, a number of shares having an aggregate fair market value sufficient to pay the Tax Items. The number of shares withheld to satisfy the Tax Items will be rounded up to the nearest whole share. Once the Tax Items have been satisfied by withholding a number of shares for tax purposes, the Participant is deemed to have been issued the full number of shares subject to the release tranche in this grant. The Participant shall pay the Tax Items that the Company may be required to withhold if the Tax Items cannot be satisfied by the means previously described. The Company has sole discretion to require or permit the Participant to make alternate arrangements satisfactory to the Company for such withholdings in advance of the arising withholding obligations. No shares will be issued unless and until satisfactory arrangements (as determined by the Company) have been made by the Participant with respect to the payment of any income and other taxes which the Company determines must be withheld or collected with respect to such shares. By accepting this award, Participant expressly consents to the withholding of shares and to any additional cash withholding as provided for in this paragraph.

(c) Participant acknowledges and agrees that the ultimate liability for any tax-related item legally due by Participant is and remains Participant's responsibility and that the Company and or the Employer (a) make no representations nor undertakings regarding the treatment of any such tax items in connection with any aspect of the Restricted Stock Units, including the grant or vesting of the Restricted Stock Units, the distribution of the shares underlying the Restricted Stock Units, or the subsequent sale of the shares acquired from the Restricted Stock Units; and (b) do not commit to structure the terms or any aspect of the Restricted Stock Units to reduce or eliminate the Participant's liability for such tax items. The Company may refuse to deliver the shares if Participant fails to comply with Participant's obligations in connection with the satisfaction of the Tax Items.

11. Administration. The authority to construe and interpret this Agreement and the Plan, and to administer all aspects of the Plan, shall be vested in the Committee (as such term is defined in the Plan), and the Committee shall have all powers with respect to this Agreement as are provided in the Plan. Any interpretation of this Agreement by the Committee and any decision made by it with respect to this Agreement is final and binding.

12. Adjustments Upon Changes in Capitalization. In the event of any change in the outstanding Stock of the Company by reason of stock dividends, recapitalization, mergers, consolidations, split-up, combinations or exchanges of shares and the like, the number and kind of shares subject to the Restricted Stock Units immediately prior to such event shall be appropriately adjusted by the Board in accordance with the terms of the Plan, and such adjustment shall be conclusive.

13. Data Transfer. Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this document by and among, as applicable, the Employer or the Company, including any of its Subsidiaries, for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan. Participant understands that the Company, its Subsidiaries and the Employer hold certain personal information about Participant, including, but not limited to, name, home address and telephone number, date of birth, social security number (or other identification number), salary, nationality, job title, any shares of stock or directorships held in the Company, details of all options or any other entitlement to shares of stock awarded, canceled, purchased, exercised, vested, unvested or outstanding in Participant's favor for the purpose of implementing, managing and administering the Plan ("Data"). Participant understands that the Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in Participant's country or elsewhere and that the recipient country may have different data privacy laws and protections than Participant's country. Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Stock Plan Administrator at the Company. Participant authorizes the recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing Participant's participation in the Plan, including any requisite transfer of such Data, as may be required

to a broker or other third party with whom Participant may elect to deposit any Shares acquired in connection with the Restricted Stock Units. Participant understands that Data will be held only as long as is necessary to implement, administer and manage participation in the Plan. Participant may, at any time, view Data, request additional information about the storage and processing of the Data, require any necessary amendments to the Data or refuse or withdraw the consents herein, in any case without cost, by contacting the Stock Plan Administrator in writing. Participant understands that refusing or withdrawing consent may affect Participant's ability to participate in the Plan. For more information on the consequences of refusing to consent or withdrawing consent, Participant may contact the Stock Plan Administrator at the Company.

14. Appendix. The Restricted Stock Units shall be subject to any special provisions set forth in the Appendix for Participant’s country. Moreover, if Participant relocates to one of the countries included in the Appendix during the life of the Restricted Stock Units or while holding shares of Common Stock acquired under the Plan, the special provisions for such country shall apply to Participant to the extent the Company determines that the application of such provisions is advisable or necessary in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

15. Entire Agreement; Amendment; Binding Effect; Governing Law; Plan Controls. The Plan is incorporated herein by reference. The Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof, and may not be modified adversely to Participant's interest except by means of a writing signed by the Company and Participant. The waiver by the Company of a breach of any provision of this Agreement by Participant shall not operate or be construed as a waiver of any subsequent breach by Participant. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective executors, administrators, next-of-kin, successors and assigns. This Agreement is governed by the laws of the state of Delaware. In the event of any conflict between the terms and provisions of the Plan and this Agreement, the Plan terms and provisions shall govern. Capitalized terms used but not defined in this Agreement have the meanings assigned to them in the Plan. Certain other important terms governing this Agreement are contained in the Plan.

16. Notices. All notices and other communications of any kind which either party to this Agreement may be required or may desire to serve on the other party hereto in connection with this Agreement shall be in writing and may be delivered by personal service or by registered or certified mail, return receipt requested, deposited in the United States mail with the postage thereon fully prepaid, addressed to the parties at their respective addresses set forth in the Notice of Restricted Stock Unit. Service of any such notice or other communication so made by mail shall be deemed complete on the date of actual delivery as shown by the addressee’s registry or certification receipt or at the expiration of the third (3rd) business day after the date of mailing, whichever is earlier in time. Either party may from time to time by notice in writing served upon the other as aforesaid, designate a different mailing address or a different person to which such notices or other communications are thereafter to be addressed or delivered.

17. Compliance with Section 409A of the Code. This award is intended to comply with the “short-term deferral” rule set forth in Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise deferred compensation subject to Section 409A, and if Participant is a “specified employee” (within the meaning set forth in Section 409A(a)(2)(B)(i) of the Code) as of the date of Participant’s “separation from service” (within the meaning of Treasury Regulation Section 1.409A-1(h) and without regard to any alternative definition thereunder), then the issuance of any shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six (6) months and one day after the date of the separation from service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of adverse taxation on Participant in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a “separate payment” for purposes of Treasury Regulation Section 1.409A-2(b)(2).

RETAIN THIS AGREEMENT FOR YOUR RECORDS

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Section 4: EX-31.01 (EXHIBIT 31.01)

Exhibit 31.01

CERTIFICATION

I, Thomas Carson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TiVo Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent function):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 2, 2017

/s/ Thomas Carson

Thomas Carson

President and Chief Executive Officer

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Section 5: EX-31.02 (EXHIBIT 31.02)

Exhibit 31.02

CERTIFICATION

I, Peter C. Halt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TiVo Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-

15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent function):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 2, 2017

/s/ Peter C. Halt

Peter C. Halt
Chief Financial Officer

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Section 6: EX-32.01 (EXHIBIT 32.01)

Exhibit 32.01

SECTION 1350 CERTIFICATION

In connection with the Quarterly Report of TiVo Corporation (the “Company”) on Form 10-Q for the period ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Thomas Carson certifies in his capacity as Chief Executive Officer of the Company, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350, as adopted), that to the best of his knowledge:

(a) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o (d)), and

(b) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

IN WITNESS WHEREOF, the undersigned has hereunto signed this Certification as of November 2, 2017.

/s/ Thomas Carson

Thomas Carson
President and Chief Executive Officer

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Section 7: EX-32.02 (EXHIBIT 32.02)

Exhibit 32.02

SECTION 1350 CERTIFICATION

In connection with the Quarterly Report of TiVo Corporation (the “Company”) on Form 10-Q for the period ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Peter C. Halt certifies in his capacity as Chief Financial Officer of the Company, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350, as adopted), that to the best of his knowledge:

(a) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a) or 78o(d)), and

(b) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

IN WITNESS WHEREOF, the undersigned has hereunto signed this Certification as of November 2, 2017.

/s/ Peter C. Halt

Peter C. Halt
Chief Financial Officer

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