



LETTER OF TRANSMITTAL

SUBMITTED IN CONNECTION WITH PAYMENT FOR SECURITIES OF

LOGRHYTHM, INC.

This Letter of Transmittal is being delivered to you in connection with the merger (the "Merger") of Tenacity MergerSub, Inc. ("Merger Sub"), a Delaware corporation and wholly owned subsidiary of Tenacity Holdings, LLC, a Delaware limited liability company ("Parent"), with and into LogRhythm, Inc., a Delaware corporation (the "Company"), pursuant to the Agreement and Plan of Merger (the "Merger Agreement"), dated as of May 24, 2018, by and among the Company, Parent, Merger Sub and Shareholder Representative Services LLC, a Colorado limited liability company, solely in its capacity as the representative of the Participating Securityholders (the "Seller Representative"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Merger Agreement.

As a result of the Merger (a) the Company will become a wholly owned direct subsidiary of Parent, (b) each share of Company Stock that is issued and outstanding immediately prior to the Effective Time (other than the Rollover Shares and Appraisal Shares) will be converted into the right to receive (i) the Applicable Per Share Amount and (ii) the Pro Rata Portion of the Post-Closing Merger Consideration attributable to such share of Company Stock (together with the Applicable Per Share Amount, the "Company Stock Consideration"), in each case in accordance with the terms and subject to the conditions set forth in the Merger Agreement, and (c) each Outstanding Company Warrant will be terminated and cancelled and converted into the right to receive (i) the Closing Warrant Consideration and (ii) the Pro Rata Portion of the Post-Closing Merger Consideration attributable to such Outstanding Company Warrant (together with the Closing Warrant Consideration, the "Company Warrant Consideration"), in each case in accordance with the terms and subject to the conditions set forth in the Merger Agreement. In order to receive payment of the Company Stock Consideration and/or Company Warrant Consideration to which you are entitled pursuant to the Merger Agreement, you (the "Undersigned") must complete and sign this Letter of Transmittal, including the applicable exhibits, pursuant to the enclosed instructions and deliver this Letter of Transmittal along with all certificates with respect to your shares of Company Stock (or an Affidavit of Loss and Indemnity if such certificates have been lost or destroyed) to Acquiom Clearinghouse LLC (the "Paying Agent"). Your execution and delivery of the Letter of Transmittal and delivery of your stock certificates, in each case to the Paying Agent, will evidence your surrender of such shares for cancellation in accordance with the terms set forth herein and in the Merger Agreement. In the event that the Merger is not consummated, your Letter of Transmittal and the corresponding stock certificates will be returned to you.



YOU SHOULD READ THIS LETTER OF TRANSMITTAL, THE MERGER AGREEMENT AND THE INFORMATION STATEMENT PREVIOUSLY DELIVERED TO YOU BY THE COMPANY IN THEIR ENTIRETY PRIOR TO DELIVERING THIS LETTER OF TRANSMITTAL TO THE PAYING AGENT FOR A COMPLETE DESCRIPTION OF THE CONSIDERATION YOU MAY BE ENTITLED TO RECEIVE AND THE TERMS AND CONDITIONS APPLICABLE THERETO. THE INFORMATION STATEMENT INCLUDES, AMONG OTHER THINGS, THE NOTIFICATION REQUIRED PURSUANT TO SECTION 262 OF THE DELAWARE GENERAL CORPORATION LAW WITH RESPECT TO THE AVAILABILITY OF STATUTORY APPRAISAL RIGHTS.

By executing this Letter of Transmittal, you acknowledge receipt of the Merger Agreement and the Information Statement. You acknowledge that you have reviewed the Merger Agreement and the terms of the Merger described in the Merger Agreement as well as the Information Statement. You acknowledge that you have had an opportunity to ask questions and receive answers from the Company and legal counsel and such other advisors as you have deemed necessary to evaluate the transactions contemplated by the Merger Agreement and this Letter of Transmittal.

By signing and submitting this Letter of Transmittal, you also hereby represent, warrant, covenant and agree as follows:

1. The Undersigned is the registered holder of all of the shares of Company Stock and/or Company Warrants set forth on Form 3 (the "Securities") as of Closing, with good title to, and full power and authority to sell, assign and transfer, such Securities, free and clear of all Encumbrances, other than those set forth in any legends on the certificates representing such Securities, if applicable. Other than the Securities or any Company Options, the Undersigned does not hold or own any additional shares of Company Stock, Company Warrants, capital stock or other securities of the Company or rights to acquire any securities of the Company.
2. There is no public or private action, arbitration, audit, examination, external investigation, hearing, litigation or suit pending or, to the Undersigned's knowledge, threatened against the Undersigned which would prevent or materially delay the Undersigned from performing its obligations under this Letter of Transmittal in any material respect.
3. The Undersigned has the full power, legal capacity and authority to execute and deliver this Letter of Transmittal and any other agreement or instrument required hereby (the "Other Agreements"), and this Letter of Transmittal and any Other Agreements are valid and binding obligations of the Undersigned, enforceable against the Undersigned in accordance with their terms (subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other Applicable Law affecting generally the enforcement of creditors' rights and subject to general principles of equity (whether considered in a proceeding in equity or at law)).

4. The Undersigned, upon request, will execute and deliver any additional customary documents reasonably deemed necessary by the Paying Agent in connection with the surrender of the Securities. All authority conferred or agreed to be conferred in this Letter of Transmittal shall be binding upon the successors, assigns, heirs, executors, administrators and legal representatives of the Undersigned and shall not be affected by, and shall survive, the death or incapacity of the Undersigned. The surrender of the Securities hereby is irrevocable.

5. The Undersigned hereby irrevocably accepts and adopts the Merger Agreement and consents to the Merger and, provided that the Undersigned previously executed such Action by Written Consent In Lieu of a Special Meeting of the Stockholders of LogRhythm, Inc. (the "Stockholder Consent"), hereby reaffirms the Stockholder Consent, including, without limitation, the consent to the adoption of the Merger Agreement.

6. The Undersigned hereby forever and irrevocably waives any appraisal rights, quasi-appraisal rights, dissenter's rights or similar rights which the Undersigned might otherwise have in connection with the Undersigned's ownership of the Securities under applicable law in connection with the transactions contemplated by the Merger Agreement and withdraws all written objections to the Merger and/or demands for appraisal, if any, with respect to the Securities owned by the Undersigned. The Undersigned understands that submission of this Letter of Transmittal to the Paying Agent constitutes an irrevocable waiver of his, her or its rights to demand appraisal for the fair value of his, her or its Securities pursuant to the provisions of Delaware law.

7. The Undersigned understands that (i) unless and until the Undersigned submits a properly completed Letter of Transmittal according to the terms herein, no cash payments of the Company Stock Consideration or Company Warrant Consideration pursuant to the Merger Agreement shall be made to the Undersigned or its designee, (ii) payment of the Company Stock Consideration and Company Warrant Consideration is conditioned on the closing of the Merger (which is subject to various conditions), and if the Merger is not consummated, this Letter of Transmittal will be returned to the Undersigned and will be void and of no force and effect, (iii) in no event will the Undersigned receive any interest on the Company Stock Consideration, Company Warrant Consideration or any other amounts the Undersigned may be entitled to after the Closing, (iv) the Company Stock Consideration and/or Company Warrant Consideration to be received by the Undersigned will be calculated in accordance with the Merger Agreement and the actual portion of the Aggregate Consideration Amount to be received by the Undersigned is subject to adjustment and the results of certain post-Closing items and (v) the Company Stock Consideration and/or Company Warrant Consideration is subject to withholding, if applicable, by the Company.

8. The Undersigned acknowledges and agrees that the Seller Representative is the Seller Representative in connection with the Merger Agreement and the transactions

contemplated thereby, with the powers and authorities granted to it under the Merger Agreement (including in Article X thereof). The Undersigned hereby irrevocably ratifies such appointment and hereby acknowledges and agrees that the Seller Representative shall have the full power and authority to represent the Undersigned in the manner contemplated by Article X of the Merger Agreement. The Undersigned hereby acknowledges and agrees that (i) the Seller Representative shall have no liability to the Undersigned for actions taken or omitted to be taken under the Merger Agreement, except as otherwise provided in Article X of the Merger Agreement and (ii) the Undersigned shall be bound by the indemnification provisions in favor of the Seller Representative contained in Article X of the Merger Agreement.

9. The Undersigned understands and agrees that (i) a portion of the Company Stock Consideration and/or Company Warrant Consideration to which it may be entitled under the Merger Agreement will be placed in escrow to be held pursuant to the terms of the Merger Agreement and the Escrow Agreement referred to in the Merger Agreement and (ii) the Undersigned shall only be entitled to a portion of such amount (if any) if, as and when such amount is payable in accordance with the provisions of the Merger Agreement and the Escrow Agreement, as applicable.

10. This Letter of Transmittal will be governed by and construed in accordance with the internal laws of the State of Delaware without reference to the choice-of-law rules of any jurisdiction.

11. THE UNDERSIGNED WAIVES THE RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY CLAIM, DEMAND, ACTION OR PROCEEDING SEEKING ENFORCEMENT OF THE UNDERSIGNED'S RIGHTS UNDER, OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF, THIS LETTER OF TRANSMITTAL OR THE MERGER AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE UNDERSIGNED HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE COMPANY MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS LETTER OF TRANSMITTAL WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE UNDERSIGNED TO THE WAIVER OF HIS, HER OR ITS RIGHT TO TRIAL BY JURY.

12. THE UNDERSIGNED HEREBY AGREES AND CONSENTS TO BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE COURT OF CHANCERY OF THE STATE OF DELAWARE IN NEW CASTLE COUNTY, DELAWARE (OR, IF (AND ONLY IF) THE COURT OF CHANCERY OF THE STATE OF DELAWARE SHALL BE UNAVAILABLE, ANY OTHER COURT OF THE STATE OF DELAWARE OR, IN THE CASE OF CLAIMS TO WHICH THE FEDERAL COURTS HAVE EXCLUSIVE SUBJECT

MATTER JURISDICTION, ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE STATE OF DELAWARE) (COLLECTIVELY, THE "CHOSEN COURTS") OVER ANY DISPUTE ARISING OUT OF OR RELATING TO THIS LETTER OF TRANSMITTAL (INCLUDING ANY SUIT, ACTION OR PROCEEDING SEEKING EQUITABLE RELIEF). THE UNDERSIGNED HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY SUCH DISPUTE BROUGHT IN ANY SUCH CHOSEN COURT OR ANY DEFENSE OF INCONVENIENT FORUM IN CONNECTION THEREWITH. THE UNDERSIGNED FURTHER AGREES THAT THE DELIVERY OF ANY PROCESS REQUIRED BY ANY SUCH CHOSEN COURT TO THE ADDRESS IN THE COMPANY'S RECORDS FOR THE UNDERSIGNED SHALL CONSTITUTE VALID AND LAWFUL SERVICE OF PROCESS AGAINST IT, WITHOUT NECESSITY FOR SERVICE BY ANY OTHER MEANS PROVIDED BY STATUTE OR RULE OF COURT.

Signature Page to Letter of Transmittal

Signature is required for each Registered Holder.

By entering in my name and email address then clicking submit, I represent that I am the authorized signer or I have authority to apply the signature of the authorized signer, with the intention of providing an electronic signature that is binding on the registered holder and to be given the same legal effect as a manual signature, and such electronic signature is provided on behalf of all owners for joint accounts. By e-Signing, you acknowledge that you have read and understand this entire Letter of Transmittal and agree to all of its terms. Please carefully read this entire Letter of Transmittal, which includes the accompanying forms and instructions.

S1) **Signature:** *Richard Bakos*
Email: rbakos@gmail.com

S2) **Date:**
Jun 26, 2018

S3) **Name (Printed):**

S4) **Title (If signing on behalf of entity):**

S5) **Additional Signature (If applicable):**

S6) **Date:**

X _____

S7) **Name (Printed):**

S8) **Title (If signing on behalf of entity):**

Acquiom Clearinghouse LLC's affiliate, Acquiom Financial LLC ("**Acquiom Financial**"), establishes and maintains a paying account, receives funds from the transaction parties, and initiates payments from the paying account, including the payments to Undersigned addressed hereunder. Acquiom Financial is a registered broker-dealer and member of the Financial Industry Regulatory Authority and Securities Investor Protection Corporation. Undersigned agrees that Acquiom Financial is a third party beneficiary of the terms of this Letter of Transmittal pertaining to the above activities.

Any modifications or additions to this Letter of Transmittal unilaterally made by the Undersigned (other than to the extent providing the information expressly solicited hereby) shall be deemed ineffective unless expressly approved and agreed to in writing by buyer. Receipt of payment does not constitute approval or acceptance of any such modifications or additions.

Registered Holder Information

A separate Letter of Transmittal is required for each unique Registered Holder.

FORM 1

Name of Registered Holder exactly as it appears for each Security listed on Form 3:

Richard Bakos

☐ Check this box if you would like payment to be remitted to another name. You must also complete Form 2 (W-9) with tax information for the new payee and complete Form 6.

A1) Mail To The Attention Of:

Richard A Bakos

A2) Address 1:

14830 E 118th Ave

A3) Address 2:

A4) City:

Brighton

A5) State/Province/Region:

Colorado

A6) Postal Code:

80603

A7) Country:

United States

A8) Email Address:

rich.bakos@logrhythm.com

A9) Telephone Number:

303.204.7830

By providing your email address, you agree and consent to receive electronically all communications, agreements, documents, notices and disclosures (collectively, "Communications") that we provide in connection with your use of this service. Communications include: (i) this agreement and our Privacy Policy and any amendments, modifications or supplements to them; (ii) your records of transactions through this service; (iii) any initial, periodic or other disclosures or notices provided in connection with this service, including without limitation those required by federal or state law, including tax forms; (iv) any customer service communications, including without limitation communications with respect to claims of error or unauthorized use of this service; and (v) any other communication related to this service or the Payments Administrator. You may withdraw your consent to receive Communications electronically, or you may request a paper copy of a Communication, by contacting us via the "Contact Us" link on our website.

In order to access and retain Communications, you must have: (i) an Internet browser that supports an appropriate level of encryption, (ii) an email account and the capability to read email from us, and (iii) a device and Internet connection capable of supporting the foregoing. You can update your email address at any time by contacting us via the "Contact Us" link on our website or contacting our Client Services as provided herein.

Securities

Securities you are exchanging for payment.

FORM 3

ST1) Security Type:

Common Stock

SN1) Security Number:

Book-164

SH1) Quantity of Shares:

10000

ST2) Security Type:

SN2) Security Number:

SH2) Quantity of Shares:

ST3) Security Type:

SN3) Security Number:

SH3) Quantity of Shares:

ST4) Security Type:

SN4) Security Number:

SH4) Quantity of Shares:

ST5) Security Type:

SN5) Security Number:

SH5) Quantity of Shares:

ST6) Security Type:

SN6) Security Number:

SH6) Quantity of Shares:

The Undersigned affirms and agrees, as it pertains to any Security listed on Form 3 (to the extent certificated) that is not currently in the Undersigned's possession, that (A) such Security was not endorsed and has not, in whole or part, been assigned, transferred, hypothecated, pledged or otherwise disposed of in any manner whatsoever, and no person or entity other than the Undersigned has any right, title, claim, or interest in the same, and (B) the Undersigned will indemnify, defend and hold harmless the Payments Administrator and the parties to the definitive transaction agreement, together with their respective employees, officers, directors, agents, successors and assigns, from and against any and all losses, liabilities, damages, judgments, costs, charges, expenses (including the fees and expenses of counsel), claims, actions and suits, arising out of or in connection with such Security.

Payment Method

Select how you would like to receive your payment.

FORM 4

Direct Deposit (ACH) Election (Complete Form 5A)

You wish to receive payments via direct deposit (ACH). **You understand that this option is only available to certain accounts at U.S. financial institutions** and have confirmed that your financial institution accepts direct deposit (ACH) payments to your account and have verified the information provided on Form 5A with your financial institution. You hereby authorize payments to be made hereunder as direct deposit (ACH) payments. In the event of a duplicate payment, overpayment, fraudulent payment, or payment made in error, you hereby authorize the reversal of such erroneous payment in accordance with the rules of the National Automated Clearinghouse Association. Please note that instructions for ACH and wire often vary (e.g., direct deposit (ACH) transactions cannot include "for further credit account number" or "for further credit account name").

☒ Direct Deposit (ACH) payment method (no charge)

Wire Transfer Election (Complete Form 5B)

You wish to receive payments via wire transfer. A fee of up to \$50 will be charged for each payment made to your financial institution. You understand that if either such fee applies, it will be deducted from your payment. In the event of a duplicate payment, overpayment, fraudulent payment, or payment made in error, you hereby authorize the reversal of such erroneous payment through a single ACH electronic debit in the amount of such erroneous payment from the bank account provided on Form 5B.

☐ Wire Transfer payment method (fees apply)

Check (Complete Form 5C)

You wish to receive payments in the form of a check, which will be sent to you via U.S. mail at the address provided in Form 1 (unless indicated otherwise in Form 5C). You understand that a fee of up to \$40 will be charged for each such payment paid by check. The check payment fee will be deducted from your payment. If you are electing to receive payment via check and you would like the check payable in accordance with information provided in Form 1 you may skip Form 5C and Form 6.

☐ Check, default payment method (fees apply)

By completion of the payment details on Form 5A, Form 5B or Form 5C and/or by executing this Letter of Transmittal the Undersigned hereby agrees that such payment instructions (or, if applicable, the address on Form 1) are true and that the Undersigned is representing that it is authorized to act on behalf of account designated on Form 5A or 5B, if applicable, and is hereby directing the Payments Administrator to cause payments to be made to the account listed (or, if payment is being made by check to the address specified herein). Further, the Payments Administrator shall have no liability to the Undersigned for any damages whatsoever that such person may incur as a result of the Payments Administrator following the instructions provided herein.

Payment Instructions: Direct Deposit (ACH) Information

FORM 5A

Complete Form 5A if you selected Direct Deposit (ACH) as your payment method on Form 4.

If the **Name(s) on the Bank Account** listed below is different than the Registered Holder, a Medallion Guarantee must be completed (Form 6) before any payment can be issued.

Please confirm your direct deposit (ACH) instructions with your bank. If payment is returned, you may incur additional fees. Please note that direct deposit (ACH) transactions are typically credited to your account within one business day, but may not be visible in your account for an additional 1-2 business days.

*** Indicates required field**

Name of Registered Holder exactly how it appears listed for each Security on Form 3:*

Richard Bakos

E1) Name(s) on Bank Account: *

Richard Bakos

E2) Bank Account Number: *

115017929

E3) ABA Routing Number: *

1 0 7 0 0 0 2 6 2

E4) Account Type (Check one): *

CONSUMER

COMMERCIAL



Checking



Savings



Checking



Savings

E5) Bank Name: *

FIRST NATIONAL BANK OF OMAHA

IMPORTANT NOTE: Please note that the ABA Routing Number for wire transfers and direct deposit (ACH) may be different from each other. Please confirm this information with your financial institution. If your account is with a non-bank financial institution such as a brokerage or mutual fund, please contact the financial institution to confirm that wire transfer or direct deposit (ACH) payment is possible for your account and to obtain the correct payment information for this form. Please note that direct deposit (ACH) may not be available for payments to accounts at non-bank financial institutions. Failure to provide accurate and complete electronic payment instructions may cause delays in processing or payments to be returned. If no electronic payment instructions are provided, payments will be automatically disbursed by check to the address provided in Form 1 or Form 5C of this document. Subsequent payments will be made using the same method as the initial payment, at the discretion of the Payments Administrator. Please note that your financial institution may charge a fee for processing incoming wire transfers or direct deposit (ACH). Any such fees would be in addition to the fees described herein.

Payment Instructions: Wire Transfer Information

FORM 5B

Complete Form 5B if you selected Wire Transfer as your payment method on Form 4.

If the **Name(s) on the Account** listed below is different than the Registered Holder, a Medallion Guarantee must be completed (Form 6) before any payment can be issued.

If payment is returned, you may incur additional fees. Please confirm your wire instructions with your financial institution.

* **Indicates required field**

Name of Registered Holder exactly how it appears listed for each Security on Form 3:*

E1) Name(s) on Account: *

E2) U.S. Bank Account Number OR Non-U.S. IBAN Number: *

E3) U.S. Bank Routing Number OR Non-U.S. SWIFT Number: *

E4) Financial Institution Name: *

E5) Financial Institution Address: *

E6) Financial Institution City: *

E7) Financial Institution State/Province: *

E8) Financial Institution Postal Code: *

E9) Financial Institution Country: *

E10) Financial Institution Contact Name: *

E11) Financial Institution Contact Phone Number:*

E12) For Further Credit Account Number (If applicable):

E13) For Further Credit Account Name (If applicable):

A10) Additional Instructions

IMPORTANT NOTE: Please note that the ABA Routing Number for wire transfers and direct deposit (ACH) may be different from each other. Please confirm this information with your financial institution. If your account is with a non-bank financial institution such as a brokerage or mutual fund, please contact the financial institution to confirm that wire transfer or direct deposit (ACH) payment is possible for your account and to obtain the correct payment information for this form. Please note that direct deposit (ACH) may not be available for payments to accounts at non-bank financial institutions. Failure to provide accurate and complete electronic payment instructions may cause delays in processing or payments to be returned. If no electronic payment instructions are provided, payments will be automatically disbursed by check to the address provided in Form 1 or Form 5C of this document. Subsequent payments will be made using the same method as the initial payment, at the discretion of the Payments Administrator. Please note that your financial institution may charge a fee for processing incoming wire transfers or direct deposit (ACH). Any such fees would be in addition to the fees described herein.

Payment Instructions : Check Payment Information

FORM 5C

Complete Form 5C ONLY if: (A) the check is being paid to someone other than the name(s) provided in Form 1 or (B) you would like your check to be mailed to an address that is different than the one provided in Form 1.

If the **Name(s) on "Make Check Payable To"** listed below are different than the Registered Holder, a Medallion Guarantee must be completed (Form 6) before any payment can be issued.

*** Indicates required field**

Name of Registered Holder exactly how it appears listed for each Security on Form 3:*

C1) Make Check Payable To:

C2) Mail To The Attention Of:

C3) Address 1:

C4) Address 2:

C5) City:

C6) State/Province:

C7) Postal Code:

C8) Country: