

COSTAR TECHNOLOGIES, INC. INCENTIVE COMPENSATION CLAWBACK POLICY

OVERVIEW

Costar Technologies, Inc. (the “*Company*”) has adopted this incentive compensation clawback policy (the “*Policy*”) to ensure that incentive compensation (as defined below) is paid based on accurate financial and operating data and the correct calculation of the Company’s performance against incentive targets.

In the event of (a) a restatement of the financial and/or operating results of the Company or one of its segments (other than a restatement caused by a change in applicable accounting rules or interpretations) or (b) a determination that a Covered Employee (as defined below) of the Company engaged in fraud or misconduct, that, in either case, resulted in or contributed to the payment, granting, vesting, crediting or accrual of incentive compensation that would not otherwise have been paid, granted, vested, credited or accrued to a Covered Employee if the correct financial and/or operating data had been used or in the absence of such fraud or misconduct (an “*Overpayment*”), then the Company may seek recovery of the Overpayment in accordance with the terms of this Policy.

ADMINISTRATION OF POLICY

The Compensation Committee (the “*Committee*”) of the Board of Directors of the Company (the “*Board*”) shall have full authority to administer this Policy. Actions of the Committee pursuant to this Policy shall be taken by the vote of a majority of its members. The Committee is authorized, subject to the provisions of this Policy, to make such determinations and interpretations and to take such actions in connection with this Policy as it deems necessary, appropriate or advisable. Notwithstanding the foregoing, the Committee may, in its sole discretion, at any time and from time to time, request that the Board administer this Policy with respect to a particular matter or ratify and confirm a determination or interpretation made by the Committee, in which case the Board shall have all of the authority and responsibility granted to the Committee herein with respect thereto. All determinations and interpretations made by the Committee shall be final, binding and conclusive.

COVERED EMPLOYEES

This Policy shall apply to all current and former executive officers of the Company, as determined pursuant to Rule 3b-7 under the Securities Exchange Act of 1934, as amended, and any other employee of the Company and its subsidiaries who receives equity or equity-based awards, participates in the Company’s incentive bonus program or is otherwise designated by the Committee from time to time (collectively, the “*Covered Employees*”).

INCENTIVE COMPENSATION

For purposes of this Policy, “incentive compensation” shall mean any performance bonus or incentive award (including, without limitation, annual incentive bonuses (in cash or otherwise) and stock options, stock appreciation rights, restricted stock, restricted stock units, performance

shares or other security-based or equity-based awards) paid, granted, vested, credited or accrued under any Company plan, arrangement or agreement.

CALCULATION OF OVERPAYMENT; FORMS OF RECOVERY

The Committee may, in its discretion, seek to recover and enforce the repayment of an Overpayment to a Covered Employee (a) through a demand for repayment from, and an action for recovery against, the Covered Employee (a “**Recovery**”) and/or (b) through the reduction and/or cancellation of outstanding and/or future incentive compensation payable to the Covered Employee (a “**Reduction**”).

If the Committee determines to seek a Recovery, the Company shall make a written demand on the Covered Employee that the Covered Employee reimburse and repay the Company for the Overpayment and, if necessary, sue or otherwise bring an action for Recovery. If the Committee determines to seek a Reduction, the Company shall have the right to cancel or reduce any outstanding, or determine not to grant or issue any future, performance bonus or incentive award(s) with a value equivalent to the Overpayment, as determined by the Committee.

In making the determinations referred to in this section, the Committee may take into account such factors as it deems appropriate, including, without limitation (i) the amount of the Overpayment, (ii) the degree to which the Covered Employee’s actions or inactions directly or indirectly contributed to the Overpayment, (iii) the Covered Employee’s knowledge of the Overpayment, (iv) the expected or actual cost (financial or otherwise) to the Company of any Recovery or Reduction of an Overpayment and (v) applicable law.

Notwithstanding the foregoing, the Company shall not be obligated to pursue a Recovery if the Committee determines that the amount to be recovered is de minimis to the Company or the expected cost of the Recovery will exceed the amount to be recovered.

TIME PERIOD FOR OVERPAYMENT REVIEW

The Committee may make determinations of Overpayment at any time through the end of the third fiscal year following the year in which inaccurate financial and/or operating data were measured; provided, that if steps have been taken within such period to restate the Company’s or segment’s financial and/or operating results, the time period shall be extended until such restatement is completed. Notwithstanding the above, if the Committee determines that any Covered Employee engaged in fraud or misconduct, the Committee shall be entitled to determine the Overpayment with respect to such Covered Employee for a period of five years after the act of fraud or misconduct.

NO ADDITIONAL PAYMENTS

In no event shall the Company be required to award Covered Employees an additional payment if the restated or accurate financial results would have resulted in a higher incentive compensation payment.

DETERMINATION FINAL

Any determination by the Committee with respect to this Policy shall be final, conclusive and binding on all interested parties.

APPLICABILITY

This Policy applies to all incentive compensation paid, granted, vested, credited or accrued after July 1, 2014 (the “*Effective Date*”), except to the extent prohibited by applicable law or any other legal obligation of the Company. Application of the Policy does not preclude the Company from taking any other action to enforce a Covered Employee’s obligations to the Company, including, without limitation, termination of employment or institution of civil or criminal proceedings.

ACKNOWLEDGEMENT BY COVERED EMPLOYEES

The Board, the Committee or their delegate shall provide notice and seek written acknowledgement of this Policy from each Covered Employee, provided that the failure to provide such notice or obtain such acknowledgement shall have no impact on the applicability or enforceability of this Policy.

OTHER LAWS

The Policy is in addition to (and not in lieu of) any right of repayment, forfeiture or right of offset against any Covered Employee that may be available under applicable law or otherwise (regardless of whether implemented at any time prior to or following the adoption of the Policy).

Notwithstanding anything to the contrary in this Policy, in no event shall the Committee seek any recovery described in this Policy if by doing so the Company shall be in violation of any applicable state wage or other law.

AMENDMENT; TERMINATION

The Board may amend or terminate this Policy at any time.