

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13D
[Rule 13d-101]

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO
§ 240.13d-2(a)

(Amendment No. __)*

NeuMedia, Inc.

(Name of Issuer)

Common Stock, \$0.0001 par value

(Title of Class of Securities)

562565101

(CUSIP Number)

Peter A. Adderton

4751 Wilshire Boulevard, 3rd Floor

Los Angeles, California 90010

(310) 601 - 2500

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

December 28, 2011

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Names of Reporting Persons

1	Peter A. Adderton	
2	Check the Appropriate Box if a Member of a Group (see instructions)	(a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>
3	SEC Use Only	
4	Source of Funds (see instructions) OO	
5	Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) Citizenship or Place of Organization	<input type="checkbox"/>
6	Australian	
	Number of Shares Beneficially by Owned by Each Reporting Person With	
	7	Sole Voting Power 3,162,500(1)
	8	Shared Voting Power 50,000(2)
	9	Sole Dispositive Power 3,162,500(1)
	10	Shared Dispositive Power 50,000(2)
11	Aggregate Amount Beneficially Owned by Each Reporting Person 3,212,500	
12	Check if the Aggregate Amount in Row (11) Excludes Certain Shares (see instructions)	<input type="checkbox"/>
13	Percent of Class Represented by Amount in Row (11) 6.16%	
14	Type of Reporting Person (see instructions) IN	

(1) Consists of (a) 3,012,500 shares common stock and (b) 150,000 shares of common stock issuable upon exercise of a warrant issued on September 27, 2010.

(2) Consists of 50,000 shares of common stock held by Digital Turbine Group, LLC.

CUSIP No. 562565101

Item 1. Security and Issuer

The class of equity securities to which this statement relates is the common stock, \$0.0001 par value per share (the "Common Stock") of NeuMedia, Inc. (the "Issuer"). The principal executive offices of the Issuer are located at 4751 Wilshire Boulevard, Third Floor, Los Angeles, CA 90010.

Item 2. Identity and Background

- (a) This Schedule 13D is being filed by Peter A. Adderton (the "Reporting Person").
- (b) The address of the Reporting Person is 4751 Wilshire Blvd., 3rd Floor, Los Angeles, CA 90010.
- (c) Peter Adderton is the Chief Executive Officer of the Issuer. The address of the Issuer is 4751 Wilshire Blvd., 3rd Floor, Los Angeles, CA 90010.
- (d) The Reporting Person has not, during the last five years, been convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors).
- (e) The Reporting Person has not, during the last five years, been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding were or are subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, Federal or state securities laws or finding any violation with respect to such laws.
- (f) The Reporting Person is an Australian citizen.

Item 3. Source and Amount of Funds or Other Consideration

The securities of the Issuer reported as beneficially owned by the Reporting Person in this Schedule 13D were issued to the Reporting Person in consideration for past services rendered and services to be rendered in connection with the Reporting Person's employment with the Issuer, which began on December 28, 2011. The securities were issued pursuant to the exemption provided by Section 4(2) of the Securities Act of 1933, as amended, for transactions by an issuer not involving any public offering.

Item 4. Purpose of Transaction

The information set forth in Item 3 above is incorporated by reference herein.

The Reporting Person intends to continuously assess the Issuer's business, financial conditions, results of operations and prospects, general economic conditions, the securities markets in general and those for the Issuer's securities. Depending on such assessments, the Reporting Person may, from time to time, acquire additional securities of the Issuer or may determine to sell or otherwise dispose of all or some of its holdings of the Issuer's securities.

The Reporting Person may also engage in and may plan for his engagement of any of the items discussed in clauses (a) through (j) of Item 4 of the instructions to Schedule 13D. However, the Reporting Person does not have any present plan or proposal which would relate to or result in any of the matters set forth in subparagraphs (a) - (j) of Item 4 of Schedule 13D, except as set forth herein or such as would occur upon completion of any of the actions discussed herein.

The Reporting Person intends to review his investment in the Issuer on a continuing basis. Depending on various factors including, without limitation, the Issuer's financial position and investment strategy, the price levels of the shares of Common Stock, conditions in the securities markets and general economic and industry conditions, the Reporting Person may in the future take such actions with respect to his investment in the Issuer as he deems appropriate including, without limitation, communications with management and the Board of Directors of the Issuer, nominating or recommending additional candidates to serve as members of the Board of Directors of the Issuer, having discussions with other stockholders and potential nominees to the Board of Directors of the Issuer, making proposals to the Issuer concerning changes to the capitalization, ownership structure or operations of the Issuer, purchasing additional shares of Common Stock, selling some or all of his shares of Common Stock, engaging in short selling of or any hedging or similar transaction with respect to the shares of Common Stock, or changing his intentions with respect to any and all matters referred to in Item 4.

Item 5. Interest in Securities of the Issuer

(a) The Reporting Person is the beneficial owner of 3,212,500 shares of Common Stock in the aggregate, representing approximately 6.16% of the Issuer.

(b) The Reporting Person has the sole power to vote or to direct the vote and dispose or to direct the disposition of 3,162,500 shares of Common Stock of the Issuer. The Reporting Person has shared power to vote or to direct the vote and dispose or to direct the disposition of 50,000 shares of Common Stock of the Issuer.

(c) The information set forth in Item 3 is incorporated by reference herein. Except as described above, the Reporting Person has not engaged in any transactions involving the securities of the Issuer in the past 60 days.

(d) – (e)

Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Except as described herein, there are no contracts, arrangements, understandings or relationships (legal or otherwise) between the Reporting Person named in Item 2 hereof and any person with respect to any securities of the Issuer, including but not limited to transfer or voting of any other securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, divisions of profits or loss, or the giving or withholding of proxies.

Item 7. Material to Be Filed as Exhibits

99.1 Restricted Stock Agreement

99.2 Restricted Stock Agreement

99.3 Warrant

SIGNATURES

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: January 7, 2012

Peter A. Adderton

/s/ Peter A. Adderton

RESTRICTED STOCK AGREEMENT

NEUMEDIA, INC.

RESTRICTED STOCK AGREEMENT (the "Agreement") made as of December 28, 2011 (the "Grant Date"), between NeuMedia, Inc., a Delaware corporation (the "Company"), and Digital Turbine Group, LLC (the "Holder").

WHEREAS, the Company has purchased substantially all of the assets of the Holder, and, in connection therewith, the Holder and certain of its affiliates are receiving shares of the Company's common stock, \$.0001 par value per share ("Common Stock").

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

1. Terms of Grant. The Holder hereby accepts the offer of the Company to issue to the Holder, in accordance with the terms of this Agreement, 50,000 Shares of Common Stock (such shares subject to adjustment pursuant to Subsection 2.1(g) hereof, the "Granted Shares").

2. Vesting and Other Restrictions.

(a) Vesting Schedule. The Granted Shares are fully vested as of the date of this Agreement.

(b) Prohibition on Transfer. The Holder recognizes and agrees that all Granted Shares, even if fully vested in accordance with Section 2(a), may not be sold, transferred, assigned, hypothecated, pledged, encumbered or otherwise disposed of, whether voluntarily or by operation of law, other than to the Company (or its designee) for a period of one (1) year from the date such shares vest in accordance with Section 2.1(a) (the "Holding Period"). The Company shall not be required to transfer any Granted Shares on its books which shall have been sold, assigned or otherwise transferred in violation of this Subsection 2.1(b), or to treat as the owner of such Granted Shares, or to accord the right to vote as such owner or to pay dividends to, any person or organization to which any such Granted Shares shall have been so sold, assigned or otherwise transferred, in violation of this Subsection 2.1(b).

(c) Escrow. The certificates representing all Granted Shares issued to the Holder hereunder shall be delivered to the Company and the Company shall hold such Granted Shares in escrow as provided in this Subsection 2.1(c). The Company shall release from escrow and deliver to the Holder within thirty (30) days of the Holding Period (with respect to any vested shares) a certificate for the whole number of Granted Shares which have vested and for which the Holding Period has expired. In the event that the vesting conditions set forth above have not been satisfied prior to the expiration of the Measurement Period, the Company shall release from escrow as of the last date of the Measurement Period and cancel a certificate for the number of Granted Shares so forfeited. Any securities distributed in respect of the Granted Shares held in escrow, including, without limitation, shares issued as a result of stock splits, stock dividends or other recapitalizations, shall also be held in escrow in the same manner as the Granted Shares.

(d) Failure to Deliver Granted Shares. In the event that the Granted Shares to be cancelled by the Company under this Agreement or subject to the Holding Period are not in the Company's possession pursuant to Subsection 2.1(c) above or otherwise and the Holder or the Holder's successor or permitted assignee fails to deliver such Granted Shares to the Company (or its designee), the Company may immediately take such action as is appropriate to transfer record title of such Granted Shares from the Holder to the Company (or its designee) and treat the Holder and such Granted Shares in all respects as if delivery of such Granted Shares had been made as required by this Agreement. The Holder hereby irrevocably grants the Company a power of attorney which shall be coupled with an interest for the purpose of effectuating the preceding sentence.

(e) Adjustments. The Company's 2011 Equity Incentive Plan (the "Plan") contains provisions covering the treatment of the Granted Shares in a number of contingencies such as stock splits and mergers. Provisions in the Plan for adjustment with respect to the Granted Shares and the related provisions with respect to successors to the business of the Company are hereby made applicable hereunder and are incorporated herein by reference.

3. General Restrictions on Transfer of Granted Shares.

(a) The Holder agrees that in the event the Company proposes to offer for sale to the public any of its equity securities and such Holder is requested by the Company and any underwriter engaged by the Company in connection with such offering to sign an agreement restricting the sale or other transfer of Granted Shares, then it will promptly sign such agreement and will not transfer, whether in privately negotiated transactions or to the public in open market transactions or otherwise, any Granted Shares or other securities of the Company held by him or her during such period as is determined by the Company and the underwriters, not to exceed ninety (90) days following the closing of the offering, plus such additional period of time as may be required to comply with NASD Rule 2711 or similar rules thereto (such period, the "Lock-Up Period"). Such agreement shall be in writing and in form and substance reasonably satisfactory to the Company and such underwriter and pursuant to customary and prevailing terms and conditions. Notwithstanding whether the Holder has signed such an agreement, the Company may impose stop-transfer instructions with respect to the Granted Shares or other securities of the Company subject to the foregoing restrictions until the end of the Lock-Up Period.

(b) The Holder acknowledges and agrees that neither the Company nor its shareholders nor its directors and officers, has any duty or obligation to disclose to the Holder any material information regarding the business of the Company or affecting the value of the Granted Shares at any time, including, without limitation, any information concerning plans for the Company to make a public offering of its securities or to be acquired by or merged with or into another firm or entity.

4. Purchase for Investment; Securities Law Compliance. The offering and sale of the Granted Shares have not been effectively registered under the Securities Act of 1933, as amended (the "1933 Act"). The Holder hereby represents and warrants that he or she is acquiring the Granted Shares for his or her own account, for investment, and not with a view to, or for sale in connection with, the distribution of any such Granted Shares. The Holder understands that because the Granted Shares have not been registered under the 1933 Act, the Holder must continue to bear the economic risk of the investment for an indefinite period of time. The Holder represents and warrants that the Holder (a) has been furnished with all information which it deems necessary to evaluate the merits and risks of the receipt of the Granted Shares, (b) has had the opportunity to ask questions concerning the Granted Shares and the Company and all questions posed have been answered to his or her satisfaction, (c) has been given the opportunity to obtain any additional information he or she deems necessary to verify the accuracy of any information obtained concerning the Granted Shares and the Company and (d) has such knowledge and experience in financial and business matters that the Holder is able to evaluate the merits and risks of investing in the Granted Shares and to make an informed investment decision relating thereto. The Holder specifically acknowledges and agrees that any sales of Granted Shares shall be made in accordance with the requirements of the 1933 Act, in a transaction as to which the Company shall have received an opinion of counsel satisfactory to it confirming such compliance. The Holder shall be bound by the provisions of the following legend which shall be endorsed upon the certificate(s) evidencing the Granted Shares issued:

"The shares represented by this certificate have been taken for investment and they may not be sold or otherwise transferred by any person, including a pledgee, unless (1) either (a) a Registration Statement with respect to such shares shall be effective under the Securities Act of 1933, as amended, or (b) the Company shall have received an opinion of counsel satisfactory to it that an exemption from registration under such Act is then available, and (2) there shall have been compliance with all applicable state securities laws."

5. No Rights as a Stockholder. The Holder shall not have any rights as a stockholder with respect to the Granted Shares, including voting and dividend rights, unless and until such Granted Shares shall have vested in accordance with the terms hereof, and in all cases subject to the restrictions set forth herein.

6. Legend. All certificates representing the Granted Shares to be issued to the Holder pursuant to this Agreement shall have endorsed thereon a legend substantially as follows:

"The shares represented by this certificate are subject to restrictions set forth in a Restricted Stock Agreement dated as of December 28, 2011 with this Company, a copy of which Agreement is available for inspection at the offices of the Company or will be made available upon request."

7. Tax Liability of the Holder and Payment of Taxes. The Holder acknowledges and agrees that any income or other taxes due from the Holder with respect to the Granted Shares issued pursuant to this Agreement, shall be the Holder's responsibility. Without limiting the foregoing, the Holder agrees that, to the extent that the lapsing of restrictions on disposition of any of the Granted Shares or the declaration of dividends on any such shares before the lapse of such restrictions on disposition results in the Holder's being deemed to be in receipt of earned income, the Company shall be entitled to immediate payment from the Holder of the amount of any tax required to be withheld by the Company under applicable tax law. The Holder has been given the opportunity to obtain the advice of his or her tax advisors with respect to the tax consequences of the purchase of the Granted Shares and the provisions of this Agreement.

Upon execution of this Agreement, if the Holder is a United States tax payer, the Holder may file an election under Section 83 of the Internal Revenue Code of 1986, as amended, in substantially the form attached as Exhibit B. The Holder acknowledges that if he or she does not file such an election, as the Granted Shares become vested in accordance with Section 2.1, the Holder will have income for tax purposes equal to the fair market value of the Granted Shares at such date, less the price paid for the Granted Shares by the Holder.

Any taxes due from the Holder that are required to be withheld by the Company under any applicable tax law shall be paid by the Holder by depositing with the Company an amount of cash equal to the amount determined by the Company to be required with respect to the statutory minimum of the Holder's estimated total federal, state and local tax obligations associated with the vesting of such shares with respect to the Granted Shares or otherwise withholding from the Holder's paycheck an amount equal to the withholding tax due and payable.

8. Equitable Relief. The Holder specifically acknowledges and agrees that in the event of a breach or threatened breach of the provisions of this Agreement, including the attempted transfer of the Granted Shares by the Holder in violation of this Agreement, monetary damages may not be adequate to compensate the Company, and, therefore, in the event of such a breach or threatened breach, in addition to any right to damages, the Company shall be entitled to equitable relief in any court having competent jurisdiction. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any such breach or threatened breach.

9. No Obligation to Create or Maintain Relationship. The Holder is not an employee, director, or consultant of the Company and this Agreement does not create or maintain any employee, director or consultant relationship between the Holder and the Company or any affiliates thereof. The Holder acknowledges: (a) that the grant of the shares is a one-time benefit which does not create any contractual or other right to receive future grants of shares, or benefits in lieu of shares; (b) that all determinations with respect to any such future grants, including, but not limited to, the times when shares shall be granted, the number of shares to be granted, the purchase price, and the time or times when each share shall vest, will be at the sole discretion of the Company; (c) that the value of the Granted Shares is an extraordinary item of compensation which is outside the scope of the Holder's employment contract, if any; and (d) that the Granted Shares are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

10. Notices. Any notices required or permitted by the terms of this Agreement shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

If to the Company:

NeuMedia, Inc.
4751 Wilshire Blvd., 3rd Floor
Los Angeles, CA 90010

If to the Holder:

c/o David R. Altshuler, Esq.
15332 Antioch St. #840
Pacific Palisades, CA 90272

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given on the earliest of receipt, one business day following delivery by the sender to a recognized courier service, or three business days following mailing by registered or certified mail.

11. Benefit of Agreement. Subject to the other provisions hereof, this Agreement shall be for the benefit of and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

12. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the conflict of law principles thereof. For the purpose of litigating any dispute that arises under this Agreement, whether at law or in equity, the parties hereby consent to exclusive jurisdiction in the State of California and agree that such litigation shall be conducted in the state courts of State of California or the federal courts of the United States for the District of Los Angeles, California.

13. Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then such provision or provisions shall be modified to the extent necessary to make such provision valid and enforceable, and to the extent that this is impossible, then such provision shall be deemed to be excised from this Agreement, and the validity, legality and enforceability of the rest of this Agreement shall not be affected thereby.

14. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement not expressly set forth in this Agreement shall affect or be used to interpret, change or restrict the express terms and provisions of this Agreement.

15. Modifications and Amendments; Waivers and Consents. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

16. Counterparts. This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. Data Privacy. By entering into this Agreement, the Holder: (a) authorizes the Company and each affiliate thereof to disclose to the Company or any of its affiliates such information and data as the Company or any such affiliate shall request in order to facilitate the grant of Granted Shares; (b) waives any data privacy rights he or she may have with respect to such information; and (c) authorizes the Company and such affiliate to store and transmit such information in electronic form.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

NeuMedia, Inc.

By: _____ /s/ David Mandell
Name: David Mandell
Title: Corporate Secretary

Holder:

Digital Turbine Group, LLC

By: _____ /s/ Peter A. Adderton
Name: Peter A. Adderton
Title: Manager

RESTRICTED STOCK AGREEMENT

NEUMEDIA, INC.

RESTRICTED STOCK AGREEMENT (the "Agreement") made as of December 28, 2011 (the "Grant Date"), between NeuMedia, Inc., a Delaware corporation (the "Company"), and Peter Adderton (the "Holder").

WHEREAS, the Company has purchased substantially all of the assets of Digital Turbine Group, LLC, and in connection therewith, has entered into an employment or consulting agreement with the Holder (the "Services Agreement");

WHEREAS, in connection with the Holder's employment or consulting services, the Company desires to offer to the Holder shares of the Company's common stock, \$.0001 par value per share ("Common Stock"), all on the terms and conditions hereinafter set forth; and

WHEREAS, the Holder wishes to accept said offer.

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

1. Terms of Grant. The Holder hereby accepts the offer of the Company to issue to the Holder, in accordance with the terms of this Agreement, 9,037,500 Shares of Common Stock (such shares subject to adjustment pursuant to Subsection 2.1(g) hereof, the "Granted Shares").

2. Vesting and Other Restrictions.

(a) Vesting Schedule. The Granted Shares shall vest as follows: (i) one third (1/3) shall vest immediately upon the completion of one or more debt or equity financings during the Measurement Period (as defined in the Services Agreement) in favor of the Company of gross proceeds of at least \$5 million; (ii) one third (1/3) shall vest immediately if on any date during the Measurement Period the Company's total enterprise value (computed by multiplying the number of outstanding shares of Common Stock on a fully diluted (taking into account only those stock options that are in-the-money on such date), as-converted basis by the average daily trading price for Common Stock for the thirty (30) trading day period immediately preceding the date of determination) equals or exceeds \$100 million; and (iii) one third (1/3) shall vest immediately if on any date during the Measurement Period the Company's total enterprise value (calculated as set forth in clause (ii) above) equals or exceeds \$200 million; provided, however, that all unvested shares of restricted common stock shall vest immediately upon the sale of all or substantially all of the assets of the Company, upon the merger or reorganization of the Company following which the equityholders of the Company immediately prior to the consummation of such merger or reorganization collectively own less than 50% of the voting power of the resulting entity, or upon the sale of equity securities of the Company representing 50% or more of the voting power of the Company or 50% or more of the economic interest in the Company in a single transaction or in a series of related transactions.

(b) Prohibition on Transfer. The Holder recognizes and agrees that all Granted Shares, even if fully vested in accordance with Section 2(a), may not be sold, transferred, assigned, hypothecated, pledged, encumbered or otherwise disposed of, whether voluntarily or by operation of law, other than to the Company (or its designee) for a period of one (1) year from the date such shares vest in accordance with Section 2.1(a) (the "Holding Period"). The Company shall not be required to transfer any Granted Shares on its books which shall have been sold, assigned or otherwise transferred in violation of this Subsection 2.1(b), or to treat as the owner of such Granted Shares, or to accord the right to vote as such owner or to pay dividends to, any person or organization to which any such Granted Shares shall have been so sold, assigned or otherwise transferred, in violation of this Subsection 2.1(b).

(c) Escrow. The certificates representing all Granted Shares issued to the Holder hereunder shall be delivered to the Company and the Company shall hold such Granted Shares in escrow as provided in this Subsection 2.1(c). The Company shall release from escrow and deliver to the Holder within thirty (30) days of the Holding Period (with respect to any vested shares) a certificate for the whole number of Granted Shares which have vested and for which the Holding Period has expired. In the event that the vesting conditions set forth above have not been satisfied prior to the expiration of the Measurement Period, the Company shall release from escrow as of the last date of the Measurement Period and cancel a certificate for the number of Granted Shares so forfeited. Any securities distributed in respect of the Granted Shares held in escrow, including, without limitation, shares issued as a result of stock splits, stock dividends or other recapitalizations, shall also be held in escrow in the same manner as the Granted Shares.

(d) Failure to Deliver Granted Shares. In the event that the Granted Shares to be cancelled by the Company under this Agreement or subject to the Holding Period are not in the Company's possession pursuant to Subsection 2.1(c) above or otherwise and the Holder or the Holder's successor or permitted assignee fails to deliver such Granted Shares to the Company (or its designee), the Company may immediately take such action as is appropriate to transfer record title of such Granted Shares from the Holder to the Company (or its designee) and treat the Holder and such Granted Shares in all respects as if delivery of such Granted Shares had been made as required by this Agreement. The Holder hereby irrevocably grants the Company a power of attorney which shall be coupled with an interest for the purpose of effectuating the preceding sentence.

(e) Adjustments. The Company's 2011 Equity Incentive Plan (the "Plan") contains provisions covering the treatment of the Granted Shares in a number of contingencies such as stock splits and mergers. Provisions in the Plan for adjustment with respect to the Granted Shares and the related provisions with respect to successors to the business of the Company are hereby made applicable hereunder and are incorporated herein by reference.

3. General Restrictions on Transfer of Granted Shares.

(a) The Holder agrees that in the event the Company proposes to offer for sale to the public any of its equity securities and such Holder is requested by the Company and any underwriter engaged by the Company in connection with such offering to sign an agreement restricting the sale or other transfer of Granted Shares, then it will promptly sign such agreement and will not transfer, whether in privately negotiated transactions or to the public in open market transactions or otherwise, any Granted Shares or other securities of the Company held by him or her during such period as is determined by the Company and the underwriters, not to exceed ninety (90) days following the closing of the offering, plus such additional period of time as may be required to comply with NASD Rule 2711 or similar rules thereto (such period, the "Lock-Up Period"). Such agreement shall be in writing and in form and substance reasonably satisfactory to the Company and such underwriter and pursuant to customary and prevailing terms and conditions. Notwithstanding whether the Holder has signed such an agreement, the Company may impose stop-transfer instructions with respect to the Granted Shares or other securities of the Company subject to the foregoing restrictions until the end of the Lock-Up Period.

(b) The Holder acknowledges and agrees that neither the Company nor its shareholders nor its directors and officers, has any duty or obligation to disclose to the Holder any material information regarding the business of the Company or affecting the value of the Granted Shares at any time, including, without limitation, any information concerning plans for the Company to make a public offering of its securities or to be acquired by or merged with or into another firm or entity.

4. Purchase for Investment; Securities Law Compliance. The offering and sale of the Granted Shares have not been effectively registered under the Securities Act of 1933, as amended (the "1933 Act"). The Holder hereby represents and warrants that he or she is acquiring the Granted Shares for his or her own account, for investment, and not with a view to, or for sale in connection with, the distribution of any such Granted Shares. The Holder understands that because the Granted Shares have not been registered under the 1933 Act, the Holder must continue to bear the economic risk of the investment for an indefinite period of time. The Holder represents and warrants that the Holder (a) has been furnished with all information which it deems necessary to evaluate the merits and risks of the receipt of the Granted Shares, (b) has had the opportunity to ask questions concerning the Granted Shares and the Company and all questions posed have been answered to his or her satisfaction, (c) has been given the opportunity to obtain any additional information he or she deems necessary to verify the accuracy of any information obtained concerning the Granted Shares and the Company and (d) has such knowledge and experience in financial and business matters that the Holder is able to evaluate the merits and risks of investing in the Granted Shares and to make an informed investment decision relating thereto. The Holder specifically acknowledges and agrees that any sales of Granted Shares shall be made in accordance with the requirements of the 1933 Act, in a transaction as to which the Company shall have received an opinion of counsel satisfactory to it confirming such compliance. The Holder shall be bound by the provisions of the following legend which shall be endorsed upon the certificate(s) evidencing the Granted Shares issued:

"The shares represented by this certificate have been taken for investment and they may not be sold or otherwise transferred by any person, including a pledgee, unless (1) either (a) a Registration Statement with respect to such shares shall be effective under the Securities Act of 1933, as amended, or (b) the Company shall have received an opinion of counsel satisfactory to it that an exemption from registration under such Act is then available, and (2) there shall have been compliance with all applicable state securities laws."

5. No Rights as a Stockholder. The Holder shall not have any rights as a stockholder with respect to the Granted Shares, including voting and dividend rights, unless and until such Granted Shares shall have vested in accordance with the terms hereof, and in all cases subject to the restrictions set forth herein.

6. Legend. All certificates representing the Granted Shares to be issued to the Holder pursuant to this Agreement shall have endorsed thereon a legend substantially as follows:

“The shares represented by this certificate are subject to restrictions set forth in a Restricted Stock Agreement dated as of December 28, 2011 with this Company, a copy of which Agreement is available for inspection at the offices of the Company or will be made available upon request.”

7. Tax Liability of the Holder and Payment of Taxes. The Holder acknowledges and agrees that any income or other taxes due from the Holder with respect to the Granted Shares issued pursuant to this Agreement, shall be the Holder's responsibility. Without limiting the foregoing, the Holder agrees that, to the extent that the lapsing of restrictions on disposition of any of the Granted Shares or the declaration of dividends on any such shares before the lapse of such restrictions on disposition results in the Holder's being deemed to be in receipt of earned income, the Company shall be entitled to immediate payment from the Holder of the amount of any tax required to be withheld by the Company under applicable tax law. The Holder has been given the opportunity to obtain the advice of his or her tax advisors with respect to the tax consequences of the purchase of the Granted Shares and the provisions of this Agreement.

Upon execution of this Agreement, if the Holder is a United States tax payer, the Holder may file an election under Section 83 of the Internal Revenue Code of 1986, as amended, in substantially the form attached as Exhibit B. The Holder acknowledges that if he or she does not file such an election, as the Granted Shares become vested in accordance with Section 2.1, the Holder will have income for tax purposes equal to the fair market value of the Granted Shares at such date, less the price paid for the Granted Shares by the Holder.

Any taxes due from the Holder that are required to be withheld by the Company under any applicable tax law shall be paid by the Holder by depositing with the Company an amount of cash equal to the amount determined by the Company to be required with respect to the statutory minimum of the Holder's estimated total federal, state and local tax obligations associated with the vesting of such shares with respect to the Granted Shares or otherwise withholding from the Holder's paycheck an amount equal to the withholding tax due and payable.

8. Equitable Relief. The Holder specifically acknowledges and agrees that in the event of a breach or threatened breach of the provisions of this Agreement, including the attempted transfer of the Granted Shares by the Holder in violation of this Agreement, monetary damages may not be adequate to compensate the Company, and, therefore, in the event of such a breach or threatened breach, in addition to any right to damages, the Company shall be entitled to equitable relief in any court having competent jurisdiction. Nothing herein shall be construed as prohibiting the Company from pursuing any other remedies available to it for any such breach or threatened breach.

9. No Obligation to Maintain Relationship. The Company is not by this Agreement obligated to continue the Holder as an employee, director or consultant of the Company or any affiliate thereof. The Holder acknowledges: (a) that the grant of the shares is a one-time benefit which does not create any contractual or other right to receive future grants of shares, or benefits in lieu of shares; (b) that all determinations with respect to any such future grants, including, but not limited to, the times when shares shall be granted, the number of shares to be granted, the purchase price, and the time or times when each share shall vest, will be at the sole discretion of the Company; (c) that the value of the Granted Shares is an extraordinary item of compensation which is outside the scope of the Holder's employment contract, if any; and (d) that the Granted Shares are not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

10. Notices. Any notices required or permitted by the terms of this Agreement shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

If to the Company:

NeuMedia, Inc.
4751 Wilshire Blvd., 3rd Floor
Los Angeles, CA 90010

If to the Holder:

c/o NeuMedia, Inc.
4751 Wilshire Blvd., 3rd Floor
Los Angeles, CA 90010

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given on the earliest of receipt, one business day following delivery by the sender to a recognized courier service, or three business days following mailing by registered or certified mail.

11. Benefit of Agreement. Subject to the other provisions hereof, this Agreement shall be for the benefit of and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

12. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the conflict of law principles thereof. For the purpose of litigating any dispute that arises under this Agreement, whether at law or in equity, the parties hereby consent to exclusive jurisdiction in the State of California and agree that such litigation shall be conducted in the state courts of State of California or the federal courts of the United States for the District of Los Angeles, California.

13. Severability. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, then such provision or provisions shall be modified to the extent necessary to make such provision valid and enforceable, and to the extent that this is impossible, then such provision shall be deemed to be excised from this Agreement, and the validity, legality and enforceability of the rest of this Agreement shall not be affected thereby.

14. Entire Agreement. This Agreement, together with the Services Agreement, constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement not expressly set forth in this Agreement shall affect or be used to interpret, change or restrict the express terms and provisions of this Agreement.

15. Modifications and Amendments; Waivers and Consents. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

16. Consent of Spouse/Domestic Partner. If the Holder has a spouse or domestic partner as of the date of this Agreement, the Holder's spouse or domestic partner shall execute a Consent of Spouse/Domestic Partner in the form of Exhibit A hereto, effective as of the date hereof. Such consent shall not be deemed to confer or convey to the spouse or domestic partner any rights in the Granted Shares that do not otherwise exist by operation of law or the agreement of the parties. If the Holder subsequent to the date hereof, marries, remarries or applies to the Company for domestic partner benefits, the Holder shall, not later than sixty (60) days thereafter, obtain his or her new spouse/domestic partner's acknowledgement of and consent to the existence and binding effect of all restrictions contained in this Agreement by having such spouse/domestic partner execute and deliver a Consent of Spouse/Domestic Partner in the form of Exhibit A.

17. Counterparts. This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. Data Privacy. By entering into this Agreement, the Holder: (a) authorizes the Company and each affiliate thereof to disclose to the Company or any of its affiliates such information and data as the Company or any such affiliate shall request in order to facilitate the grant of Granted Shares; (b) waives any data privacy rights he or she may have with respect to such information; and (c) authorizes the Company and such affiliate to store and transmit such information in electronic form.

[THE NEXT PAGE IS THE SIGNATURE PAGE]

EXHIBIT A

CONSENT OF SPOUSE/DOMESTIC PARTNER

I, _____, spouse or domestic partner of [_____], acknowledge that I have read the RESTRICTED STOCK AGREEMENT dated as of [_____], 2011 (the "Agreement") to which this Consent is attached as Exhibit A and that I know its contents. Capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Agreement. I am aware that by its provisions the Granted Shares granted to my spouse/domestic partner pursuant to the Agreement are subject to vesting conditions and that, accordingly, I may be required to forfeit to NeuMedia, Inc. any or all of the unvested Granted Shares of which I may become possessed as a result of a gift from my spouse/domestic partner or a court decree and/or any property settlement in any domestic litigation.

I hereby agree that my interest, if any, in the Granted Shares subject to the Agreement shall be irrevocably bound by the Agreement and further understand and agree that any community property interest I may have in the Granted Shares shall be similarly bound by the Agreement.

I agree to the vesting conditions described in the Agreement and I hereby consent to the cancellation of the Granted Shares to the Company by my spouse/domestic partner or my spouse/domestic partner's legal representative in accordance with the provisions of the Agreement. Further, as part of the consideration for the Agreement, I agree that at my death, if I have not disposed of any interest of mine in the Granted Shares by an outright bequest of the Granted Shares to my spouse or domestic partner, then the Company shall have the same rights against my legal representative to exercise its rights to the Granted Shares with respect to any interest of mine in the Granted Shares as it would have had pursuant to the Agreement if I had acquired the Granted Shares pursuant to a court decree in domestic litigation.

I AM AWARE THAT THE LEGAL, FINANCIAL AND RELATED MATTERS CONTAINED IN THE AGREEMENT ARE COMPLEX AND THAT I AM FREE TO SEEK INDEPENDENT PROFESSIONAL GUIDANCE OR COUNSEL WITH RESPECT TO THIS CONSENT. I HAVE EITHER SOUGHT SUCH GUIDANCE OR COUNSEL OR DETERMINED AFTER REVIEWING THE AGREEMENT CAREFULLY THAT I WILL WAIVE SUCH RIGHT.

Dated as of the _____ day of [_____], 2011.

Print name:

EXHIBIT B

**Election to Include Gross Income in Year
of Transfer Pursuant To Section 83(b)
of the Internal Revenue Code of 1986, As Amended**

In accordance with Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), the undersigned hereby elects to include in his or her gross income as compensation for services the excess, if any, of the fair market value of the property (described below) at the time of transfer over the amount paid for such property.

The following sets for the information required in accordance with the Code and the regulations promulgated hereunder:

1. The name, address and social security number of the undersigned are:

Name: _____

Address: _____

Social Security No.: _____

2. The description of the property with respect to which the election is being made is as follows:

_____ (_____) shares (the "Shares") of Common Stock, \$0.0001 par value per share, of NeuMedia, Inc., a Delaware corporation (the "Company").

3. This election is made for the calendar year [____], with respect to the transfer of the property to the taxpayer on [], 2011.

4. Description of restrictions: The property is subject to certain vesting conditions, which may never occur or may only occur in part, as more fully described in that certain Restricted Stock Agreement, dated as of [], 2011, by the taxpayer and the Company.

5. The fair market value at time of transfer (determined without regard to any restrictions other than restrictions which by their terms will never lapse) of the property with respect to which this election is being made was not more than \$[___] per Share.

6. The amount paid by taxpayer for said property was \$0.00 per Share.

7. A copy of this statement has been furnished to the Company.

Signed this _____ day of _____, 2011.

Print name:

B-2

NEUMEDIA, INC.

WARRANT TO PURCHASE COMMON STOCK

THE OFFER AND SALE OF THE SECURITIES EVIDENCED BY THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR QUALIFIED UNDER STATE SECURITIES LAWS, AND THEREFORE SUCH SECURITIES MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND EFFECTIVE QUALIFICATION THEREOF UNDER APPLICABLE STATE SECURITIES LAWS, OR IF SUCH SALE, TRANSFER, ASSIGNMENT, HYPOTHECATION OR OTHER TRANSFER IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND THE QUALIFICATION REQUIREMENTS OF THE RELEVANT STATE SECURITIES LAWS.

FOR VALUE RECEIVED, Peter Adderton, or his registered assigns (the "Holder") is entitled to purchase, from time to time, from NeuMedia, Inc., a Delaware corporation (the "Company"), up to 150,000 fully paid and non-assessable shares of common stock of the Company, par value \$0.0001 per share (each, a "Share" and collectively, the "Shares"), commencing on the date set forth on the signature page hereof (the "Commencement Date"), on the terms and conditions set forth herein.

1. Number of Shares; Vesting; Strike Price and Expiration Date.

(a) This Warrant may be exercised for all or a portion of the Shares.

(b) This Warrant shall fully vest and become exercisable as to all of the Shares on September 27, 2011, provided that the Consulting Agreement dated as of September 27, 2010 between the Company and Skycrest Ventures LLC shall not have been terminated for any reason prior to such date.

(c) As used herein, the "Strike Price" means \$0.39 per Share, as such prices may be adjusted from time to time pursuant to the terms hereof.

(d) All purchase rights represented by this Warrant shall terminate at 5:00 p.m. PDT on the fifth anniversary of the Commencement Date (the "Expiration Date"). To the extent that this Warrant has not been exercised before the Expiration Date, this Warrant shall become null and void and all rights hereunder and all rights in respect hereof shall cease as of the Expiration Date.

2. Exercise and Payment.

(a) Exercise. This Warrant may be exercised in whole or in part, from time to time, by the Holder by surrender of this Warrant (and the Notice of Exercise annexed hereto duly completed and executed by the Holder) to the Company at the principal executive office of the Company, together with payment in the amount obtained by multiplying the Strike Price then in effect by the number of Shares to be purchased (as designated in the Notice of Exercise). Payment must be by wire transfer of immediately available funds.

(b) Net Issue Exercise. In lieu of exercising this Warrant in accordance with Section 2(a), the Holder may elect a net issue exercise in accordance with this Section 2(b). In the event the Holder elects a net issue exercise pursuant to this Section 2(b), the Company shall deliver Shares in exchange for this Warrant, with the amount of the number of Shares determined in accordance with this Section 2(b). The Holder may elect a net issue exercise by surrendering this Warrant (and the Notice of Exercise annexed hereto duly completed and executed by the Holder) to the Company at the principal executive office of the Company.

If in the Notice of Exercise the Holder elects a net issue exercise, then the Company shall issue to the Holder a number of Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

Where X = the number of Shares to be issued to the Holder.

Y = the number of Shares then purchasable under this Warrant (at the date of such calculation)

A = the then current Fair Value of a single Share.

B = the then current Strike Price.

As used in this Warrant, "Fair Value" shall mean, on any date specified herein (i) in the case of cash, the dollar amount thereof, (ii) in the case of a security listed on a national securities exchange, the Current Market Price, and (iii) in all other cases, the fair value thereof (as of a date which is within 20 days of the date as of which the determination is to be made) determined in good faith by a majority of the disinterested members of the Board of Directors of the Company; provided, however, that if the Initial Holder (defined below) does not agree with a majority of the disinterested members of the Board of Directors' determination of Fair Value, the Fair Value shall be determined in good faith, by an independent investment banking firm selected jointly by the Company and the Initial Holder or, if that selection cannot be made within ten days, by an independent investment banking firm selected by the American Arbitration Association in accordance with its rules, and provided further, that the Initial Holder shall pay the fees and expenses of any third parties incurred in connection with determining the Fair Value in the event the independent investment banking firm's determination of Fair Value is equal to or less than the Fair Value as determined by a majority of the disinterested members of the Board of Directors, and the Company shall pay such fees and expenses in the event the independent investment banking firm's determination of Fair Value is greater than the Fair Value as determined by a majority of the disinterested members of the Board of Directors. As used in this Section 2(b), "Current Market Price" shall mean, the volume-weighted average closing price of the Shares for the five trading days immediately preceding the date as of which the determination is to be made. As used in this Warrant, the "Initial Holder" shall mean Peter Adderton, who, for the avoidance of doubt, is also referred to in this Warrant as, a "Holder."

(c) Automatic Net Issuance Immediately Prior to Expiration. Notwithstanding anything herein to the contrary, if immediately prior to the Expiration Date the net issue exercise of this Warrant pursuant to Section 2(b) would result in Shares being due to the Holder, then to the extent not previously exercised by the Holder, this Warrant shall be deemed automatically exercised immediately prior to 5:00 p.m. PDT on the Expiration Date by the Holder via a net issue exercise pursuant to Section 2(b) for the maximum number of Shares then purchasable under this Warrant; provided, that the Holder must deliver a Notice of Exercise (accompanied by this Warrant certificate) to the Company within two months of the Expiration Date and, in the event such Notice of Exercise (accompanied by this Warrant certificate) is not delivered within two months of the Expiration Date, the automatic exercise of this Warrant pursuant to this Section 2(c) will not occur and this Warrant shall be null and void.

3. Delivery of Certificates. In the event the Holder exercises this Warrant for Shares pursuant to Section 2(a), or pursuant to Section 2(b) or Section 2(c) and the Company elects to deliver Shares, this Warrant shall be deemed to have been exercised and the Holder shall be deemed to have become the holder of record of such Shares as of the date of the surrender of this Warrant certificate to the Company, and in the case of an exercise pursuant to Section 2(a), payment of the Strike Price to the Company. Within a reasonable period of time after exercise, in whole or in part, of this Warrant pursuant to Section 2(a), or Section 2(b) or Section 2(c) where the Company elects to deliver Shares, the Company shall issue in the name of and deliver to the Holder a certificate for the number of fully paid and non-assessable Shares that the Holder shall have requested in the Notice of Exercise, or the number of Shares calculated pursuant to Section 2(b) in the event the Holder elects a net issue exercise in the Notice of Exercise and the Company elects to deliver Shares, up to the maximum then available hereunder. If this Warrant is exercised in part, the Company shall deliver to the Holder a new Warrant for the unexercised portion of this Warrant at the time of delivery of such certificate for the Shares.

4. No Fractional Shares. No fractional Shares or scrip representing fractional Shares will be issued upon exercise of this Warrant. If upon any exercise of this Warrant a fraction of a Share results, the Company will pay the Holder the difference between the cash value of the fractional Share and the portion of the Strike Price allocable to the fractional Share.

5. Charges, Taxes and Expenses. The Holder shall pay all taxes or other incidental charges, if any, in connection with (i) the transfer from the Company to the Holder of the Shares purchased pursuant to the exercise hereof, and (ii) the transfer from the Initial Holder to a Permitted Transferee (or any other transfer by the Initial Holder or a Holder to which the Company consents in writing) of all or any portion of this Warrant in accordance with Section 14(g) of this Warrant.

6. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft or destruction of this Warrant, of indemnity or security reasonably satisfactory to the Company, and upon reimbursement to the Company of all reasonable expenses incidental thereto, and upon surrender and cancellation of this Warrant, if mutilated, the Company will make and deliver a new Warrant of like tenor, dated as of such date as the foregoing conditions have been satisfied in the event of loss, theft or destruction, or the surrender date in the event of mutilation, in lieu of this Warrant.

7. Saturdays, Sundays, Holidays, Etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or a holiday observed by The New York Stock Exchange (the "NYSE"), then such action may be taken or such right may be exercised on the next succeeding weekday which is not a holiday observed by the NYSE.

8. Adjustment of Strike Price and Number of Shares. The number of and kind of securities purchasable upon exercise of this Warrant and the Strike Price shall be subject to adjustment from time to time as follows:

(a) Subdivisions and Combinations. If the Company shall at any time after the date hereof, but prior to the expiration of this Warrant, subdivide its outstanding securities as to which purchase rights under this Warrant exist, by split-up or otherwise, or combine its outstanding securities as to which purchase rights under this Warrant exist, the number of Shares as to which this Warrant is exercisable as of the date of such subdivision or combination shall forthwith be proportionately increased in the case of a subdivision or proportionately decreased in the case of a combination. Appropriate corresponding adjustments shall also be made to the Strike Price, so that the aggregate purchase price payable for the total number of Shares purchasable under this Warrant as of such date shall remain the same.

(b) Reclassification, Etc. Except as specifically provided for in Section 8(c) below, if at any time after the date hereof there shall be a change, reorganization or reclassification of the Shares into which this Warrant is exercisable into the same or a different number of a different type or class of securities, then the Holder shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the Strike Price then in effect, the number of shares of other securities or property resulting from such change, reorganization or reclassification that would have been received by the Holder for the Shares subject to this Warrant had this Warrant been exercised immediately prior to the time of the reclassification.

(c) Consolidation, Merger or Sale. If the Company shall do any of the following (each, a "Triggering Event"): (i) consolidate with or merge into any other entity and the Company shall not be the continuing or surviving corporation of such consolidation or merger, or (ii) permit any other entity to consolidate with or merge into the Company and the Company shall be the continuing or surviving entity but, in connection with such consolidation or merger, the capital stock of the Company shall be changed into or exchanged for securities of any other entity or cash or any other property, or (iii) transfer all or substantially all of its properties or assets to any other person or entity, then, and in the case of each such Triggering Event, proper provision shall be made so that, upon the basis and the terms and in the manner provided in this Warrant, the Holder of this Warrant shall be entitled upon the exercise hereof at any time after the consummation of such Triggering Event but prior to the Expiration Date, and to the extent this Warrant is not exercised prior to such Triggering Event, to receive at the Strike Price in effect at the time immediately prior to the consummation of such Triggering Event (subject to adjustments (subsequent to such Triggering Event) as nearly equivalent as possible to the adjustments provided for elsewhere in this Section 8), in lieu of the Shares issuable upon exercise of this Warrant prior to such Triggering Event, the securities, cash and/or property to which such Holder would have been entitled upon the consummation of such Triggering Event if such Holder had exercised the rights represented by this Warrant immediately prior thereto (and the Company shall select the form of consideration, to the extent applicable, received by the Holder upon exercise of this Warrant subsequent to such Triggering Event), subject to adjustments (subsequent to such Triggering Event) as nearly equivalent as possible to the adjustments provided for elsewhere in this Section 8.

(d) Extraordinary Distributions. Except as specifically provided for in Section 8(c) above, if the Company shall distribute to all holders of its Shares: (i) any shares of capital stock of the Company, evidence of indebtedness, or other securities or rights convertible into shares of capital stock of the Company (but excluding Ordinary Dividends) without receiving payment of any consideration in exchange therefor, or (ii) cash (but excluding Ordinary Dividends), then, in each such case:

(i) the Strike Price in effect immediately prior to the close of business on the record date fixed for the determination of holders of any class of securities entitled to receive such distribution shall be reduced, effective as of the close of business on such record date, to a price determined by multiplying such Strike Price by a fraction

(x) the numerator of which shall be the Fair Value of a Share in effect on such record date or, if the Shares trade on an ex-distribution basis, on the date prior to the commencement of ex-distribution trading, less the Fair Value of such distribution applicable to one Share, and

(y) the denominator of which shall be the Fair Value of a Share in effect on such record date or, if the Shares trade on an ex-distribution basis, on the date prior to the commencement of ex-distribution trading;

and

(ii) this Warrant shall thereafter evidence the right to receive, at the adjusted Strike Price, that number of Shares (calculated to the nearest Share) obtained by dividing:

(x) the product of the aggregate number of Shares covered by this Warrant immediately prior to such adjustment and the Strike Price in effect immediately prior to such adjustment of the Strike Price by,

(y) the Strike Price in effect immediately after such adjustment of the Strike Price.

As used herein "Ordinary Dividends" shall mean all quarterly dividends, whether paid in cash, shares of capital stock of the Company or other securities, or any combination of the foregoing, except extraordinary or special dividends.

9. Notices of Adjustments, Etc. Whenever the Strike Price or number of Shares purchasable hereunder shall be adjusted pursuant to Section 8 hereof, within five business days of the event requiring the adjustment, the Company shall deliver to the Holder (in accordance with Section 14(c) a certificate setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated and the Strike Price and number of shares purchasable hereunder after giving effect to such adjustment.

10. No Rights as Stockholder. Prior to exercise of this Warrant, the Holder shall not be entitled to any rights as a stockholder of the Company with respect to the Shares, including (without limitation) the right to vote such Shares, receive distributions thereon, or be notified of stockholder meetings, and the Holder shall not be entitled to any notice or other communication concerning the business or affairs of the Company.

11. Shares Fully Paid, Reservation and Listing of Shares; Covenants.

(a) Shares Fully Paid. The Company covenants and agrees that all Shares which may be issued upon the exercise of this Warrant or otherwise hereunder will, upon issuance, be duly authorized, validly issued, fully paid and non-assessable. The Company further covenants and agrees that during the period within which this Warrant may be exercised, the Company will at all times have authorized and reserved for the purpose of the issue upon exercise of this Warrant a number of Shares equal to 100% of the aggregate number of Shares exercisable hereunder to provide for the exercise of this Warrant.

(b) Covenants. The Company shall not by any action including, without limitation, amending the Articles of Incorporation or the Bylaws of the Company, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant.

12. Restricted Securities. The Holder understands that this Warrant and the Shares purchasable hereunder constitute "restricted securities" under the federal securities laws inasmuch as they are, or will be, acquired from the Company in transactions not involving a public offering and accordingly may not, under such laws and applicable regulations, be resold without registration under the Act, or an applicable exemption from such registration. The Holder hereby acknowledges that the securities legend on Exhibit A to the Notice of Exercise attached hereto will be placed on any Shares issued to the Holder upon exercise of this Warrant.

13. Certification of Investment Purpose. Unless a current registration statement under the Act shall be in effect with respect to the securities to be issued upon exercise of this Warrant, in which case the Holder may be asked to provide a modified version of the written certification attached hereto, the Holder covenants and agrees that, at the time of exercise hereof, it will deliver to the Company a written certification in substantially the form of Exhibit A to the Notice of Exercise attached hereto, executed by the Holder, which certifies to the Company that the Holder is an "accredited investor" as that term is defined in Rule 501 of Regulation D promulgated under the Act, that the securities acquired by such Holder upon exercise hereof are for the account of such Holder and acquired for investment purposes only and that such securities are not acquired with a view to, or for sale or resale in connection with, any distribution thereof.

14. Miscellaneous.

(a) Construction. Unless the context indicates otherwise, the term "Warrant" shall include any and all warrants outstanding pursuant to this Agreement, including those evidenced by a certificate upon exchange or substitution pursuant to the terms hereof.

(b) Restrictions. By receipt of this Warrant, the Holder makes the same representations and warranties with respect to the acquisition of this Warrant as the Holder is required to make upon the exercise of this Warrant and acquisition of the Shares purchasable hereunder as set forth in the Form of Investment Letter attached as Exhibit A to the Notice of Exercise, the forms of which are attached hereto as Exhibit A.

(c) Notices. Unless otherwise provided, any notice required or permitted under this Warrant shall be given in writing and shall be deemed effectively given upon personal delivery to the party to be notified or three days following deposit with the United States Post Office, by registered or certified mail, postage prepaid and addressed to the party to be notified (or one day following timely deposit with a reputable overnight courier with next day delivery instructions), or upon confirmation of receipt by the sender of any notice by facsimile transmission, at the address indicated below or at such other address as such party may designate by ten days' advance written notice to the other party.

To Holder: Peter Adderton
4751 Wilshire Blvd., 3rd Floor
Los Angeles, CA 90010

To the Company: NeuMedia, Inc.
4751 Wilshire Blvd., 3rd Floor
Los Angeles, CA, 90010
Attention: Chairman

With a copy to: Manatt, Phelps & Phillips, LLP
11355 West Olympic Boulevard
Los Angeles, California 90064
Attention: Richard J. Maire, Esq.
Facsimile: (310) 312-4224

(d) Governing Law. Any dispute in the meaning, effect or validity of this Warrant shall be resolved in accordance with the laws of the State of Delaware without regard to the conflict of laws provisions thereof.

(e) Attorneys' Fees. In the event that any suit or action is instituted under or in relation to this Warrant, including without limitation to enforce any provision in this Warrant, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Warrant, including, without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

(f) Entire Agreement. This Warrant and the exhibits hereto constitute the entire agreement and understanding of the parties hereto with respect to the subject matter hereof, and supersede all prior and contemporaneous agreements and understandings, whether oral or written, between the parties hereto with respect to the subject matter hereof.

(g) Binding Effect; and Assignment.

(i) This Warrant and the various rights and obligations arising hereunder shall inure to the benefit of and be binding upon the Company and its successors and assigns, and the Holder and its successors and permitted assigns.

(ii) The Holder may not sell, assign or otherwise transfer this Warrant or its rights or obligations hereunder without the express written consent of the Company, which consent may be withheld, delayed or conditioned in the sole and absolute discretion of the Company.

(iii) Notwithstanding anything herein to the contrary, the Initial Holder, and only the Initial Holder with respect to (1) and (2) below, may assign or transfer this Warrant, without the consent of the Company, following at least ten business days prior written notice by the Initial Holder to the Company, which written notice shall be accompanied by a legal opinion reasonably satisfactory to the Company issued by legal counsel to the Initial Holder reasonably acceptable to the Company, to the effect that such transfer or assignment may be effected without registration or qualification under any U.S. federal and state laws and applicable foreign laws then in effect: (1) in whole or in part to any Affiliate of the Initial Holder and any of such Affiliate's respective stockholders, partners, limited partners, members or other equity owners; or (2) in whole, and not in part, to any one unrelated third party (each of (1) and (2), a "Permitted Transferee"). Any Permitted Transferee shall be deemed to be a Holder for all purposes hereunder and in no event shall a Permitted Transferee be deemed to be the "Initial Holder" or have the power or authority to exercise any of the rights granted to the Initial Holder. As used in this Section 14(g)(iii), "Affiliate" shall mean, with respect to any person or entity, a person or entity that directly, or indirectly through one or more intermediaries, controls or is controlled by or under common control with such person or entity.

(iv) Subject to the provisions of Section 14, this Warrant and all rights hereunder are transferable upon surrender of this Warrant certificate with a properly executed assignment (in the form of Exhibit B hereto) at the principal executive office of the Company. The assignment of a Warrant to a transferee hereof shall be deemed to be the acceptance by such transferee of all of the rights and obligations of a "Holder" of this Warrant.

(h) Waiver; Consent. This Warrant may not be changed, amended, terminated, augmented, rescinded or discharged (other than by performance), in whole or in part, except by a writing executed by the parties hereto, and no waiver of any of the provisions or conditions of this Warrant or any of the rights of a party hereto shall be effective or binding unless such waiver shall be in writing and signed by the party claimed to have given or consented thereto.

(i) Company Determinations. Any determination, selection or adjustment to the Strike Price or the number of Shares to be issued upon exercise of the Warrant to be made by the Company hereunder shall be made by majority of the disinterested directors of the Board of Directors of the Company.

[Remainder of the Page is Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have executed this Warrant effective as of the date set forth below.

DATED: September 27, 2010

COMPANY

NeuMedia, Inc.,
A Delaware corporation

By: /s/ David Mandell

Name: David Mandell

Title: Corporate Secretary

HOLDER

/s/ Peter Adderton

Peter Adderton

EXHIBIT A

NOTICE OF EXERCISE

To: NeuMedia, Inc.

[EXERCISE PURSUANT TO SECTION 2(a)][The Holder hereby elects to purchase _____ Shares of the Company pursuant to the terms of the attached Warrant, and tenders herewith payment of the Strike Price pursuant to the terms of the Warrant.]

[NET ISSUE EXERCISE PURSUANT TO SECTION 2(b)][The Holder hereby elects to surrender _____ of the Shares of the Company underlying the attached Warrant pursuant to the terms of the attached Warrant, and hereby agrees to accept in exchange therefor Shares in the amount calculated pursuant to the terms of the Warrant.]

Defined terms used herein and not defined herein shall have the meaning ascribed to them in the Warrant.

Attached as Exhibit A is an investment representation letter addressed to the Company and executed by the Holder as required by Section 13 of the Warrant.

Please issue a new Warrant for the unexercised portion of the attached Warrant, if any, in the name of the Holder.

Dated: _____

HOLDER

Name: _____

Exhibit A

To: NeuMedia, Inc.

In connection with the purchase by the Holder of ____ Shares of the Company, upon exercise of that certain Warrant dated as of _____, the Holder hereby represents and warrants as follows:

The Holder is an "accredited investor" as that term is defined in Rule 501 of Regulation D promulgated under the Act. The Shares to be received by the Holder upon exercise of the Warrant are being acquired for its own account, not as a nominee or agent, and not with a view to resale (except to the extent exempt from the registration requirements of the Act and the qualification requirements of the relevant state securities laws) or distribution of any part thereof, and the Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. The Holder believes it has received all the information it considers necessary or appropriate for deciding whether to purchase the Shares.

The Holder understands that the Shares are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in transactions not involving a public offering, and that under such laws and applicable regulations such securities may be resold without registration under the Act, only in certain limited circumstances. In this connection, the Holder represents and warrants that it is familiar with Rule 144 of the Act, as presently in effect, and understands the resale limitations imposed by Rule 144 and by the Act.

The Holder understands the instruments evidencing the Shares may bear the following legend:

THE OFFER AND SALE OF THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR QUALIFIED UNDER STATE SECURITIES LAWS, AND THEREFORE SUCH SECURITIES MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT AND EFFECTIVE QUALIFICATION THEREOF UNDER APPLICABLE STATE SECURITIES LAWS, OR IF SUCH SALE, TRANSFER, ASSIGNMENT, HYPOTHECATION OR OTHER TRANSFER IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND THE QUALIFICATION REQUIREMENTS OF THE RELEVANT STATE SECURITIES LAWS.

Defined terms used herein and not defined herein shall have the meaning ascribed to them in the Warrant.

Dated: _____

HOLDER

Name: _____

EXHIBIT B

ASSIGNMENT FORM

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers all of the rights of the undersigned under the attached Warrant with respect to the number of Shares of the Company underlying the attached Warrant covered thereby and designated below, unto:

Name of "Assignee"

Address

No. of Shares

Dated: _____

Signature: _____

Name: _____

Title: _____

(if applicable)

Assignee hereby agrees to be subject to and bound by all of the provisions of the attached Warrant as the "Holder." The Assignee understands and hereby acknowledges that as a Holder of the Warrant the Assignee is not entitled to those rights afforded solely to the Initial Holder of the Warrant. The Assignee makes the same representations and warranties with respect to the acquisition of the Warrant as the Holder is required to make upon the exercise of a Warrant and acquisition of the Shares purchasable thereunder as set forth in the Form of Investment Letter attached as Exhibit A to the Notice of Exercise, the form of which is attached as Exhibit A to the attached Warrant.

Dated: _____

Signature: _____

Name: _____

Title: _____

(if applicable)

