UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Alteryx, Inc.
(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

7372
(Primary Standard Industrial
Classification Code Number)

3345 Michelson Drive, Suite 400
Irvine, California 92612
(888) 836-4274
(Address, including zip code, and telephone number, including area code, of Registrant’s principal executive offices)

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Chairman of the Board of Directors and Chief Executive Officer
Alteryx, Inc.
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(888) 836-4274
(Name, address, including zip code, and telephone number, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, as amended, or Securities Act, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Securities Exchange Act of 1934, as amended. (Check one):

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

<table>
<thead>
<tr>
<th>Title of Each Class of Securities to be Registered</th>
<th>Amount to be Registered(1)</th>
<th>Proposed Maximum Offering Price Per Share(2)</th>
<th>Proposed Maximum Aggregate Offering Price(1)(2)</th>
<th>Amount of Registration Fee(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class A common stock, par value $0.0001 per share</td>
<td>9,200,000</td>
<td>$22.48</td>
<td>$206,816,000</td>
<td>$23,970</td>
</tr>
</tbody>
</table>

(1) Includes 1,200,000 shares of Class A common stock that the underwriters have the option to purchase.

(2) Estimated solely for the purposes of calculating the amount of the registration fee in accordance with Rule 457(c) under the Securities Act and is based on the average of the high and low sales price of the registrant’s Class A common stock as reported on The New York Stock Exchange on August 28, 2017.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.
Subject to Completion. Dated September 5, 2017.

8,000,000 Shares

altreyx

Class A Common Stock

The selling stockholders identified in this prospectus, which include certain of our executive officers and directors and entities affiliated with our executive officers and directors, are offering 8,000,000 shares of our Class A common stock. We will not receive any of the proceeds from the sale of the shares to be offered by the selling stockholders.

We have two classes of authorized common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock are identical, except with respect to voting and conversion rights. Each share of Class A common stock is entitled to one vote per share. Each share of Class B common stock is entitled to ten votes per share and is convertible into one share of Class A common stock. Outstanding shares of Class B common stock will represent approximately 95.5% of the voting power of our outstanding capital stock immediately following the completion of this offering, with our directors, executive officers, and 5% stockholders, and their respective affiliates, holding approximately 82.7% of the voting power of our capital stock following this offering.

Our Class A common stock is listed on the New York Stock Exchange under the symbol "AYX." On September 1, 2017, the last reported sale price of our Class A common stock on the New York Stock Exchange was $22.81 per share.

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements.

See "Risk Factors" beginning on page 13 to read about factors you should consider before buying shares of our Class A common stock.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

<table>
<thead>
<tr>
<th>Per Share</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public offering price</td>
<td>$</td>
</tr>
<tr>
<td>Underwriting discounts(1)</td>
<td>$</td>
</tr>
<tr>
<td>Proceeds, before expenses, to the selling stockholders</td>
<td>$</td>
</tr>
</tbody>
</table>

(1) See the section titled "Underwriting" for a description of the compensation payable to the underwriters.

To the extent that the underwriters sell more than 8,000,000 shares of Class A common stock, the underwriters have the option to purchase up to an additional 1,200,000 shares from us and certain selling stockholders at the public offering price, less the underwriting discounts and commissions.

The underwriters expect to deliver the shares against payment in New York, New York on , 2017.

Goldman Sachs & Co. LLC
KeyBanc Capital Markets
Raymond James

J.P. Morgan
William Blair

BofA Merrill Lynch
JMP Securities
Cowen

OUR USERS ARE TRANSFORMING THE ENTERPRISE

alteryx
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Neither we, the selling stockholders, nor the underwriters have authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We, the selling stockholders, and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the Class A common stock.

For investors outside of the United States: Neither we, the selling stockholders, nor the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourself about, and to observe any restrictions relating to, this offering and the distribution of this prospectus outside of the United States.
PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information you should consider in making your investment decision. Before deciding to invest in shares of our Class A common stock, you should read this summary together with the more detailed information, including our consolidated financial statements and the accompanying notes, provided elsewhere in this prospectus. You should carefully consider, among other things, the matters discussed in "Risk Factors," our consolidated financial statements and the accompanying notes, and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in each case included elsewhere in this prospectus. Some of the statements in this prospectus constitute forward-looking statements that involve risks and uncertainties. See “Special Note Regarding Forward-Looking Statements.”

ALTERYX, INC.

Overview

We are a leading provider of self-service data analytics software. Our software platform enables organizations to dramatically improve business outcomes and the productivity of their business analysts. Our subscription-based platform allows organizations to easily prepare, blend, and analyze data from a multitude of sources and more quickly benefit from data-driven decisions. The ease-of-use, speed, and sophistication that our platform provides is enhanced through intuitive and highly repeatable visual workflows. We aim to make our platform as ubiquitous in the workplace as spreadsheets are today.

As the volume, velocity, and variety of data continue to expand, the ability to leverage this data for actionable insights has become increasingly foundational to modern business success. However, traditional data analysis tools and processes are slow, difficult to use, and resource-intensive, often requiring multiple steps by information technology, or IT, employees, data scientists, and other data workers to complete even the most basic analysis. As a result, these tools and processes are unable to keep pace with the rapid analytics demanded by organizations today.

Our platform democratizes access to data-driven insights by expanding the capabilities and analytical sophistication available to all data workers, ranging from business analysts to expert programmers and trained data scientists. We bring the fragmented analytic process into one simple and cohesive self-service experience, combining tasks that were previously distributed among multiple tools and parties. Our platform allows a single user to access various data sources, clean and prepare data, and perform a variety of analyses. This is done through visual workflows and an intuitive drag-and-drop interface that can eliminate the need to write code and reduce tedious, time-consuming tasks to a few mouse-clicks. The resulting opportunity is significant, as our platform can enable millions of underserved data workers to more effectively do their jobs.

Organizations of all sizes and across a wide variety of industries have adopted our platform. As of June 30, 2017, we had over 2,800 customers in more than 50 countries, including over 300 of the Global 2000 companies. Our customers include Ford Motor Company, Kaiser Foundation Health Plan, Inc., Knight Transportation Inc., Nike, Inc., Southwest Airlines Co., Tableau Software, Inc., and Tesco PLC. Our platform is also leveraged by leading management consulting organizations such as Accenture plc, Bain & Company, and the Boston Consulting Group Inc.
We employ a “land and expand” business model. Our go-to-market approach often begins with a free trial and is followed by an initial purchase of our platform. As organizations realize the benefits derived from our platform, use frequently spreads across departments, divisions, and geographies through word-of-mouth, collaboration, and standardization of business processes. Over time, many of our customers find that the use of our platform is more strategic in nature and our platform becomes a fundamental element of their regular analytical processes.

Customers license our platform under a subscription-based model, and we have seen rapid expansion as adoption spreads. For each of the last ten quarters, including the quarter ended June 30, 2017, our dollar-based net revenue retention rate has exceeded 120%. In addition, our customer base has increased from 627 as of December 31, 2014 to 2,823 as of June 30, 2017. See the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Business Metrics” for additional information regarding our dollar-based net revenue retention rate and customers. For the years ended December 31, 2014, 2015, and 2016, our revenue was $38.0 million, $53.8 million, and $85.8 million, respectively, representing year-over-year growth of 42% and 59%, respectively. For the six months ended June 30, 2016 and 2017, our revenue was $38.4 million and $58.9 million, respectively, representing period-over-period growth of 53%. We have made significant investments to grow our business, including in sales and marketing, infrastructure, operations, and headcount. We have incurred net losses for the years ended December 31, 2014, 2015, and 2016 of $20.3 million, $21.5 million, and $24.3 million, respectively, and for the six months ended June 30, 2016 and 2017 of $14.0 million and $12.7 million, respectively. We had an accumulated deficit of $98.7 million as of June 30, 2017.

Industry Background

**Organizations Increasingly Need to Be Data Driven, Creating Challenges and Opportunities**

The amount of data and diversity of data type, format, and source location are rapidly increasing. More importantly, the variety of data an organization uses for analytic purposes is expanding.

This proliferation of data has created a significant opportunity for organizations to make better strategic business decisions and improve competitiveness, responsiveness, and agility through data-driven decision making. However, according to a 2013 survey of over 400 companies conducted by Bain, only 4% of those companies had the right people, tools, data, and intent to derive meaningful, actionable insights from their data. These data-driven companies were approximately two times more likely to be in the top quartile of financial performance within their industries, approximately three times more likely to execute decisions as intended, and approximately five times more likely to make decisions faster.

**Technology Paradigm Shift Creates a Foundation for Reimagining Analytics**

To manage the volume and variety of data that organizations are now generating and consuming in hybrid environments, both on premise and in the cloud, data infrastructure is undergoing a transformative shift towards next generation “big data” technology.

Technology advances have also created significant improvements in the methods available to analyze massive quantities of data, and the rise of programming languages, such as R and Python, and associated open source libraries has broadened access to data analysis.
Collectively, these advancements have created a foundation for significant changes in the approach to data-driven analysis, enabling the creation and wide distribution of sophisticated, fast, and easy-to-use analytical tools for business analysts and their organizations.

**Traditional Methods Are Broken**

As the volume and diversity of data has expanded and evolved at an unprecedented pace, IT organizations are struggling to provide the businesses they serve with tools necessary for data analysis. Traditional methods are often resource intensive, requiring multiple steps and parties to draw analytical conclusions. Further, these traditional methods often separate the individual doing the analysis from the people preparing the data. This “assembly line” approach rapidly breaks down when analyses need to be conducted in near real-time against data sets that are large, complex, and constantly changing.

**Business Analysts Converging Towards Self-Service Solutions**

Visualization and dashboard programs such as those offered by Microsoft Corporation, Qlik Technology Inc., and Tableau Software, Inc. have accelerated the rise of the self-service business analyst. However, many business analysts still rely on IT departments to organize and deliver data in a usable format and would benefit from self-service solutions that allow them to quickly, efficiently, and directly perform analytics on their own to achieve better business insights and improve business outcomes for their organizations.

**Traditional Approaches**

Traditional data tools do not offer the sophistication, scalability, and ease-of-use that business analysts need to transform massive amounts of available data into intelligent, actionable insights. Traditional approaches are:

- **Inefficient.** Multiple parties and work streams are required to complete a single analytical process.
- **Dependent.** Activities, such as data preparation and blending, can require extensive involvement from IT departments. More advanced analysis, such as predictive or spatial analysis, is traditionally the domain of a small group of highly trained data scientists using proprietary software and scripting languages.
- **Static.** Inflexible, pre-packaged, and rigid data sets are used, which typically cannot cope with the proliferation of data today.
- **Limited.** Business analysts have traditionally relied on less sophisticated tools such as spreadsheets to perform data analysis.

**Our Opportunity**

Our self-service data analytics platform disrupts well-established portions of the business analytics software market. According to IDC, the worldwide market for big data and analytics software represented approximately $49 billion in 2016 and is expected to grow to approximately $81 billion in 2021. Within the broader big data and analytics software market, our solutions currently address the business intelligence and analytic tools, analytic data integration and spatial information analysis markets, which collectively represented approximately $19 billion in 2016 and are expected to grow to approximately $29 billion in 2021.
There is significant additional potential spend not included in the above estimates associated with spreadsheet users who we believe can benefit from our platform. According to a separate IDC study that we commissioned, an estimated 21 million spreadsheet users worldwide worked on advanced data preparation and analytics in 2016. Based on this study, we estimate that there is an additional opportunity of over $10 billion that our platform can address. In the same study, IDC estimated that over 80% of spreadsheet users are using manual copy and paste methods to acquire data. The IDC study also estimated that in the United States alone, there is a cost to companies of approximately $60 billion per year associated with time spent by data workers repeating processes when data sources are updated.

Our Solution

Our platform enables organizations to dramatically improve business outcomes and the productivity of their business analysts. Our platform is:

• **Efficient.** We offer a self-service platform that allows business analysts to perform analysis that traditionally required multiple parties and work streams to complete. Once a workflow has been assembled, the analysis can be repeated in minutes and shared with others who can easily replicate the analysis. With our platform, data analysis is automated, repeatable, and shareable.

• **Independent.** We enable business analysts to rapidly answer challenging business questions, without the need for support from expert programmers, trained data scientists, or other members of the IT department through easily understandable drag-and-drop tools that have easy-to-configure parameters that do not require coding.

• **Flexible.** Our platform does not require a pre-packaged, static data set and instead allows the user to create a visual workflow to securely interact with the underlying source data. Workflows can be easily changed and reconfigured to iterate an analysis and add a new data source or new logic. They also can be easily adapted to conform with changes in the underlying data to repeat the analysis.

• **Sophisticated.** Our platform provides business analysts an extensive set of analytical capabilities, including allowing users to:
  - access data from a variety of locations; profile and prepare data for analysis; blend multiple data sources regardless of the data structure or format;
  - gain access to the most widely used procedures for predictive analytics, grouping, and forecasting; and take advantage of geospatial data.

• **Scalable.** Our platform offers a secure collaboration environment for even the largest organizations. Business analysts can create, publish, and share analytic applications, embed analytic processes into other internal applications, and save and access workflows within a centralized repository. By pushing analytical workloads to a reliable server architecture, customers can run compute-intensive processes more efficiently than local machines allow, while automating and scheduling these workflows.

Growth Strategy

Our focus on empowering business analysts and the organizations they serve to quickly and easily access data-driven insights presents a significant opportunity. Key elements of our strategy for growth include:

• **Increase our overall customer base.** We are accelerating the secular shift towards self-service analytics. As a result, we have the opportunity to substantially increase our current customer base of over 2,800 customers through an active “land and expand” strategy.
• **Expand within our current customer base.** We plan on expanding existing customers’ use of our platform by identifying additional use cases, departments, and divisions for our platform and increasing the number of users within our existing customers’ organizations.

• **Continue to penetrate international markets.** We recently increased our focus on international markets. We believe that the global opportunity for self-service data analytics solutions is significant and should continue to expand as organizations outside the United States seek to adopt self-service platforms as we have experienced with our existing customers.

• **Extend our value proposition.** We intend to continue to rapidly improve the capabilities of our platform and invest in innovation and our category leadership. For example, in January 2017, we acquired Semanta, s.r.o. to enhance our data governance capabilities and, in May 2017, we acquired Yhat, Inc. to enhance our capabilities for managing and deploying advanced analytic models. In particular, we intend to focus on further developing our cloud and mobile capabilities, improving the governance capabilities of Alteryx Server, and updating our in-memory “engine.”

• **Grow our distribution channels and channel partner ecosystem.** We plan to continue investing in distribution channels and our relationships with technology alliances, system integrators, management consulting firms, and value added resellers, or VARs, to help us enter and grow in new markets while complementing our direct sales efforts. We also plan to continue to collaborate with management consulting firms to drive additional business activity.

• **Deepen our user community.** We benefit from a vibrant and engaged user community and continue to promote initiatives intended to further expand and energize our community. We intend to expand our community development efforts and seek to continue enriching the lives of business analysts everywhere.

**Selected Risks Associated with Our Business**

Our business is subject to numerous risks and uncertainties, including those highlighted in the section titled “Risk Factors” immediately following this prospectus summary. Some of these risks are:

• we have a limited operating history under our current business model, which makes it difficult to evaluate our business and prospects and increases the risks associated with your investment;

• we have a history of losses, anticipate increasing our operating expenses in the future and may not achieve or sustain profitability;

• our operating results may fluctuate from quarter to quarter, which makes our future results difficult to predict;

• we have been growing rapidly and expect to continue to invest in our growth and if we are unable to manage our growth effectively, our revenue and profits could be adversely affected;

• if the market for analytics products and services fails to grow as we expect, or if businesses fail to adopt our platform, our business, operating results, and financial condition could be adversely affected;

• if we are unable to attract new customers and expand sales to existing customers, both domestically and internationally, our revenue growth could be slower than we expect and our business may be harmed;
• if we are unable to develop and release product and service enhancements and new products and services to respond to rapid technological change in a timely and cost-effective manner, our business, operating results, and financial condition could be adversely affected;
• we face intense and increasing competition, and we may not be able to compete effectively, which could reduce demand for our platform and adversely affect our business, revenue growth, and market share; and
• the dual class structure of our common stock has the effect of concentrating voting control with holders of our Class B common stock, including our directors, executive officers, and 5% stockholders, and their affiliates, which limits or precludes your ability to influence corporate matters, including the election of directors and the approval of any change of control transaction.

Corporate Information

We were organized in California in March 1997 as SRC, LLC. We changed our name to Alteryx, LLC in March 2010 and converted into a Delaware corporation in March 2011 under the name Alteryx, Inc. Our principal executive offices are located at 3345 Michelson Drive, Suite 400, Irvine, California 92612, and our telephone number is (888) 836-4274. Our website address is www.alteryx.com. The information contained on, or that can be accessed through, our website is not incorporated by reference into, and is not a part of, this prospectus. Investors should not rely on any such information in deciding whether to purchase our Class A common stock.

Unless the context indicates otherwise, the terms “Alteryx,” “the Company,” “we,” “us,” and “our” refer to Alteryx, Inc., a Delaware corporation, together with its consolidated subsidiaries, unless otherwise noted.

Alteryx, the Alteryx logo, Alteryx Designer, Alteryx Server, Alteryx Analytics Gallery, Alteryx Connect, Alteryx Promote, Semanta, Yhat, and other registered or common law trade names, trademarks, or service marks of Alteryx appearing in this prospectus are the property of Alteryx. This prospectus contains additional trade names, trademarks, and service marks of other companies that are the property of their respective owners. We do not intend our use or display of other companies’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, these other companies. Solely for convenience, our trademarks and tradenames referred to in this prospectus appear without the ® and ™ symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights, or the right of the applicable licensor, to these trademarks and tradenames.

Implications of Being an Emerging Growth Company

As a company with less than $1.0 billion in revenue during our most recently completed fiscal year, we qualify as an “emerging growth company” as defined in Section 2(a) of the Securities Act of 1933, as amended, or the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As an emerging growth company, we may take advantage of specified reduced disclosure and other requirements that are otherwise applicable, in general, to public companies that are not emerging growth companies. These provisions include:

• an exemption from compliance with the auditor attestation requirement on the effectiveness of our internal control over financial reporting;
• an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements;
• reduced disclosure about our executive compensation arrangements; and
• exemptions from the requirements to obtain a non-binding advisory vote on executive compensation or a stockholder approval of any golden parachute arrangements.

We may take advantage of these exemptions until such time that we are no longer an emerging growth company. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold stock. Further, pursuant to Section 107 of the JOBS Act, as an emerging growth company, we have elected to use the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies. As a result, our consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our Class A common stock less attractive to investors.

We will cease to be an emerging growth company upon the earliest to occur of: the last day of the fiscal year in which we have more than $1.07 billion in annual revenue; the date we qualify as a “large accelerated filer,” with at least $700.0 million of equity securities held by non-affiliates; the issuance, in any three-year period, by us of more than $1.0 billion in non-convertible debt securities; and the last day of the fiscal year ending after the fifth anniversary of our initial public offering.
### The Offering

<table>
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<th>Description</th>
<th>Quantity</th>
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<tbody>
<tr>
<td>Class A common stock offered by the selling stockholders</td>
<td>8,000,000 shares</td>
</tr>
<tr>
<td>Option to purchase additional shares of Class A common stock</td>
<td>1,000,000 shares</td>
</tr>
<tr>
<td>offered by us</td>
<td></td>
</tr>
<tr>
<td>Option to purchase additional shares of Class A common stock</td>
<td>200,000 shares</td>
</tr>
<tr>
<td>offered by certain selling stockholders</td>
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</tr>
<tr>
<td>Class A common stock to be outstanding after this offering</td>
<td>18,709,293 shares (19,909,293 shares if the option to purchase additional shares is exercised in full)</td>
</tr>
<tr>
<td>Class B common stock to be outstanding after this offering</td>
<td>40,001,851 shares (39,801,851 shares if the option to purchase additional shares is exercised in full)</td>
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<tr>
<td>Total Class A common stock and Class B common stock to be</td>
<td>58,711,144 shares (59,711,144 shares if the option to purchase additional shares is exercised in full)</td>
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<tr>
<td>outstanding after this offering</td>
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</table>

#### Use of proceeds

The selling stockholders are selling all of the shares of our Class A common stock being sold in this offering, other than shares that may be sold by us upon exercise of the underwriters’ option to purchase additional shares. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders. For more information on our selling stockholders, see the section titled “Principal and Selling Stockholders.”

The principal purposes of this offering are to facilitate an orderly distribution of shares by the selling stockholders and increase our public float.

If the underwriters’ option is exercised in full, we estimate that our net proceeds will be approximately $20.9 million, based on an assumed offering price of $22.81 per share, which was the last reported sale price of our Class A common stock on the New York Stock Exchange on September 1, 2017, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. To the extent that we receive any proceeds from the sale of shares of our Class A common stock in this offering, we intend to use the net proceeds for working capital and other general corporate purposes. We also
may use a portion of any net proceeds from this offering to make complementary acquisitions or investments. However, we do not have agreements or commitments for any specific acquisitions or investments at this time. See the section titled “Use of Proceeds” for additional information.

Shares of Class A common stock are entitled to one vote per share. Shares of Class B common stock are entitled to ten votes per share. Holders of our Class A common stock and Class B common stock generally vote together as a single class, unless otherwise required by law or our restated certificate of incorporation. Each share of our Class B common stock is convertible into one share of our Class A common stock at any time at the option of the holder and will convert automatically upon certain transfers and upon the earliest of (i) the date specified by a vote of the holders of 66 2/3% of the outstanding shares of Class B common stock, (ii) March 29, 2027, and (iii) the date the shares of Class B common stock cease to represent at least 10% of all outstanding shares of our common stock.

The holders of our outstanding Class B common stock will hold 95.5% of the voting power of our outstanding capital stock following this offering, with our directors, executive officers, and 5% stockholders and their respective affiliates holding 82.7% in the aggregate. These holders have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change of control transaction. See the sections titled “Principal and Selling Stockholders” and “Description of Capital Stock” for additional information.

The number of shares of our Class A common stock and Class B common stock to be outstanding after this offering is based upon 10,709,293 shares of our Class A common stock outstanding and 48,001,851 shares of our Class B common stock outstanding (without giving effect to the automatic conversion of shares of our Class B common stock into an equivalent number of shares).
of our Class A common stock upon their sale by the selling stockholders in this offering), in each case, as of June 30, 2017, and does not include:

- 359,500 shares of our Class A common stock and 5,632,870 shares of our Class B common stock issuable upon the exercise of options to purchase shares of our common stock outstanding as of June 30, 2017, with a weighted-average exercise price of $7.47 per share;
- 137,008 shares of our Class A common stock and 323,375 shares of our Class B common stock issuable upon the vesting of restricted stock units, or RSUs, outstanding as of June 30, 2017;
- 93,750 shares of our Class A common stock issuable upon the exercise of options to purchase shares of our Class A common stock granted after June 30, 2017, with a weighted-average exercise price of $22.02 per share;
- 38,000 shares of our Class A common stock issuable upon the exercise of options to purchase shares of our Class A common stock granted after June 30, 2017, with an exercise price equal to the last reported sale price of our Class A common stock on the New York Stock Exchange on September 5, 2017;
- 30,000 shares of our Class A common stock issuable upon the vesting of RSUs granted after June 30, 2017;
- 89,351 shares of Class A common stock issued pursuant to the first share purchase under our 2017 Employee Stock Purchase Plan, or 2017 ESPP, on August 14, 2017;
- 6,469,714 shares of our Class A common stock reserved for future issuance under our equity compensation plans, consisting of (i) 5,369,714 shares of Class A common stock reserved for future issuance under our 2017 Equity Incentive Plan, or the 2017 Plan, as of June 30, 2017 (which number of shares is prior to the options to purchase shares of Class A common stock and RSUs settleable for shares of Class A common stock granted after June 30, 2017), and (ii) 1,100,000 shares of Class A common stock reserved for issuance under our 2017 ESPP (which number of shares is prior to the 89,351 shares of Class A common stock issued after June 30, 2017); and
- shares of our Class B common stock with an aggregate value of up to $2.3 million issuable upon the achievement of certain milestones in connection with our acquisition of Semanta, of which 12,492 shares of our Class B common stock were issued after June 30, 2017 upon partial satisfaction of certain milestones.

The shares available for issuance under our 2017 Plan include the shares that were previously reserved for issuance under our Amended and Restated 2013 Stock Plan, or the 2013 Plan, on March 22, 2017, when our 2017 Plan became effective, and we ceased granting awards under the 2013 Plan. Our 2017 Plan and 2017 ESPP also provide for automatic annual increases in the number of shares reserved thereunder. See the section titled “Executive Compensation—Employee Benefit Plans” for additional information.

Except as otherwise indicated, all information in this prospectus assumes:

- the automatic conversion of 8,000,000 shares of our Class B common stock into an equivalent number of shares of our Class A common stock upon their sale by the selling stockholders in this offering;
- no exercise of outstanding stock options or settlement of outstanding RSUs after June 30, 2017; and
- no exercise by the underwriters of their option to purchase up to an additional 1,200,000 shares of our Class A common stock from us and certain selling stockholders in this offering.
The following tables summarize our consolidated financial data. We derived our summary consolidated statements of operations data for the years ended December 31, 2014, 2015, and 2016 from our audited consolidated financial statements included elsewhere in this prospectus. We derived our summary consolidated statements of operations data for the six months ended June 30, 2016 and 2017 and our summary consolidated balance sheet data as of June 30, 2017 from our unaudited interim consolidated financial statements included elsewhere in this prospectus. Our unaudited interim consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles, or U.S. GAAP, on the same basis as our audited annual consolidated financial statements and, in the opinion of management, reflect all adjustments, consisting only of normal, recurring adjustments, that are necessary for the fair statement of our consolidated financial position as of June 30, 2017 and our consolidated results of operations for the six months ended June 30, 2016 and 2017. Our historical results are not necessarily indicative of the results to be expected in the future, and the results for the six months ended June 30, 2017 are not necessarily indicative of the results to be expected for the full year or any other period. You should read the following summary consolidated financial data in conjunction with the sections titled “Selected Consolidated Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements, the accompanying notes, and other financial information included elsewhere in this prospectus.

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31</th>
<th>Six Months Ended June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td><strong>Consolidated Statements of Operations Data:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$37,984</td>
<td>$53,821</td>
</tr>
<tr>
<td>Cost of revenue(1)</td>
<td>8,533</td>
<td>10,521</td>
</tr>
<tr>
<td>Gross profit</td>
<td>29,451</td>
<td>43,300</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development(1)</td>
<td>7,787</td>
<td>11,103</td>
</tr>
<tr>
<td>Sales and marketing(1)</td>
<td>24,812</td>
<td>43,244</td>
</tr>
<tr>
<td>General and administrative(1)</td>
<td>17,264</td>
<td>10,039</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>49,663</td>
<td>64,386</td>
</tr>
<tr>
<td>Loss from operations</td>
<td>(20,212)</td>
<td>(21,086)</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(81)</td>
<td>(186)</td>
</tr>
<tr>
<td>Loss before provision for (benefit of) income taxes</td>
<td>(20,293)</td>
<td>(21,272)</td>
</tr>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>36</td>
<td>178</td>
</tr>
<tr>
<td>Net loss</td>
<td>$ (20,329)</td>
<td>$ (21,460)</td>
</tr>
<tr>
<td>Less: Accretion of Series A redeemable convertible preferred stock</td>
<td>(1,669)</td>
<td>(2,603)</td>
</tr>
<tr>
<td>Net loss attributable to common stockholders</td>
<td>$ (21,998)</td>
<td>$ (24,053)</td>
</tr>
<tr>
<td>Net loss per share attributable to common stockholders, basic and diluted(2)</td>
<td>$ (1.37)</td>
<td>$ (0.76)</td>
</tr>
<tr>
<td>Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted(2)</td>
<td>16,112</td>
<td>31,697</td>
</tr>
</tbody>
</table>
Includes stock-based compensation expense as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>$ 34</td>
<td>$ 34</td>
</tr>
<tr>
<td>Research and development</td>
<td>1,081</td>
<td>239</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>183</td>
<td>800</td>
</tr>
<tr>
<td>General and administrative</td>
<td>9,379</td>
<td>409</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$10,677</td>
<td>$1,482</td>
</tr>
</tbody>
</table>

See Notes 2 and 16 of the notes to our consolidated financial statements and Note 9 of the notes to our unaudited condensed consolidated financial statements included elsewhere in this prospectus for an explanation of the calculations of our net loss per share attributable to common stockholders, basic and diluted.

Consolidated Balance Sheet Data:

<table>
<thead>
<tr>
<th></th>
<th>As of June 30, 2017 (in thousands, unaudited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents and</td>
<td>$ 152,703</td>
</tr>
<tr>
<td>short-term investments</td>
<td></td>
</tr>
<tr>
<td>Working capital</td>
<td>98,116</td>
</tr>
<tr>
<td>Total assets</td>
<td>250,172</td>
</tr>
<tr>
<td>Deferred revenue—current</td>
<td>73,289</td>
</tr>
<tr>
<td>Total stockholders’ equity</td>
<td>150,596</td>
</tr>
</tbody>
</table>
RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this prospectus, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and the accompanying notes included elsewhere in this prospectus before deciding whether to invest in shares of our Class A common stock. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. If any of the following risks actually occur, our business, financial condition, operating results, and future prospects could be materially and adversely affected. In that event, the market price of our Class A common stock could decline, and you could lose part or all of your investment.

Risks Related to Our Business and Industry

We have a limited operating history under our current business model, which makes it difficult to evaluate our business and prospects and increases the risks associated with your investment.

Although we have been operating our business since 1997, we changed our business model significantly and first launched our software platform in 2010. Further, since 2013, we have licensed our platform to customers under a subscription-based model. As a result, our business model has not been fully proven, and we have only a limited operating history with our new business model to evaluate our business and future prospects, which subjects us to a number of uncertainties, including our ability to plan for and model future growth. Our historical revenue growth should not be considered indicative of our future performance. We have encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly changing industries, including achieving market acceptance of our platform, attracting and retaining customers, growing partnerships and distribution of our platform, increasing competition, and increasing expenses as we continue to grow our business. We cannot assure you that we will be successful in addressing these and other challenges we may face in the future and if we do not manage these risks successfully, our business may be adversely affected. In addition, we may not achieve sufficient revenue to achieve or maintain positive cash flow from operations or profitability in any given period.

We have a history of losses, anticipate increasing our operating expenses in the future, and may not achieve or sustain profitability.

We have incurred net losses in each fiscal year since our inception, including net losses of $20.3 million, $21.5 million, and $24.3 million in the years ended December 31, 2014, 2015, and 2016, respectively. We also incurred a net loss of $7.0 million and $12.7 million in the three and six months ended June 30, 2017, respectively. As of June 30, 2017, we had an accumulated deficit of $98.7 million. We expect our operating expenses to increase substantially in the foreseeable future as we implement initiatives designed to grow our business, including increasing our overall customer base and expanding sales within our current customer base, continuing to penetrate international markets, investing in research and development to improve the capabilities of our platform, growing our distribution channels and channel partner ecosystem, deepening our user community, hiring additional employees, expanding our operations and infrastructure, both domestically and internationally, and in connection with legal, accounting, and other administrative expenses related to operating as a public company. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently, or at all, to offset these higher expenses and to achieve and sustain profitability. Growth of our revenue may slow or revenue may decline for a number of
possible reasons, including a decrease in our ability to attract and retain customers, a failure to increase our number of channel partners, increasing competition, decreasing growth of our overall market, and an inability to timely and cost-effectively introduce new products and services that are favorably received by customers and partners. If we are unable to meet these risks and challenges as we encounter them, our business and operating results may be adversely affected, and even if we are able to achieve profitability, we may not be able to sustain or increase such profitability.

Our operating results may fluctuate from quarter to quarter, which makes our future results difficult to predict.

Our quarterly operating results have fluctuated in the past and may fluctuate in the future. Additionally, we have a limited operating history with the current scale of our business, which makes it difficult to forecast our future results. As a result, you should not rely upon our past quarterly operating results as indicators of future performance. You should take into account the risks and uncertainties frequently encountered by companies in rapidly evolving markets. Our operating results in any given quarter can be influenced by numerous factors, many of which are unpredictable or are outside of our control, including:

- our ability to generate significant revenue from new products and services;
- our ability to maintain and grow our customer base;
- our ability to expand our number of partners and distribution of our platform;
- the development and introduction of new products and services by us or our competitors;
- increases in and timing of operating expenses that we may incur to grow and expand our operations and to remain competitive;
- seasonal purchasing patterns of our customers;
- the timing of our Inspire customer conferences;
- costs related to the acquisition of businesses, talent, technologies, or intellectual property, including potentially significant amortization costs and possible write-downs;
- failures or breaches of security or privacy, and the costs associated with remediating any such failures or breaches;
- adverse litigation, judgments, settlements, or other litigation-related costs;
- changes in the legislative or regulatory environment, such as with respect to privacy;
- fluctuations in currency exchange rates and changes in the proportion of our revenue and expenses denominated in foreign currencies; and
- general economic conditions in either domestic or international markets.

We have been growing rapidly and expect to continue to invest in our growth for the foreseeable future. If we are unable to manage our growth effectively, our revenue and profits could be adversely affected.

We have experienced rapid growth in a relatively short period of time. Our revenue grew from $38.0 million in the year ended December 31, 2014 to $53.8 million in the year ended December 31, 2015 to $85.8 million in the year ended December 31, 2016 and from $38.4 million in the six months ended June 30, 2016 to $58.9 million in the six months ended June 30, 2017. Our number of full-time employees has increased significantly over the last few years, from 206 employees as of December 31, 2014 to 491 employees as of June 30, 2017. During this period, we also established operations in a number of countries outside the United States.
We plan to continue to expand our operations and headcount significantly, and we anticipate that further significant expansion will be required. In addition, we sell our platform to customers in more than 50 countries and have employees in the United States, Canada, the Czech Republic, Germany, Singapore, and the United Kingdom. We plan to continue to expand our operations into other countries in the future, which will place additional demands on our resources and operations. Our future operating results depend to a large extent on our ability to manage this expansion and growth successfully. Sustaining our growth will place significant demands on our management as well as on our administrative, operational, and financial resources. To manage our growth, we must continue to improve our operational, financial, and management information systems and expand, motivate, and manage our workforce. If we are unable to manage our growth successfully without compromising our quality of service or our profit margins, or if new systems that we implement to assist in managing our growth do not produce the expected benefits, our revenue and profits could be harmed. Risks that we face in undertaking future expansion include:

• effectively recruiting, integrating, training, and motivating a large number of new employees, including our direct sales force, while retaining existing employees, maintaining the beneficial aspects of our corporate culture, and effectively executing our business plan;
• satisfying existing customers and attracting new customers;
• successfully improving and expanding the capabilities of our platform and introducing new products and services;
• expanding our channel partner ecosystem;
• controlling expenses and investments in anticipation of expanded operations;
• implementing and enhancing our administrative, operational, and financial infrastructure, systems, and processes;
• addressing new markets; and
• expanding operations in the United States and international regions.

A failure to manage our growth effectively could harm our business, operating results, financial condition, and ability to market and sell our platform.

Further, due to our recent rapid growth, we have limited experience operating at our current scale and potentially at a larger scale, and as a result, it may be difficult for us to fully evaluate future prospects and risks. Our recent and historical growth should not be considered indicative of our future performance. We have encountered in the past, and will encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly changing industries. If our assumptions regarding these risks and uncertainties, which we use to plan and operate our business, are incorrect or change, or if we do not address these risks successfully, our financial condition and operating results could differ materially from our expectations, our growth rates may slow and our business would be adversely impacted.

If the market for analytics products and services fails to grow as we expect, or if businesses fail to adopt our platform, our business, operating results, and financial condition could be adversely affected.

Since 2013, nearly all our revenue has come from sales of our subscription-based software platform. We expect these sales to account for a large portion of our revenue for the foreseeable future. Although demand for analytics products and services has grown in recent years, the market for analytics products and services continues to evolve and the secular shift towards self-service analytics may not be as significant as we expect. We cannot be sure that this market will continue to grow or,
even if it does grow, that businesses will adopt our platform. Our future success will depend in large part on our ability to further penetrate the existing market for business analytics software, as well as the continued growth and expansion of what we believe to be an emerging market for analytics products and services that are faster, easier to adopt, easier to use, and more focused on self-service capabilities. Our ability to further penetrate the business analytics market depends on a number of factors, including the cost, performance, and perceived value associated with our platform, as well as customers' willingness to adopt a different approach to data analysis. We have spent, and intend to keep spending, considerable resources to educate potential customers about analytics products and services in general and our platform in particular. However, we cannot be sure that these expenditures will help our platform achieve any additional market acceptance. Furthermore, potential customers may have made significant investments in legacy analytics software systems and may be unwilling to invest in new products and services. In addition, resistance from consumer and privacy groups to increased commercial collection and use of data on spending patterns and other personal behavior and governmental restrictions on the collection and use of personal data may impair the further growth of this market by reducing the value of data to organizations, as may other developments. If the market fails to grow or grows more slowly than we currently expect or businesses fail to adopt our platform, our business, operating results, and financial condition could be adversely affected.

We derive substantially all of our revenue from our software platform, and our future growth is dependent on its success.

Since 2013, nearly all our revenue has come from sales of our subscription-based software platform. We expect these sales to account for a large portion of our revenue for the foreseeable future. As such, the continued growth in market demand for our platform is critical to our continued success. We recently announced a new product for our software platform, Alteryx Connect, but cannot be certain that it will generate significant revenue, if any. In addition, this product is designed to be used with our Alteryx Server product and will not be sold independently. Accordingly, our business and financial results will continue to be substantially dependent on our single software platform.

If we are unable to attract new customers and expand sales to existing customers, both domestically and internationally, our revenue growth could be slower than we expect and our business may be harmed.

Our future revenue growth depends in part upon increasing our customer base. Our ability to achieve significant growth in revenue in the future will depend, in large part, upon the effectiveness of our marketing efforts, both domestically and internationally, and our ability to attract new customers. This may be particularly challenging where an organization has already invested substantial personnel and financial resources to integrate traditional data analytics tools into its business, as such organization may be reluctant or unwilling to invest in new products and services. If we fail to attract new customers and maintain and expand those customer relationships, our revenue will grow more slowly than expected and our business will be harmed.

Our future revenue growth also depends upon expanding sales and renewals of subscriptions to our platform with existing customers. If our customers do not purchase additional licenses or capabilities, our revenue may grow more slowly than expected, may not grow at all or may decline. Additionally, increasing incremental sales to our current customer base requires increasingly sophisticated and costly sales efforts that are targeted at senior management. For example, during the years ended December 31, 2015 and 2016, sales and marketing expenses represented 80% and 67% of our revenue, respectively. We plan to continue expanding our sales efforts, both domestically and internationally, but we may be unable to hire qualified sales personnel, may be unable to successfully train those sales personnel that we are able to hire, and sales personnel may not become fully productive on the timelines that we have projected or at all. Additionally, although we dedicate
significant resources to sales and marketing programs, including Internet and other online advertising, these sales and marketing programs may not have the desired effect and may not expand sales. We cannot assure you that our efforts would result in increased sales to existing customers, and additional revenue. If our efforts to upsell to our customers are not successful, our business and operating results would be adversely affected.

Our customers generally enter into license agreements with one to three year subscription terms and have no obligation or contractual right to renew their subscriptions after the expiration of their initial subscription period. Moreover, our customers that do renew their subscriptions may renew for lower subscription amounts or for shorter subscription periods. Customer renewal rates may decline or fluctuate as a result of a number of factors, including the breadth of early deployment, reductions in our customers' spending levels, our pricing or pricing structure, the pricing or capabilities of products or services offered by our competitors, our customers' satisfaction or dissatisfaction with our platform, or the effects of economic conditions. If our customers do not renew their agreements with us, or renew on terms less favorable to us, our revenue may decline.

If we are unable to develop and release product and service enhancements and new products and services to respond to rapid technological change in a timely and cost-effective manner, our business, operating results, and financial condition could be adversely affected.

The market for our platform is characterized by rapid technological change, frequent new product and service introductions and enhancements, changing customer demands, and evolving industry standards. The introduction of products and services embodying new technologies can quickly make existing products and services obsolete and unmarketable. Analytics products and services are inherently complex, and it can take a long time and require significant research and development expenditures to develop and test new or enhanced products and services. The success of any enhancements or improvements to our platform or any new products and services depends on several factors, including timely completion, competitive pricing, adequate quality testing, integration with existing technologies and our platform, and overall market acceptance. We cannot be sure that we will succeed in developing, marketing, and delivering on a timely and cost-effective basis enhancements or improvements to our platform or any new products and services that respond to technological change or new customer requirements, nor can we be sure that any enhancements or improvements to our platform or any new products and services will achieve market acceptance. Any new products that we develop may not be introduced in a timely or cost-effective manner, may contain errors or defects, or may not achieve the broad market acceptance necessary to generate sufficient revenue. Moreover, even if we introduce new products and services, we may experience a decline in revenue of our existing products and services that is not offset by revenue from the new products or services. For example, customers may delay making purchases of new products and services to permit them to make a more thorough evaluation of these products and services or until industry and marketplace reviews become widely available. Some customers may hesitate migrating to a new product or service due to concerns regarding the complexity of migration and product or service infancy issues on performance. In addition, we may lose existing customers who choose a competitor's products and services rather than migrate to our new products and services. This could result in a temporary or permanent revenue shortfall and adversely affect our business.

Further, the emergence of new industry standards related to analytics products and services may adversely affect the demand for our platform. This could happen if new Internet standards and technologies or new standards in the field of operating system support emerged that were incompatible with customer deployments of our platform. For example, if we are unable to adapt our platform on a timely basis to new database standards, the ability of our platform to access customer databases and to analyze data within such databases could be impaired. In addition, because part of our platform is cloud-based, we need to continually enhance and improve our platform to keep pace with changes in
Internet-related hardware, software, communications, and database technologies and standards. Any failure of our platform to operate effectively with future infrastructure platforms and technologies could reduce the demand for our platform. If we are unable to respond to these changes in a timely and cost-effective manner, our platform may become less marketable, less competitive, or obsolete, and our operating results may be adversely affected.

Moreover, software-as-a-service, or SaaS, business models have become increasingly demanded by customers and adopted by other software providers, including our competitors. While part of our platform is cloud-based, most of our platform is currently deployed on premise and therefore, if customers demand that our platform be provided through a SaaS business model, we would be required to make additional investments to our infrastructure in order to be able to more fully provide our platform through a SaaS model so that our platform remains competitive. Such investments may involve expanding our data centers, servers, and networks and increasing our technical operations and engineering teams.

The competitive position of our software platform depends in part on its ability to operate with third-party products and services, and if we are not successful in maintaining and expanding the compatibility of our platform with such third-party products and services, our business, financial position, and operating results could be adversely impacted.

The competitive position of our software platform depends in part on its ability to operate with products and services of third parties, software services and infrastructure. As such, we must continuously modify and enhance our platform to adapt to changes in hardware, software, networking, browser, and database technologies. In the future, one or more technology companies may choose not to support the operation of their hardware, software, or infrastructure, or our platform may not support the capabilities needed to operate with such hardware, software, or infrastructure. In addition, to the extent that a third party were to develop software or services that compete with ours, that provider may choose not to support our platform. We intend to facilitate the compatibility of our software platform with various third-party hardware, software, and infrastructure by maintaining and expanding our business and technical relationships. If we are not successful in achieving this goal, our business, financial condition, and operating results could be adversely impacted.

We face intense and increasing competition, and we may not be able to compete effectively, which could reduce demand for our platform and adversely affect our business, revenue growth, and market share.

The market for self-service data analytics solutions is new and rapidly evolving. In many cases, our primary competition is manual, spreadsheet driven processes or more traditional custom built approaches in which potential customers have made significant investments. In addition, we compete with large software companies, including providers of traditional business intelligence tools that offer one or more capabilities that are competitive with our platform, such as International Business Machines Corporation, Microsoft, Oracle Corporation, SAP SE, and SAS Institute Inc. Moreover, business analytics software companies offer capabilities that are competitive with a subset of the solutions we provide, such as MicroStrategy Incorporated and TIBCO Software Inc.

In addition, other large software companies, such as salesforce.com, inc. and Amazon.com, Inc., and data visualization companies, such as Tableau and Qlik, already provide products and services in adjacent markets and may decide to enter into our market. We also compete with open source initiatives and custom development efforts. We could also face competition from new market entrants, some of whom might be current technology partners of ours. We expect competition to increase as other established and emerging companies enter the business analytics software market, as customer requirements evolve and as new products and services and technologies are introduced.
Many of our current and potential competitors, particularly the large software companies named above, have longer operating histories, significantly greater financial, technical, marketing, distribution, professional services, or other resources and greater name recognition than we do. In addition, many of our current and potential competitors have strong relationships with current and potential customers and extensive knowledge of the business analytics industry. As a result, our current and potential competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards, or customer requirements or devote greater resources than we can to the development, promotion, and sale of their products and services. Moreover, many of these companies are bundling their analytics products and services into larger deals or subscription renewals, often at significant discounts as part of a larger sale. In addition, some current and potential competitors may offer products or services that address one or a limited number of functions at lower prices or with greater depth than our platform. Our current and potential competitors may develop and market new technologies with comparable functionality to our platform. We may experience fewer customer orders, reduced gross margins, longer sales cycles, and loss of market share. This could lead us to decrease prices, implement alternative pricing structures, or introduce products and services available for free or a nominal price in order to remain competitive. We may not be able to compete successfully against current and future competitors, and our business, operating results, and financial condition will be harmed if we fail to meet these competitive pressures.

Our ability to compete successfully in our market depends on a number of factors, both within and outside of our control. Some of these factors include: ease of use; platform features, quality, functionality, reliability, performance, and effectiveness; ability to automate analytical tasks or processes; ability to integrate with other technology infrastructures; vision for the market and product innovation; software analytics expertise; total cost of ownership; adherence to industry standards and certifications; strength of sales and marketing efforts; brand awareness and reputation; and customer experience, including support. Any failure by us to compete successfully in any one of these or other areas may reduce the demand for our platform, as well as adversely affect our business, operating results, and financial condition.

Moreover, current and future competitors may also make strategic acquisitions or establish cooperative relationships among themselves or with others, including our current or future technology partners. By doing so, these competitors may increase their ability to meet the needs of our customers or potential customers. In addition, our current or prospective indirect sales channel partners may establish cooperative relationships with our current or future competitors. These relationships may limit our ability to sell or certify our platform through specific distributors, technology providers, database companies, and distribution channels and allow our competitors to rapidly gain significant market share. These developments could limit our ability to obtain revenue from existing and new customers. If we are unable to compete successfully against current and future competitors, our business, operating results, and financial condition would be harmed.

If we fail to develop, maintain, and enhance our brand and reputation cost-effectively, our business and financial condition may be adversely affected.

We believe that developing, maintaining, and enhancing awareness and integrity of our brand and reputation in a cost-effective manner are important to achieving widespread acceptance of our platform and are important elements in attracting new customers and maintaining existing customers. We believe that the importance of our brand and reputation will increase as competition in our market further intensifies. Successful promotion of our brand will depend on the effectiveness of our marketing efforts, our ability to provide a reliable and useful platform at competitive prices, the perceived value of our platform, and our ability to provide quality customer support. Brand promotion activities may not yield increased revenue, and even if they do, the increased revenue may not offset the expenses we incur in building and maintaining our brand and reputation. We also rely on our customer base and
community of end-users in a variety of ways, including to give us feedback on our platform and to provide user-based support to our other customers. If we fail to promote and maintain our brand successfully or to maintain loyalty among our customers, or if we incur substantial expenses in an unsuccessful attempt to promote and maintain our brand, we may fail to attract new customers and partners or retain our existing customers and partners and our business and financial condition may be adversely affected. Any negative publicity relating to our employees, partners, or others associated with these parties, may also tarnish our own reputation simply by association and may reduce the value of our brand. Damage to our brand and reputation may result in reduced demand for our platform and increased risk of losing market share to our competitors. Any efforts to restore the value of our brand and rebuild our reputation may be costly and may not be successful.

Our revenue growth and ability to achieve and sustain profitability depends on being able to expand our direct sales force and increase the productivity of our sales force successfully.

To date, most of our revenue has been attributable to the efforts of our direct sales force in the United States. In order to increase our revenue and achieve and sustain profitability, we must increase the size of our direct sales force, both in the United States and internationally, to generate additional revenue from new and existing customers. We intend to substantially further increase our number of direct sales professionals.

We believe that there is significant competition for sales personnel with the skills and technical knowledge that we require. Our ability to achieve significant revenue growth will depend, in large part, on our success in recruiting, training, and retaining sufficient numbers of direct sales personnel to support our growth. New hires require significant training and typically take six months or more to achieve full productivity. Our recent hires and planned hires may not become productive as quickly as we expect and if our new sales employees do not become fully productive on the timelines that we have projected or at all, our revenue will not increase at anticipated levels and our ability to achieve long term projections may be negatively impacted. We may also be unable to hire or retain sufficient numbers of qualified individuals in the markets where we do business or plan to do business. Furthermore, hiring sales personnel in new countries requires additional set up and upfront costs that we may not recover if the sales personnel fail to achieve full productivity. In addition, as we continue to grow rapidly, a large percentage of our sales force will be new to our company and our platform, which may adversely affect our sales if we cannot train our sales force quickly or effectively. Attrition rates may increase, and we may face integration challenges as we continue to seek to aggressively expand our sales force. If we are unable to hire and train sufficient numbers of effective sales personnel, or the sales personnel are not successful in obtaining new customers or increasing sales to our existing customer base, our business will be adversely affected.

We periodically change and make adjustments to our sales organization in response to market opportunities, competitive threats, management changes, product introductions or enhancements, acquisitions, sales performance, increases in sales headcount, cost levels and other internal and external considerations. Any future sales organization changes may result in a temporary reduction of productivity, which could negatively affect our rate of growth. In addition, any significant change to the way we structure our compensation of our sales organization may be disruptive and may affect our revenue growth.

We use channel partners and if we are unable to establish and maintain successful relationships with them, our business, operating results, and financial condition could be adversely affected.

In addition to our direct sales force, we use channel partners such as technology alliances, system integrators, management consulting firms, and VARs to sell and support our platform. Channel
partners are becoming an increasingly important aspect of our business, particularly with regard to enterprise, governmental, and international sales. Our future growth in revenue and ability to achieve and sustain profitability depends in part on our ability to identify, establish, and retain successful channel partner relationships in the United States and internationally, which will take significant time and resources and involve significant risk. If we are unable to maintain our relationships with these channel partners, or otherwise develop and expand our indirect distribution channel, our business, operating results, financial condition, or cash flows could be adversely affected.

We cannot be certain that we will be able to identify suitable indirect sales channel partners. To the extent we do identify such partners, we will need to negotiate the terms of a commercial agreement with them under which the partner would distribute our platform. We cannot be certain that we will be able to negotiate commercially-attractive terms with any channel partner, if at all. In addition, all channel partners must be trained to distribute our platform. In order to develop and expand our distribution channel, we must develop and improve our processes for channel partner introduction and training. If we do not succeed in identifying suitable indirect sales channel partners, our business, operating results, and financial condition may be adversely affected.

We also cannot be certain that we will be able to maintain successful relationships with any channel partners and, to the extent that our channel partners are unsuccessful in selling our platform, our ability to sell our platform and our business, operating results, and financial condition could be adversely affected. Our channel partners may offer customers the products and services of several different companies, including products and services that compete with our platform. Because our channel partners generally do not have an exclusive relationship with us, we cannot be certain that they will prioritize or provide adequate resources to selling our platform. Moreover, divergence in strategy by any of these channel partners may materially adversely affect our ability to develop, market, sell, or support our platform. We cannot assure you that our channel partners will continue to cooperate with us. In addition, actions taken or omitted to be taken by such parties may adversely affect us. In addition, we rely on our channel partners to operate in accordance with the terms of their contractual agreements with us.

In addition, all our sales to government entities have been made indirectly through our channel partners. Government entities may have statutory, contractual, or other legal rights to terminate contracts with our channel partners for convenience or due to a default, and, in the future, if the portion of government contracts that are subject to renegotiation or termination at the election of the government entity are material, any such termination or renegotiation may adversely impact our future operating results. In the event of such termination, it may be difficult for us to arrange for another channel partner to sell our platform to these government entities in a timely manner, and we could lose sales opportunities during the transition. Government entities routinely investigate and audit government contractors' administrative processes, and any unfavorable audit could result in the government entity refusing to renew its subscription to our platform, a reduction of revenue, or fines or civil or criminal liability if the audit uncovers improper or illegal activities.

We depend on technology and data licensed to us by third parties that may be difficult to replace or cause errors or failures that may impair or delay implementation of our products and services or force us to pay higher license fees.

We license third-party technologies and data that we incorporate into, use to operate, and provide with our platform. We cannot assure you that the licenses for such third-party technologies or data will
not be terminated or that we will be able to license third-party software or data for future products and services. In addition, we may be unable to renegotiate acceptable third-party replacement license terms in the event of termination, or we may be subject to infringement liability if third-party software or data that we license is found to infringe intellectual property or privacy rights of others. In addition, the data that we license from third parties for potential use in our platform may contain errors or defects, which could negatively impact the analytics that our customers perform on or with such data. This may have a negative impact on how our platform is perceived by our current and potential customers and could materially damage our reputation and brand.

Changes in or the loss of third-party licenses could lead to our platform becoming inoperable or the performance of our platform being materially reduced resulting in our potentially needing to incur additional research and development costs to ensure continued performance of our platform or a material increase in the costs of licensing, and we may experience decreased demand for our platform.

Our long-term success depends, in part, on our ability to expand the sales of our software platform to customers located outside of the United States and our current, and any further, expansion of our international operations exposes us to risks that could have a material adverse effect on our business, operating results, and financial condition.

We are generating a growing portion of our revenue from international sales, and conduct our business activities in various foreign countries, including some emerging markets where we have limited experience, where the challenges of conducting our business can be significantly different from those we have faced in more developed markets and where business practices may create internal control risks. For example, we recently acquired Semanta, which has operations in the Czech Republic and Ukraine. There are certain risks inherent in conducting international business, including:

- fluctuations in foreign currency exchange rates;
- new, or changes in, regulatory requirements;
- tariffs, export and import restrictions, restrictions on foreign investments, sanctions, and other trade barriers or protection measures;
- costs of localizing products and services;
- lack of acceptance of localized products and services;
- difficulties in and costs of staffing, managing, and operating our international operations;
- tax issues, including restrictions on repatriating earnings and with respect to our corporate operating structure and intercompany arrangements;
- weaker intellectual property protection;
- economic weakness or currency related crises;
- the burden of complying with a wide variety of laws, including those relating to labor matters, consumer and data protection, privacy, network security, encryption, and taxes;
- generally longer payment cycles and greater difficulty in collecting accounts receivable;
- our ability to adapt to sales practices and customer requirements in different cultures;
- corporate espionage; and
- political instability and security risks in the countries where we are doing business.

For example, in June 2016, the United Kingdom held a referendum and voted in favor of leaving the European Union and, in March 2017, the United Kingdom provided notification of its intent to leave
the European Union. This has created political and economic uncertainty, particularly in the United Kingdom and the European Union, and could cause disruptions to, and create uncertainty surrounding, our business in the United Kingdom and European Union, including affecting our relationships with our existing and prospective customers, partners, and employees, and could have a material impact on the regulatory regime applicable to our operations in the United Kingdom.

Various corporate tax reform bills and other proposals are currently under consideration in the United States. These proposals include, among other items, corporate income tax rate changes in varying, uncertain, or unspecified amounts, the reduction or elimination of certain corporate tax incentives, modifications to the existing regime for taxing overseas earnings (including the introduction of a minimum tax on adjusted unrepatriated foreign earnings), and measures to prevent base erosion and profit shifting. It is not clear whether, or to what extent, these proposals may be enacted. Significant changes to the U.S. taxation of our international income could have an adverse effect on our operating results.

We have undertaken, and may from time to time undertake, various intercompany transactions and legal entity restructurings that involve our international subsidiaries. We consider various factors in evaluating these potential transactions and restructurings, including the alignment of our corporate structure with our organizational objectives, the operational and tax efficiency of our corporate structure, and the long-term cash flows and cash needs of our business. Such transactions and restructurings could negatively impact our overall tax rate and result in additional tax liabilities.

In addition, compliance with foreign and U.S. laws and regulations that are applicable to our international operations is complex and may increase our cost of doing business in international jurisdictions, and our international operations could expose us to fines and penalties if we fail to comply with these regulations. These laws and regulations include import and export requirements and anti-bribery laws, such as the United States Foreign Corrupt Practices Act of 1977, as amended, or the FCPA, the United Kingdom Bribery Act 2010, or the Bribery Act, and local laws prohibiting corrupt payments to governmental officials. Although we have implemented policies and procedures designed to help ensure compliance with these laws, we cannot assure you that our employees, partners, and other persons with whom we do business will not take actions in violation of our policies or these laws. Any violations of these laws could subject us to civil or criminal penalties, including substantial fines or prohibitions on our ability to offer our platform in one or more countries, and could also materially damage our reputation and our brand. These factors may have an adverse effect on our future sales and, consequently, on our business, operating results, and financial condition.

Because we recognize revenue from our subscriptions over the subscription term, downturns or upturns in new sales and renewals may not be immediately reflected in our operating results and may be difficult to discern.

We generally recognize revenue from customers ratably over the terms of their subscriptions. A significant portion of the revenue we report in each quarter is derived from the recognition of deferred revenue relating to subscriptions entered into during previous quarters. Consequently, a decline in new or renewed subscriptions in any single quarter may have a small impact on our revenue for that quarter. However, such a decline will negatively affect our revenue in future quarters. Accordingly, the effect of significant downturns in sales and market acceptance of our platform, and potential changes in our rate of renewals, may not be fully reflected in our operating results until future periods. We may also be unable to reduce our operating expenses in the event of a significant deterioration in sales. In addition, a significant majority of our costs are expensed as incurred, while a significant portion of our revenue is recognized over the life of the agreement with our customer. As a result, increased growth in the number of our customers could continue to result in our recognition of more costs than revenue in the earlier periods of the terms of our agreements. Our revenue from subscriptions also makes it
more difficult for us to rapidly increase our revenue through additional sales in any period, as revenue from certain new customers is recognized over the applicable term.

As we continue to pursue sales to large enterprises, our sales cycle, forecasting processes, and deployment processes may become more unpredictable and require greater time and expense.

Sales to large enterprises involve risks that may not be present or that are present to a lesser extent with sales to smaller organizations and accordingly, our sales cycle may lengthen as we continue to pursue sales to large enterprises. As we seek to increase our sales to large enterprise customers, we face longer sales cycles, more complex customer requirements, substantial upfront sales costs, and less predictability in completing some of our sales than we do with smaller customers. With larger organizations, the decision to subscribe to our platform frequently requires the approvals of multiple management personnel and more technical personnel than would be typical of a smaller organization and, accordingly, sales to larger organizations may require us to invest more time educating these potential customers. In addition, large enterprises often require extensive configuration, integration services, and pricing negotiations, which increase our upfront investment in the sales effort with no guarantee that these customers will deploy our platform widely enough across their organization to justify our substantial upfront investment. Purchases by large enterprises are also frequently subject to budget constraints and unplanned administrative, processing, and other delays, which means we may not be able to come to agreement on the terms of the sale to large enterprises. In addition, our ability to successfully sell our platform to large enterprises is dependent on us attracting and retaining sales personnel with experience in selling to large organizations. If we are unable to increase sales of our platform to large enterprise customers while mitigating the risks associated with serving such customers, our business, financial position, and operating results may be adversely impacted. Furthermore, if we fail to realize an expected sale from a large customer in a particular quarter or at all, our business, operating results, and financial condition could be adversely affected for a particular period or in future periods.

Our business is affected by seasonality.

Our business is affected by seasonality. Due to the budgeting cycles of our current and potential customers, historically, we enter into more agreements with new customers and more renewed agreements with existing customers in the fourth quarter of each calendar year than in any other quarter. Accordingly, our cash flow from operations has historically been higher in the first quarter of each calendar year than in other quarters. This seasonality is reflected to a much lesser extent, and sometimes is not immediately apparent, in our revenue results, due to the fact that, in accordance with U.S. GAAP, we recognize revenue from the sale of our platform over the term of the customer agreement. In addition, we have experienced increased sales and marketing expenses associated with our annual sales kickoff in the first quarter and our annual U.S. and European Inspire user conferences in the second and third quarters, respectively. Our rapid growth in recent years may obscure the extent to which seasonality trends have affected our business and may continue to affect our business. Accordingly, yearly or quarterly comparisons of our operating results may not be useful and our operating results in any particular period will not necessarily be indicative of the results to be expected for any future period. Seasonality in our business can also be impacted by introductions of new or enhanced products and services, including the costs associated with such introductions.

Any failure to offer high-quality technical support may harm our relationships with our customers and have a negative impact on our business and financial condition.

Once our platform is deployed, our customers depend on our customer support team to resolve technical and operational issues relating to our platform. Our ability to provide effective customer
support is largely dependent on our ability to attract, train, and retain qualified personnel with experience in supporting customers on platforms such as ours. The number of our customers has grown significantly and that has and will put additional pressure on our customer support team. We may be unable to respond quickly enough to accommodate short-term increases in customer demand for technical support. We also may be unable to modify the future, scope, and delivery of our technical support to compete with changes in the technical support provided by our competitors. Increased customer demand for support, without corresponding revenue, could increase costs and negatively affect our operating results. In addition, as we continue to grow our operations and expand internationally, we need to be able to provide efficient customer support that meets our customers’ needs globally at scale and our customer support team will face additional challenges, including those associated with delivering support, training, and documentation in languages other than English. If we are unable to provide efficient customer support globally at scale, our ability to grow our operations may be harmed and we may need to hire additional support personnel, which could negatively impact our operating results. In addition, we have recently begun, and intend to continue, to provide self-service support resources to our customers. Some of these resources, such as our community page, rely on engagement and collaboration by and with other customers. If we are unable to develop self-service support resources that are easy to use and that our customers utilize to resolve their technical issues or if our customers choose not to collaborate or engage with other customers on technical support issues, customers may continue to direct support requests to our customer support team instead of relying on our self-service support resources and our customers’ experience with our platform may be negatively impacted. If we are unable to provide efficient customer support globally at scale, our ability to grow our operations may be harmed and we may need to hire additional support personnel, which could negatively impact our operating results. In addition, we have recently begun, and intend to continue, to provide self-service support resources to our customers. Some of these resources, such as our community page, rely on engagement and collaboration by and with other customers. If we are unable to develop self-service support resources that are easy to use and that our customers utilize to resolve their technical issues or if our customers choose not to collaborate or engage with other customers on technical support issues, customers may continue to direct support requests to our customer support team instead of relying on our self-service support resources and our customers’ experience with our platform may be negatively impacted. Any failure to maintain high-quality support, or a market perception that we do not maintain high-quality support, could harm our reputation, our ability to sell our platform to existing and prospective customers, and our business, operating results, and financial condition.

**Failure to protect our intellectual property could adversely affect our business.**

We currently rely on a combination of copyrights, trademarks, trade secrets, confidentiality procedures, contractual commitments, and other legal rights to protect our intellectual property. We also have two pending patent applications in the United States. Despite our efforts, the steps we take to protect our intellectual property may be inadequate. Unauthorized third parties may try to copy or reverse engineer portions of our platform or otherwise obtain and use our intellectual property. In addition, we may not be able to obtain sufficient intellectual property protection for important features of our platform, in which case our competitors may discover ways to provide similar features without infringing or misappropriating our intellectual property rights.

Any patents that we may own and rely on in the future may be challenged or circumvented by others or invalidated through administrative process or litigation. Our current and future patent applications may not be issued with the scope of the claims we seek, if at all. In addition, any patents issued in the future may not provide us with competitive advantages, may not be enforceable in actions against alleged infringers, or may be successfully challenged by third parties.

Moreover, recent amendments to U.S. patent law, developing jurisprudence regarding U.S. patent law, and possible future changes to U.S. or foreign patent laws and regulations may affect our ability to protect our intellectual property and defend against claims of patent infringement. In addition, the laws of some countries do not provide the same level of protection of our intellectual property as do the laws of the United States. As we expand our international activities, our exposure to unauthorized copying and use of our platform and proprietary information will likely increase. Despite our precautions, it may be possible for unauthorized third parties to infringe upon or misappropriate our intellectual property, to copy our platform, and use information that we regard as proprietary to create products and services that compete with ours. Effective intellectual property protection may not be available to us in every country in which our platform is available. For example, some foreign countries
have compulsory licensing laws under which a patent owner must grant licenses to third parties. In addition, many countries limit the enforceability of patents against certain third parties, including government agencies or government contractors. In these countries, patents may provide limited or no benefit. We may need to expend additional resources to defend our intellectual property rights domestically or internationally, which could impair our business or adversely affect our domestic or international expansion. If we cannot protect our intellectual property against unauthorized copying or use, we may not remain competitive and our business, operating results, and financial condition may be adversely affected.

We enter into confidentiality and invention assignment agreements with our employees and consultants and enter into confidentiality agreements with other parties. We cannot assure you that these agreements will be effective in controlling access to, use of, and distribution of our proprietary information or in effectively securing exclusive ownership of intellectual property developed by our employees and consultants. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our platform.

In order to protect our intellectual property rights, we may be required to spend significant resources to acquire, maintain, monitor, and protect our intellectual property rights. We cannot assure you that our monitoring efforts will detect every infringement of our intellectual property rights by a third party. Litigation may be necessary in the future to enforce our intellectual property rights and to protect our trade secrets. Litigation brought to protect and enforce our intellectual property rights could be costly, time-consuming, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims, and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management’s attention and resources, could delay further sales or the implementation of our platform, impair the functionality of our platform, delay introductions of new products and services, result in our substituting inferior or more costly technologies into our platform, or damage our brand and reputation.

Additionally, the United States Patent and Trademark Office and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process and to maintain issued patents. There are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If this occurs, it could have a material adverse effect on our business operations and financial condition.

Our platform may infringe the intellectual property rights of third parties and this may create liability for us or otherwise harm our business.

Third parties may claim that our current or future products and services infringe their intellectual property rights, and such claims may result in legal claims against our customers and us. These claims may damage our brand and reputation, harm our customer relationships, and create liability for us. We expect the number of such claims will increase as the number of products and services and the level of competition in our market grows, the functionality of our platform overlaps with that of other products and services, and the volume of issued software patents and patent applications continues to increase. We generally agree in our customer contracts to indemnify customers for expenses or liabilities they incur as a result of third party intellectual property infringement claims associated with our platform. To the extent that any claim arises as a result of third-party technology we have licensed for use in our platform, we may be unable to recover from the appropriate third party any expenses or other liabilities that we incur.
Companies in the software and technology industries, including some of our current and potential competitors, own large numbers of patents, copyrights, trademarks, and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. In addition, many of these companies have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them. Furthermore, patent holding companies, non-practicing entities, and other adverse patent owners that are not deterred by our existing intellectual property protections may seek to assert patent claims against us. From time to time, third parties, including certain of these leading companies, have contacted us inviting us to license their patents and may, in the future, assert patent, copyright, trademark, or other intellectual property rights against us, our channel partners, our technology partners, or our customers. We have received, and may in the future receive, notices that claim we have misappropriated, misused, or infringed other parties’ intellectual property rights, and, to the extent we gain greater market visibility, we face a higher risk of being the subject of intellectual property infringement claims, which is not uncommon with respect to the enterprise software market. There may be third-party intellectual property rights, including issued or pending patents, that cover significant aspects of our technologies or business methods. In addition, if we acquire or license technologies from third parties, we may be exposed to increased risk of being the subject of intellectual property infringement due to, among other things, our lower level of visibility into the development process with respect to such technology and the care taken to safeguard against infringement risks. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate, and could divert our management’s attention and other resources. These claims could also subject us to significant liability for damages, potentially including treble damages if we are found to have willfully infringed patents or copyrights, and may require us to indemnify our customers for liabilities they incur as a result of such claims. These claims could also result in our having to stop using technology found to be in violation of a third party’s rights. We might be required to seek a license for the intellectual property, which may not be available on reasonable terms or at all. Even if a license were available, we could be required to pay significant royalties, which would increase our operating expenses. Alternatively, we could be required to develop alternative non-infringing technology, which could require significant time, effort, and expense, and may affect the performance or features of our platform. If we cannot license or develop alternative non-infringing substitutes for any infringing technology used in any aspect of our business, we would be forced to limit or stop sales of our platform and may be unable to compete effectively. Any of these results would adversely affect our business operations and financial condition.

Our platform contains third-party open source software components, and failure to comply with the terms of the underlying open source software licenses could restrict our ability to sell our platform.

Our platform incorporates open source software code. An open source license allows the use, modification, and distribution of software in source code form. Certain kinds of open source licenses further require that any person who creates a product or service that contains, links to, or is derived from software that was subject to an open source license must also make their own product or service subject to the same open source license. Using software that is subject to this kind of open source license can lead to a requirement that our platform be provided free of charge or be made available or distributed in source code form. Although we do not believe our platform includes any open source software in a manner that would result in the imposition of any such requirement, the interpretation of open source licenses is legally complex and, despite our efforts, it is possible that our platform could be found to contain this type of open source software.

Moreover, we cannot assure you that our processes for controlling our use of open source software in our platform will be effective. If we have not complied with the terms of an applicable open
source software license, we could be required to seek licenses from third parties to continue offering our platform on terms that are not economically feasible, to re-engineer our platform to remove or replace the open source software, to discontinue the sale of our platform if re-engineering could not be accomplished on a timely basis, to pay monetary damages, or to make generally available the source code for our proprietary technology, any of which could adversely affect our business, operating results, and financial condition.

In addition to risks related to license requirements, use of open source software can involve greater risks than those associated with use of third-party commercial software, as open source licensors generally do not provide warranties or assurance of title, performance, non-infringement, or controls on origin of the software. There is typically no support available for open source software, and we cannot assure you that the authors of such open source software will not abandon further development and maintenance. Many of the risks associated with the use of open source software, such as the lack of warranties or assurances of title or performance, cannot be eliminated, and could, if not properly addressed, negatively affect our business. We have established processes to help alleviate these risks, including a review process for screening requests from our development organizations for the use of open source software, but we cannot be sure that all open source software is identified or submitted for approval prior to use in our platform.

Responding to any infringement claim, regardless of its validity, or discovering open source software code in our platform could harm our business, operating results, and financial condition, by, among other things:

- resulting in time-consuming and costly litigation;
- diverting management’s time and attention from developing our business;
- requiring us to pay monetary damages or enter into royalty and licensing agreements that we would not normally find acceptable;
- causing delays in the deployment of our platform;
- requiring us to stop selling some aspects of our platform;
- requiring us to redesign certain components of our platform using alternative non-infringing or non-open source technology or practices, which could require significant effort and expense;
- requiring us to disclose our software source code, the detailed program commands for our software; and
- requiring us to satisfy indemnification obligations to our customers.

**Future litigation could have a material adverse impact on our operating results and financial condition.**

From time to time, we have been subject to litigation. The outcome of any litigation, regardless of its merits, is inherently uncertain. Regardless of the merits of any claims that may be brought against us, pending or future litigation could result in a diversion of management’s attention and resources and we may be required to incur significant expenses defending against these claims. If we are unable to prevail in litigation, we could incur substantial liabilities. Where we can make a reasonable estimate of the liability relating to pending litigation and determine that it is probable, we record a related liability. As additional information becomes available, we assess the potential liability and revise estimates as appropriate. However, because of uncertainties relating to litigation, the amount of our estimates could be wrong. Any adverse determination related to litigation could require us to change our technology or our business practices, pay monetary damages, or enter into royalty or licensing arrangements, which could adversely affect our operating results and cash flows, harm our reputation, or otherwise negatively impact our business.
The nature of our platform makes it particularly vulnerable to undetected errors or bugs, which could cause problems with how our platform performs and which could, in turn, reduce demand for our platform, reduce our revenue, and lead to product liability claims against us.

Because our platform is complex, it may contain errors or defects, especially when new updates or enhancements are released. Our software is often installed and used in large-scale computing environments with different operating systems, system management software, and equipment and networking configurations, which may cause errors or failures of our software or other aspects of the computing environment into which it is deployed. In addition, deployment of our software into these computing environments may expose previously undetected errors, compatibility issues, failures, or bugs in our software. Although we test our platform extensively, we have in the past discovered software errors in our platform after introducing new updates or enhancements. Despite testing by us and by our current and potential customers, errors may be found in new updates or enhancements after deployment by our customers. Real or perceived errors, failures, vulnerabilities, or bugs in our platform could result in negative publicity, loss of customer data, loss of or delay in market acceptance of our platform, loss of competitive position, or claims by customers for losses sustained by them, all of which could negatively impact our business and operating results and materially damage our reputation and brand. We may also have to expend resources and capital to correct these defects. Alleviating any of these problems could require significant expenditures of our capital and other resources and could adversely affect our operating results and growth prospects.

Our agreements with customers typically contain provisions designed to limit our exposure to product liability, warranty, and other claims. However, these provisions do not eliminate our exposure to these claims. In addition, it is possible that these provisions may not be effective under the laws of certain domestic or international jurisdictions and we may be exposed to product liability warranty, and other claims. A successful product liability, warranty, or other similar claim against us could have an adverse effect on our business, operating results, and financial condition.

Business disruptions or performance problems associated with our technology and infrastructure, including interruptions, delays, or failures in service from our third-party data center hosting facility and other third-party services, could adversely affect our operating results or result in a material weakness in our internal controls that could adversely affect the market price of our Class A common stock.

Continued adoption of our platform depends in part on the ability of our existing and potential customers to access our platform within a reasonable amount of time. We have experienced, and may in the future experience, disruptions, data loss, outages, and other performance problems with our infrastructure and website due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, denial of service attacks, or other security-related incidents. If our platform is unavailable or if our users and customers are unable to access our platform within a reasonable amount of time, or at all, we may experience a decline in renewals, damage to our brand, or other harm to our business. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology and network architecture to accommodate actual and anticipated changes in technology, our business, operating results, and financial condition could be adversely affected.

A significant portion of our critical business operations are concentrated in the United States. In addition, we serve our customers and manage certain critical internal processes using a third-party data center hosting facility located in Colorado and other third-party services, including cloud services. We are a highly automated business, and a disruption or failure of our systems, or the third-party...
If we experience a security breach and unauthorized parties obtain access to our customers’ data, our data, or our platform, networks, or other systems, our platform may be perceived as not being secure, our reputation may be harmed, demand for our platform may be reduced, our operations may be disrupted, we may incur significant legal liabilities, and our business could be materially adversely affected.

As part of our business, we process, store, and transmit our customers’ information and data as well as our own, including in our platform, networks, and other systems, and we rely on third parties that are not directly under our control to do so as well. We, and our third-party partners, have security measures and disaster response plans in place to help protect our customers’ data, our data, and our platform, networks, and other systems against unauthorized access. However, we cannot assure you that these security measures and disaster response plans will be effective against all security threats and natural disasters. Our or our third-party partners’ security measures may be breached as a result of third-party action, including intentional misconduct by computer hackers, fraudulent inducement of employees or customers to disclose sensitive information such as user names or passwords, and employee error or malfeasance. Such breach could result in someone obtaining unauthorized access to our customers’ data, our data, or our platform, networks, or other systems. Because there are many different security breach techniques and such techniques continue to evolve, we and our third-party partners may be unable to anticipate attempted security breaches and implement adequate preventative measures. Third parties may also conduct attacks designed to temporarily deny customers access to our services. Any security breach or successful denial of service attack could result in a loss of customer confidence in the security of our platform and damage to our brand, reducing the demand for our platform and our revenue, disrupt our normal business operations, require us to spend material resources to correct the breach, expose us to legal liabilities including litigation and indemnity obligations, and materially adversely affect our operating results. These risks will increase as we continue to grow the scale and functionality of our platform and process, store, and transmit increasingly large amounts of our customers’ information and data, which may include proprietary or confidential data or personal or identifying information.
We may be adversely affected by natural disasters and other catastrophic events, and by man-made problems such as terrorism, that could disrupt our business operations and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

Natural disasters or other catastrophic events may also cause damage or disruption to our operations, international commerce, and the global economy, and could have an adverse effect on our business, operating results, and financial condition. Our business operations are subject to interruption by natural disasters, fire, power shortages, pandemics, and other events beyond our control. In addition, acts of terrorism and other geo-political unrest could cause disruptions in our business or the businesses of our partners or the economy as a whole. In the event of a natural disaster, including a major earthquake, blizzard, or hurricane, or a catastrophic event such as a fire, power loss, or telecommunications failure, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in development of our platform, lengthy interruptions in service, breaches of data security, and loss of critical data, all of which could have an adverse effect on our future operating results. For example, our corporate offices are located in California, a state that frequently experiences earthquakes. Additionally, all the aforementioned risks may be further increased if we do not implement a disaster recovery plan or our partners’ disaster recovery plans prove to be inadequate.

Failure to comply with governmental laws and regulations could harm our business.

Our business is subject to regulation by various federal, state, local, and foreign governments. In certain jurisdictions, these regulatory requirements may be more stringent than those in the United States. Noncompliance with applicable regulations or requirements could subject us to investigations, sanctions, mandatory product recalls, enforcement actions, disgorgement of profits, fines, damages, civil and criminal penalties, injunctions or other collateral consequences. If any governmental sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, operating results, and financial condition could be materially adversely affected. In addition, responding to any action will likely result in a significant diversion of management’s attention and resources and an increase in professional fees. Enforcement actions and sanctions could harm our business, reputation, operating results, and financial condition.

Changes in laws or regulations relating to privacy or the protection or transfer of personal data, or any actual or perceived failure by us to comply with such laws and regulations or our privacy policies, could adversely affect our business.

Components of our business, including our platform, involve processing, storing, and transmitting confidential data, which is subject to our privacy policies and certain federal, state, and foreign laws and regulations relating to privacy and data protection. The amount of customer and employee data that we store through our platform, networks, and other systems, including personal data, is increasing. In recent years, the collection and use of personal data by companies have come under increased regulatory and public scrutiny.

For example, in the United States, protected health information is subject to the Health Insurance Portability and Accountability Act, or HIPAA. HIPAA has been supplemented by the Health Information Technology for Economic and Clinical Health Act with the result of increased civil and criminal penalties for noncompliance. Under HIPAA, entities performing certain functions and creating, receiving, maintaining, or transmitting protected health information provided by covered entities and other business associates are directly subject to HIPAA. If we have access to protected health information through our platform, we may be obligated to comply with certain privacy rules and data security requirements under HIPAA. Any systems failure or security breach that results in the release...
of, or unauthorized access to, personal data, or any failure or perceived failure by us to comply with our privacy policies or any applicable laws or regulations relating to privacy or data protection, could result in proceedings against us by governmental entities or others. Such proceedings could result in the imposition of sanctions, fines, penalties, liabilities, or governmental orders requiring that we change our data practices, any of which could have a material adverse effect on our business, operating results, and financial condition.

Various local, state, federal, and international laws, directives, and regulations apply to the collection, use, retention, protection, disclosure, transfer, and processing of personal data. These data protection and privacy laws and regulations continue to evolve. Various federal, state, and foreign legislative or regulatory bodies may enact new or additional laws or regulations concerning privacy and data protection that could adversely impact our business. Complying with these varying requirements could cause us to incur substantial costs or require us to change our business practices, either of which could adversely affect our business and operating results. For example, in October 2015, the European Court of Justice issued a ruling invalidating the U.S.-EU Safe Harbor Framework, which facilitated personal data transfers to the United States in compliance with applicable E.U. data protection laws. In July 2016, the European Union and the United States political authorities adopted the EU-U.S. Privacy Shield, or Privacy Shield, which may provide a new mechanism for companies to transfer E.U. personal data to the United States. We will need to assess the specific requirements of the Privacy Shield to determine whether we can comply with the new framework. If we are unable to comply with the Privacy Shield, we will need to implement alternative solutions to ensure that data transfers from the European Union to the United States provide adequate protections to comply with the E.U. Data Protection Directive. In any event, there remains significant regulatory uncertainty surrounding the future of data transfers from the European Union to the United States, and changing laws, directives, and regulations may have an adverse effect upon the conduct of our business. Additionally, the European Commission adopted a general data protection regulation, to become effective in May 2018, that will supersede current E.U. data protection legislation, impose more stringent E.U. data protection requirements, and provide for greater penalties for noncompliance. Changing definitions of personal data and information may also limit or inhibit our ability to operate or expand our business, including limiting strategic partnerships that may involve the sharing of data. Also, some jurisdictions require that certain types of data be retained on servers within these jurisdictions. Our failure to comply with applicable laws, directives, and regulations may result in enforcement action against us, including fines and imprisonment, and damage to our reputation, any of which may have an adverse effect on our business and operating results.

**Failure to comply with anti-corruption and anti-money laundering laws, including the FCPA and similar laws associated with our activities outside of the United States, could subject us to penalties and other adverse consequences.**

We are subject to the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, the Bribery Act, and possibly other anti-bribery and anti-money laundering laws in countries in which we conduct activities. We face significant risks if we fail to comply with the FCPA and other anti-corruption laws that prohibit companies and their employees and third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to foreign government officials, political parties, and private-sector recipients for the purpose of obtaining or retaining business, directing business to any person, or securing any advantage. In many foreign countries, particularly in countries with developing economies, it may be a local custom that businesses engage in practices that are prohibited by the FCPA or other applicable laws and regulations. In addition, we use various third parties to sell our platform and conduct our business abroad. We or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and we can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives,
contractors, partners, and agents, even if we do not explicitly authorize such activities. We have implemented an anti-corruption compliance program but cannot assure you that all our employees and agents, as well as those companies to which we outsource certain of our business operations, will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible.

Any violation of the FCPA, other applicable anti-corruption laws, and anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions and, in the case of the FCPA, suspension or debarment from U.S. government contracts, which could have an adverse effect on our reputation, business, operating results, and prospects. In addition, responding to any enforcement action may result in a significant diversion of management’s attention and resources and significant defense costs and other professional fees.

**We are required to comply with governmental export control laws and regulations. Our failure to comply with these laws and regulations could have an adverse effect on our business and operating results.**

Our platform is subject to governmental, including United States and European Union, export control laws and regulations. U.S. export control laws and regulations and economic sanctions prohibit the shipment of certain products and services to U.S. embargoed or sanctioned countries, governments, and persons, and complying with export control and sanctions regulations for a particular sale may be time-consuming and may result in the delay or loss of sales opportunities. While we take precautions to prevent our platform from being exported in violation of these laws, if we were to fail to comply with U.S. export laws, U.S. Customs regulations and import regulations, U.S. economic sanctions, and other countries’ import and export laws, we could be subject to substantial civil and criminal penalties, including fines for the company and incarceration for responsible employees and managers, and the possible loss of export or import privileges.

We incorporate encryption technology into certain of our products. Encryption products may be exported outside of the United States only with the required export authorization including by license, a license exception or other appropriate government authorization. In addition, various countries regulate the import of certain encryption technology, including import permitting and licensing requirements, and have enacted laws that could limit our ability to distribute our products or could limit our customers’ ability to implement our products in those countries. Although we take precautions to prevent our products from being provided in violation of such laws, we cannot assure you that inadvertent violations of such laws have not occurred or will not occur in connection with the distribution of our products despite the precautions we take. Governmental regulation of encryption technology and regulation of imports or exports, or our failure to obtain required import or export approval for our products, could harm our international sales and adversely affect our operating results.

Further, if our channel or other partners fail to obtain appropriate import, export, or re-export licenses or permits, we may also be harmed, become the subject of government investigations or penalties, and incur reputational harm. Changes in our platform or changes in export and import regulations may create delays in the introduction of our platform in international markets, prevent our customers with international operations from deploying our platform globally or, in some cases, prevent the export or import of our platform to certain countries, governments, or persons altogether. Any change in export or import laws or regulations, economic sanctions, or related legislation, shift in the enforcement or scope of existing laws and regulations, or change in the countries, governments, persons, or technologies targeted by such laws and regulations, could result in decreased use of our platform by, or in our decreased ability to export or sell our platform to, existing or potential customers with international operations. Any decreased use of our platform or limitation on our ability to export or sell our platform would likely harm our business, financial condition, and operating results.
If we are unable to recruit or retain skilled personnel, or if we lose the services of any of our senior management or other key personnel, our business, operating results, and financial condition could be adversely affected.

Our future success depends on our continuing ability to attract, train, assimilate, and retain highly skilled personnel. We face intense competition for qualified individuals from numerous software and other technology companies. We may not be able to retain our current key employees or attract, train, assimilate, or retain other highly skilled personnel in the future. We may incur significant costs to attract and retain highly skilled personnel, and we may lose new employees to our competitors or other technology companies before we realize the benefit of our investment in recruiting and training them. As we move into new geographies, we will need to attract and recruit skilled personnel in those areas. If we are unable to attract and retain suitably qualified individuals who are capable of meeting our growing technical, operational, and managerial requirements, on a timely basis or at all, our business may be adversely affected. Volatility or lack of performance in our stock price may also affect our ability to attract and retain our key employees.

Further, several members of our management team have only been with our company for a short period of time. Four of our six executive officers joined our company after April 2016, and our management team has limited experience working together. If our management team cannot work together effectively or any member of our management team leaves our company, our business, operating results, and financial condition could be adversely affected.

Our future success also depends in large part on the continued service of senior management and other key personnel. In particular, we are highly dependent on the services of Dean A. Stoecker, the Chairman of our board of directors, Chief Executive Officer and a co-founder, and Edward P. Harding Jr., our Chief Technology Officer and a co-founder, both of whom are critical to the development of our technology, platform, future vision, and strategic direction. We rely on our leadership team in the areas of operations, security, marketing, sales, support, and general and administrative functions, and on individual contributors on our research and development team. Our senior management and other key personnel are all employed on an at-will basis, which means that they could terminate their employment with us at any time, for any reason and without notice. If we lose the services of senior management or other key personnel, or if we are unable to attract, train, assimilate, and retain the highly skilled personnel we need, our business, operating results, and financial condition could be adversely affected.

If currency exchange rates fluctuate substantially in the future, the results of our operations, which are reported in U.S. dollars, could be adversely affected.

As we continue to expand our international operations, we become more exposed to the effects of fluctuations in currency exchange rates. Although we expect an increasing number of sales contracts to be denominated in currencies other than the U.S. dollar in the future, the majority of our sales contracts have historically been denominated in U.S. dollars, and therefore, most of our revenue has not been subject to foreign currency risk. However, a strengthening of the U.S. dollar could increase the real cost of our platform to our customers outside of the United States, which could adversely affect our business, operating results, financial condition, and cash flows. In addition, we incur expenses for employee compensation and other operating expenses at our non-U.S. locations in the local currency. Fluctuations in the exchange rates between the U.S. dollar and other currencies could result in the dollar equivalent of such expenses being higher. This could have a negative impact on our operating results. Although we may in the future decide to undertake foreign exchange hedging transactions to cover a portion of our foreign currency exchange exposure, we currently do not hedge our exposure to foreign currency exchange risks.
We may have exposure to additional tax liabilities.

We are subject to complex tax laws and regulations in the United States and a variety of foreign jurisdictions. All of these jurisdictions have in the past and may in the future make changes to their corporate income tax rates and other income tax laws which could increase our future income tax provision.

Our future income tax obligations could be affected by earnings that are lower than anticipated in jurisdictions where we have lower statutory rates and by earnings that are higher than anticipated in jurisdictions where we have higher statutory rates, by changes in the valuation of our deferred tax assets and liabilities, changes in the amount of unrecognized tax benefits, or by changes in tax laws, regulations, accounting principles, or interpretations thereof.

Our determination of our tax liability is subject to review by applicable U.S. and foreign tax authorities. Any adverse outcome of such a review could harm our operating results and financial condition. The determination of our worldwide provision for income taxes and other tax liabilities requires significant judgment and, in the ordinary course of business, there are many transactions and calculations where the ultimate tax determination is complex and uncertain. Moreover, as a multinational business, we have subsidiaries that engage in many intercompany transactions in a variety of tax jurisdictions where the ultimate tax determination is complex and uncertain. Our existing corporate structure and intercompany arrangements have been implemented in a manner we believe is in compliance with current prevailing tax laws. However, the taxing authorities of the jurisdictions in which we operate may challenge our methodologies for valuing developed technology or intercompany arrangements, which could impact our worldwide effective tax rate and harm our financial position and operating results.

We are also subject to non-income taxes, such as payroll, sales, use, value-added, net worth, property, and goods and services taxes in the United States and various foreign jurisdictions. We are periodically reviewed and audited by tax authorities with respect to income and non-income taxes. Tax authorities may disagree with certain positions we have taken and we may have exposure to additional income and non-income tax liabilities which could have an adverse effect on our operating results and financial condition. In addition, our future effective tax rates could be favorably or unfavorably affected by changes in tax rates, changes in the valuation of our deferred tax assets or liabilities, the effectiveness of our tax planning strategies, or changes in tax laws or their interpretation. Such changes could have an adverse impact on our financial condition.

As a result of these and other factors, the ultimate amount of tax obligations owed may differ from the amounts recorded in our financial statements and any such difference may harm our operating results in future periods in which we change our estimates of our tax obligations or in which the ultimate tax outcome is determined.

Our ability to use our net operating losses to offset future taxable income may be subject to certain limitations which could subject our business to higher tax liability.

We may be limited in the portion of net operating loss, or NOL, carryforwards that we can use in the future to offset taxable income for U.S. federal and state income tax purposes. As of December 31, 2016, we had U.S. federal NOL carryforwards of $81.0 million, which if not utilized will begin to expire in 2031, and state NOLs of $53.0 million, which if not utilized will begin to expire in 2024.

In addition, under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an “ownership change” is subject to limitations on its ability to utilize its NOLs to offset future taxable income. Future changes in our stock ownership, including as a result of
this or future offerings of our capital stock, as well as other changes that may be outside of our control, could result in additional ownership changes under Section 382 of the Code. A Section 382 “ownership change” generally occurs if one or more stockholders or groups of stockholders who own at least 5% of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Our NOLs may also be impaired under similar provisions of state law. We previously experienced an ownership change that resulted in limitations of the annual utilization of our NOL carryforwards, but did not result in permanent disallowance of any of our NOL carryforwards. It is possible that any future ownership change could have a material effect on the use of our NOLs or other tax attributes. We have recorded a full valuation allowance related to our NOLs and other net deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets. Our NOLs may expire unutilized or underutilized, which could prevent us from offsetting future taxable income.

Economic uncertainty or downturns, particularly as it impacts particular industries, could adversely affect our business and operating results.

In recent years, the United States and other significant markets have experienced cyclical downturns and worldwide economic conditions remain uncertain. Economic uncertainty and associated macroeconomic conditions make it extremely difficult for our customers and us to accurately forecast and plan future business activities, and could cause our customers to slow spending on our platform, which could delay and lengthen sales cycles. Furthermore, during uncertain economic times our customers may face issues gaining timely access to sufficient credit, which could result in an impairment of their ability to make timely payments to us. If that were to occur, we may be required to increase our allowance for doubtful accounts and our results would be negatively impacted.

Furthermore, we have customers in a variety of different industries. A significant downturn in the economic activity attributable to any particular industry, including, but not limited to, the retail and financial industries, may cause organizations to react by reducing their capital and operating expenditures in general or by specifically reducing their spending on information technology. In addition, our customers may delay or cancel information technology projects or seek to lower their costs by renegotiating vendor contracts. To the extent purchases of our platform are perceived by customers and potential customers to be discretionary, our revenue may be disproportionately affected by delays or reductions in general information technology spending. Also, customers may choose to develop in-house software as an alternative to using our platform. Moreover, competitors may respond to challenging market conditions by lowering prices and attempting to lure away our customers.

We cannot predict the timing, strength, or duration of any economic slowdown or any subsequent recovery generally, or any industry in particular. If the conditions in the general economy and the markets in which we operate worsen from present levels, our business, financial condition, and operating results could be materially adversely affected.

We may require additional capital to fund our business and support our growth, and any inability to generate or obtain such capital may adversely affect our operating results and financial condition.

In order to support our growth and respond to business challenges, such as developing new features or enhancements to our platform to stay competitive, acquiring new technologies, and improving our infrastructure, we have made significant financial investments in our business and we intend to continue to make such investments. As a result, we may need to engage in equity or debt financings to provide the funds required for these investments and other business endeavors. If we raise additional funds through equity or convertible debt issuances, our existing stockholders may suffer significant dilution and these securities could have rights, preferences, and privileges that are
superior to that of holders of our common stock. If we obtain additional funds through debt financing, we may not be able to obtain such financing on terms favorable to us. Such terms may involve restrictive covenants making it difficult to engage in capital raising activities and pursue business opportunities, including potential acquisitions. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired and our business may be adversely affected, requiring us to delay, reduce, or eliminate some or all of our operations.

The requirements of being a public company may strain our resources, divert management’s attention, and affect our ability to attract and retain additional executive management and qualified board members.

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Sarbanes-Oxley Act of 2002, or Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the listing requirements of the New York Stock Exchange, and other applicable securities rules and regulations. Compliance with these rules and regulations have increased our legal and financial compliance costs, make some activities more difficult, time-consuming, or costly and increase demand on our systems and resources, particularly after we are no longer an emerging growth company. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business and operating results. Although we have already hired additional employees to comply with these requirements, we may need to hire more employees in the future or engage outside consultants, which will increase our costs and expenses.

In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs, and making some activities more time consuming. These laws, regulations, and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations, and standards, and this investment may result in increased general and administrative expenses and a diversion of management’s time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations, and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business may be adversely affected.

The new rules and regulations applicable to public companies make it more expensive for us to obtain and maintain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

As a result of disclosure of information in filings required of a public company, our business and financial condition has become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business
and operating results could be adversely affected, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and adversely affect our business and operating results.

We are obligated to develop and maintain proper and effective internal control over financial reporting. We have identified a material weakness in our internal control over financial reporting and if our remediation of this material weakness is not effective, or if we fail to maintain an effective system of internal control over financial reporting in the future, we may not be able to accurately or timely report our financial condition or operating results, which may adversely affect investor confidence in our company and, as a result, the value of our Class A common stock.

As a public company, we are required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting commencing with our second annual report on Form 10-K. Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations. Ineffective internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our Class A common stock.

This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting, as well as a statement that our independent registered public accounting firm has issued an opinion on our internal control over financial reporting, provided that our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting until our first annual report required to be filed with the Securities and Exchange Commission, or SEC, following the later of the date we are deemed to be an “accelerated filer” or a “large accelerated filer,” each as defined in the Exchange Act, or the date we are no longer an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. We could be an emerging growth company for up to five years. An independent assessment of the effectiveness of our internal controls could detect problems that our management’s assessment might not. Undetected material weaknesses in our internal controls could lead to financial statement restatements and require us to incur the expense of remediation. We are required to disclose changes made in our internal controls and procedures on a quarterly basis. To comply with the requirements of being a public company, we may need to undertake various actions, such as implementing new internal controls and procedures and hiring accounting or internal audit staff.

In the course of preparing our financial statements as of and for the year ended December 31, 2016, we identified a material weakness in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim consolidated financial statements will not be prevented or detected on a timely basis. The material weakness identified related to the evaluation of the accounting impact of certain contractual terms related to our arrangements with licensed data providers, which resulted in the misstatement in the recording of prepaid and other assets and royalty costs that are recorded in cost of revenue in the first three fiscal quarters of 2016. This material weakness resulted in an immaterial revision of those quarterly results of operations data. See the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Quarterly Results of Operations” for more information. This material weakness could result in additional misstatements to the accounts and disclosures that would result in a material misstatement of our consolidated financial statements that would not be
prevented or detected. Because of this material weakness in our internal control over financial reporting, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2017, our disclosure controls and procedures were not effective.

In response to this material weakness, we have begun taking actions to remediate our material weakness by enhancing our existing control activities related to the review of royalty contracts, including the implementation of additional control activities related to the identification and evaluation of the terms of royalty contracts that require consideration in assessing the accounting for the arrangement. These remediation measures are ongoing. While we believe that these efforts will improve our internal control over financial reporting, the implementation of our remediation is ongoing and will require validation and testing of the design and operating effectiveness of internal controls over a sustained period of financial reporting cycles. Furthermore, while we believe we are making progress toward achieving the effectiveness of our internal controls and disclosure controls, we cannot assure you that these measures will significantly improve or remediate the material weakness described. We also cannot assure you that we have identified all our existing material weaknesses, or that we will not in the future have additional material weaknesses.

We are in the early stages of the costly and challenging process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404. We may not be able to complete our evaluation, testing, and any required remediation in a timely fashion. During the evaluation and testing process, if we identify additional material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal control over financial reporting is effective.

If we are unable to assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal control, including as a result of the material weakness described above, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our Class A common stock to decline, and we may be subject to investigation or sanctions by the SEC. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the New York Stock Exchange.

Our management team has limited experience managing a public company.

Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our transition to being a public company subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. These new obligations and constituents will require significant attention from our senior management and could divert their attention away from the day-to-day management of our business, which could adversely affect our business, financial condition, and operating results.

If we cannot maintain our corporate culture as we grow, we could lose the innovation, teamwork, passion, and focus on execution that we believe contribute to our success, and our business may be harmed.

We believe that our corporate culture has been vital to our success, including in attracting, developing, and retaining personnel, as well as our customers. As we continue to grow and face industry challenges, it may become more challenging to maintain that culture. In addition, we plan to expand our international operations into other countries in the future, which may impact our culture as we seek to find, hire, and integrate additional employees while maintaining our corporate culture. If we
are unable to maintain our corporate culture, we could lose the innovation, passion, and dedication of our team and as a result, our business and ability to focus on our corporate objectives may be harmed.

**Future acquisitions of, or investments in, other companies, products, or technologies could require significant management attention, disrupt our business, dilute stockholder value, and adversely affect our operating results.**

Our business strategy has included, and may in the future include, acquiring other complementary products, technologies, or businesses. For example, we recently acquired Semanta to enhance our data governance capabilities and Yhat to enhance our capabilities for managing and deploying advanced analytic models. We also may enter into relationships with other businesses in order to expand our platform, which could involve preferred or exclusive licenses, additional channels of distribution, or discount pricing or investments in other companies. Negotiating these transactions can be time-consuming, difficult, and expensive, and our ability to close these transactions may be subject to third-party approvals, such as government regulatory approvals, which are beyond our control. Consequently, we can make no assurance that these transactions once undertaken and announced, will close.

These kinds of acquisitions or investments may result in unforeseen operating difficulties and expenditures. If we acquire businesses or technologies, we may not be able to integrate the acquired personnel, operations, and technologies successfully, or effectively manage the combined business following the acquisition. We also may not achieve the anticipated benefits from the acquired business due to a number of factors, including:

- inability to integrate or benefit from acquired technologies or services in a profitable manner;
- unanticipated costs or liabilities associated with the acquisition;
- incurrence of acquisition-related costs;
- difficulty integrating the accounting systems, operations, and personnel of the acquired business;
- difficulties and additional expenses associated with supporting legacy products and hosting infrastructure of the acquired business;
- difficulty converting the customers of the acquired business onto our platform and contract terms;
- diversion of management’s attention from other business concerns;
- adverse effects to our existing business relationships with business partners and customers as a result of the acquisition;
- the potential loss of key employees;
- use of resources that are needed in other parts of our business; and
- use of substantial portions of our available cash to consummate the acquisition.

Moreover, we cannot assure you that the anticipated benefits of any acquisition or investment would be realized or that we would not be exposed to unknown liabilities.

In connection with these types of transactions, we may issue additional equity securities that would dilute our stockholders, use cash that we may need in the future to operate our business, incur debt on terms unfavorable to us or that we are unable to repay, incur large charges or substantial liabilities, encounter difficulties integrating diverse business cultures, and become subject to adverse
tax consequences, substantial depreciation, or deferred compensation charges. These challenges related to acquisitions or investments could adversely affect our business, operating results, financial condition, and prospects.

Changes in financial accounting standards or practices may cause adverse, unexpected financial reporting fluctuations and affect our reported operating results.

U.S. GAAP is subject to interpretation by the Financial Accounting Standards Board, or FASB, the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in accounting standards or practices can have a significant effect on our reported results and may even affect our reporting of transactions completed before the change is effective. New accounting pronouncements and varying interpretations of accounting pronouncements have occurred and may occur in the future. Changes to existing rules or the questioning of current practices may adversely affect our reported financial results or the way we conduct our business. Accounting for revenue from sales of subscriptions to software is particularly complex, is often the subject of intense scrutiny by the SEC, and will evolve as FASB continues to consider applicable accounting standards in this area.

For example, the FASB and the International Accounting Standards Board are working to converge certain accounting principles and facilitate more comparable financial reporting between companies that are required to follow U.S. GAAP and those that are required to follow International Financial Reporting Standards, or IFRS. In connection with these initiatives, the FASB issued new accounting standards for revenue recognition that replace most existing revenue recognition guidance. Although we are currently in the process of evaluating the impact of these new standards on our consolidated financial statements, it could change the way we account for certain of our sales transactions, or the costs to obtain or fulfill a contract with a customer. Adoption of the standard could have a significant impact on our financial statements and may retroactively affect the accounting treatment of transactions completed before adoption depending on the method of adoption we select. The impact of the convergence of U.S. GAAP and IFRS, if any, on our financial statements is uncertain and may not be known until additional rules are proposed and adopted, which may or may not occur.

Our financial statements are subject to change and if our estimates or judgments relating to our critical accounting policies prove to be incorrect, our operating results could be adversely affected.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and related notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity, and the amount of revenue and expenses that are not readily apparent from other sources. Critical accounting policies and estimates used in preparing our consolidated financial statements include those related to revenue recognition, deferred commissions, accounting for income taxes, stock-based compensation expense, and valuation of our common stock. Our operating results may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the price of our Class A common stock.
If our goodwill or intangible assets become impaired, we may be required to record a significant charge to earnings.

We review our goodwill and intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable, such as declines in stock price, market capitalization, or cash flows and slower growth rates in our industry. Goodwill is required to be tested for impairment at least annually. If we are required to record a significant charge in our financial statements during the period in which any impairment of our goodwill or intangible assets is determined, that would negatively affect our operating results.

We are an emerging growth company and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Class A common stock less attractive to investors.

We are an emerging growth company, as defined in the JOBS Act, and, for so long as we continue to be an emerging growth company, we may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Pursuant to Section 107 of the JOBS Act, as an emerging growth company, we have elected to use the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies.

As a result, our consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our Class A common stock less attractive to investors. In addition, if we cease to be an emerging growth company, we will no longer be able to use the extended transition period for complying with new or revised accounting standards.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the effectiveness of our initial public offering, (ii) the last day of the first fiscal year in which our annual gross revenue is $1.07 billion or more, (iii) the date on which we have, during the previous rolling three-year period, issued more than $1.0 billion in non-convertible debt securities, or (iv) the last day of the fiscal year in which the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of June 30.

We cannot predict if investors will find our Class A common stock less attractive or our company less comparable to certain other public companies because we will rely on these exemptions. For example, if we do not adopt a new or revised accounting standard, our future operating results may not be as comparable to the operating results of certain other companies in our industry that adopted such standards. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile.

We are exposed to fluctuations in the market values of our investments.

Credit ratings and pricing of our investments can be negatively affected by liquidity, credit deterioration, financial results, economic risk, political risk, sovereign risk, changes in interest rates, or other factors. As a result, the value and liquidity of our cash and cash equivalents and investments may fluctuate substantially. Therefore, although we have not realized any significant losses on our cash and cash equivalents and investments, future fluctuations in their value could result in a significant realized loss, which could materially adversely affect our financial condition and operating results.
Risks Related to this Offering and Ownership of Our Class A Common Stock

The market price of our Class A common stock has been, and will likely continue to be, volatile, and you could lose all or part of your investment.

The market price of our Class A common stock has been, and will likely continue to be, volatile. Since shares of our Class A common stock were sold in our initial public offering in March 2017 at a price of $14.00 per share, our closing stock price has ranged from $14.80 to $20.47, through June 30, 2017. The market price of our Class A common stock may continue to fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- overall performance of the equity markets;
- actual or anticipated fluctuations in our revenue and other operating results;
- changes in the financial projections we may provide to the public or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- recruitment or departure of key personnel;
- the economy as a whole and market conditions in our industry;
- negative publicity related to the real or perceived quality of our platform, as well as the failure to timely launch new products and services that gain market acceptance;
- rumors and market speculation involving us or other companies in our industry;
- announcements by us or our competitors of significant technical innovations,
- acquisitions, strategic partnerships, joint ventures, or capital commitments;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- lawsuits threatened or filed against us;
- developments or disputes concerning our intellectual property or our platform, or third-party proprietary rights;
- the inclusion of our Class A common stock on stock market indexes, including the impact of new rules adopted by certain index providers, such as S&P Dow Jones Indices and FTSE Russell, that limit or preclude inclusion of companies with multi-class capital structures;
- changes in accounting standards, policies, guidelines, interpretations, or principles;
- other events or factors, including those resulting from war, incidents of terrorism, or responses to these events;
- the expiration of contractual lock-up or market stand-off agreements; and
- sales of shares of our Class A common stock by us or our stockholders.

In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. Stock prices of many companies, and technology companies in particular, have fluctuated in a manner unrelated or disproportionate to the operating performance of those companies. In the past, stockholders have instituted securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business, and adversely affect our business.
Sales of substantial amounts of our Class A common stock in the public markets, or the perception that they might occur, including when the lock-up or market stand-off periods end, could cause the market price of our Class A common stock to decline.

Sales of a substantial number of shares of our Class A common stock into the public market, particularly sales by our directors, executive officers, and principal stockholders, or the perception that these sales might occur, could cause the market price of our Class A common stock to decline. Based on 10,709,293 shares of our Class A common stock and 48,001,851 shares of our Class B common stock outstanding as of June 30, 2017, we will have 18,709,293 shares of our Class A common stock and 40,001,851 shares of our Class B common stock outstanding after this offering.

All of the shares of Class A common stock sold in our initial public offering are, and in this offering will be, freely tradable without restrictions or further registration under the Securities Act, except that any shares held by our affiliates, as defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with Rule 144 and any applicable lock-up agreements described below. The remaining shares of our common stock are also subject to the lock-up agreement or market stand-off agreements described below.

In connection with our initial public offering, subject to certain exceptions, we, all of our directors and executive officers, and substantially all of the holders of our common stock, or securities exercisable for or convertible into our common stock outstanding immediately prior to our initial public offering, entered into lock-up agreements with the underwriters or were subject to market stand-off agreements with us pursuant to which they agreed not to offer, sell, or agree to sell, directly or indirectly, any shares of Class A common stock and Class B common stock for a period of 180 days from the date of our initial public offering. In connection with this offering, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, on behalf of the underwriters, have consented to the release of these lock-up restrictions with respect to 8,200,000 shares of Class A common stock that may be sold in this offering by the selling stockholders, including 5,900,000 shares beneficially owned by our directors and executive officers or their affiliated entities (including, in each case, 200,000 shares of Class A common stock that may be sold by certain selling stockholders upon exercise of the underwriters’ option to purchase additional shares). The releases will take effect on the pricing of this offering.

In connection with this offering, subject to certain exceptions, we, all of our directors and executive officers, certain stockholders, and the selling stockholders, have agreed not to offer, sell, or agree to sell, directly or indirectly, any shares of Class A common stock and Class B common stock without the permission of each of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC on behalf of the underwriters, (i) for a period of 90 days from the date of this prospectus for us and the selling stockholders, and (ii) prior to the date on which the trading window opens pursuant to our insider trading policy during the fiscal quarter ending December 31, 2017 (currently expected to occur in mid-November 2017) for our directors, executive officers, and certain stockholders that are not participating in this offering.

When the applicable lock-up and market standoff periods described above expire, we and our securityholders subject to a lock-up agreement or market stand-off agreement will be able to sell our shares in the public market. In addition, the underwriters may, in their sole discretion, release all or some portion of the shares subject to lock-up agreements prior to the expiration of the lock-up period. See the section titled “Shares Eligible for Future Sale” for more information. Sales of a substantial number of such shares upon expiration of the lock-up and market stand-off agreements, or the perception that such sales may occur, or early release of these agreements, could cause our market price to fall or make it more difficult for you to sell your Class A common stock at a time and price that you deem appropriate.
In addition, as of June 30, 2017, we had options outstanding that, if fully exercised, would result in the issuance of 359,500 shares of Class A common stock and 5,632,870 shares of Class B common stock and RSUs that, if fully settled, would result in the issuance of 137,008 shares of Class A common stock and 323,375 shares of Class B common stock. We also granted 131,750 options to purchase shares of our Class A common stock and RSUs settleable for 30,000 shares of Class A common stock subsequent to June 30, 2017. All of the shares of common stock issuable upon the exercise or settlement of stock options and RSUs, and the shares reserved for future issuance under our equity incentive plans, have been registered for public resale under the Securities Act. Accordingly, these shares will be freely tradeable in the public market upon issuance subject to existing lock-up or market stand-off agreements and applicable vesting requirements.

Immediately following this offering, the holders of 32,487,728 shares of our Class B common stock have rights, subject to some conditions, to require us to file registration statements for the public resale of the Class A common stock issuable upon conversion of such shares or to include such shares in registration statements that we may file for us or other stockholders.

We may also issue our shares of common stock or securities convertible into shares of our common stock from time to time in connection with a financing, acquisition, investment, or otherwise. For example, we agreed to issue shares of our Class B common stock with an aggregate value of up to $2.3 million upon the achievement of certain milestones in connection with our acquisition of Semanta, of which 12,492 shares of Class B common stock were issued in August 2017 upon partial satisfaction of certain milestones. Any further such issuance could result in substantial dilution to our existing stockholders and cause the market price of our Class A common stock to decline.

The dual class structure of our common stock has the effect of concentrating voting control with holders of our Class B common stock, including our directors, executive officers, and 5% stockholders, and their affiliates, which limits or precludes your ability to influence corporate matters, including the election of directors and the approval of any change of control transaction.

Our Class B common stock has ten votes per share, and our Class A common stock, which is the stock being offered in this offering, has one vote per share. Following this offering, our directors, executive officers, and holders of more than 5% of our common stock, and their respective affiliates, will hold in the aggregate 82.7% of the voting power of our capital stock. Because of the ten-to-one voting ratio between our Class B common stock and Class A common stock, the holders of our Class B common stock collectively control a majority of the combined voting power of our common stock and therefore are able to control all matters submitted to our stockholders for approval until the earliest of (i) the date specified by a vote of the holders of at least 66 2/3% of the outstanding shares of Class B common stock, (ii) March 29, 2027, or (iii) the date the shares of Class B common stock cease to represent at least 10% of the aggregate number of shares of Class A common stock and Class B common stock then outstanding. This concentrated control limits or precludes your ability to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transaction requiring stockholder approval. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders.

Future transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, subject to limited exceptions, such as certain permitted transfers effected for estate planning purposes. The conversion of Class B common stock to Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term. See the section titled “Description of Capital Stock—Anti-Takeover Provisions” for additional information.
If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, the price of our Class A common stock and trading volume could decline.

The trading market for our Class A common stock depends in part on the research and reports that securities or industry analysts publish about us or our business. If few securities analysts commence coverage of us, or if industry analysts cease coverage of us, the trading price for our common stock would be negatively affected. If one or more of the analysts who cover us downgrading our Class A common stock or publish inaccurate or unfavorable research about our business, the price of our Class A common stock would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, demand for our Class A common stock could decrease, which might cause our Class A common stock price and trading volume to decline.

We will have broad discretion in the use of any net proceeds to us from this offering and may not use them effectively.

To the extent that we receive any proceeds from the sale of shares of our Class A common stock in this offering, we will have broad discretion in the application of such proceeds, including for any of the purposes described in the section titled “Use of Proceeds,” and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of any net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. If we do not use any net proceeds that we receive in this offering effectively, our business, financial condition, operating results, and prospects could be harmed, and the market price of our Class A common stock could decline. Pending their use, we may invest any net proceeds from this offering in short-term, investment-grade interest-bearing securities such as money market accounts, certificates of deposit, commercial paper, and guaranteed obligations of the U.S. government that may not generate a high yield for our stockholders. These investments may not yield a favorable return to our investors.

We do not intend to pay dividends for the foreseeable future.

We have never declared or paid any cash dividends on our common stock and do not intend to pay any cash dividends in the foreseeable future. We anticipate that for the foreseeable future we will retain all of our future earnings for use in the development of our business and for general corporate purposes. Any determination to pay dividends in the future will be at the discretion of our board of directors. Accordingly, investors must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

Provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management, limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees, and limit the market price of our Class A common stock.

Provisions in our restated certificate of incorporation and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our restated certificate of incorporation and restated bylaws include provisions that:

- provide that our board of directors will be classified into three classes of directors with staggered three-year terms;
- permit the board of directors to establish the number of directors and fill any vacancies and newly-created directorships;

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• require super-majority voting to amend some provisions in our restated certificate of incorporation and restated bylaws;
• authorize the issuance of “blank check” preferred stock that our board of directors could use to implement a stockholder rights plan;
• provide that only the chairman of our board of directors, our chief executive officer, president, lead independent director, or a majority of our board of directors will be authorized to call a special meeting of stockholders;
• provide for a dual class common stock structure in which holders of our Class B common stock have the ability to control the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the outstanding shares of our common stock, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets;
• prohibit stockholder action by written consent, which requires all stockholder actions to be taken at a meeting of our stockholders;
• provide that the board of directors is expressly authorized to make, alter, or repeal our bylaws; and
• establish advance notice requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

In addition, our restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for: any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, or DGCL, our restated certificate of incorporation, or our restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. This choice of forum provision may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision contained in our restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, operating results, and financial condition.

Moreover, Section 203 of the DGCL may discourage, delay, or prevent a change of control of our company. Section 203 imposes certain restrictions on mergers, business combinations, and other transactions between us and holders of 15% or more of our common stock. See the section titled “Description of Capital Stock” for additional information.
SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. All statements contained in this prospectus other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans, market growth, and our objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "potentially," "continue," "anticipate," "intend," "expect," "could," "would," "project," "plan," and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, operating results, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including those described in the section titled "Risk Factors." Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties, and assumptions, the future events and trends discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. We undertake no obligation to update any of these forward-looking statements for any reason after the date of this prospectus or to conform these statements to actual results or revised expectations.

You should read this prospectus and the documents that we reference in this prospectus and have filed with the SEC as exhibits to the registration statement of which this prospectus is a part with the understanding that our actual future results, performance, and events and circumstances may be materially different from what we expect.
INDUSTRY AND MARKET DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity, and market size, is based on information from the sources set forth below. In presenting this information, we have also made assumptions based on such data and other similar sources, and on our knowledge of, and in our experience to date in, the market for our platform. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled “Risk Factors” and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

This prospectus contains statistical data, estimates, and forecasts that are based on industry publications or reports generated by third-party providers, including reports prepared by IDC and Harvard Business Review that we sponsored or commissioned, or other publicly available information, as well as other information based on our internal sources. The IDC and Harvard Business Review reports described herein represent data, research, opinions, or viewpoints prepared by IDC and Harvard Business Review. These reports speak as of their original publication dates (and not as of the date of this prospectus) and the opinions expressed in the reports are subject to change without notice.

The sources of certain statistical data, estimates, and forecasts contained in this prospectus are provided below:

USE OF PROCEEDS

The selling stockholders are selling all of the shares of our Class A common stock being sold in this offering, other than shares that may be sold by us upon exercise of the underwriters’ option to purchase additional shares. If the underwriters’ option is exercised in full, we estimate that our net proceeds will be approximately $20.9 million, based on an assumed offering price of $22.81 per share, which was the last reported sale price of our Class A common stock on the New York Stock Exchange on September 1, 2017, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters’ option is exercised in full, a $1.00 increase (decrease) in the assumed public offering price of $22.81 per share, which was the last reported sale price of our Class A common stock on the New York Stock Exchange on September 1, 2017, would increase (decrease) the net proceeds that we receive from this offering by approximately $1.0 million, after deducting the estimated underwriting discounts and commissions payable by us. We will not receive any proceeds from the sale of shares of our Class A common stock by the selling stockholders, although we will bear the costs, other than underwriting discounts and commissions, associated with the sale of these shares.

The principal purposes of this offering are to facilitate an orderly distribution of shares by the selling stockholders and increase our public float. To the extent that we receive any proceeds from the sale of shares of our Class A common stock in this offering, we intend to use any net proceeds for working capital and other general corporate purposes, including research and development and sales and marketing activities, general and administrative matters, and capital expenditures. We may also use a portion of any net proceeds to invest in or acquire complementary businesses, products, services, technologies, or other assets. However, we do not have any agreements or commitments for any specific acquisitions or investments at this time. We will have broad discretion in using any net proceeds to us from this offering, and investors will be relying on the judgment of our management regarding the application of such proceeds. Pending their use, we plan to invest any net proceeds to us from this offering in short-term, investment-grade interest-bearing securities such as money market accounts, certificates of deposit, commercial paper, and guaranteed obligations of the U.S. government.
MARKET PRICE OF OUR CLASS A COMMON STOCK

Our Class A common stock has been listed on the New York Stock Exchange under the symbol “AYX” since March 24, 2017. Prior to that date, there was no public trading market for our Class A common stock. The following table sets forth for the periods indicated the high and low sale prices per share of our Class A common stock as reported on the New York Stock Exchange for the periods indicated:

<table>
<thead>
<tr>
<th>Fiscal Year 2017</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Quarter (beginning March 24, 2017)</td>
<td>$17.50</td>
<td>$14.61</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>20.50</td>
<td>14.79</td>
</tr>
<tr>
<td>Third Quarter (through September 1, 2017)</td>
<td>24.07</td>
<td>18.86</td>
</tr>
</tbody>
</table>

On September 1, 2017, the last reported sale price of our Class A common stock on the New York Stock Exchange was $22.81 per share. As of June 30, 2017, we had 170 registered holders of record of our Class A common stock and Class B common stock. The actual number of stockholders is greater than this number of record holders and includes stockholders who are beneficial owners but whose shares are held in street name by brokers and other nominees.
DIVIDEND POLICY

We have never declared or paid cash dividends on our capital stock. We do not expect to pay dividends on our capital stock for the foreseeable future. Instead, we anticipate that all of our earnings for the foreseeable future will be used for the operation and growth of our business. Any future determination to declare cash dividends would be subject to the discretion of our board of directors and would depend upon various factors, including our operating results, financial condition, and capital requirements, restrictions that may be imposed by applicable law, and other factors deemed relevant by our board of directors.
The following table sets forth our cash and cash equivalents and short-term investments and capitalization as of June 30, 2017. You should read this table together with our consolidated financial statements and related notes, and the sections titled “Selected Consolidated Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” each included elsewhere in this prospectus.

<table>
<thead>
<tr>
<th>As of June 30, 2017(1)</th>
<th>(in thousands, except share and per share data)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents and short-term investments</td>
<td>$ 152,703</td>
</tr>
</tbody>
</table>

Stockholders’ equity:

<table>
<thead>
<tr>
<th></th>
<th>(unaudited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preferred stock, $0.0001 par value per share: 10,000,000 shares authorized, no shares issued and outstanding</td>
<td>—</td>
</tr>
<tr>
<td>Class A common stock, $0.0001 par value per share: 500,000,000 shares authorized, 10,709,293 shares issued and outstanding</td>
<td>1</td>
</tr>
<tr>
<td>Class B common stock, $0.0001 par value per share: 500,000,000 shares authorized, 48,001,851 shares issued and outstanding</td>
<td>4</td>
</tr>
<tr>
<td>Additional paid-in capital</td>
<td>249,502</td>
</tr>
<tr>
<td>Accumulated deficit</td>
<td>(98,708)</td>
</tr>
<tr>
<td>Accumulated other comprehensive loss</td>
<td>(203)</td>
</tr>
<tr>
<td>Total stockholders’ equity</td>
<td>150,596</td>
</tr>
<tr>
<td>Total capitalization</td>
<td>$ 150,596</td>
</tr>
</tbody>
</table>

(1) If the underwriters’ option to purchase additional shares is exercised in full, our cash and cash equivalents and short-term investments, additional paid-in capital, total stockholders’ equity, and total capitalization would increase by approximately $20.9 million, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, and we would have 19,909,293 shares of our Class A common stock and 39,801,851 shares of our Class B common stock issued and outstanding.

The number of shares of our Class A common stock and Class B common stock to be outstanding after this offering is based upon 10,709,293 shares of our Class A common stock outstanding and 48,001,851 shares of our Class B common stock outstanding (without giving effect to the automatic conversion of shares of our Class B common stock into an equivalent number of shares of our Class A common stock upon their sale by the selling stockholders in this offering), in each case, as of June 30, 2017, and does not include:

- 359,500 shares of our Class A common stock and 5,632,870 shares of our Class B common stock issuable upon the exercise of options to purchase shares of our common stock outstanding as of June 30, 2017, with a weighted-average exercise price of $7.47 per share;
- 137,008 shares of our Class A common stock and 323,375 shares of our Class B common stock issuable upon the vesting of RSUs outstanding as of June 30, 2017;
- 93,750 shares of our Class A common stock issuable upon the exercise of options to purchase shares of our Class A common stock granted after June 30, 2017, with a weighted-average exercise price of $22.02 per share;
- 38,000 shares of our Class A common stock issuable upon the exercise of options to purchase shares of our Class A common stock granted after June 30, 2017, with an exercise price equal to the last reported sale price of our Class A common stock on the New York Stock Exchange on September 5, 2017;
• 30,000 shares of our Class A common stock issuable upon the vesting of RSUs granted after June 30, 2017;
• 89,351 shares of Class A common stock issued pursuant to the first share purchase under our 2017 ESPP on August 14, 2017;
• 6,469,714 shares of our Class A common stock reserved for future issuance under our equity compensation plans, consisting of (i) 5,369,714 shares of Class A common stock reserved for future issuance under our 2017 Plan, as of June 30, 2017 (which number of shares is prior to the options to purchase shares of Class A common stock and RSUs settleable for shares of Class A common stock granted after June 30, 2017), and (ii) 1,100,000 shares of Class A common stock reserved for issuance under our 2017 ESPP (which number of shares is prior to the 89,351 shares of Class A common stock issued after June 30, 2017); and
• shares of our Class B common stock with an aggregate value of up to $2.3 million issuable upon the achievement of certain milestones in connection with our acquisition of Semanta, of which 12,492 shares of our Class B common stock were issued after June 30, 2017 upon partial satisfaction of certain milestones.
SELECTED CONSOLIDATED FINANCIAL DATA

The following tables summarize our consolidated financial data. We derived our selected consolidated statements of operations data for the years ended December 31, 2014, 2015, and 2016, and our selected consolidated balance sheet data as of December 31, 2015 and 2016 from our audited consolidated financial statements included elsewhere in this prospectus. We derived our selected consolidated balance sheet data as of December 31, 2014 from our audited consolidated financial statements not included in this prospectus. We derived our selected consolidated statements of operations data for the six months ended June 30, 2016 and 2017 and our selected balance sheet data as of June 30, 2017 from our unaudited interim consolidated financial statements included elsewhere in this prospectus. Our unaudited interim consolidated financial statements have been prepared in accordance with US. GAAP, on the same basis as our unaudited annual consolidated financial statements and, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, that are necessary for the fair statement of our consolidated financial position as of June 30, 2017 and our consolidated results of operations for the six months ended June 30, 2016 and 2017. Our historical results are not necessarily indicative of the results to be expected in the future, and the results for the six months ended June 30, 2017 are not necessarily indicative of the results to be expected for the full year or any other period. You should read the following selected consolidated financial data in conjunction with the section titled "Management’s Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements, the accompanying notes, and other financial information included elsewhere in this prospectus.

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>Six Months Ended June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td>Revenue</td>
<td>$37,984</td>
</tr>
<tr>
<td>Cost of revenue(1)</td>
<td>8,533</td>
</tr>
<tr>
<td>Gross profit</td>
<td>29,451</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
</tr>
<tr>
<td>Research and development(1)</td>
<td>7,787</td>
</tr>
<tr>
<td>Sales and marketing(1)</td>
<td>24,612</td>
</tr>
<tr>
<td>General and administrative(1)</td>
<td>17,264</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>49,663</td>
</tr>
<tr>
<td>Loss from operations</td>
<td>(20,212)</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(81)</td>
</tr>
<tr>
<td>Loss before provision for (benefit of) income taxes</td>
<td>(20,293)</td>
</tr>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>36</td>
</tr>
<tr>
<td>Net loss</td>
<td>$(20,329)</td>
</tr>
<tr>
<td>Loss: Accretion of Series A redeemable convertible preferred stock</td>
<td>1,669</td>
</tr>
<tr>
<td>Net loss attributable to common stockholders</td>
<td>$(21,998)</td>
</tr>
<tr>
<td>Net loss per share attributable to common stockholders, basic and diluted(2)</td>
<td>$(1.37)</td>
</tr>
</tbody>
</table>

Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted(2) | 16,112 | 31,697 | 32,440 | 32,315 | 46,757 |

55
(1) Includes stock-based compensation expense as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th></th>
<th>Year Ended December 31,</th>
<th></th>
<th>Six Months Ended June 30,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(in thousands)</td>
<td></td>
<td>(in thousands)</td>
<td></td>
<td>(unaudited)</td>
<td></td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>$34</td>
<td>$34</td>
<td>$106</td>
<td>$48</td>
<td>$245</td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>1,081</td>
<td>239</td>
<td>338</td>
<td>144</td>
<td>699</td>
<td></td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>183</td>
<td>800</td>
<td>1,281</td>
<td>634</td>
<td>1,183</td>
<td></td>
</tr>
<tr>
<td>General and administrative</td>
<td>9,379</td>
<td>409</td>
<td>1,559</td>
<td>602</td>
<td>2,103</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$10,677</td>
<td>$1,482</td>
<td>$3,284</td>
<td>$1,428</td>
<td>$4,230</td>
<td></td>
</tr>
</tbody>
</table>

(2) See Notes 2 and 16 of the notes to our consolidated financial statements and Note 9 of the notes to our unaudited condensed consolidated financial statements included elsewhere in this prospectus for an explanation of the calculations of our net loss per share attributable to common stockholders, basic and diluted.

As of December 31, 2014 2015 2016  As of June 30, 2017
(in thousands) (unaudited)

### Consolidated Balance Sheet Data:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents and short-term investments</td>
<td>$24,642</td>
<td>$39,570</td>
<td>$52,700</td>
<td>$152,703</td>
</tr>
<tr>
<td>Working capital</td>
<td>9,220</td>
<td>14,842</td>
<td>14,861</td>
<td>98,116</td>
</tr>
<tr>
<td>Total assets</td>
<td>48,669</td>
<td>97,138</td>
<td>111,415</td>
<td>250,172</td>
</tr>
<tr>
<td>Deferred revenue—current</td>
<td>28,927</td>
<td>44,179</td>
<td>71,050</td>
<td>73,289</td>
</tr>
<tr>
<td>Redeemable convertible preferred stock</td>
<td>41,618</td>
<td>92,740</td>
<td>99,182</td>
<td>—</td>
</tr>
<tr>
<td>Total stockholders’ equity (deficit)</td>
<td>(31,671)</td>
<td>(52,911)</td>
<td>(77,610)</td>
<td>150,596</td>
</tr>
</tbody>
</table>

56
The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our “Selected Consolidated Financial Data” and our consolidated financial statements, the accompanying notes and other financial information included elsewhere in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those forward-looking statements below. Factors that could cause or contribute to those differences include, but are not limited to, those identified below and those discussed in the section titled “Risk Factors” included elsewhere in this prospectus.

Overview

We are a leading provider of self-service data analytics software. Our software platform enables organizations to dramatically improve business outcomes and the productivity of their business analysts. Our subscription-based platform allows organizations to easily prepare, blend, and analyze data from a multitude of sources and more quickly benefit from data-driven decisions. The ease-of-use, speed, and sophistication that our platform provides is enhanced through intuitive and highly repeatable visual workflows. We aim to make our platform as ubiquitous in the workplace as spreadsheets are today.

Our platform includes Alteryx Designer, our data preparation, blending, and analytics product deployable in the cloud and on premise, and Alteryx Server, our secure and scalable product for sharing and running analytic applications in a web-based environment. In addition, Alteryx Analytics Gallery, our cloud-based collaboration offering, is a key feature of our platform allowing users to share workflows in a centralized repository. Our platform has been adopted by organizations across a wide variety of industries and sizes. As of June 30, 2017, we had 2,823 customers in more than 50 countries, including over 300 of the Global 2000 companies.

We derive substantially all our revenue from subscriptions for use of our platform. Our software can be licensed for use on a desktop or server, or it can be delivered through a hosted model. Subscription periods for our platform generally range from one to three years and the subscription fees are typically billed annually in advance. We recognize revenue from subscription fees ratably over the term of the contract. Revenue from subscriptions represented over 90% of revenue for the year ended December 31, 2014 and over 95% of revenue for each of the years ended December 31, 2015 and 2016 and for each of the six months ended June 30, 2016 and 2017. We also generate revenue from professional services, including training and consulting services.

We employ a “land and expand” business model. Our go-to-market approach often begins with a free trial and is followed by an initial purchase of our platform. As organizations realize the benefits derived from our platform, use frequently spreads across departments, divisions, and geographies through word-of-mouth, collaboration, and standardization of business processes. Over time, many of our customers find that the use of our platform is more strategic in nature and our platform becomes a fundamental element of their regular analytical processes.

We sell our platform primarily through direct sales and marketing channels utilizing a wide range of online and offline sales and marketing activities. In addition, we have cultivated strong relationships with channel partners to help us extend the reach of our sales and marketing efforts, especially internationally. Our channel partners include technology alliances, system integrators, management consulting firms, and value-added resellers. These channel partners also provide solution-based selling, services, and training internationally.
We have grown rapidly in recent periods, with revenue for the years ended December 31, 2014, 2015, and 2016 of $38.0 million, $53.8 million, and $85.8 million, respectively, representing year-over-year growth of 42% and 59%, respectively. For the six months ended June 30, 2016 and 2017, our revenue was $38.4 million and $58.9 million, respectively, representing period-over-period growth of 53%. Our customer base has also increased from 627 as of December 31, 2014 to 2,823 as of June 30, 2017. In addition, our employee headcount has increased from 206 to 491 over the same period. We have made significant investments to grow our business, including in sales and marketing, infrastructure, operations, and headcount. We have incurred net losses for the years ended December 31, 2014, 2015, and 2016 and the six months ended June 30, 2016 and 2017 of $20.3 million, $21.5 million, $24.3 million, $14.0 million, and $12.7 million, respectively. We had an accumulated deficit of $98.7 million as of June 30, 2017.

**Key Factors Affecting Our Performance**

We believe that our future performance will depend on many factors, including those described below. While these areas present significant opportunity, they also present risks that we must manage to achieve successful results. For more information about these risks, see the section titled “Risk Factors” included elsewhere in this prospectus. If we are unable to address these risks, our business and operating results could be adversely affected.
Expansion and Further Penetration of Our Customer Base. We employ a “land and expand” business model that focuses on efficiently acquiring new customers and growing our relationships with existing customers over time. As the chart below illustrates, we have a history of attracting new customers for specific use cases, departments, or divisions, and expanding their spend with us over time. As of December 31, 2016, our annualized revenue from subscriptions from customers whose initial subscription start date was in 2014, or the 2014 cohort, is approximately 2.7 times greater than the annualized revenue from subscriptions of the 2014 cohort in 2014 and our annualized revenue from subscriptions from customers whose initial subscription start date was in 2015, or the 2015 cohort, is approximately 1.9 times greater than the annualized revenue from subscriptions of the 2015 cohort in 2015, which demonstrates our ability to expand revenue generation within our customers over time. Building upon this success, we believe significant opportunity exists for us to acquire new customers, as well as expand existing customers’ use of our platform by identifying additional use cases, departments, and divisions for our platform and increasing the number of users within our existing customers’ organizations. We believe this expansion would provide us with substantial operating leverage because the costs to expand sales within existing customers are significantly less than the costs to acquire new customers. Our future revenue growth and our ability to achieve and maintain profitability is dependent upon our ability to continue landing new customers and expanding the adoption of our platform by additional users within their organizations, as we have done with the 2014 cohort and the 2015 cohort.

The chart above reflects annualized revenue from subscriptions for the group of customers that became customers in each respective cohort year. A cohort is a grouping of customers by the year specified. We calculate initial annualized revenue from subscriptions for any given cohort year as the sum of the revenue from subscriptions from each customer in the cohort one month after the subscription start date in the initial period, multiplied by 12. In the chart above, this value is then normalized to the value of 1.0x to represent the base year for such cohort. We calculate annualized revenue from subscriptions from subsequent years for any cohort as the sum of the total annual revenue from subscriptions in the period. The increase in annualized revenue from subscriptions for each of our 2014 and 2015 cohorts represents the increase in revenue in 2016 from the initial period of the applicable cohort. For example, the 2.7 times increase for the 2014 cohort represents the result obtained by dividing the annualized revenue from subscriptions generated by the 2014 cohort in 2016 by the annualized revenue from subscriptions generated by the 2014 cohort in 2014, the initial period.

International Expansion. We have recently increased our focus on international markets. For the years ended December 31, 2014, 2015, and 2016, we derived 13%, 14%, and 19% of our revenue.
outside of the United States, respectively, and for the six months ended June 30, 2016 and 2017, we derived 18% and 21% of our revenue outside of the United States, respectively. We believe that the global opportunity for self-service data analytics solutions is significant, and should continue to expand as organizations outside the United States seek to adopt self-service platforms as we have experienced with our existing customers. To capitalize on this opportunity, we intend to continue to invest in growing our presence internationally. Our growth and the success of our initiatives in markets outside of the United States will depend on the continued adoption of our platform by our existing customers, as well as our ability to attract new customers.

**Investment in Growth.** We plan to continue investing in our business so that we can capitalize on our market opportunity. We intend to continue to add headcount to our global sales and marketing team to acquire new customers and to increase sales to existing customers. We intend to continue to add headcount to our research and development team to extend the functionality and range of our platform by bringing new and improved products and services to our customers. We believe that these investments will contribute to our long-term growth, although they may adversely affect our operating results in the near term.

**Market Adoption of Our Platform.** A key focus of our sales and marketing efforts is to continue creating market awareness about the benefits of our platform. While we cannot predict customer adoption rates and demand, the future growth rate and size of the self-service data analytics market, or the introduction of competitive products and services, our business and operating results will be significantly affected by the degree to and speed with which organizations adopt self-service data analytics solutions and our platform.

**Key Business Metrics**

We review the following key business metrics to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions:

**Number of Customers.** We believe that our ability to expand our customer base is a key indicator of our market penetration, the growth of our business, and our future potential business opportunities. We define a customer at the end of any particular period as an entity with a subscription agreement that runs through the current or future period as of the measurement date. Organizations with free trials have not entered into a subscription agreement and are not considered customers. A single organization with separate subsidiaries, segments, or divisions that use our platform may represent multiple customers, as we treat each entity that is invoiced separately as a single customer. In cases where customers subscribe to our platform through our channel partners, each end customer is counted separately.

The following table summarizes the number of our customers at each quarter end for the periods indicated:

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</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>760</td>
<td>961</td>
<td>1,140</td>
<td>1,398</td>
<td>1,578</td>
<td>1,834</td>
<td>2,047</td>
<td>2,328</td>
<td>2,565</td>
<td>2,823</td>
</tr>
</tbody>
</table>

**Dollar-Based Net Revenue Retention Rate.** We believe that our dollar-based net revenue retention rate is a key measure to provide insight into the long-term value of our customers and our ability to retain and expand revenue from our customer base over time. Our dollar-based net revenue retention rate is a trailing four-quarter average of the subscription revenue from a cohort of customers...
in a quarter as compared to the same quarter in the prior year. Dollar-based net revenue retention rate equal to 100% would indicate that we
received the same amount of revenue from our cohort of customers in the current quarter as we did in the same quarter of the prior year. Dollar-
based net revenue retention rate less than 100% would indicate that we received less revenue from our cohort of customers in the current quarter
than we did in the same quarter of the prior year.

To calculate our dollar-based net revenue retention rate, we first identify a cohort of customers, or the Base Customers, in a particular
quarter, or the Base Quarter. A customer will not be considered a Base Customer unless such customer has an active subscription for the entirety of
the Base Quarter. We then divide the revenue in the same quarter of the subsequent year attributable to the Base Customers, or the Comparison
Quarter, including Base Customers from which we no longer derive revenue in the Comparison Quarter, by the revenue attributable to those Base
Customers in the Base Quarter. Our dollar-based net revenue retention rate in a particular quarter is then obtained by averaging the result from that
particular quarter by the corresponding result from each of the prior three quarters. The dollar-based net revenue retention rate excludes revenue
from professional services from that cohort.

The following table summarizes our dollar-based net revenue retention rate for each quarter for the periods indicated:

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Dollar-Based Net Revenue Retention Rate</td>
<td>123%</td>
<td>124%</td>
<td>125%</td>
<td>122%</td>
<td>126%</td>
<td>127%</td>
<td>129%</td>
<td>135%</td>
<td>133%</td>
<td>134%</td>
</tr>
</tbody>
</table>

Components of Our Results of Operations

Revenue

We derive our revenue primarily from the sale of software subscriptions. Revenue from subscriptions reflects the revenue recognized from
sales of licenses to our platform to new customers and additional licenses to existing customers. Subscription fees are based primarily on the
number of users of our platform. We recognize subscription revenue ratably over the term of the contract, commencing with the date on which the
platform is first made available to the customer, and when all other revenue recognition criteria are met. Our subscription agreements generally have
terms ranging from one to three years and are billed annually in advance. Subscriptions are generally non-cancelable during the subscription term and subscription fees are non-refundable. Our subscription agreements provide for unspecified future updates, upgrades, and enhancements, and technical product support. We also generate revenue from licensing third-party syndicated data packaged with subscriptions, which we recognize ratably over the subscription period. We also derive revenue from professional services fees earned for consulting engagements related to training customers and channel partners, and consulting services. Revenue from professional services relating to training results from contracts to provide educational services to customers and channel partners regarding the use of our technologies and is recognized as the services are provided. Consulting revenue is recognized on a time and materials basis as services are provided. Revenue from professional services represented less than 10% of revenue for each of the years ended December 31, 2014, 2015, and 2016 and for the six months ended June 30, 2016 and 2017. Over the long term, we expect our revenue from professional services to decrease as a percentage of our revenue. In addition, due to our “land and expand” business model, a substantial majority of our revenue in any given period is attributable to our existing customers compared to new customers.
For a description of our revenue recognition policies, see the section titled “—Critical Accounting Policies and Estimates.”

Cost of Revenue

Cost of revenue consists primarily of employee-related costs, including salaries and bonuses, stock-based compensation expense, and employee benefit costs associated with our customer support and professional services organizations. It also includes expenses related to hosting and operating our cloud infrastructure in a third-party data center, licenses of third-party syndicated data, amortization of intangible assets, and related overhead expenses. The majority of our cost of revenue does not fluctuate directly with increases in revenue.

We allocate shared overhead costs such as information technology infrastructure, rent, and occupancy charges in each expense category based on headcount in that category. As such, general overhead expenses are reflected in cost revenue.

We intend to continue to invest additional resources in our cloud infrastructure. We expect that the cost of third-party data center hosting fees will increase over time as we continue to expand our cloud-based offering.

Gross Profit and Gross Margin

Gross profit is revenue less cost of revenue. Gross margin is gross profit expressed as a percentage of revenue. Our gross margin has fluctuated and may fluctuate from period to period based on a number of factors, including the mix of products and services we sell, the channel through which we sell our products and services, and, to a lesser degree, the utilization of customer support and professional services resources, as well as third-party hosting and syndicated data fees in any given period. We expect our gross margin to increase modestly over the long term, although our gross margin may fluctuate from period to period depending on the interplay of the factors discussed above.

Operating Expenses

Our operating expenses are classified as research and development, sales and marketing, and general and administrative. For each of these categories, the largest component is employee-related costs, which include salaries and bonuses, stock-based compensation expense, and employee benefit costs. We allocate shared overhead costs such as information technology infrastructure, rent, and occupancy charges in each expense category based on headcount in that category.

Research and development. Research and development expense consists primarily of employee-related costs, including salaries and bonuses, stock-based compensation expense, and employee benefits costs, for our research and development employees, depreciation of equipment used in research and development, third-party contractors, and related allocated overhead costs.

We expect research and development expenses to continue to increase in absolute dollars for the foreseeable future as we continue to increase the functionality and otherwise enhance our platform and develop new products and services. However, we expect research and development expense to decrease as a percentage of revenue over the long term, although research and development expense may fluctuate as a percentage of revenue from period to period due to the seasonality of revenue and the timing and extent of these expenses.

Sales and marketing. Sales and marketing expense consists primarily of employee-related costs, including salaries and bonuses, sales commissions, stock-based compensation expense, and
employee benefits costs, for our sales and marketing employees, marketing programs, and related allocated overhead costs. Our sales and marketing employees include quota-carrying headcount, sales operations, and administration, marketing, and management. Marketing programs consist of advertising, promotional events such as our U.S. and European Inspire user conferences, corporate communications, brand building, and product marketing activities such as online lead generation.

We plan to continue to invest in sales and marketing by expanding our global promotional activities, building brand awareness, attracting new customers, and sponsoring additional marketing events. The timing of these events, such as our annual sales kickoff in the first quarter and our annual U.S. and European Inspire user conferences in the second and third quarters, respectively, will affect our sales and marketing expense in a particular quarter. We expect sales and marketing expense to continue to increase in absolute dollars for the foreseeable future as we continue to expand our sales force both in the United States and internationally, and to continue to be our largest operating expense category. However, we expect sales and marketing expense to decrease as a percentage of revenue over the long term, although sales and marketing expense may fluctuate as a percentage of revenue from period to period due to the seasonality of revenue and the timing and extent of these expenses.

**General and administrative**. General and administrative expense consist primarily of employee-related costs, including salaries and bonuses, stock-based compensation expense, and employee benefits costs, for our executive officers and finance, legal, human resources, and administrative personnel, professional fees for external legal, accounting, and other consulting services, including those incurred in connection with our business combinations, changes in the fair value of contingent consideration, and related allocated overhead costs.

We expect general and administrative expense to continue to increase in absolute dollars for the foreseeable future as we continue to grow and incur the costs associated with being a publicly traded company, including increased legal, audit, and consulting fees. However, we expect general and administrative expense to decrease as a percentage of revenue over the long term as we improve our processes, systems, and controls to enable our internal support functions to scale with the growth of our business, although general and administrative expense may fluctuate as a percentage of revenue from period to period due to the seasonality of revenue and the timing and extent of these expenses.

**Other Income (Expense), net**

Other income (expense), net, consists primarily of foreign exchange gains and losses from foreign currency transactions denominated in currency other than the functional currency, interest expense on our line of credit that we extinguished in 2015, and interest income from our available-for-sale investments.

**Provision for (Benefit of) Income Taxes**

Provision for income taxes consists primarily of income taxes in certain foreign jurisdictions in which we conduct business and discrete tax benefits related to our business acquisitions. As we have expanded our international operations, we have incurred increased foreign tax expense, and we expect this trend to continue. We have a full valuation allowance for domestic net deferred tax assets, including net operating loss carryforwards, and tax credits related primarily to research and development. Due to our history of losses, we expect to maintain this full valuation allowance for the foreseeable future.

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## Results of Operations

The following table sets forth our results of operations for the periods indicated. The period-to-period comparison of financial results is not necessarily indicative of financial results to be achieved in future periods.

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31</th>
<th></th>
<th></th>
<th>Six Months Ended June 30</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>(in thousands)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$37,984</td>
<td>$53,821</td>
<td>$85,790</td>
<td>$38,366</td>
<td>$58,864</td>
</tr>
<tr>
<td><strong>Cost of revenue(1)</strong></td>
<td>8,533</td>
<td>10,521</td>
<td>16,026</td>
<td>7,665</td>
<td>10,120</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>29,451</td>
<td>43,300</td>
<td>69,764</td>
<td>30,701</td>
<td>48,744</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development(1)</td>
<td>7,787</td>
<td>11,103</td>
<td>17,481</td>
<td>7,923</td>
<td>13,169</td>
</tr>
<tr>
<td>Sales and marketing(1)</td>
<td>24,612</td>
<td>43,244</td>
<td>57,585</td>
<td>29,074</td>
<td>33,217</td>
</tr>
<tr>
<td>General and administrative(1)</td>
<td>17,264</td>
<td>10,039</td>
<td>17,720</td>
<td>7,325</td>
<td>16,110</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>49,663</td>
<td>64,386</td>
<td>92,786</td>
<td>44,322</td>
<td>62,496</td>
</tr>
<tr>
<td><strong>Loss from operations</strong></td>
<td>(20,212)</td>
<td>(21,086)</td>
<td>(23,022)</td>
<td>(13,621)</td>
<td>(13,752)</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(81)</td>
<td>(186)</td>
<td>(1,028)</td>
<td>(278)</td>
<td>434</td>
</tr>
<tr>
<td><strong>Loss before provision for (benefit of) income taxes</strong></td>
<td>(20,293)</td>
<td>(21,272)</td>
<td>(24,050)</td>
<td>(13,899)</td>
<td>(13,318)</td>
</tr>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>36</td>
<td>178</td>
<td>208</td>
<td>90</td>
<td>(657)</td>
</tr>
<tr>
<td><strong>Net loss</strong></td>
<td>(20,329)</td>
<td>(21,450)</td>
<td>(24,258)</td>
<td>(13,989)</td>
<td>(12,661)</td>
</tr>
</tbody>
</table>

(1) Amounts include stock-based compensation expense as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31</th>
<th></th>
<th></th>
<th>Six Months Ended June 30</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>(in thousands)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Cost of revenue</strong></td>
<td>$34</td>
<td>$34</td>
<td>$106</td>
<td>$48</td>
<td>$245</td>
</tr>
<tr>
<td>Research and development</td>
<td>1,081</td>
<td>239</td>
<td>338</td>
<td>144</td>
<td>699</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>183</td>
<td>800</td>
<td>1,281</td>
<td>634</td>
<td>1,183</td>
</tr>
<tr>
<td>General and administrative</td>
<td>9,379</td>
<td>409</td>
<td>1,559</td>
<td>602</td>
<td>2,103</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$10,677</td>
<td>$1,482</td>
<td>$3,284</td>
<td>$1,428</td>
<td>$4,230</td>
</tr>
</tbody>
</table>
The following table sets forth selected historical financial data for the periods indicated, expressed as a percentage of revenue:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31</th>
<th>Six Months Ended June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>22.5</td>
<td>19.5</td>
</tr>
<tr>
<td>Gross profit</td>
<td>77.5</td>
<td>80.5</td>
</tr>
</tbody>
</table>

Operating expenses:

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Research and development</td>
<td>20.5</td>
<td>20.6</td>
<td>20.4</td>
<td>20.7</td>
<td>22.4</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>64.8</td>
<td>80.3</td>
<td>67.1</td>
<td>75.8</td>
<td>56.4</td>
</tr>
<tr>
<td>General and administrative</td>
<td>45.5</td>
<td>18.7</td>
<td>20.7</td>
<td>19.1</td>
<td>27.4</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>130.7</td>
<td>119.6</td>
<td>108.2</td>
<td>115.5</td>
<td>106.2</td>
</tr>
</tbody>
</table>

Loss from operations            | (53.2)| (39.2)| (26.8)| (35.5)| (23.4)|
Other income (expense), net     | (0.2) | (0.3) | (1.2) | (0.7) | 0.7   |
Loss before provision for (benefit of) income taxes | (53.4)| (39.5)| (28.0)| (36.2)| (22.6)|
Provision for (benefit of) income taxes | 0.1  | 0.3  | 0.2  | 0.2  | (1.1) |
Net loss                        | (53.5)| (39.9)| (28.3)| (36.5)| (21.5)|

Comparison of the Six Months Ended June 30, 2016 and 2017

Revenue

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended June 30</th>
<th>Change</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>$38,366</td>
<td>$58,864</td>
<td>$20,498</td>
<td>53%</td>
</tr>
</tbody>
</table>

Revenue increased $20.5 million, or 53%, for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. The increase in our revenue was primarily from additional sales to existing customers and, to a lesser extent, the increase in our total number of customers. For each of the six months ended June 30, 2016 and 2017, revenue attributed to existing customers was greater than 90% of our revenue.

Cost of Revenue and Gross Margin

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended June 30</th>
<th>Change</th>
<th>Amount</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Revenue</td>
<td>$7,665</td>
<td>$10,120</td>
<td>$2,455</td>
<td>32%</td>
</tr>
<tr>
<td>% of revenue</td>
<td>20%</td>
<td>17%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross margin</td>
<td>80%</td>
<td>83%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cost of revenue increased $2.5 million, or 32%, for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. The increase in cost of revenue was primarily due to royalties associated with third-party syndicated data costs.

The increase in gross margin was the result of an increase in the proportion of revenue from subscriptions relative to revenue from professional services.
Research and Development

### Six Months Ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>2016 (in thousands, except percentages)</th>
<th>2017 (in thousands, except percentages)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research and development</td>
<td>$7,923</td>
<td>$13,169</td>
<td>$5,246</td>
</tr>
<tr>
<td>% of revenue</td>
<td>21%</td>
<td>22%</td>
<td></td>
</tr>
</tbody>
</table>

Research and development expense increased $5.2 million, or 66%, for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. The increase in research and development expense was primarily due to an increase in employee-related costs excluding stock-based compensation of $3.8 million due to higher headcount, an increase in stock-based compensation of $0.6 million due to higher headcount and stock awards issued in connection with the Yhat acquisition, and an increase of $0.6 million in allocated overhead expenses. As of June 30, 2016, we had 92 research and development personnel compared to 146 as of June 30, 2017.

Sales and Marketing

### Six Months Ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>2016 (in thousands, except percentages)</th>
<th>2017 (in thousands, except percentages)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and marketing</td>
<td>$29,074</td>
<td>$33,217</td>
<td>$4,143</td>
</tr>
<tr>
<td>% of revenue</td>
<td>76%</td>
<td>56%</td>
<td></td>
</tr>
</tbody>
</table>

Sales and marketing expense increased $4.1 million, or 14%, for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. The increase in sales and marketing expense was primarily due to an increase in employee-related costs of $3.0 million due to higher headcount and an increase of $1.0 million in allocated overhead expenses. As of June 30, 2016, we had 198 sales and marketing personnel compared to 216 as of June 30, 2017.

General and Administrative

### Six Months Ended June 30,

<table>
<thead>
<tr>
<th></th>
<th>2016 (in thousands, except percentages)</th>
<th>2017 (in thousands, except percentages)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General and administrative</td>
<td>$7,325</td>
<td>$16,110</td>
<td>$8,785</td>
</tr>
<tr>
<td>% of revenue</td>
<td>19%</td>
<td>27%</td>
<td></td>
</tr>
</tbody>
</table>

General and administrative expense increased $8.8 million, or 120%, for the six months ended June 30, 2017 as compared to the six months ended June 30, 2016. The increase was primarily due to an increase in employee-related costs excluding stock-based compensation of $2.7 million due to higher headcount as we continued to expand our infrastructure to support our growth, an increase in stock-based compensation of $1.5 million due to higher headcount and the recognition of expenses related to RSUs as a result of our initial public offering, an increase of $1.9 million in accounting and professional fees related to becoming a public company and our recent acquisitions, and an increase of $1.9 million of allocated overhead expenses. As of June 30, 2016, we had 56 general and administrative personnel compared to 72 as of June 30, 2017.
Other Income (Expense), net

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30, 2016</td>
<td>2017</td>
</tr>
<tr>
<td></td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>$ (278)</td>
<td>$ 434</td>
</tr>
</tbody>
</table>

* Not meaningful.

Increases in other income (expense), net in the six months ended June 30, 2017 as compared to the six months ended June 30, 2016 was primarily due to increases in interest income due to an increase in balances of available for sale securities, and fluctuations in foreign currency against the U.S. dollar.

Provision for (Benefit of) Income Taxes

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30, 2016</td>
<td>2017</td>
</tr>
<tr>
<td></td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>$ 90</td>
<td>$ (657)</td>
</tr>
</tbody>
</table>

* Not meaningful.

The change in the provision for (benefit of) income taxes was primarily due to a discrete tax benefit of $1.0 million related to a decrease in our valuation allowance against our deferred tax assets related to the Yhat acquisition.

Comparison of the Years Ended December 31, 2015 and 2016

Revenue

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Revenue</td>
<td>$53,821</td>
<td>$85,790</td>
</tr>
</tbody>
</table>

Revenue increased $32.0 million, or 59%, for the year ended December 31, 2016 as compared to the year ended December 31, 2015. The increase in our revenue was primarily from additional sales to existing customers and, to a lesser extent, the increase in our total number of customers. For the years ended December 31, 2015 and 2016, revenue attributed to existing customers was 89% and 92%, respectively, of our revenue.

Cost of Revenue and Gross Margin

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
</tr>
<tr>
<td></td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Cost of Revenue</td>
<td>$10,521</td>
<td>$16,026</td>
</tr>
<tr>
<td>% of revenue</td>
<td>20%</td>
<td>19%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>80%</td>
<td>81%</td>
</tr>
</tbody>
</table>
Cost of revenue increased $5.5 million, or 52%, for the year ended December 31, 2016 as compared to the year ended December 31, 2015. The increase in cost of revenue was primarily due to an increase in employee-related costs of $2.9 million due to higher headcount and the timing of when these employees were hired, an increase in royalties associated with third-party syndicated data costs of $1.8 million, and an increase of $0.7 million in allocated overhead expenses. A majority of the employees hired during the year ended December 31, 2015 were hired later in the period; accordingly, the corresponding increase in cost of revenue was not fully reflected in employee-related costs for that period. Employee-related costs for the year ended December 31, 2016 reflected the full cost of these employees and the additional employees hired in 2016. As of December 31, 2016, we had 63 customer support, professional service, and fulfillment personnel compared to 58 as of December 31, 2015.

The increase in gross margin was the result of an increase in the proportion of revenue from subscriptions relative to revenue from professional services, partially offset by channel mix.

### Research and Development

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in thousands, except percentages)</td>
<td>Amount</td>
</tr>
<tr>
<td>Research and development</td>
<td>$11,103</td>
</tr>
<tr>
<td>% of revenue</td>
<td>21%</td>
</tr>
</tbody>
</table>

Research and development expense increased $6.4 million, or 57%, for the year ended December 31, 2016 as compared to the year ended December 31, 2015. The increase in research and development expense was primarily due to an increase in employee-related costs of $5.0 million due to higher headcount and an increase of $1.0 million in allocated overhead expenses. As of December 31, 2016, we had 106 research and development personnel compared to 71 as of December 31, 2015.

### Sales and Marketing

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>(in thousands, except percentages)</td>
<td>Amount</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>$43,244</td>
</tr>
<tr>
<td>% of revenue</td>
<td>80%</td>
</tr>
</tbody>
</table>

Sales and marketing expense increased $14.3 million, or 33%, for the year ended December 31, 2016 as compared to the year ended December 31, 2015. The increase in sales and marketing expense was primarily due to an increase in employee-related costs of $10.2 million due to higher headcount and an increase of $2.4 million in costs associated with marketing programs, including increased costs associated with our annual Inspire user conference in the United States and costs associated with our first Inspire user conference in Europe. As of December 31, 2016, we had 190 sales and marketing personnel compared to 152 as of December 31, 2015.
General and Administrative

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
<td>Amount</td>
</tr>
<tr>
<td>General and administrative</td>
<td>$10,039</td>
<td>$17,720</td>
<td>$7,681</td>
</tr>
<tr>
<td>% of revenue</td>
<td>19%</td>
<td>21%</td>
<td></td>
</tr>
</tbody>
</table>

General and administrative expense increased $7.7 million, or 77%, for the year ended December 31, 2016 as compared to the year ended December 31, 2015. The increase in general and administrative expense was primarily due to an increase in employee-related costs of $4.6 million due to higher headcount as we continued to expand our infrastructure to support our growth and prepared to become a publicly traded company, and an increase in legal and professional fees of $1.3 million. As of December 31, 2016, we had 65 general and administrative personnel compared to 45 as of December 31, 2015.

Other Expense, net

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
<td>Amount</td>
</tr>
<tr>
<td>Other expense, net</td>
<td>$(186)</td>
<td>$(1,028)</td>
<td>$(842)</td>
</tr>
</tbody>
</table>

Increases in other expense, net in the year ended December 31, 2016 as compared to the year ended December 31, 2015 was the result of foreign currency transaction losses from billings to customers and payments of operating expenses not denominated in U.S. dollars.

Provision for Income Taxes

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>2016</td>
<td>Amount</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>$178</td>
<td>$208</td>
<td>$30</td>
</tr>
</tbody>
</table>

The increase in the provision for income taxes was primarily due to higher foreign taxes as a result of our global expansion during the year ended December 31, 2016.

Comparison of the Years Ended December 31, 2014 and 2015

Revenue

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
<td>Amount</td>
</tr>
<tr>
<td>Revenue</td>
<td>$37,984</td>
<td>$53,821</td>
<td>$15,837</td>
</tr>
</tbody>
</table>
Revenue increased $15.8 million, or 42%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase in our revenue was primarily from additional sales to existing customers and, to a lesser extent, the increase in our total number of customers. For the years ended December 31, 2014 and 2015, revenue attributed to existing customers was 90% and 89%, respectively, of our revenue.

Cost of Revenue and Gross Margin

<table>
<thead>
<tr>
<th>Cost of Revenue and Gross Margin</th>
<th>Year Ended December 31,</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>(in thousands, except percentages)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>$8,533</td>
<td>$10,521</td>
</tr>
<tr>
<td>% of revenue</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>Gross margin</td>
<td>78%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Cost of revenue increased $2.0 million, or 23%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase in cost of revenue was primarily due to an increase in employee-related costs of $1.3 million due to higher headcount and an increase of $0.5 million in allocated overhead expenses. A majority of the employees hired in 2015 were hired in the third and fourth quarters of 2015; accordingly, the impact of the increase in headcount was not fully reflected in employee-related costs for that period. As of December 31, 2015, we had 58 customer support, professional service, and fulfillment personnel compared to 38 as of December 31, 2014.

The increase in gross margin was the result of an increase in the proportion of revenue from subscriptions relative to revenue from professional services, partially offset by channel mix.

Research and Development

<table>
<thead>
<tr>
<th>Research and Development</th>
<th>Year Ended December 31,</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>(in thousands, except percentages)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>$7,787</td>
<td>$11,103</td>
</tr>
<tr>
<td>% of revenue</td>
<td>21%</td>
<td>21%</td>
</tr>
</tbody>
</table>

Research and development expense increased $3.3 million, or 43%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase in research and development expense was primarily due to an increase in employee-related costs of $2.7 million due to higher headcount and an increase of $0.8 million in allocated overhead expenses. The increase in research and development expense was partially offset by a reduction of $0.2 million in costs for third-party contractors. As of December 31, 2015, we had 71 research and development personnel compared to 45 as of December 31, 2014.

Sales and Marketing

<table>
<thead>
<tr>
<th>Sales and Marketing</th>
<th>Year Ended December 31,</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
</tr>
<tr>
<td>(in thousands, except percentages)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>$24,612</td>
<td>$43,244</td>
</tr>
<tr>
<td>% of revenue</td>
<td>65%</td>
<td>80%</td>
</tr>
</tbody>
</table>
Sales and marketing expense increased $18.6 million, or 76%, for the year ended December 31, 2015 as compared to the year ended December 31, 2014. The increase in sales and marketing expense was primarily due to an increase in employee-related costs of $14.0 million due to higher headcount and an increase of $1.4 million in costs associated with marketing programs, including increased costs associated with our annual Inspire user conference in the United States. As of December 31, 2015, we had 152 sales and marketing personnel compared to 95 as of December 31, 2014.

**General and Administrative**

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(in thousands, except percentages)</td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>General and administrative</td>
<td>17,264</td>
<td>10,039</td>
</tr>
<tr>
<td>% of revenue</td>
<td>45%</td>
<td>19%</td>
</tr>
</tbody>
</table>

General and administrative expense decreased $7.2 million, or 42%, for the year ended December 31, 2015 as compared to year ended December 31, 2014. In the year ended December 31, 2014, in conjunction with our Series B convertible preferred stock financing, we recorded $9.3 million in compensation expense associated with certain of our employees who agreed to sell common stock to participating investors. We did not incur a similar compensation expense in the year ended December 31, 2015. This decrease was partially offset by an increase in other employee-related costs of $1.8 million due to higher headcount as we continued to expand our infrastructure to support our growth. As of December 31, 2015, we had 45 general and administrative personnel compared to 28 as of December 31, 2014.

**Other Expense, net**

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(in thousands, except percentages)</td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Other expense, net</td>
<td>(81)</td>
<td>(186)</td>
</tr>
</tbody>
</table>

* Not meaningful.

Increases in other expense, net in the year ended December 31, 2015 as compared to the year ended December 31, 2014 was the result of foreign currency transaction losses from billings to customers and payments of operating expenses not denominated in U.S. dollars.

** Provision for Income Taxes**

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>Change</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(in thousands, except percentages)</td>
<td>Amount</td>
<td>%</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>36</td>
<td>178</td>
</tr>
</tbody>
</table>

* Not meaningful.

The increase in the provision for income taxes was primarily due to higher foreign taxes as a result of our global expansion during the year ended December 31, 2015.
Quarterly Results of Operations

The following tables set forth selected unaudited quarterly consolidated statements of operations data for each of the quarters indicated, as well as the percentage of revenue that each line item represented for each quarter. We prepared the quarterly unaudited consolidated statements of operations on a basis consistent with the audited consolidated financial statements included elsewhere in this prospectus. In our opinion, the financial information reflects all adjustments, consisting only of normal recurring adjustments, which we consider necessary for a fair presentation of this data. This information should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in the future.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$11,527</td>
<td>$12,710</td>
<td>$14,130</td>
<td>$15,454</td>
<td>$18,394</td>
<td>$19,972</td>
<td>$22,462</td>
<td>$24,962</td>
<td>$28,545</td>
<td>$30,319</td>
</tr>
<tr>
<td>Gross profit</td>
<td>9,205</td>
<td>10,263</td>
<td>11,500</td>
<td>12,332</td>
<td>14,495</td>
<td>16,206</td>
<td>18,400</td>
<td>20,663</td>
<td>23,719</td>
<td>25,025</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and dev.</td>
<td>2,381</td>
<td>2,439</td>
<td>2,751</td>
<td>3,532</td>
<td>3,855</td>
<td>4,068</td>
<td>4,496</td>
<td>5,062</td>
<td>6,022</td>
<td>7,147</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>9,039</td>
<td>11,352</td>
<td>10,692</td>
<td>12,161</td>
<td>13,630</td>
<td>15,444</td>
<td>13,456</td>
<td>15,055</td>
<td>15,628</td>
<td>17,589</td>
</tr>
<tr>
<td>General and admin.</td>
<td>1,955</td>
<td>1,943</td>
<td>2,332</td>
<td>3,809</td>
<td>3,416</td>
<td>3,909</td>
<td>4,298</td>
<td>6,097</td>
<td>7,683</td>
<td>8,427</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>13,375</td>
<td>15,734</td>
<td>15,775</td>
<td>19,502</td>
<td>20,901</td>
<td>23,421</td>
<td>22,250</td>
<td>26,214</td>
<td>29,333</td>
<td>33,163</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(44)</td>
<td>9</td>
<td>(107)</td>
<td>(44)</td>
<td>(90)</td>
<td>(188)</td>
<td>(284)</td>
<td>(466)</td>
<td>97</td>
<td>337</td>
</tr>
<tr>
<td>Loss before provision for (benefit of) income taxes</td>
<td>(4,214)</td>
<td>(5,462)</td>
<td>(4,382)</td>
<td>(7,214)</td>
<td>(6,496)</td>
<td>(7,403)</td>
<td>(4,134)</td>
<td>(6,017)</td>
<td>(5,517)</td>
<td>(7,801)</td>
</tr>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>1</td>
<td>1</td>
<td>70</td>
<td>106</td>
<td>37</td>
<td>53</td>
<td>58</td>
<td>60</td>
<td>150</td>
<td>(807)</td>
</tr>
<tr>
<td>Less: Accretion of Series A redeemable convertible preferred stock</td>
<td>(417)</td>
<td>(457)</td>
<td>(461)</td>
<td>(1,268)</td>
<td>(1,278)</td>
<td>(1,455)</td>
<td>(1,733)</td>
<td>(1,976)</td>
<td>(1,983)</td>
<td>—</td>
</tr>
<tr>
<td>Net loss attributable to common stockholders</td>
<td>$ (4,632)</td>
<td>$ (5,920)</td>
<td>$ (4,913)</td>
<td>$ (8,588)</td>
<td>$ (7,811)</td>
<td>$ (8,911)</td>
<td>$ (5,925)</td>
<td>$ (8,053)</td>
<td>$ (7,650)</td>
<td>$ (6,994)</td>
</tr>
<tr>
<td>Net loss per share attributable to common stockholders, basic and diluted</td>
<td>$ (0.15)</td>
<td>$ (0.19)</td>
<td>$ (0.16)</td>
<td>$ (0.26)</td>
<td>$ (0.24)</td>
<td>$ (0.28)</td>
<td>$ (0.18)</td>
<td>$ (0.25)</td>
<td>$ (0.22)</td>
<td>$ (0.12)</td>
</tr>
<tr>
<td>Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted</td>
<td>31,087</td>
<td>31,190</td>
<td>31,424</td>
<td>33,069</td>
<td>32,266</td>
<td>32,364</td>
<td>32,538</td>
<td>32,590</td>
<td>35,126</td>
<td>58,262</td>
</tr>
</tbody>
</table>
Amounts include stock-based compensation expense as follows:

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue</td>
<td>$ 6</td>
<td>$ 7</td>
<td>$ 7</td>
<td>$ 14</td>
<td>$ 26</td>
<td>$ 22</td>
<td>$ 24</td>
<td>$ 34</td>
<td>$ 121</td>
<td>$ 124</td>
</tr>
<tr>
<td>Research and develop</td>
<td>35</td>
<td>28</td>
<td>34</td>
<td>142</td>
<td>73</td>
<td>71</td>
<td>99</td>
<td>95</td>
<td>236</td>
<td>463</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>117</td>
<td>185</td>
<td>185</td>
<td>313</td>
<td>310</td>
<td>324</td>
<td>308</td>
<td>339</td>
<td>659</td>
<td>524</td>
</tr>
<tr>
<td>General and administ</td>
<td>72</td>
<td>78</td>
<td>85</td>
<td>174</td>
<td>228</td>
<td>374</td>
<td>475</td>
<td>482</td>
<td>926</td>
<td>1,177</td>
</tr>
<tr>
<td>Total</td>
<td>$ 230</td>
<td>$ 298</td>
<td>$ 311</td>
<td>$ 643</td>
<td>$ 637</td>
<td>$ 791</td>
<td>$ 906</td>
<td>$ 950</td>
<td>$ 1,942</td>
<td>$ 2,286</td>
</tr>
</tbody>
</table>

In the course of preparing our consolidated financial statements as of and for the year ended December 31, 2016, we identified an error related to the improper calculation of royalty expense during the year ended December 31, 2016 associated with licensed third-party syndicated data. We have determined that the error was not material to our interim financial statements. The correction of this error, which is reflected in the quarterly information above, resulted in an increase in cost of revenue, loss from operations, and net loss of $0.5 million and $0.3 million for the three months ended March 31, 2016 and June 30, 2016, respectively, and $0.3 million and $1.1 million for the three and nine months ended September 30, 2016, respectively. This error will be corrected in our future filings that contain such financial information.

The following table sets forth our results of operations data for each of the periods indicated as a percentage of revenue.

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>20.1%</td>
<td>19.3%</td>
<td>18.6%</td>
<td>20.2%</td>
<td>21.2%</td>
<td>18.9%</td>
<td>18.1%</td>
<td>17.2%</td>
<td>16.9%</td>
<td>17.5%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>79.9%</td>
<td>80.7%</td>
<td>81.4%</td>
<td>79.8%</td>
<td>78.8%</td>
<td>81.1%</td>
<td>81.9%</td>
<td>82.8%</td>
<td>83.1%</td>
<td>82.5%</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and develop</td>
<td>20.7%</td>
<td>19.2%</td>
<td>19.5%</td>
<td>22.9%</td>
<td>21.0%</td>
<td>20.4%</td>
<td>20.0%</td>
<td>20.3%</td>
<td>21.1%</td>
<td>23.6%</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>78.4%</td>
<td>89.3%</td>
<td>75.7%</td>
<td>78.7%</td>
<td>74.1%</td>
<td>77.3%</td>
<td>59.9%</td>
<td>60.3%</td>
<td>54.8%</td>
<td>58.0%</td>
</tr>
<tr>
<td>General and administ</td>
<td>17.0%</td>
<td>15.3%</td>
<td>16.5%</td>
<td>24.6%</td>
<td>18.6%</td>
<td>19.6%</td>
<td>19.1%</td>
<td>24.4%</td>
<td>26.9%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>116.0%</td>
<td>123.8%</td>
<td>111.6%</td>
<td>126.2%</td>
<td>113.6%</td>
<td>117.3%</td>
<td>99.1%</td>
<td>105.0%</td>
<td>102.8%</td>
<td>109.4%</td>
</tr>
<tr>
<td>Loss from operations</td>
<td>(36.2)%</td>
<td>(43.0)%</td>
<td>(30.3)%</td>
<td>(46.4)%</td>
<td>(34.8)%</td>
<td>(36.1)%</td>
<td>(17.1)%</td>
<td>(22.2)%</td>
<td>(19.7)%</td>
<td>(26.8)%</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(0.4)%</td>
<td>0.1%</td>
<td>(0.8)%</td>
<td>(0.3)%</td>
<td>(0.5)%</td>
<td>(0.9)%</td>
<td>(1.3)%</td>
<td>(1.9)%</td>
<td>0.3%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Loss before provision for (benefit of) income taxes</td>
<td>(36.6)%</td>
<td>(43.0)%</td>
<td>(31.0)%</td>
<td>(46.7)%</td>
<td>(35.3)%</td>
<td>(37.1)%</td>
<td>(18.4)%</td>
<td>(24.1)%</td>
<td>(19.4)%</td>
<td>(25.7)%</td>
</tr>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>—</td>
<td>—</td>
<td>0.5%</td>
<td>0.7%</td>
<td>0.2%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.2%</td>
<td>0.5%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Net loss</td>
<td>(36.6)%</td>
<td>(43.0)%</td>
<td>(31.5)%</td>
<td>(47.4)%</td>
<td>(35.5)%</td>
<td>(37.3)%</td>
<td>(18.7)%</td>
<td>(24.3)%</td>
<td>(19.9)%</td>
<td>(23.1)%</td>
</tr>
</tbody>
</table>

Quarterly Revenue Trends

Revenue has increased in each of the periods presented above primarily due to additional sales to existing customers and, to a lesser extent, our increase in total number of customers. We cannot assure you that this trend will continue, and we believe that we may experience seasonality in our revenue in the future.

We may experience variances in total customers over a particular quarter for a variety of business reasons, and the extent to which we gain or lose customers over a particular quarter will not
necessarily reflect the changes in revenue in that quarter or in future periods. As a result of the foregoing factors, a slowdown in our ability to acquire new customers, expand our sales to existing customers, or renew agreements with existing customers may not be apparent in revenue for the quarter, as the revenue recognized in any quarter is primarily from customer agreements entered into in prior quarters.

Quarterly Expense Trends

Operating expenses generally have increased sequentially in every quarter primarily due to increases in headcount and other related expenses to support growth. We anticipate operating expenses will continue to increase in absolute dollars in future periods as we invest in the long-term growth of our business.

Seasonality

We have historically experienced seasonality in terms of when we enter into agreements with customers. We typically enter into a significantly higher percentage of agreements with new customers, as well as renewal agreements with existing customers, in the fourth quarter. The increase in customer agreements for the fourth quarter is attributable to large enterprise account buying patterns typical in the software industry.

Furthermore, we usually enter into a significant portion of agreements with customers during the last month, and often the last two weeks, of each quarter. This seasonality is reflected to a much lesser extent, and sometimes is not immediately apparent, in revenue, due to the fact that we recognize revenue from subscriptions over the term of the subscription agreement, which is generally one to three years. Although these seasonal factors are common in the technology industry, historical patterns should not be considered a reliable indicator of future sales activity or performance.

In addition, we have experienced increased sales and marketing expenses associated with our annual sales kickoff in the first quarter and our annual U.S. and European Inspire user conferences in the second and third quarters, respectively. We held our first Inspire user conference in Europe in September 2016.

Liquidity and Capital Resources

As of June 30, 2017, we had $182.7 million of cash and cash equivalents and short-term and long-term investments in marketable securities. Since inception, we have financed operations primarily through the sale of equity securities and our operating activities. Between March 2011 and June 30, 2017, we generated aggregate proceeds of $86.7 million from the sale of preferred stock, net of issuance costs.

In March 2017, we completed our initial public offering, in which we sold 10.4 million shares of Class A common stock, which included the exercise in full of the underwriters’ option to purchase an additional 1.4 million shares in April 2017, at $14.00 per share for aggregate net proceeds of $131.4 million after underwriting discounts and commissions and offering expenses.

Our principal uses of cash are funding our operations and other working capital requirements. Cash provided by (used in) operations for the years ended December 31, 2014, 2015, and 2016 and the six months ended June 30, 2016 and 2017 was $(3.4) million, $(8.0) million, $(6.0) million, $(4.0) million, and $5.7 million, respectively. Over the past several years, our revenue has increased significantly from year to year and, as a result, our cash flows from customer collections have
increased. However, our operating expenses have also increased as we have invested in growing our business. Our operating cash requirements may increase in the future as we continue to invest in the strategic growth of our company.

Our future capital requirements and the adequacy of available funds will depend on many factors including the rate of our revenue growth, the timing and extent of our spending on research and development efforts and other business initiatives, the expansion of our sales and marketing activities, the timing of new product and service introductions, market acceptance of our platform, and overall economic conditions.

We believe that our existing cash and cash equivalents and short-term investments and any positive cash flows from operations will be sufficient to support our working capital and capital expenditure requirements for at least the next 12 months. To the extent existing cash and cash equivalents and short-term investments and cash from operations are not sufficient to fund future activities, we may need to raise additional funds. We may seek to raise additional funds through equity, equity-linked, or debt financings. If we raise additional funds through the incurrence of indebtedness, such indebtedness may have rights that are senior to holders of our equity securities and could contain covenants that restrict operations. Any additional equity or convertible debt financing may be dilutive to stockholders. If we are unable to raise additional capital when desired, our business, operating results, and financial condition could be adversely affected.

**Cash Flows**

The following table sets forth cash flows for the periods indicated:

<table>
<thead>
<tr>
<th>Net cash provided by (used in) operating activities</th>
<th>Year Ended December 31</th>
<th>Six Months Ended June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014 (in thousands)</td>
<td>2015</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>$ (3,428)</td>
<td>$ (8,035)</td>
</tr>
<tr>
<td>Net cash provided by (used in) investing activities</td>
<td>(1,581)</td>
<td>(40,359)</td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>20,693</td>
<td>48,531</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net cash provided by (used in) investing activities</th>
<th>2016 (in thousands)</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td>$ (6,031)</td>
<td>$ (3,954)</td>
</tr>
<tr>
<td>Net cash provided by (used in) investing activities</td>
<td>85</td>
<td>(73,382)</td>
</tr>
<tr>
<td>Net cash provided by (used in) financing activities</td>
<td>823</td>
<td>134,802</td>
</tr>
</tbody>
</table>

**Operating Activities**

Our net loss and cash flow from operating activities are significantly influenced by our investments in headcount and infrastructure to support anticipated growth. In addition, our net loss in recent periods has generally been significantly greater than our use of cash for operating activities due to our subscription-based model in which billings and collections occur in advance of revenue recognition and significant non-cash expenses such as stock-based compensation and depreciation and amortization.

For the six months ended June 30, 2017, net cash provided by operating activities was $5.7 million. Net cash provided by operating activities primarily reflected a change in operating assets and liabilities of $12.8 million and net non-cash activity of $5.5 million, offset in part by a net loss of $12.7 million. The changes in operating assets and liabilities primarily related to a decrease in accounts receivable of $7.7 million from collections of annual billings invoiced during the three months ended December 31, 2016, and an increase in deferred revenue of $2.6 million due to increased billings. Net non-cash activity primarily consisted of stock-based compensation of $4.2 million and depreciation and amortization of $1.4 million.
For the six months ended June 30, 2016, net cash used by operating activities was $4.0 million. Net cash used by operating activities primarily reflected a net loss of $14.0 million. The net loss was offset in part by a change in operating assets and liabilities of $7.8 million and net non-cash operating activities of $2.2 million. The change in operating assets and liabilities primarily related to a decrease in accounts receivable of $4.7 million due to collections of annual billings invoiced during the three months ended December 31, 2015 and an increase in deferred revenue of $3.9 million due to increased billings. Net non-cash activities primarily consisted of stock-based compensation of $1.4 million and depreciation and amortization of $0.7 million.

For the year ended December 31, 2016, net cash used in operating activities was $6.0 million. Net cash used in operating activities primarily reflected our net loss of $24.3 million, partially offset by non-cash expenses that included $3.3 million of stock-based compensation and $1.7 million of depreciation and amortization, and changes in working capital. Working capital sources of cash included a $27.8 million increase in deferred revenue, primarily resulting from the growth in the number of customers invoiced during the period, a $2.1 million increase in accounts payable as a result of timing of payments to vendors, a $1.2 million increase in accrued payroll and payroll related liabilities resulting from the timing of payments and related expenses, a $1.1 million increase in accrued expenses, and a $0.7 million increase in other liabilities. These sources of cash were partially offset by a $14.2 million increase in accounts receivable as a result of increased billings to customers consistent with the overall growth of the business, a $4.3 million increase in prepaid expenses primarily associated with expired royalties on third-party syndicated data and timing of amortization, and a $1.6 million increase in deferred commission as a result of increased billings to customers consistent with the overall growth of the business.

For the year ended December 31, 2015, net cash used in operating activities was $8.0 million. Net cash used in operating activities primarily reflected our net loss of $21.5 million, partially offset by non-cash expenses that included $1.5 million of stock-based compensation, and $0.8 million of depreciation and amortization, and changes in working capital. Working capital sources of cash included a $15.3 million increase in deferred revenue, primarily resulting from the growth in the number of customers invoiced during the period, a $2.7 million increase in accrued payroll and payroll related liabilities associated with our growth in headcount and related expenses, $1.9 million in accrued expenses due to our growth and timing of payments, and a $0.9 million increase in other liabilities. These sources of cash were partially offset by a $6.2 million increase in accounts receivable and a $2.2 million increase in deferred commissions as a result of increased billings to customers consistent with the overall growth of the business, a $0.8 million decrease in accounts payable as a result of timing of payments to vendors, and a $0.8 million increase in prepaid expenses.

For the year ended December 31, 2014, net cash used in operating activities was $3.4 million. Net cash used in operating activities primarily reflected our net loss of $20.3 million, partially offset by non-cash expenses that included $10.7 million of stock-based compensation, and changes in working capital. Working capital sources included an $8.5 million increase in deferred revenue, primarily resulting from the growth in the number of customers invoiced during the period, a $1.3 million increase in accrued payroll and payroll related liabilities associated with our growth in headcount and related expenses, and a $0.7 million increase in other liabilities. These sources of cash were partially offset by a $2.7 million increase in accounts receivable, a $1.6 million in deferred commissions as a result of increased billings to customers consistent with the overall growth of our business, and a $0.8 million increase in prepaid expenses.

**Investing Activities**

Our investing activities consist primarily of purchases, sales and maturities of available-for-sale securities, property and equipment purchases for computer-related equipment and leasehold improvements to leased office facilities, and cash used in our business acquisitions.
Net cash used in investing activities for the six months ended June 30, 2017 was $73.4 million, consisting primarily of $63.1 million of net purchases of investments, $9.1 million of net cash paid in connection with our business acquisitions, and $1.2 million of purchases of property and equipment.

Net cash provided by investing activities for the six months ended June 30, 2016 was $0.1 million, consisting primarily of $2.4 million of maturities of investments and a $1.0 million change in restricted cash, partially offset by $2.3 million of purchases of property and equipment associated with additional headcount and office locations.

Net cash provided by investing activities for the year ended December 31, 2016 was $11.7 million, consisting primarily of $20.8 million of maturities of investments and a $1.0 million change in restricted cash, partially offset by $5.7 million of purchases of investments and $4.3 million of purchases of property and equipment associated with additional headcount and office locations.

Net cash used in investing activities for the year ended December 31, 2015 was $40.4 million, consisting primarily of $36.4 million of purchases of investments from the proceeds from the issuance of Series C convertible preferred stock, $2.7 million of purchases of property and equipment associated with additional headcount and office locations, and $1.2 million related to a change in restricted cash associated with deposits on new office locations.

Net cash used in investing activities for the year ended December 31, 2014 was $1.6 million, consisting primarily of $1.1 million for the purchase of stock in a privately held company and $0.5 million of purchases of property and equipment.

**Financing Activities**

Our financing activities consist primarily of issuances of convertible preferred stock and common stock, proceeds from the exercise of stock options, our payment of our line of credit, and repurchases of our common stock.

Net cash provided by financing activities for the six months ended June 30, 2017 was $134.8 million, consisting primarily of proceeds from our initial public offering of $134.8 million and $1.0 million of proceeds from stock option exercises, partially offset by $0.8 million in payments of initial public offering costs and $0.2 million of principle payments on our capital lease.

Net cash used in financing activities for the six months ended June 30, 2016 was $0.5 million consisting primarily of $0.4 million of costs paid in connection with the issuance of Series C convertible preferred stock and $0.3 million of repurchases of common stock, partially offset by $0.2 million of proceeds from stock option exercises.

Net cash provided by financing activities for the year ended December 31, 2016 consisted primarily of proceeds from repayment of a stockholder note of $2.2 million and $0.4 million of proceeds from stock option exercises, partially offset by $0.9 million in payments of initial public offering costs and $0.6 million of costs paid in connection with the issuance of Series C convertible preferred stock and a repurchase of common stock.

Net cash provided by financing activities for the year ended December 31, 2015 consisted primarily of $49.6 million of proceeds received from the issuance of Series C convertible preferred stock, net of issuance costs, $35.0 million of proceeds from the issuance of common stock, $1.9 million of advances from a line of credit, and $0.7 million of proceeds from stock option exercises, partially offset by $34.8 million for repurchases of common stock and a $3.9 million repayment of the line of credit.
Net cash provided by financing activities for the year ended December 31, 2014 consisted primarily of $19.9 million of proceeds received from the issuance of Series B convertible preferred stock and $1.3 million of proceeds from option exercises, partially offset by $0.5 million of loans to stockholders.

Contractual Obligations and Commitments

The following table summarizes our contractual obligations, including interest, as of December 31, 2016:

<table>
<thead>
<tr>
<th>Payments Due by Period</th>
<th>Total</th>
<th>Less Than 1 Year</th>
<th>1 to 3 Years</th>
<th>3 to 5 Years</th>
<th>More Than 5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital leases</td>
<td>$713</td>
<td>$329</td>
<td>$384</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Operating leases (1)</td>
<td>20,937</td>
<td>2,693</td>
<td>6,894</td>
<td>6,271</td>
<td>5,079</td>
</tr>
<tr>
<td>Purchase obligations (2)</td>
<td>4,059</td>
<td>3,154</td>
<td>905</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Total</td>
<td>$25,709</td>
<td>$6,176</td>
<td>$8,183</td>
<td>$6,271</td>
<td>$5,079</td>
</tr>
</tbody>
</table>

(1) We had leases that expire at various dates through 2024.
(2) Purchase obligations relate primarily to non-cancellable agreements for license and royalty agreements.

There were no material changes in our contractual obligations and commitments during the six months ended June 30, 2017 from the contractual obligations and commitments as of December 31, 2016, except for the contingent consideration acquired as part of our business combinations as discussed in Note 3 of the notes to our unaudited condensed consolidated financial statements included elsewhere in this prospectus.

Off-Balance Sheet Arrangements

As of December 31, 2016 and June 30, 2017, we did not have any relationships with unconsolidated entities or financial partnerships, such as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements.

Qualitative and Quantitative Disclosure About Market Risk

Foreign Currency Exchange Risk

Due to our international operations, we have foreign currency risks related to revenue and operating expenses denominated in currencies other than the U.S. dollar, primarily the British Pound and Euro. Our sales contracts are primarily denominated in the local currency of the customer making the purchase. In addition, a portion of our operating expenses are incurred outside the United States and are denominated in foreign currencies where our operations are located. Decreases in the relative value of the U.S. dollar to other currencies may negatively affect revenue and other operating results as expressed in U.S. dollars. We do not believe that an immediate 10% increase or decrease in the relative value of the U.S. dollar to other currencies would have a material effect on our operating results.

We have experienced and will continue to experience fluctuations in net loss as a result of transaction gains or losses related to remeasuring certain current asset and current liability balances that are denominated in currencies other than the functional currency of the entities in which they are.
recorded. To date, we have not entered into derivatives or hedging transactions, as our exposure to foreign currency exchange rates has historically been partially hedged as our U.S. dollar denominated inflows have covered our U.S. dollar denominated expenses and our foreign currency denominated inflows have covered our foreign currency denominated expenses. However, we may enter into derivative or hedging transactions in the future if our exposure to foreign currency should become more significant.

**Interest Rate Risk**

We had cash and cash equivalents and short-term and long-term investments of $182.7 million as of June 30, 2017. The carrying amount of our cash equivalents and investments in marketable securities reasonably approximates fair value, as a result of the short maturities of investment instruments used. The primary objective of our investment activities is the preservation of capital, and we do not enter into investments for trading or speculative purposes. We do not have material exposure to market risk with respect to short-term and long-term investments, as any investments we enter into are primarily highly liquid investments. A hypothetical 10% increase in interest rates during the year ended December 31, 2016 and the six months ended June 30, 2017 would not have had a material impact on our consolidated financial statements.

**Inflation Risk**

We do not believe that inflation has had a material effect on our business, financial condition, or operating results.

**Emerging Growth Company Status**

The JOBS Act permits us, as an emerging growth company to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies and thereby allows us to delay the adoption of those standards until those standards would apply to private companies.

We have elected to use this extended transition period under the JOBS Act. As a result, our consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our common stock less attractive to investors.

**Critical Accounting Policies and Estimates**

Our consolidated financial statements have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities and related disclosure of contingent assets and liabilities, revenue, and expenses at the date of the financial statements. Generally, we base our estimates on historical experience and on various other assumptions in accordance with U.S. GAAP that we believe to be reasonable under the circumstances. Actual results may differ from these estimates. To the extent that there are material differences between these estimates and our actual results, our future financial statements will be affected.

Critical accounting policies and estimates are those that we consider the most important to the portrayal of our financial condition and operating results because they require our most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Our critical accounting policies and estimates are described below.
Revenue Recognition

Our revenue is derived from the licensing of subscription, time-based software, sale of a hosted version of our software, data subscription services, and professional services, including training and consulting services. The time-based subscriptions include post contract support, or PCS, which provides the customer the right to receive when-and-if-available unspecified future updates, upgrades and enhancements, and technical product support.

Revenue is recognized when all four revenue recognition criteria have been met: persuasive evidence of an arrangement exists, the product has been delivered or the service has been performed, the fee is fixed or determinable, and collection is probable or reasonably assured. Determining whether and when some of these criteria have been satisfied often involves exercising judgment and using estimates and assumptions that can have a significant impact on the timing and amount of revenue that is recognized. Invoiced amounts have been recorded in accounts receivable and in deferred revenue or revenue, depending on whether the revenue recognition criteria have been met.

We account for revenue from software and related products and services in accordance with Accounting Standard Codification, or ASC, 985-605, Software. For the duration of the license term, the customer receives coterminous PCS. We do not provide PCS on a standalone or renewal basis unless the customer renews the software subscription license and, as such, we are unable to determine vendor specific objective evidence of fair value, VSOE, of PCS. Accordingly, revenue for the subscription of time-based software licenses and PCS is recognized ratably beginning on the date the license is first made available to the customer and continuing through the end of the subscription term. Revenue from time-based software licenses and PCS comprised more than 90% of revenue for each of the years ended December 31, 2014, 2015, and 2016 and for each of the six months ended June 30, 2016 and 2017.

We also recognize revenue from the sale of a hosted version of our platform which is delivered pursuant to a hosting arrangement. Revenue from hosted services is recognized ratably beginning on the date the services are first made available to the customer and continuing through the end of the contractual service term. Hosted revenue arrangements are outside the scope of ASC 986-605 software revenue recognition guidance as customers do not have the right to take possession of the software code underlying our hosted solutions.

Our arrangements may include the resale of third-party syndicated data content pursuant to subscription arrangements, and professional services. Data subscriptions provide the customer the right to receive data that is updated periodically over the term of the license agreement, and revenue is recognized ratably over the contract period once the customer has access to the data. We recognize revenue from the sale of third-party syndicated data on a gross basis when (i) we are the primary obligor, (ii) we have latitude to establish the price charged, and (iii) we bear credit risk in the transaction. Revenue from professional services, which is comprised primarily of training and consulting services, is recognized on a time and materials basis as the services are provided.

We enter into multiple element revenue arrangements in which a customer may purchase a combination of software, data, and services. For multiple element arrangements that contain only software and software-related elements, revenue is allocated and deferred for the undelivered elements based on their VSOE. In situations where VSOE exists for all elements (delivered and undelivered), the revenue to be earned under the arrangement among the various elements is allocated based on their relative fair value. For arrangements where VSOE exists only for the undelivered elements, the full fair value of the undelivered elements is deferred and the difference between the total arrangement fee and the amount deferred for the undelivered items is recognized as revenue. If VSOE does not exist for an undelivered service element, the revenue from the entire
arrangement is recognized over the service period, once all services have commenced. Changes in assumptions or judgments or changes to the elements in a software arrangement could cause a material increase or decrease in the amount of revenue recognized in a particular period.

VSOE is determined for each element, or a group of elements sold on a combined basis, such as our software and PCS, based on historical stand-alone sales to third parties or the price to be charged when the product or service, or group of products or services, is available. In determining VSOE, a substantial majority of the selling prices for a product or service must fall within a reasonably narrow pricing range.

Revenue related to the delivered products or services is recognized only if (i) the above revenue recognition criteria are met, (ii) any undelivered products or services are not essential to the functionality of the delivered products and services, (iii) payment for the delivered products or services is not contingent upon delivery of the remaining products or services, and (iv) there is an enforceable claim to receive the amount due in the event that the undelivered products or services are not delivered.

For multiple-element arrangements that contain both software and non-software elements, revenue is allocated on a relative fair value basis to software or software-related elements as a group and any non-software elements separately based on the selling price hierarchy. The selling price for each deliverable is determined using VSOE of selling price, if it exists, or third-party evidence of fair value, or TPE. If neither VSOE nor TPE exist for a deliverable, best estimate of selling price, or BESP, is used. Once revenue is allocated to software or software-related elements as a group, revenue is recognized in accordance with software revenue accounting guidance. Revenue allocated to non-software elements is recognized in accordance with SAB Topic 13, Revenue Recognition. Revenue is recognized when revenue recognition criteria are met for each element.

Judgment is required to determine VSOE or BESP. For VSOE, we consider multiple factors including, but not limited to, product types, geographies, sales channels, and customer sizes and, for BESP, we also consider market conditions, competitive landscape, internal costs, gross margin objectives, and pricing practices. Pricing practices taken into consideration include historic contractually stated prices, volume discounts, where applicable, and price lists. BESP is generally used for offerings that are not typically sold on a stand-alone basis or when the selling prices for a product or service do not fall within a reasonably narrow pricing range.

Revenue generated from sales arrangements through distributors is recognized in accordance with our revenue recognition policies as described above at the amount invoiced to the distributor. We recognize revenue at the net amount invoiced to the distributor, as opposed to the gross amount the distributor invoices their end-customer, as we have determined that (i) we are not the primary obligor in these arrangements, (ii) we do not have latitude to establish the price charged to the end-customer, and (iii) we do not bear credit risk in the transaction with the end-customer.

Deferred revenue includes amounts collected or billed in excess of revenue recognized. We recognize such amounts over the life of the contract upon meeting the revenue recognition criteria. Deferred revenue that will we will recognize during the succeeding 12-month period is recorded as current deferred revenue and the remaining portion is recorded as non-current deferred revenue, which is included in other liabilities in our consolidated balance sheet.

Sales Commissions and Cash-Based Performance Awards

Our sales personnel and other commissioned employees are paid commissions. Commissions are considered direct and incremental costs to customer agreements and are generally paid in the
period we receive payment from the customer under the associated customer agreement. These costs are recoverable from future revenue associated with the noncancelable customer agreements that gave rise to the commissions. Commissions are amortized to sales and marketing expense over the term the respective revenue is recognized. For the years ended December 31, 2014, 2015, and 2016, and for the six months ended June 30, 2016 and 2017, we amortized to sales and marketing expense approximately $4.6 million, $6.4 million, $9.4 million, $4.3 million, and $5.7 million, respectively.

Certain of our sales personnel and other commissioned employees are also eligible for annual cash-based performance awards based on overall performance of the individuals. The nature of these awards, while incremental sales costs, are not directly related to a specific customer agreement, therefore they are expensed to sales and marketing expense during the year they are earned commencing when the award is both probable of being earned and reasonably estimable, which generally has been in the latter part of the year. For the years ended December 31, 2014, 2015, and 2016, and for the six months ended June 30, 2016 and 2017, we recognized sales and marketing expense related to these awards of approximately $0.0 million, $1.2 million, $1.4 million, $0.0 million, and $0.1 million, respectively.

Stock-Based Compensation

We recognize stock-based compensation expense in accordance with the provisions of ASC 718, Compensation—Stock Compensation. ASC 718 requires the measurement and recognition of compensation expense for all stock-based payment awards made to employees and directors based on the grant date fair values of the awards. We use the Black-Scholes option-pricing method for valuing stock options. The fair value of an award, net of estimated forfeitures, is recognized as an expense over the requisite service period on a straight-line basis. Stock-based compensation expense is included in cost of revenue and operating expenses within our consolidated statements of operations and comprehensive loss based on the classification of the individual earning the award.

The determination of the grant date fair value of stock-based awards is affected by the estimated fair value per share of our common stock as well as other highly subjective assumptions, including, but not limited to, the expected term of the stock-based awards, expected stock price volatility, risk-free interest rates, and expected dividend yields, which are estimated as follows:

- **Fair value per share of our common stock.** Prior to our initial public offering, we estimated the fair value of our common stock, as discussed in “—Valuation of Our Common Stock” below. Our board of directors determined the fair value of our common stock until our common stock commenced trading on the New York Stock Exchange in connection with our initial public offering.

- **Expected term.** We determine the expected term of the awards using the simplified method, which estimates the expected term based on the average of the vesting period and contractual term of the stock option.

- **Expected volatility.** We estimate the expected volatility based on the volatility of similar publicly held entities (referred to as “guideline companies”) over a period equivalent to the expected term of the awards. In evaluating the similarity of guideline companies to us, we considered factors such as industry, stage of life cycle, size, and financial leverage. We intend to continue to consistently apply this process using the same or similar guideline companies to estimate the expected volatility until sufficient historical information regarding the volatility of the share price of our common stock becomes available.

- **Risk-free interest rate.** The risk-free interest rate used to value our stock-based awards is based on the U.S. Treasury yield in effect at the time of grant for a period consistent with the expected term of the award.
Estimated dividend yield. The expected dividend was assumed to be zero as we have never declared or paid any cash dividends and do not currently intend to declare dividends in the foreseeable future.

In addition, we are required to estimate at the time of grant the expected forfeiture rate and only recognize expense for those stock-based awards expected to vest. Our estimated forfeiture rate is based on our estimate of pre-vesting award forfeitures.

The assumptions used in calculating the fair value of stock-based awards represent our best estimates, but these estimates involve inherent uncertainties and the application of judgment. As a result, if factors change or we use different assumptions, stock-based compensation expense could be materially different in the future.

The following table presents the weighted-average assumptions used for stock options granted for each of the periods indicated:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31</th>
<th></th>
<th>Six Months Ended June 30</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
</tr>
<tr>
<td>Expected term (in years)</td>
<td>6.0</td>
<td>6.0</td>
<td>6.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Expected volatility</td>
<td>48%</td>
<td>56%</td>
<td>41%</td>
<td>41%</td>
</tr>
<tr>
<td>Risk-free interest rate</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>Estimated dividend yield</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

Valuation of Our Common Stock

Prior to our initial public offering, given the absence of an active market for our common stock, our board of directors was required to determine the fair value of our common stock at the time of each stock-based award based upon several factors, including consideration of input from management and contemporaneous third-party valuations.

The exercise price for all stock options granted was at the estimated fair value of the underlying common stock, as estimated on the date of grant by our board of directors in accordance with the guidelines outlined in the practice aid issued by the American Institute of Certified Public Accountants, titled Valuation of Privately-Held-Company Equity Securities Issued as Compensation. Each fair value estimate was based on a variety of factors, which included the following:

- contemporaneous valuations performed by an unrelated third-party valuation firm;
- the prices, rights, preferences, and privileges of our preferred stock relative to those of our common stock;
- pricing and timing of transactions in our equity;
- the lack of marketability of our common stock;
- our actual operating and financial performance;
- current business conditions and projections;
- hiring of key personnel and the experience of our management;
- our history and the timing of the introduction of new products and services;
- our stage of development;
- the market performance of comparable publicly traded companies;
In valuing our common stock, our board of directors determined the equity value of our business generally using various valuation methods, including combinations of methods, as deemed appropriate under the circumstances applicable at the valuation date.

The market approach estimates value based on a comparison of the subject company to comparable public companies in a similar line of business. To determine our peer group of companies, we considered public software enterprises and selected those that are similar to us in business model, stage of life cycle, and financial leverage. From these comparable companies, we determined a representative revenue multiple, which was then applied to our revenue to estimate our enterprise value. The resulting value was then discounted by a non-marketable factor (discount for lack of marketability, or DLOM) due to the fact that stockholders of private companies do not have access to trading markets similar to those enjoyed by stockholders of public companies, which impacts liquidity.

The income approach estimates value based on the expectation of future cash flows that a company will generate from cash earnings and the proceeds from an ultimate disposition or perpetuity. These future cash flows are discounted to their present values using a discount rate derived from venture capital expected rates of return as published in financial literature. Consideration was also given to an analysis of the cost of capital of comparable publicly traded companies in our industry or similar lines of business as of the more recent valuation dates. In addition, we also considered an appropriate discount adjustment to recognize the lack of marketability for illiquid privately held equity.

The prior sale of company stock approach estimates value by considering any transactions of any class of the company’s equity. When considering these sales of the company’s equity, the valuation considers whether the transaction represents an arm’s length purchase, any associated strategic value by the purchaser, the size of the equity sale, the relationship of the parties involved in the transaction, the timing of the equity sale, and the financial condition of the company at the time of the sale.

Once an equity value was determined, our board of directors utilized one of the following methods to allocate the equity value to each of our classes of stock: (i) the option pricing method, or OPM; (ii) a probability weighted expected return method, or PWERM; or (iii) the hybrid method, which utilizes both the OPM and PWERM methods.

The OPM treats common stock and preferred stock as call options on a business, with exercise prices based on the liquidation preference of the preferred stock. Therefore, the common stock only has value if the funds available for distribution to the holders of common stock exceeds the value of the liquidation preference of the preferred stock at the time of a liquidity event, such as a merger, sale, or initial public offering, assuming the business has funds available to make a liquidation preference meaningful and collectible by stockholders. The common stock is modeled as a call option with a claim on the business at an exercise price equal to the remaining value immediately after the preferred stock is liquidated. The OPM uses the Black-Scholes option pricing model to price the call option.

The PWERM approach employs various market approach calculations depending upon the likelihood of various liquidation scenarios. For each of the various scenarios, an exit equity value is estimated and the rights and preferences for each share class are considered to allocate the equity value to the common stock. The value of the common stock is then multiplied by a discount factor reflecting the calculated discount rate and the timing of the event to obtain a net present value. Lastly, the net present value of the common stock is multiplied by an estimated probability for each
scenario. The probability and timing of each scenario are based upon discussions between our board of directors and our management team. Using the PWERM, the value of our common stock is based upon possible future events for our company.

Following our initial public offering, valuation models, including the estimates and assumptions used in such models, were no longer necessary to determine the fair value of our Class A common stock, as shares of our Class A common are traded in the public market and the fair value of our Class A common stock is determined based on the closing price of our Class A common stock as reported on the date of grant.

Income Taxes

Our provision for income taxes, deferred tax assets and liabilities, and reserves for unrecognized tax benefits reflect our best assessment of estimated future taxes to be paid. Significant judgments and estimates based on interpretations of existing tax laws or regulations in the United States and the numerous foreign jurisdictions where we are subject to income tax are required in determining our provision for income taxes. Changes in tax laws, statutory tax rates, and estimates of our future taxable income could impact the deferred tax assets and liabilities provided for in the consolidated financial statements and would require an adjustment to the provision for income taxes.

Deferred tax assets are regularly assessed to determine the likelihood they will be realized from future taxable income. A valuation allowance is established when we believe it is not more likely than not all or some of a deferred tax asset will be realized. In evaluating our ability to recover deferred tax assets within the jurisdiction in which they arise, we consider all available positive and negative evidence. Factors reviewed include the cumulative pre-tax book income for the past three years, scheduled reversals of deferred tax liabilities, our history of earnings and reliable forecasting, projections of pre-tax book income over the foreseeable future, and the impact of any feasible and prudent tax planning strategies.

We recognize the impact of a tax position in our consolidated financial statements only if that position is more likely than not of being sustained upon examination by taxing authorities, based on the technical merits of the position. Tax authorities may examine our returns in the jurisdictions in which we do business and we regularly assess the tax risk of our return filing positions. Due to the complexity of some of the uncertainties, the ultimate resolution may result in payments that are materially different from our current estimate of the tax liability. These differences, as well as any interest and penalties, will be reflected in the provision for income taxes in the period in which they are determined.

New Accounting Pronouncements Not Yet Adopted

The adoption dates included in the descriptions below apply to private companies.

In January 2017, the FASB issued ASU 2017-04, Simplifying the Test for Goodwill Impairment, which simplifies the subsequent measurement of goodwill by removing the requirement to perform a hypothetical purchase price allocation to compute the implied fair value of goodwill to measure impairment. Instead, any goodwill impairment will equal the amount by which a reporting unit’s carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. Further, the guidance eliminates the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. This guidance is effective for annual or any interim goodwill impairment test in annual reporting periods beginning after December 15, 2021. Early adoption is permitted. While we continue to assess the potential impact of adopting this guidance, we do not expect the adoption of this guidance to have a material impact on our consolidated financial statements.
In January 2017, the FASB issued ASU 2017-01, *Clarifying the Definition of a Business*, which narrows the application of when an integrated set of assets and activities is considered a business and provides a framework to assist entities in evaluating whether both an input and a substantive process are present to be considered a business. It is expected that the new guidance will reduce the number of transactions that would need to be further evaluated and accounted for as a business. This guidance is effective for annual reporting periods beginning after December 15, 2018 and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted. We are evaluating the potential impact of adopting this guidance on our consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, *Restricted Cash*, which requires that restricted cash be included with cash and cash equivalents when reconciling the beginning and ending total amounts shown on the statement of cash flows. This guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019 and should be applied using a retrospective transition method to each period presented. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. We have not yet determined the timing of adoption. We currently present changes in restricted cash within investing activities and so the adoption of this guidance will result in changes in net cash flows from investing activities and to certain beginning and ending cash and cash equivalent totals shown on our consolidated statement of cash flows.

In October 2016, the FASB issued ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*. This guidance removes the prohibition in ASC 740, *Income Taxes*, against the immediate recognition of the current and deferred income tax effects of intra-entity transfers of assets other than inventory. This guidance is intended to reduce the complexity of U.S. GAAP and diversity in practice related to the tax consequences of certain types of intra-entity asset transfers, particularly those involving intellectual property. This guidance is effective for annual reporting periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted. We are currently evaluating the potential impact of this guidance on our consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments*, which addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice, including presentation of cash flows relating to contingent consideration payments, proceeds from the settlement of insurance claims, and debt prepayment or debt extinguishment costs, among other matters. This guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If adopted in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. Adoption of this guidance is required to be applied using a retrospective transition method to each period presented, unless impracticable to do so. We are currently evaluating the potential impact of this guidance on our consolidated statement of cash flows.

In March 2016, the FASB issued ASU 2016-09, *Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*, which simplifies several aspects of the accounting for share-based payment transactions and related tax impacts, the classification of excess tax benefits on the statement of cash flows, statutory tax withholding requirements, and other stock based compensation classification matters. This guidance is effective for annual reporting periods beginning after December 15, 2017 and interim periods within annual periods beginning after December 31, 2018. Early adoption is permitted in any interim or annual period. All the amendments in the new guidance must be adopted in the same period. We are evaluating the potential impact of this guidance on our consolidated financial statements.
In February 2016, the FASB issued ASU 2016-02, *Leases*, creating Topic 842, which requires lessees to record the assets and liabilities arising from all leases in the statement of financial position. Under ASU 2016-02, lessees will recognize a liability for lease payments and a right-of-use asset. When measuring assets and liabilities, a lessee should include amounts related to option terms, such as the option of extending or terminating the lease or purchasing the underlying asset, that are reasonably certain to be exercised. For leases with a term of 12 months or less, lessees are permitted to make an accounting policy election to not recognize lease assets and liabilities. This guidance retains the distinction between finance leases and operating leases and the classification criteria remains similar. For financing leases, a lessee will recognize the interest on a lease liability separate from amortization of the right of use asset. In addition, repayments of principal will be presented within financing activities, and interest payments will be presented within operating activities in the statement of cash flows. For operating leases, a lessee will recognize a single lease cost on a straight-line basis and classify all cash payments within operating activities in the statement of cash flows. This guidance will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020 and is required to be applied using a modified retrospective approach. Early adoption is permitted. We are evaluating the potential impact of this guidance on our consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers*. This guidance replaces most existing revenue recognition guidance. It provides principles for recognizing revenue for the transfer of promised goods or services to customers with the consideration to which the entity expects to be entitled in exchange for those goods or services. In August 2015, the FASB issued ASU 2015-14, which deferred the effective date of ASU 2014-09 by one year. During 2016, the FASB continued to issue additional amendments to this new revenue guidance. This new revenue guidance will be effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. Early adoption is permitted for annual periods beginning after December 15, 2016. We are evaluating the potential impact of this guidance on our consolidated financial statements.
BUSINESS

Overview

We are a leading provider of self-service data analytics software. Our software platform enables organizations to dramatically improve business outcomes and the productivity of their business analysts. Our subscription-based platform allows organizations to easily prepare, blend, and analyze data from a multitude of sources and more quickly benefit from data-driven decisions. The ease-of-use, speed, and sophistication that our platform provides is enhanced through intuitive and highly repeatable visual workflows. We aim to make our platform as ubiquitous in the workplace as spreadsheets are today.

As the volume, velocity, and variety of data continue to expand, the ability to leverage this data for actionable insights has become increasingly foundational to modern business success. However, traditional data analysis tools and processes are slow, difficult to use, and resource-intensive, often requiring multiple steps by IT employees, data scientists, and other data workers to complete even the most basic analysis. As a result, these tools and processes are unable to keep pace with the rapid analytics demanded by organizations today.

Our platform democratizes access to data-driven insights by expanding the capabilities and analytical sophistication available to all data workers, ranging from business analysts to expert programmers and trained data scientists. We bring the fragmented analytic process into one simple and cohesive self-service experience, combining tasks that were previously distributed among multiple tools and parties. Our platform allows a single user to access various data sources, clean and prepare data, and perform a variety of analyses. This is done through visual workflows and an intuitive drag-and-drop interface that can eliminate the need to write code and reduce tedious, time-consuming tasks to a few mouse-clicks. The resulting opportunity is significant, as our platform can enable millions of underserved data workers to more effectively do their jobs.

Organizations of all sizes and across a wide variety of industries have adopted our platform. As of June 30, 2017, we had over 2,800 customers in more than 50 countries, including over 300 of the Global 2000 companies. Our customers include Ford, Kaiser Foundation Health Plan, Knight Transportation, Nike, Southwest Airlines, Tableau, and Tesco. Our platform is also leveraged by leading management consulting organizations such as Accenture, Bain, and BCG.

We employ a “land and expand” business model. Our go-to-market approach often begins with a free trial and is followed by an initial purchase of our platform. As organizations realize the benefits derived from our platform, use frequently spreads across departments, divisions, and geographies through word-of-mouth, collaboration, and standardization of business processes. Over time, many of our customers find that the use of our platform is more strategic in nature and our platform becomes a fundamental element of their regular analytical processes.

Customers license our platform under a subscription-based model, and we have seen rapid expansion as adoption spreads. For each of the last ten quarters, including the quarter ended June 30, 2017, our dollar-based net revenue retention rate has exceeded 120%. In addition, our customer base has increased from 627 as of December 31, 2014 to 2,823 as of June 30, 2017. See the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Business Metrics” for additional information regarding our dollar-based net revenue retention rate and customers. For the years ended December 31, 2014, 2015, and 2016, our revenue was $38.0 million, $53.8 million, and $85.8 million, respectively, representing year-over-year growth of 42% and 59%, respectively. For the six months ended June 30, 2016 and 2017, our revenue was $38.4 million and
$58.9 million, respectively, representing period-over-period growth of 53%. We have made significant investments to grow our business, including in sales and marketing, infrastructure, operations, and headcount. We have incurred net losses for the years ended December 31, 2014, 2015, and 2016 of $20.3 million, $21.5 million, and $24.3 million, respectively, and for the six months ended June 30, 2016 and 2017 of $14.0 million and $12.7 million, respectively. We had an accumulated deficit of $98.7 million as of June 30, 2017.

Industry Background

Organizations Increasingly Need to Be Data Driven, Creating Challenges and Opportunities

The amount of data and diversity of data type, format, and source location are rapidly increasing. Based on the IDC Data Age 2025 white paper, sponsored by Seagate and published in April 2017, IDC estimates that the global datasphere will grow to 163 trillion gigabytes by 2025. More importantly, the variety of data an organization uses for analytic purposes is expanding. For example, a 2015 Harvard Business Review study that we sponsored found that 64% of organizations use five or more sources of data for analytical purposes. In addition, based on an internal study, we estimate that 94% of organizations use more than one source of data.

This proliferation of data has created a significant opportunity for organizations to make better strategic business decisions and improve competitiveness, responsiveness, and agility through data-driven decision making. However, according to a 2013 survey of over 400 companies conducted by Bain, only 4% of those companies had the right people, tools, data, and intent to derive meaningful, actionable insights from their data. These data-driven companies were approximately two times more likely to be in the top quartile of financial performance within their industries, approximately three times more likely to execute decisions as intended, and approximately five times more likely to make decisions faster. Organizations that are able to effectively leverage data in their businesses can realize meaningful competitive advantages.

Technology Paradigm Shift Creates a Foundation for Reimagining Analytics

To manage the volume and variety of data that organizations are now generating and consuming in hybrid environments, both on premise and in the cloud, data infrastructure is undergoing a transformative shift towards next generation “big data” technology. Technologies such as Hadoop, Spark, and NoSQL allow organizations to store and analyze far greater volumes of data than ever before at far lower cost than legacy technologies. Given this increasingly complex backdrop, organizations are seeking solutions that can capitalize on the power of these new technologies. These solutions must also eliminate the traditional bottlenecks to effective data analysis created by the need for highly-technical users and complex coding requirements.

Technology advances have also created significant improvements in the methods available to analyze massive quantities of data. For example, random-access memory, or RAM, prices have declined exponentially throughout the last decade, facilitating in-memory computing platforms that allow for substantially faster analytics tools in place of legacy, slower disk-based options. Additionally, the rise of programming languages, such as R and Python, and associated open source libraries has broadened access to data analysis. These new languages are overtaking in popularity and functionality the traditional proprietary languages as required in tools offered by SAS and IBM SPSS.

Collectively, these advancements have created a foundation for significant changes in the approach to data-driven analysis, enabling the creation and wide distribution of sophisticated, fast, and easy-to-use analytical tools for business analysts and their organizations.
As the volume and diversity of data has expanded and evolved at an unprecedented pace, IT organizations are struggling to provide the businesses they serve with tools necessary for data analysis. This has resulted in data workers, particularly non-technical users, seeking intuitive, self-service software solutions to bypass IT and perform data analytics themselves. Traditional methods are often resource intensive, requiring multiple steps and parties to draw analytical conclusions. These steps typically involve cumbersome IT resources and data analytics teams attempting to access, cleanse, and prepare various data sources into a useable data set, create meaningful analytics from this prepared data set, and then effectively create and share outputs. Further, these traditional methods often separate the individual doing the analysis from the people preparing the data. This separation of roles was manageable in a world where high-latency analysis was acceptable and IT-consolidated static data sets were the norm. This “assembly line” approach rapidly breaks down when analyses need to be conducted in near real-time against data sets that are large, complex, and constantly changing.

Business Analysts Converging Towards Self-Service Solutions

Visualization and dashboard programs such as those offered by Microsoft, Qlik, and Tableau have accelerated the rise of the self-service business analyst. However, business analysts are increasingly realizing that visual tools alone are insufficient to address the underlying analytical challenges faced by their organizations. Many analysts still rely on IT departments to organize and deliver data in a usable format and would benefit from self-service solutions that allow them to quickly, efficiently, and directly perform analytics on their own to achieve better business insights and improve business outcomes for their organizations.

Traditional Approaches

Traditional data tools do not offer the sophistication, scalability, and ease-of-use that business analysts need to transform massive amounts of available data into intelligent, actionable insights. Traditional approaches are:

- **Inefficient.** Multiple parties and work streams are required to complete a single analytical process. These methods typically rely on spreadsheets, which are error-prone, time-intensive, and challenging to validate. In addition, traditional approaches are not easily automated, repeatable, or shareable. When data changes or analysis needs to be updated, organizations are typically required to repeat all steps of the process.
Dependent. Activities, such as data preparation and blending, can require extensive involvement from IT departments. More advanced analysis, such as predictive or spatial analysis, is traditionally the domain of a small group of highly-trained data scientists using proprietary software and scripting languages. As a result, expert programmers and trained data scientists are often required to perform the analytics that organizations require.

Static. Inflexible, pre-packaged, and rigid data sets are used, which typically cannot cope with the proliferation of data today. Further, business analysts may not know what data is needed, making static prepackaging of data an impediment to deriving data-driven insights. Traditional approaches, such as the development of a consolidated “data warehouse,” are typically unable to provide required flexibility at scale for dynamic analytic requirements.

Limited. Business analysts have traditionally relied on less sophisticated tools such as spreadsheets to perform data analysis. For ordinary analytics, such as creating a consolidated data set and running computations against the data set, basic tools require business analysts to perform a number of steps, including manually locating and downloading data from several databases or third-party sources, carefully modeling functions, such as Lookups, Filters, and Pivot Tables, before applying logic formulae to perform calculations, and slowly creating charts and tables to visually present outputs. For more advanced analytics, such as predictive or spatial analysis, basic tools are simply inadequate and require the assistance of complex solutions, including, among others, proprietary software and scripting languages.

Our Opportunity

Our self-service data analytics platform disrupts well-established portions of the business analytics software market. According to IDC, the worldwide market for big data and analytics software represented approximately $49 billion in 2016 and is expected to grow to approximately $81 billion in 2021. Within the broader big data and analytics software market, our solutions currently address the business intelligence and analytic tools, analytic data integration and spatial information analysis markets, which collectively represented approximately $19 billion in 2016 and are expected to grow to approximately $29 billion in 2021.

There is significant additional potential spend not included in the above estimates associated with spreadsheet users who we believe can benefit from our platform. According to a separate IDC study that we commissioned, an estimated 21 million spreadsheet users worldwide worked on advanced data preparation and analytics in 2016. Based on this study, we estimate that there is an additional opportunity of over $10 billion that our platform can address. In the same study, IDC estimated that over 80% of spreadsheet users are using manual copy and paste methods to acquire data. The IDC study also estimated that in the United States alone, there is a cost to companies of approximately $60 billion per year associated with time spent by data workers repeating processes when data sources are updated.

Our Solution

Our platform enables organizations to dramatically improve business outcomes and the productivity of their business analysts. Our subscription-based platform allows organizations to easily profile, prepare, blend, and analyze data from a multitude of sources and benefit from data-driven decisions. Our platform is:

Efficient. We offer a self-service platform that allows business analysts to perform analysis on their own that traditionally required multiple parties and work streams to complete. Our in-memory software “engine” is designed to ingest and process large volumes of data rapidly.
and enable responsive and agile analysis, delivering dramatically “faster time to insight.” Once a workflow has been assembled, the analysis can be repeated in minutes and shared with others who can easily replicate the analysis. With our platform, data analysis is automated, repeatable, and shareable.

- **Independent.** We enable business analysts to rapidly answer challenging business questions on their own, without the need for support from expert programmers, trained data scientists, or other members of the IT department. Our platform offers analytics with easily understandable drag-and-drop tools that have easy-to-configure parameters that do not require coding. With our platform, business analysts can manage all steps in an analytic process without the assistance of their IT departments.

- **Flexible.** Our platform does not require a pre-packaged, static data set and instead allows the user to create a visual workflow to securely interact with the underlying source data. Workflows can be easily changed and reconfigured to iterate an analysis and add a new data source or new logic. They also can be easily adapted to conform with changes in the underlying data to repeat the analysis. This flexibility allows workflows to be configured to address a wide range of use cases. Business analysts can build apps that let others interact with the workflow through a simple interface available on the public or private cloud or they can configure a workflow to output results directly to a database or system of record. Our platform also outputs to most visual formats such as those offered by Microsoft, Qlik, and Tableau.

- **Sophisticated.** Our platform provides business analysts an extensive set of analytical capabilities. Our drag-and-drop visual workflow environment includes capabilities that allow users to: access data from a variety of locations such as a local desktop, a relational database, or the cloud; prepare data for analysis; blend multiple data sources regardless of the data structure or format, including big data technologies; gain access to over 50 pre-packaged tools of the most widely used procedures for predictive analytics, grouping, and forecasting; and take advantage of geospatial data to drive understanding of topics such as trade areas and drive-time analysis.

- **Scalable.** Our platform offers a secure collaboration environment for even the largest organizations. Business analysts can create, publish, and share analytic applications across the organization, embed analytic processes into other internal applications, and save and access workflows within a centralized repository with version control when working with multiple teams. The ability to deploy our platform on-premise or in the cloud also provides additional flexibility to scale as each customer’s business needs grow. By pushing analytical workloads to a reliable server architecture, customers can run sophisticated compute-intensive processes more efficiently than local machines allow, while automating and scheduling these workflows to give business analysts stronger control of their analytic landscape.

**Growth Strategy**

Our focus on empowering business analysts and the organizations they serve to quickly and easily access data-driven insights presents a significant opportunity. Key elements of our strategy for growth include:

- **Increase our overall customer base.** We are accelerating the secular shift towards self-service analytics. As a result, we have the opportunity to substantially increase our current customer base of over 2,800 customers through an active “land and expand” strategy. We plan to expand our online and offline marketing efforts to increase demand for our platform and awareness of our brand. We also plan to make significant investments in growing both our direct sales teams and indirect sales channels.
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• Expand within our current customer base. We plan on expanding existing customers’ use of our platform by identifying additional use cases, departments, and divisions for our platform and increasing the number of users within our existing customers’ organizations. Over time, many of our customers find that the use of our platform is more strategic in nature and our platform becomes a fundamental element of their regular analytical processes.

• Continue to penetrate international markets. We recently increased our focus on international markets. We believe that the global opportunity for self-service data analytics solutions is significant and should continue to expand as organizations outside the United States seek to adopt self-service platforms as we have experienced with our existing customers.

• Extend our value proposition. We intend to continue to rapidly improve the capabilities of our platform and invest in innovation and our category leadership. For example, in January 2017, we acquired Semanta to enhance our data governance capabilities and, in May 2017, we acquired Yhat to enhance our capabilities for managing and deploying advanced analytic models. We plan to continue to invest in research and development, including hiring top technical talent and maintaining an agile organization that focuses on core technology innovation. In particular, we intend to focus on further developing our cloud and mobile capabilities, improving the governance capabilities of Alteryx Server, and updating our in-memory engine.

• Grow our distribution channels and channel partner ecosystem. We plan to continue investing in distribution channels and our relationships with technology alliances, system integrators, management consulting firms, and VARs to help us enter and grow in new markets while complementing our direct sales efforts. We also plan to continue to collaborate with management consulting firms to drive additional business activity.

• Deepen our user community. We benefit from a vibrant and engaged user community and continue to promote initiatives intended to further expand and energize our community. Our online community site and live events, such as our annual Inspire customer conferences, which have grown from over 270 attendees in 2012 to over 1,850 attendees in 2017, help us broaden and strengthen our community. Additionally, university courses and analytic clubs help evangelize the benefits of our platform and introduce its capabilities to business analysts just starting their careers. We intend to expand our community development efforts and seek to continue enriching the lives of business analysts everywhere.

Our Platform

Our subscription-based software platform allows organizations to easily prepare, blend, and analyze data from a multitude of sources and benefit from better data-driven decisions. The ease-of-use, speed, and sophistication of the analysis that our platform enables are enhanced through highly repeatable visual workflows. Our platform’s intuitive user interface includes over 200 drag-and-drop tools that can be used to create and share these analytics. These tools allow business analysts to assemble workflows that represent their models visually, making them easily comprehensible and highly repeatable. Our user interface allows business analysts to seamlessly view the underlying data, metadata, and applied analytics at any stage during the process.

Our platform is designed to interact with any data source. Native connectors exist for a wide variety of sources ranging from traditional databases including IBM, Microsoft, Oracle, and SAP, to an array of emerging data platforms including Amazon Web Services, Cloudera, Databricks, Hortonworks, Microsoft Azure, and MongoDB. Additionally, our platform is capable of processing data from cloud applications, such as Google Analytics, Marketo, NetSuite, salesforce.com, and Workday, as well as social media platforms, such as Facebook and Twitter.
Powered by our proprietary in-memory engine, our platform comprises:

- **Alteryx Designer.** Our data profiling, preparation, blending, and analytics product deployable in the cloud and on premise; and
- **Alteryx Server.** Our secure and scalable server-based product for scheduling, sharing, and running analytic processes and applications in a web-based environment.
- **Alteryx Connect.** Our collaborative data exploration platform for discovering information assets and sharing recommendations across the enterprise.

In addition, Alteryx Analytics Gallery, our cloud-based collaboration offering, is a key feature of our platform allowing users to share workflows in a centralized repository. With Alteryx Analytics Gallery, users can share workflows with version control to enable effective and secure collaboration within and across organizations, create analytic apps and macros that can be shared both privately and publicly, and discover new analytic apps and macros to leverage best practices or to be used as the blueprint for a customized purpose-built analytic workflow.

Following our acquisition of Yhat, we have been developing Alteryx Promote, a product aimed at providing organizations with a reliable architecture for deploying and managing advanced analytic models.

We sell Alteryx Designer as single seat licenses as well as through broad enterprise-level agreements. Alteryx Server is deployed in larger scale environments and is typically sold on a per-CPU core or unlimited basis as an extension of Alteryx Designer.

### Alteryx Designer

Alteryx Designer, our self-service data profiling, preparation, blending, and analytics product, allows business analysts to perform analysis on their own in a matter of hours or even minutes. In addition to dramatically reducing the time and resources required, Alteryx Designer delivers more accurate, transparent, and sophisticated results. The ability to share workflows and analytic outputs through the Alteryx Analytics Gallery allows the analytic power of Alteryx Designer to be consumed by anyone in an organization. Key capabilities include:

- **Data profiling.** Empowers data workers and analysts with a platform to independently assess the health and quality of a dataset prior to building analytic models. For a large number of analysts, assessing data quality often requires turning to statisticians or data scientists, delaying the model development and decision making process. Automated data profiling accelerates the data preparation and insight development process, and can enable the analysts to maintain control of the entire analytic process.
• **Data preparation and blending.** Provides the ability to easily connect, clean, transform, and filter data significantly faster than traditional analytic tools. Business analysts can easily blend structured, unstructured, and semi-structured data sources without complex programming requirements. Business analysts use a simple visual workspace and straightforward drag-and-drop tools to clean and combine data and create a repeatable workflow. Once a workflow is assembled, it automates the analytic process and can be rerun in seconds.

• **Analytics.** Enables business analysts to perform analytics ranging from basic to highly complex. Our platform supports cleansing, calculations, aggregations, and advanced analytics functions including those used to understand data relative to spatial criteria or tools used to apply R-based statistical algorithms for predictive analysis. Business analysts can create a data set optimized for a specific analysis, run a broad set of analytics, and share the results in a variety of formats. Additionally, our platform embeds a suite of tutorials and samples, and the expertise of thousands of analysts from our community within the interface to help familiarize users with our platform’s capabilities, enabling business analysts to adopt sophisticated analytic methodologies without significant training.

• **Analytic application creation.** Offers native drag-and-drop app-building capabilities for business analysts to create, publish, and share applications for any user to execute. These applications can also be configured to share the results in a variety of formats, including visualization and dashboard programs such as those offered by Microsoft, Qlik, or Tableau, or to write back to a database. In addition, they can be published in Alteryx Server to grant multiple users access. Business analysts can use workflows within other workflows as building blocks to leverage functionality that has already been built. These workflows can also be utilized as reusable blueprints for designing and deploying analytical applications to Alteryx Server or Alteryx Analytics Gallery.

**Alteryx Server**

Alteryx Server is a comprehensive and scalable server-based product that enables business analysts to share and run analytic applications in a web-based environment. Alteryx Server offers enterprise-class data scalability, distribution, and security designed to maximize the value enterprises can achieve from their analytics. Key capabilities include:

• **Collaboration.** Enables business analysts to easily create, publish, share, and reference analytic workflows or applications and collaborate with others across their organizations. Business analysts can also develop analytic applications that act as front-end interfaces for their workflows, and these analytic results can be shared publicly and privately in Alteryx Analytics Gallery.

• **Workload scaling.** Allows for data-intensive workloads to be offloaded from user desktops to a server or cluster of servers, harnessing greater computing power. Business analysts can schedule and execute workflows to refresh data sets and analytic outputs automatically, without slowing down the work process.

• **Analytic application consumption.** Allows business analysts to access previously built macros or analytic models in a secure, custom application library. Business analysts can also extend the analytic tools they have built directly into other applications using our application program interfaces, or APIs, and macros.

• **Enterprise-compliant governance.** Restrict, create, edit, or revoke access to appropriate data with corporate authentication, permission, and encryption protocols through a centralized data connection manager for data access control and governance. Workflows are stored centrally with version control and governance capabilities, allowing multiple users to build, run, and reference the same workflow all within the confines of existing IT governance controls. Detailed usage reporting, auditing, and standardized logging tools enable system administrators to properly control access and security and meet service level agreements.
Alteryx Connect

Alteryx Connect is a collaborative data exploration platform for the enterprise. Alteryx Connect empowers business analysts to find, manage, understand, and collaborate on the data that resides in their organization. Alteryx Connect combines data cataloging with social collaboration to accelerate insights by connecting to data, analytics, and content. Key capabilities include:

- **Asset Catalog.** Allows business analysts to assemble information in one place by collecting metadata from information systems, business intelligence reports, and Alteryx workflows in a comprehensive and fully indexed data store.

- **Business Glossary.** Defines standard business terms within an organization in a data dictionary and links them to assets in the catalog to ensure consistent use, as well as identify relevant sources for each item.

- **Data Discovery.** Allows users to run a comprehensive search of content in the system and sort results by certification or user rating.

- **Data Enrichment and Collaboration.** Unlocks knowledge in an organization using social techniques to gather information about data systems. Annotates, discusses, and rates information assets to provide business context and enables the organization with relevant data.

- **Certification and Trust.** Understands the trustworthiness of information assets through certification, lineage, and versioning.

Our Technology

Underpinning our platform is a set of technological innovations that make robust data analytics easy through an in-memory engine, sophisticated analytic models, and an open and modular core:

**In-Memory Engine**

Our in-memory engine is optimized to process data within RAM and can utilize disk, when necessary, as temporary virtual memory. This facilitates significantly faster and more secure processing of data than traditional disk-based mechanisms while ensuring that the source data remains unaltered and is not duplicated. Key features of our engine include:

- **Connected.** Business analysts can rapidly connect to data in existing formats and locations, reducing the need for time-consuming data transformation processes that typically require IT personnel.

- **Non-persisted.** Our engine leverages non-persisted data pipelines to enable users to process large amounts of data securely while applying complex logic every time they run an analytic workflow.

- **Scaled-out.** While most workflows can be run on any single desktop or laptop, when greater processing capability is required, workloads can be pushed to a server or cluster of servers, including Hadoop or Spark clusters. In addition to our high speed in-memory processing capabilities, our platform enables in-database processing to take advantage of computing resources where the data resides for certain use cases.

**Sophisticated Analytic Models**

We enable business analysts to run analytics ranging from basic to highly complex, including predictive and spatial analytics. Specifically, we enable predictive analytics through utilization of R, an open source programming language and software environment for statistical computing. Our R-based predictive analytics capabilities allow transparency and editing of the R code without requiring prior
coding experience. In addition, in-database processing enables analysts to scale predictive analytics and harness the value of large sets of data without moving the data out of a database, improving predictive model development performance over traditional approaches. Deep geo-spatial tools, such as a drive time engine, create the basis for performing location-based analysis.

Open and Modular Core

Our platform is built with an open and modular core that enables additional functions and programming models to interact with it. For example, our platform can utilize R for advanced analytics while providing a simple drag-and-drop interface that abstracts the complexity of the underlying code. For sophisticated business analysts, the underlying code is available for review and adjustment. The integration of our platform and R takes advantage of segmented, but integrated main-memory resources to ensure seamless, fast operations. More recently, we introduced the JavaScript V8 engine for our platform in a similar capacity. This enables the introduction of new HTML5 UI, Server-side Javascript, and JSON/REST APIs to all fuel the innovation being driven from our platform.

Our Customers

Organizations of all sizes and across a wide variety of industries have adopted our platform. As of June 30, 2017, we had over 2,800 customers in more than 50 countries, including over 300 of the Global 2000 companies. Our customer base has grown from 627 customers as of December 31, 2014 to 2,823 customers as of June 30, 2017.

Our customers include Ford, Kaiser Foundation Health Plan, Knight Transportation, Nike, Southwest Airlines, Tableau, and Tesco. Our platform is also leveraged by leading management consulting organizations such as Accenture, Bain, and BCG.

No customer represented more than 10% of our revenue in the years ended December 31, 2014, 2015, or 2016 or the six months ended June 30, 2016 or 2017.

The following table provides a representative list of our customers as of June 30, 2017 by industry category:

<table>
<thead>
<tr>
<th>Business and Financial Services</th>
<th>Consumer Goods</th>
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<tbody>
<tr>
<td>Accenture plc</td>
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<td>Bain &amp; Company</td>
<td>Johnson &amp; Johnson</td>
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<td>Boston Consulting Group, Inc.</td>
<td>The Procter &amp; Gamble Company</td>
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<td>L.E.K. Consulting</td>
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<td>Transamerica Life Insurance Company</td>
<td>VF Corporation</td>
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<td>The Western Union Company</td>
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<td>Lowe’s Companies, Inc.</td>
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<td>Quest Diagnostics Incorporated</td>
<td>Nike, Inc.</td>
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<td>Symphony Health Solutions</td>
<td>Sally Beauty, Inc.</td>
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<td>Texas Health Resources</td>
<td>Staples, Inc.</td>
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<td></td>
<td>Tesco, PLC</td>
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<th>Technology</th>
<th>Travel and Hospitality</th>
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<td>Cisco Systems, Inc.</td>
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<tr>
<td>Dell EMC</td>
<td>Southwest Airlines Co.</td>
</tr>
<tr>
<td>Tableau Software, Inc.</td>
<td>Yum! Brands, Inc.</td>
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</table>
Customer Case Studies

The following case studies are examples of how certain of our customers have deployed and benefited from our platform.

Boston Consulting Group

BCG partners with its clients to solve the hardest problems challenging their businesses. BCG has offices in 48 countries and many of its clients rank among the 500 largest corporations globally.

BCG empowers its consultants with our platform to apply analytics to gain insight for recommendations to BCG clients. Clients may have a wealth of information collected over years that they could use for decision making but are challenged on how to leverage those data. One example of this problem solving is in working with retail and consumer packaged goods clients to analyze point of sale, or POS, data to optimize promotion effectiveness. POS data sets are large and detailed, capturing customer purchase information, with various stock keeping units, or SKUs, channels, and locations. Before adopting our platform, BCG consultants could analyze one month of POS data at a time on a consulting engagement. Now with our platform, consultants can easily access, clean, and analyze a much larger data set to now look at years of data to find seasonal trends. Consultants can also now consider a longer time range and analyze a wider range of data to be able to advise a client when to run or not run a promotion. Using our platform to blend and analyze multiple data sources and add additional data sources to analysis, regardless of format, enables BCG consultants to have an even more holistic view on the clients’ business. The decision to not run a promotion could potentially save a BCG client millions of dollars.

The ability to analyze more information also allows consultants to get a deeper, more precise view of SKU profitability. With our platform, consultants can now see information at the SKU level to understand SKU profitability by promotion, vendor fees, and cost of sale. Matching SKUs in various reports and comma separate value, or CSV, files was a challenge before, but our platform makes that process significantly easier to be able to join multiple data sources and get a view by SKU.

In addition, our platform allows BCG’s consultants to analyze far more data in less time. This is beneficial for retail and consumer packaged goods clients because BCG’s consultants can minimize their time spent on data wrangling and auditing to ensure data quality, and are able to clean up and arrive at usable information much faster. Our platform allows BCG’s consultants to spend more time working on recommendations for clients and deliver meaningful and actionable information in a consumable format.

BCG began using our platform in the second quarter of 2012 and during the year ended December 31, 2016 we derived approximately 24 times more revenue from BCG than in the year ended December 31, 2012.

Kristalytics

Kristalytics Marketing Corp. is a digital marketing firm that helps businesses get better results from marketing spending to deliver strategic value for marketing campaigns. Kristalytics’ analysts previously used spreadsheets to perform analysis and were limited by memory use and data size limits on the analytics for insight they were able to provide. Before using our platform, Kristalytics analyzed data files with 215 million records and 1,000 fields of data using spreadsheets. This analysis for one client on one project typically took 50 hours and limited the insights they were able to deliver.

Kristalytics implemented our platform to deliver strategic value for strategic marketing campaigns. Our platform enabled Kristalytics to cleanse geographic data across hundreds of markets to analyze
impressions, clicks, conversions, and net revenue from a campaign. Once revenue results were included, the insight enabled Kristalytics to consider net profitability per market. Using these insights, Kristalytics was able to make more strategic recommendations to clients, help them save costs, and optimize the best ways to reach a particular audience. With our platform, analysts can now reportedly run this analysis in less than two minutes, which enables clients to quickly adjust their strategy to remove underperforming markets and redeploy budget for higher profitability.

Kristalytics began using our platform in the fourth quarter of 2011 and during the year ended December 31, 2016 we derived approximately 194 times more revenue from Kristalytics than in the year ended December 31, 2011.

The Western Union Company

The Western Union Company is a recognized leader in providing innovative solutions, high service levels, and omni-channel integration for cross-border, cross-currency money transfers. Western Union’s extensive network includes more than 500,000 Agent locations in more than 200 countries and territories, over 100,000 automated teller machines, or ATMs, and kiosks, and an online presence in 37 countries which enables the company to send money to more than two billion accounts worldwide. In 2015, Western Union set out to gain visibility into the information security measures implemented at each Agent Location around the world.

The cyber security analytics team was tasked with building out a program designed to analyze each location by utilizing fraud data, terminal/computer information, and transactional information. With over 500,000 locations, the task was not simple and totaled well over four million records from five different systems. This process initially took over 100 hours per month, making it unsustainable.

Using our platform, the cyber security analytics team was able to take the 100 hour monthly process and create a workflow that can reportedly process the same information in less than six minutes, with only two-and-a-half hours invested in developing the workflow. The cyber security analytics team is now building out an extensive risk analytics program covering multiple threat vectors across Western Union’s environment with our platform at the core.

Western Union began using our platform in the first quarter of 2013 and during the year ended December 31, 2016 we derived approximately four times more revenue from Western Union than in the year ended December 31, 2013.

Support and Training

Although our platform is designed to operate on self-service basis, we also provide technical support, instruction, and customer service to further our customer experience. Our customer support team is available to assist with questions about installation, licensing, workflow development, technical and functional matters, and our APIs and software development kit. Additionally, we provide our customers with support five days a week across multiple geographies. We also rely on our engaged user community to enhance the support experience of our customers through our community webpage.

In order to facilitate adoption and rapid benefits from the use of our platform, we offer free online training through our website that includes hundreds of hours of training videos and sample analytic workflows. We also provide a variety of fee-based training options ranging from instructor-led courses in a traditional classroom setting to online courses.
Our Community

We have built a strong and growing community of employees, users, customers, potential customers, and channel partners who are passionate about our platform and mission. During the six months ended June 30, 2017, we had an average of approximately 59,000 unique visitors per month on our community webpage. The purpose of our community is to create a support channel for all constituents to gain valuable insights from one another, collaborate and share their experiences and ideas, and innovate around our platform.

Our online community currently offers:

- discussions and knowledge bases that help users, customers, and channel partners learn about topics of interest, ask questions, and share ideas and insights;
- user groups, which are independent volunteer organizations that provide a platform for users to meet locally throughout the year and provide other users with an opportunity to network with peers and share ideas, experiences, and best practices;
- an avenue for users, customers, and channel partners to share product suggestions with us; and
- blogs and news and events portals.

In 2014, we established the Alteryx Analytics Certified Expert, or ACE, Program to recognize influential users within our community. Our ACEs share their insights through blogs, social media and community sites, and interaction, and also provide input into our platform development. We also honor our users with annual Alteryx Analytics Excellence Awards to recognize and celebrate the success stories created by our users. We have awards in the following categories, among others: Best “Alteryx for Good” Story; Best Business ROI; and Most Time Saved.

We also organize events to engage and foster our user community. Attendance at our annual Inspire customer conferences has grown from over 270 attendees in 2012 to over 1,850 attendees in 2017. At such events, our users, customers, potential customers, and channel partners have the opportunity to network, learn best practices, attend training sessions and workshops, and present their questions and suggestions directly to our software developers, executives, and other employees. Based on the positive feedback and demand for our U.S. Inspire conference, in 2016, we expanded internationally with our Inspire Europe 2016 conference. We also host roadshows and workshops domestically and internationally with our channel partners to teach our users how self-service data analytics simplifies and automates the analysis of data.

Employees and Culture

Our corporate culture is a critical component of our success. Our employees, who we refer to as associates, are the lifeblood of our company and we strive to create an environment where they can advance their careers, work hard, and have fun at the same time. Our culture focuses on fostering an environment of growth and development and we offer a series of collaborative activities for our employees including leadership activities and teambuilding workshops. Each day our employees bring passion and energy towards further developing our platform and serving our customers by exemplifying the following core values: customer-centric; innovative; accountable; character; and compassion.

Our “Alteryx for Good” program provides our employees with the opportunity to use volunteer hours each year to partner with charity organizations of their choice to make a difference. The program also provides universities, not-for-profit organizations, and government entities the opportunity to obtain a license to use our platform to help them achieve their goals.
As of June 30, 2017, we had 491 employees, including 69 employees located outside the United States. None of our employees are represented by a labor union or covered by a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

**Sales and Marketing**

Our sales and marketing teams work closely together to increase market awareness, drive demand for our platform, and cultivate customer relationships to drive revenue growth.

**Sales**

We sell our platform through our direct sales organization and indirect channel partners internationally. Our sales strategy relies on a "land and expand" model. We offer fully functional free trial versions of our platform on our website with free trials becoming leads for our marketing and sales teams. Our initial deployments with new customers are typically individual business analysts focused on a single use case such as data preparation and data blending. These initial deployments frequently expand across departments, divisions, and geographies as additional use cases are identified and deployed, and through word-of-mouth, collaboration, and standardization of business processes. As our platform expands throughout organizations and becomes increasingly strategic in nature, our platform is recognized by corporate executives, IT personnel, and organization leaders as the solution to their analytics needs.

Our sales organization is comprised of inside sales teams dedicated to selling to new customers and direct field sales teams responsible for identifying and maximizing future expansion opportunities with our existing customers. Our inside sales and direct field sales teams are tightly integrated to promote efficient customer acquisition and seamless growth for expansion opportunities. Our customer success and support organizations are responsible for post-sales training and support, maintaining customer relationships, and renewing existing contracts.

The majority of our domestic sales are through our direct sales organization. We serve the Asia-Pacific, Europe, the Middle East, and Africa, and Latin America regions, and select other emerging countries through our direct sales organization and a variety of channel partners, including VARs and management consulting firms.

**Marketing**

Our marketing organization is responsible for increasing awareness of and generating demand for our platform, creating high quality leads for our salesforce through a mix of volume demand generation and account-based marketing, and fostering our community of users. A central focus of our marketing efforts is to drive awareness of our platform and increase website traffic. These goals are intended to increase downloads of our free trials of our platform and encourage use of our free online training, which are integral parts of our customer acquisition process. We utilize a wide range of online and offline marketing initiatives including our website, social media, paid search, email, webinars, channel partner events, and field events often with analytic leaders and data scientists. Our annual U.S. and European Inspire customer conferences play a key role in providing current and prospective customers with a better understanding of our platform through interactions with peers, training, and the highlighting of customer use cases and best practices.

Our sales and marketing expense was $24.6 million, $43.2 million, and $57.6 million for the years ended December 31, 2014, 2015, and 2016, respectively, and $29.1 million and $33.2 million for the six months ended June 30, 2016 and 2017, respectively.
Strategic Partnerships

We have cultivated strong relationships with channel partners to help us extend the reach of our sales and marketing efforts, especially internationally. Our partnerships are primarily with technology alliances, system integrators, management consulting firms, and a growing network of VARs.

Technology Alliances

Our technology partner ecosystem consists of independent software vendors, cloud and data platforms, and offerings that enhance and extend our platform. We work closely with over 20 technology partners to deliver a seamless analytic user experience. We have optimized connectors for more than 50 data sources including Amazon, Cloudera, Databricks, Google, Hortonworks, IBM, Marketo, Microsoft, MongoDB, NetSuite, Oracle, salesforce.com, and SAP. We natively support output to visualization and dashboard programs such as those offered by Microsoft, Qlik, or Tableau.

System Integrators and Management Consulting Firms

Systems integrators and management consulting firms provide advisory, managed, and implementation services to our customers across all market segments. Our over 60 systems integrators and management consulting firms as of June 30, 2017 leverage their deep analytic expertise in concert with us to solve complex business challenges while generating reusable analytic intellectual property.

Value Added Resellers

VARs bring product expertise and implementation best practices to our customers globally. As of June 30, 2017, we had over 200 VARs that create scale for our platform through their network of trained consultants, on-point analytic services, and deep domain expertise. They provide vertical expertise and technical advice in addition to reselling or bundling our software. Our reseller program is designed to scale growth, help generate new opportunities, optimize customer experience and care, increase profitability, and sales efficiency.

Research and Development

Our research and development efforts focus on improving current technology, developing new technologies in current and adjacent markets, and supporting existing customer deployments. Our research and development team, which consisted of 146 employees as of June 30, 2017 located primarily in Broomfield, Colorado and the United Kingdom, is comprised of dedicated research employees, software engineers, quality assurance engineers, user experience experts, site and site operations engineers, and product managers. We leverage agile development methodologies and work with the latest technologies, resulting in a dynamic, state of the art, automated software development processes that has allowed us to deliver high-quality products and services and adapt to market changes and new requirements quickly.

Our research and development expense was $7.8 million, $11.1 million, and $17.5 million for the years ended December 31, 2014, 2015, and 2016, respectively, and $7.9 million and $13.2 million for the six months ended June 30, 2016 and June 30, 2017, respectively.

Competition

The market for self-service data analytics solutions is new and rapidly evolving. In many cases, our primary competition is manual, spreadsheet driven processes and custom built approaches in
which potential customers have made significant investments. In addition, we compete with large software companies, including providers of traditional business intelligence tools, that offer one or more capabilities that are competitive with our platform. These capabilities include data preparation and/or advanced analytic modeling tools from IBM, Microsoft, Oracle, SAP, and SAS Institute. Other large software and data visualization companies already provide products and services in adjacent markets and may decide to enter our market. We could also face competition from new market entrants, some of whom might be our current technology partners of ours. In addition, some business analytics software companies offer niche data preparation options that are competitive with some of the features within our platform, such as MicroStrategy and TIBCO Software.

Many of our competitors, particularly the large software companies named above, have longer operating histories, significantly greater financial, technical, marketing, distribution, professional services, or other resources and greater name recognition than us. We expect competition to increase as other established and emerging companies enter the self-service data analytics software market, as customer requirements evolve, and as new products and services and technologies are introduced.

We believe the principal competitive factors in our market include:

- ease of use;
- platform features, quality, functionality, reliability, performance, and effectiveness;
- ability to automate analytical tasks or processes;
- ability to integrate with other technology infrastructures;
- vision for the market and product innovation;
- software analytics expertise;
- total cost of ownership;
- adherence to industry standards and certifications;
- strength of sales and marketing efforts;
- brand awareness and reputation; and
- customer experience, including support.

We believe we compete favorably with our competitors on the basis of the factors described above. Our ability to remain competitive will largely depend on our ongoing performance in the areas of the quality of our platform.

**Intellectual Property**

Intellectual property is an important aspect of our business, and we seek protection for our intellectual property as appropriate. We currently rely on a combination of copyrights, trademarks, trade secrets, confidentiality procedures, contractual commitments, and other legal rights to protect our intellectual property. We also currently have two patent applications pending in the United States. We pursue the registration of our domain names and trademarks and service marks in the United States and in certain locations outside the United States. Additionally, we generally require employees, consultants, customers, suppliers, and channel partners to execute confidentiality agreements with us that restrict the disclosure of our intellectual property. We also generally require our employees and consultants to execute employee intellectual property protection agreements with us that protect our intellectual property rights.
Intellectual property laws, procedures, and restrictions provide only limited protection and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed, or misappropriated. Further, the laws of certain countries do not protect proprietary rights to the same extent as the laws of the United States and, therefore, in certain jurisdictions, we may be unable to protect our proprietary technology. Despite our efforts to protect our proprietary technology and our intellectual property rights, unauthorized parties may attempt to copy or obtain and use our technology to develop applications with the same functionality as our applications. Policing unauthorized use of our technology and intellectual property rights is difficult.

We expect that software and other applications in our industry may be subject to third-party infringement claims as the number of competitors grows and the functionality of applications in different industry segments overlaps. Any of these third parties might make a claim of infringement against us at any time.

**Facilities**

Our corporate headquarters are located in Irvine, California, where we occupy facilities totaling approximately 40,000 square feet under a lease agreement that expires in June 2023. We also maintain offices in California, Colorado, Illinois, New York and Texas in the United States and Canada, the Czech Republic, Germany, and the United Kingdom.

We intend to procure additional space as we add employees and expand geographically. We believe that our facilities are adequate to meet our needs for the immediate future, and that, should it be needed, suitable additional or substitute space will be available as needed to accommodate any such expansion of our operations.

**Legal Proceedings**

From time to time, we are involved in legal proceedings arising in the ordinary course of our business. We are not a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition, or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.
MANAGEMENT

Executive Officers, Key Employees, and Non-Employee Directors

The following table provides information regarding our executive officers, key employees, and directors as of August 31, 2017.

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Position(s)</th>
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<tbody>
<tr>
<td><strong>Executive Officers:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dean A. Stoecker</td>
<td>60</td>
<td>Chairman of the Board of Directors and Chief Executive Officer</td>
</tr>
<tr>
<td>Kevin Rubin</td>
<td>43</td>
<td>Chief Financial Officer</td>
</tr>
<tr>
<td>Robert S. Jones</td>
<td>54</td>
<td>Chief Revenue Officer</td>
</tr>
<tr>
<td>Seth K. Greenberg</td>
<td>53</td>
<td>Chief Marketing Officer</td>
</tr>
<tr>
<td>Langley P. Eide</td>
<td>42</td>
<td>Chief Strategy Officer</td>
</tr>
<tr>
<td>Christopher M. Lal</td>
<td>44</td>
<td>Senior Vice President, General Counsel, and Corporate Secretary</td>
</tr>
<tr>
<td><strong>Key Employees:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Olivia Duane Adams</td>
<td>55</td>
<td>Chief Customer Officer</td>
</tr>
<tr>
<td>Jay Bourland</td>
<td>56</td>
<td>Senior Vice President, Engineering</td>
</tr>
<tr>
<td>Edward P. Harding Jr.</td>
<td>49</td>
<td>Chief Technology Officer</td>
</tr>
<tr>
<td><strong>Non-Employee Directors:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kimberly E. Alexy(1)(3)</td>
<td>47</td>
<td>Director</td>
</tr>
<tr>
<td>John Bellizzi(3)</td>
<td>59</td>
<td>Director</td>
</tr>
<tr>
<td>Charles R. Cory(1)(2)*</td>
<td>62</td>
<td>Director</td>
</tr>
<tr>
<td>Jayendra Das(2)</td>
<td>49</td>
<td>Director</td>
</tr>
<tr>
<td>Jeffrey L. Horing</td>
<td>53</td>
<td>Director</td>
</tr>
<tr>
<td>Timothy I. Maudlin(1)</td>
<td>66</td>
<td>Director</td>
</tr>
<tr>
<td>Eileen M. Schloss(2)(3)</td>
<td>64</td>
<td>Director</td>
</tr>
</tbody>
</table>

* Lead independent director.
(1) Member of the audit committee.
(2) Member of the compensation committee.
(3) Member of the nominating and corporate governance committee.

Executive Officers

Dean A. Stoecker co-founded our company and has served as our Chairman of our board of directors and Chief Executive Officer since our inception in March 1997. Prior to joining us, Mr. Stoecker served as Director of Enterprise Solutions for Integration Technologies, Inc., a systems integrator, and as Vice President of Sales at Strategic Mapping Inc., a provider of geospatial mapping information technologies. He also held various sales and strategic roles at Donnelly Marketing Information Services, a division of Dun & Bradstreet, Inc., a business services company. Mr. Stoecker holds a B.S. in international business from the University of Colorado Boulder and an M.B.A. from Pepperdine University. We believe that Mr. Stoecker is qualified to serve on our board of directors because of the industry perspective and experience that he brings as our co-founder, Chairman of our board of directors, and Chief Executive Officer and the thorough knowledge of our company that he brings to our board of directors’ strategic imperatives, tactical execution to support the imperatives and overall policy-making discussions.

Kevin Rubin has served as our Chief Financial Officer since April 2016. Prior to joining us, Mr. Rubin served as Chief Financial Officer of MSC Software Corporation, an enterprise simulation...
software company, from July 2011 to April 2016. Mr. Rubin has also served as Chief Financial Officer for Pictage, Inc., DataDirect Networks, Inc., and MRV Communications, Inc. Mr. Rubin holds a B.A. in business economics with an emphasis in accounting from the University of California, Santa Barbara.

Robert S. Jones has served as our Chief Revenue Officer, and has been in charge of our sales, business development, and customer success functions, since February 2017. Prior to joining us, Mr. Jones was the Senior Vice President—Midmarket and Ecosystem Sales, North America at SAP, from April 2016 to January 2017. Mr. Jones served as the Senior Vice President, Americas Sales at Tableau, from May 2013 to April 2016. Prior to that, he served in various roles at SAP, from January 2010 to May 2013, including as Chief Operating Officer—Database & Technology Division and Group Vice President—Western United States. Mr. Jones holds a B.S. in marketing from California State University Chico and an M.B.A. from Pepperdine University.

Seth K. Greenberg has served as our Chief Marketing Officer since January 2017. Prior to joining us, Mr. Greenberg was the interim Chief Marketing Officer at Bask Technology, Inc., a remote technology support provider, from November 2015 to January 2017. Prior to that, Mr. Greenberg served as an independent consultant for various companies between April 2015 to October 2015. Mr. Greenberg also served as the Chief Marketing Officer at LifeLock Inc., an identity theft protection company, from July 2013 to March 2015. Prior to that, he served in various roles at Intuit Inc., a business and financial software company, from July 2006 to July 2013, including as Vice President, Social, Advertising, Brand & Digital Strategy and Vice President, Global Media & Digital Marketing. Mr. Greenberg holds a B.A. in communication arts from Loyola Marymount University.

Langley P. Eide has served as our Chief Strategy Officer since August 2017 and previously served as our Senior Vice President, Strategy and Operations and Vice President, Strategy & Corporate Development since April 2015. From March 2014 to April 2015, Ms. Eide served as an independent consultant, including as Head of Finance for A Medium Corporation. Ms. Eide served as Vice President, Finance and Strategy at ServiceNow, Inc., an enterprise cloud company, from January 2013 to February 2014. Prior to ServiceNow, Ms. Eide previously worked at Morgan Stanley & Co. LLC, a financial services company, from January 2007 to October 2012, including most recently as an Executive Director in the Equity Capital Markets group. Ms. Eide holds a B.A. in economics from Williams College.

Christopher M. Lal has served as our Senior Vice President, General Counsel, and Corporate Secretary since August 2016. Prior to joining us, Mr. Lal served as Vice President, General Counsel, and Corporate Secretary for Tilly’s Inc., a publicly traded retail and ecommerce company, from October 2012 to July 2016. Prior to Tilly’s, Mr. Lal served as Executive Vice President and General Counsel for Thompson National Properties, LLC, a real estate investment firm, from July 2009 to January 2012. Prior to that, he served as Senior Vice President, General Counsel, and Corporate Secretary for Sunstone Hotel Investors, Inc., a publicly traded real estate investment trust, from April 2007 to May 2009 and General Counsel and Assistant Corporate Secretary for RemedyTemp, Inc., a publicly traded provider of staffing solutions, from February 2005 to June 2006. He began his career as a corporate and securities attorney at O’Melveny & Myers LLP. Mr. Lal holds a B.A. from the University of California, Santa Barbara, and a J.D. from the University of Southern California.

Key Employees

Olivia Duane Adams co-founded our company and has served as the Chief Customer Officer since August 2011 and previously served as the Executive Vice President, Marketing from our inception in March 1997 to August 2011. Prior to joining us, Ms. Adams served as a Sales Representative and an Account Manager for Strategic Mapping Inc. from March 1993 to June 1996.
Ms. Adams also served as an Account Manager for Donnelley Marketing Information Services, a division of Dun & Bradstreet. Ms. Adams holds a B.S. in business administration and marketing from Castleton University.

Jay Bourland has served as our Senior Vice President, Engineering since April 2016. Prior to joining us, Dr. Bourland served in various roles at Pitney Bowes from July 2004 to April 2016, including most recently as its Senior Vice President and General Manager Customer Engagement Solutions. Prior to that, Dr. Bourland served as Vice President Centrus Technology at Group 1 Software, Inc., a mailing efficiency, data quality, and customer communications company acquired by Pitney Bowes in July 2004. Prior to Group 1 Software, he was a Senior Product Manager at Sagent Technology, Inc., a software company, and a Senior Professional Services Engineer at Qualitative Marketing Software, Inc., a software company. Dr. Bourland holds a B.S. in mathematics from the University of Tennessee at Martin and an M.S. and Ph.D. from Southern Methodist University in applied mathematics.

Edward P. Harding Jr. co-founded our company and has served as our Vice President and Chief Technology Officer since our inception in March 1997. Prior to joining us, Mr. Harding served as a senior software engineer at Qualitative Marketing Software, a customer information and online marketing service provider.

Non-Employee Directors

Kimberly E. Alexy has served as a member of our board of directors since February 2017. Ms. Alexy currently serves as the Principal of Alexy Capital Management, a private investment management firm that she founded in 2005. Previously, Ms. Alexy served as the Senior Vice President and Managing Director of Equity Research for Prudential Securities, the financial services arm of Prudential Financial, Inc., an insurance and investment management company from 1998 to 2003. Prior to that, Ms. Alexy served as Vice President of Equity Research at Lehman Brothers, a financial services firm, from 1995 to 1998. Ms. Alexy has served on the board of directors of CalAmp Corp. since February 2008, Five9, Inc. since October 2013, FireEye, Inc. since January 2015, and Microsemi Corporation, since September 2016. Ms. Alexy is a chartered financial analyst and holds a B.A. from Emory University and an M.B.A. in finance and international business from the College of William and Mary. We believe that Ms. Alexy is qualified to serve on our board of directors because of her extensive experience on public company boards and experience in the financial services industry as an investment professional.

John Bellizzi has served as a member of our board of directors since March 2011. Since April 2008, Mr. Bellizzi has served as the Global Head of Corporate Development at Thomson Reuters Corporation, a provider of news and information for professional markets. Prior to that role, Mr. Bellizzi served as the Senior Vice President of Business Development and Operations at Thomson Corp. from June 2005 to April 2008. Mr. Bellizzi holds a B.A. in economics from Queens College and an M.B.A. in finance and international business from New York University. We believe that Mr. Bellizzi is qualified to serve on our board of directors because of his extensive corporate and business development experience.

Charles R. Cory has served as a member of our board of directors since March 2016. Previously, Mr. Cory worked for Morgan Stanley from September 1982 to December 2015 in various roles including most recently as its Chairman, Technology Investment Banking. Mr. Cory holds a B.A. in government and a J.D. and M.B.A. from the University of Virginia. We believe that Mr. Cory is qualified to serve on our board of directors because of his extensive experience analyzing technology companies and his significant financial services experience.

Jayendra Das has served as a member of our board of directors since March 2011. Mr. Das co-founded Sapphire Ventures, LLC, a technology venture capital firm, where he has worked since
July 2006 and has served as a Managing Director of Sapphire Ventures since January 2011. Prior to Sapphire Ventures, Mr. Das served in variety of roles at various venture capital firms, including Director at Agilent Ventures from June 2004 to July 2006, Principal at MVC Capital from 2001 to 2004, and Strategic Investment Manager at Intel Capital from 1999 to 2001. Mr. Das is currently a member of the board of directors of several private companies, and previously served on the board of directors of Five9, Inc. from April 2013 to May 2017. Mr. Das holds a B.S. in electrical engineering from Brown University and an M.B.A. from the University of Chicago. We believe that Mr. Das is qualified to serve on our board of directors because of his corporate finance and business expertise gained from his experience in the venture capital industry including his time spent serving on boards of directors of various technology companies.

Jeffrey L. Horing has served as a member of our board of directors since September 2014. Mr. Horing is a Managing Director at Insight Venture Partners, a private equity investment firm, which he co-founded in 1995. Previously, Mr. Horing held various positions at Warburg Pincus LLC and at Goldman Sachs & Co. LLC. Mr. Horing served on the board of directors of Wix.com Ltd. from March 2011 to June 2014. Mr. Horing is currently a member of the board of directors of several private companies. Mr. Horing holds a B.S. and B.A. from the University of Pennsylvania’s Moore School of Engineering and the Wharton School, respectively. He also holds an M.B.A. from the M.I.T. Sloan School of Management. We believe that Mr. Horing is qualified to serve on our board of directors because of his corporate finance and business expertise gained from his experience in the venture capital industry, including his time spent serving on boards of directors of various technology companies.

Timothy I. Maudlin has served as a member of our board of directors since December 2015. Mr. Maudlin served as the Managing General Partner of Medical Innovation Partners, a venture capital firm from 1989 to 2007. Mr. Maudlin also served as a Principal and the Chief Financial Officer of Venturi Group, LLC, an incubator and venture capital firm, from 1999 to October 2001. Mr. Maudlin has served on the board of directors of Web.com Group, Inc. since February 2002. He previously served a member of the board of directors of ExactTarget, Inc. from May 2008 to July 2013, MediaMind Technologies, Inc. from August 2008 to June 2011, and Sucampo Pharmaceuticals, Inc. from September 2006 to February 2013. Mr. Maudlin is also currently a member of the board of directors of several private companies. Mr. Maudlin is a certified public accountant and holds a B.A. in economics from St. Olaf College and a M.M. in accounting, finance and management from the Kellogg School of Management at Northwestern University. We believe that Mr. Maudlin is qualified to serve on our board of directors because of his extensive financial and accounting experience gained from his experience in the venture capital industry and extensive experience serving on boards of directors of various private and public technology companies.

Eileen M. Schloss has served as a member of our board of directors since May 2017. Ms. Schloss was the Executive Vice President, Human Resources and Real Estate for Medidata Solutions, Inc., a software as a service company, from 2012 to March 2017. Ms. Schloss served as Executive Vice President, Human Resources for Rovi Corporation, a digital media entertainment software and services company from 2007 to 2012. Prior to that, Ms. Schloss served as Vice President, Administration for Caspian Networks, Inc., a networking company, from 2002 to 2006. Ms. Schloss holds a B.S. from the University of San Francisco and an M.S. from Pepperdine University. We believe that Ms. Schloss is qualified to serve on our board of directors because of her extensive experience working for public companies in the software industry as a human resources professional.
Election of Officers

Our executive officers are elected by, and serve at the discretion of, our board of directors. There are no family relationships among any of our directors or executive officers.

Board of Directors Composition

Board of Directors

The number of directors is fixed by our board of directors, subject to the terms of our restated certificate of incorporation and restated bylaws. Our board of directors currently consists of eight members. Currently serving members of our board of directors will continue to serve as directors until their resignations or until their successors are duly elected by the holders of our common stock.

Classified Board of Directors

Our restated certificate of incorporation provides that our board of directors is divided into three classes with staggered three-year terms. Upon expiration of the term of a class of directors, directors for that class will be elected for three-year terms at the annual meeting of stockholders in the year in which that term expires. As a result, only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Each director’s term continues until the election and qualification of his or her successor, or his or her earlier death, resignation, or removal. Our directors are divided among the three classes as follows:

- Class I directors, whose initial term expires at the annual meeting of stockholders to be held in 2018, consists of Ms. Schloss and Mr. Maudlin;
- Class II directors, whose initial term expires at the annual meeting of stockholders to be held in 2019, consists of Ms. Alexy and Messrs. Bellizzi and Das; and
- Class III directors, whose initial term expires at the annual meeting of stockholders to be held in 2020, consists of Messrs. Cory, Horing, and Stoecker.

Our restated certificate of incorporation and restated bylaws authorize that only our board of directors may fill vacancies on our board. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the total number of directors.

The classification of our board of directors may have the effect of delaying or preventing changes in our control or management. See the section titled “Description of Capital Stock—Anti-Takeover Provisions—Restated Certificate of Incorporation and Restated Bylaws Provisions” for additional information.

Director Independence

Our Class A common stock is listed on the New York Stock Exchange. Under New York Stock Exchange rules, independent directors must comprise a majority of a listed company’s board of directors within a specified period of the completion of this offering. In addition, New York Stock Exchange rules require that, subject to specified exceptions, each member of a listed company’s audit, compensation, and nominating and corporate governance committees be independent. Under New York Stock Exchange rules, a director will only qualify as an “independent director” if the board of directors affirmatively determines that the person does not have a material relationship with the listed company.
Audit committee members must also satisfy the independence criteria set forth in Rule 10A-3 under the Exchange Act. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee: (i) accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries; or (ii) be an affiliated person of the listed company or any of its subsidiaries.

Our board of directors has undertaken a review of the independence of each director and considered whether each director has a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. As a result of this review, our board of directors determined that all of our non-employee directors are “independent directors” as defined under the applicable rules and regulations of the SEC and the listing requirements and rules of the New York Stock Exchange, and further, that all of our audit committee members have satisfied the audit committee independence requirements of Rule 10A-3. In making these determinations, our board of directors reviewed and discussed information provided by the directors and us with regard to each director’s business and personal activities and relationships as they may relate to us and our management, including the beneficial ownership of our capital stock by each non-employee director and the transactions involving them described in the section titled “Certain Relationships and Related Party Transactions.”

Board Leadership Structure

Our board of directors believes that it should maintain flexibility to select the Chairman of our board of directors and adjust our board leadership structure from time to time. Mr. Stoecker, our Chief Executive Officer is also the Chairman of our board of directors. Our board of directors determined that having our Chief Executive Officer also serve as the Chairman of our board of directors provides us with optimally effective leadership and is in our best interests and those of our stockholders. Mr. Stoecker founded and has led our company since its inception. Our board of directors believes that Mr. Stoecker's strategic vision for our business, his in-depth knowledge of our platform and operations, the software technology industry, and his experience serving as the Chairman of our board of directors and Chief Executive Officer since our inception make him well qualified to serve as both Chairman of our board of directors and Chief Executive Officer.

The role given to the lead independent director helps ensure a strong independent and active board of directors. Our board of directors has appointed Mr. Cory to serve as our lead independent director. As lead independent director, Mr. Cory presides over periodic meetings of our independent directors, serves as a liaison between the chairperson of our board of directors and the independent directors, and performs such additional duties as our board of directors may otherwise determine and delegate.

Committees of Our Board of Directors

Our board of directors has an audit committee, a compensation committee, and a nominating and corporate governance committee, each of which has the composition and responsibilities described below. Members serve on these committees until their resignation or until otherwise determined by our board of directors. Each committee operates under a charter approved by our board of directors. Copies of each committee’s charter are posted on the Investor Relations section of our website.

Audit Committee

Our audit committee is comprised of Kimberly E. Alexy, Charles R. Cory, and Timothy I. Maudlin. Mr. Maudlin is the chairperson of our audit committee. Ms. Alexy and Messrs. Cory and Maudlin each

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meet the requirements for independence under the current New York Stock Exchange listing standards and SEC rules and regulations. Each member of our audit committee is financially literate. In addition, our board of directors has determined that Ms. Alexy and Messrs. Cory and Maudlin are each an “audit committee financial expert” as defined in Item 407(d) of Regulation S-K promulgated under the Securities Act. This designation does not impose any duties, obligations, or liabilities that are greater than are generally imposed on members of our audit committee and our board of directors. Our audit committee is directly responsible for, among other things:

- selecting a firm to serve as the independent registered public accounting firm to audit our consolidated financial statements;
- ensuring the independence of the independent registered public accounting firm;
- discussing the scope and results of the audit with the independent registered public accounting firm and reviewing, with management and that firm, our interim and year-end operating results;
- establishing procedures for employees to anonymously submit concerns about questionable accounting or audit matters;
- considering the adequacy of our internal controls and internal audit function;
- reviewing material related party transactions or those that require disclosure; and
- approving or, as permitted, pre-approving all audit and non-audit services to be performed by the independent registered public accounting firm.

**Compensation Committee**

Our compensation committee is comprised of Charles R. Cory, Jayendra Das, and Eileen M. Schloss. Mr. Cory is the chairperson of our compensation committee. The composition of our compensation committee meets the requirements for independence under the current New York Stock Exchange listing standards and SEC rules and regulations. Each member of this committee is an outside director, as defined pursuant to Section 162(m) of the Code, and Mr. Cory and Ms. Schloss are each non-employee directors, as defined in Rule 16b-3 promulgated under the Exchange Act. Our compensation committee is responsible for, among other things:

- reviewing and approving the compensation of our executive officers;
- reviewing and recommending to our board of directors the compensation of our directors;
- administering our stock and equity incentive plans;
- reviewing and approving, or making recommendations to our board of directors with respect to, incentive compensation and equity plans; and
- reviewing our overall compensation philosophy.

**Nominating and Corporate Governance Committee**

Our nominating and corporate governance committee is comprised of Kimberly E. Alexy, John Bellizzi, and Eileen M. Schloss. Ms. Alexy is the chairperson of our nominating and corporate governance committee. The composition of our nominating and corporate governance committee meets the requirements for independence under the current New York Stock Exchange listing standards and SEC rules and regulations. Our nominating and corporate governance committee is responsible for, among other things:

- identifying and recommending candidates for membership on our board of directors;
- recommending directors to serve on board committees;

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• reviewing and recommending our corporate governance guidelines and policies;
• reviewing proposed waivers of the codes of conduct for directors, executive officers, and employees (with waivers for directors or executive officers to be approved by the board of directors);
• evaluating, and overseeing the process of evaluating, the performance of our board of directors and individual directors; and
• assisting our board of directors on corporate governance matters.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee is or has been an officer or employee of our company. None of our executive officers has served as a member of the board of directors, or as a member of the compensation or similar committee, of any entity that has one or more executive officers who served on our board of directors or compensation committee during the year ended December 31, 2016.

In September 2014, we sold shares of our Series B convertible preferred stock to an entity affiliated with Sapphire Ventures. Jayendra Das, a member of our compensation committee, is a Managing Director of Sapphire Ventures. We have described the amounts of these sales and purchases in more detail under the section titled “Certain Relationships and Related Party Transactions.” In connection with the sales of our preferred stock, we entered into agreements that grant customary preferred stock rights to all of our major preferred stock investors. These rights include registration rights, rights of first refusal, co-sale rights with respect to certain stock transfers, information rights, and other similar rights. All of these rights, other than the registration rights, terminated upon the closing of our initial public offering. For a description of the registration rights, see “Description of Capital Stock—Registration Rights.”

Codes of Business Conduct and Ethics

Our board of directors has adopted a code of business conduct and ethics that applies to all of our employees, officers, and directors. The full text of our code of conduct is posted on the Investor Relations section of our website. The reference to our website address in this prospectus does not include or incorporate by reference the information on our website into this prospectus. We intend to disclose future amendments to certain provisions of our code of conduct, or waivers of these provisions, on our website or in public filings.

Non-Employee Director Compensation

The table below provides information regarding the total compensation of the non-employee members of our board of directors who served on our board of directors during the year ended December 31, 2016. Mses. Alexy and Schloss joined our board of directors in 2017 and are not included in the table below. All compensation that we paid to Mr. Stoecker, our only employee director, is set forth in the table below in the section titled “Executive Compensation—Summary Compensation Table.” No compensation was paid to Mr. Stoecker in his capacity as a director during the year ended December 31, 2016. Other than as set forth in the table and described more fully below, during the
year ended December 31, 2016, we did not pay any fees to, make any equity awards or non-equity awards to, or pay any other compensation to the non-employee members of our board of directors.

<table>
<thead>
<tr>
<th>Name</th>
<th>Option Awards ($)</th>
<th>Total ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Bellizzi</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Charles R. Cory</td>
<td>491,130</td>
<td>491,130</td>
</tr>
<tr>
<td>Jayendra Das</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Douglas F. Garn(3)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Jeffrey L. Horing</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Timothy I. Maudlin</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

(1) The amounts reported in the Option Awards column represent the grant date fair value of the stock options granted to our non-employee directors during the year ended December 31, 2016 as computed in accordance with FASB Accounting Standards Codification Topic 718. The assumptions used in calculating the grant date fair value of the stock options reported in the Option Awards column are set forth in Note 2 of the notes to our consolidated financial statements included in this prospectus. Note that the amounts reported in this column reflect the accounting cost for these stock options, and do not correspond to the actual economic value that may be received by our non-employee directors from the stock options.

(2) The following table sets forth information on stock options granted to non-employee directors during the year ended December 31, 2016, the aggregate number of shares of our Class B common stock underlying outstanding stock options held by our non-employee directors as of December 31, 2016, and the aggregate number of unvested shares of Class B common stock underlying outstanding stock options held by our non-employee directors as of December 31, 2016:

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Shares Underlying Stock Options Granted in 2016</th>
<th>Number of Shares Underlying Stock Options Held at Fiscal Year-End</th>
<th>Number of Shares Underlying Unvested Stock Options Held at Fiscal Year-End</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Bellizzi</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Charles R. Cory</td>
<td>132,656(a)</td>
<td>132,656(a)</td>
<td>82,905(a)</td>
</tr>
<tr>
<td>Jayendra Das</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Douglas F. Garn</td>
<td>—</td>
<td>97,500(b)</td>
<td>15,624(b)</td>
</tr>
<tr>
<td>Jeffrey L. Horing</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Timothy I. Maudlin</td>
<td>—</td>
<td>132,656(c)</td>
<td>66,324(c)</td>
</tr>
</tbody>
</table>

(a) The stock option vests over a two-year period at the rate of 1/24th of the shares of Class B common stock underlying the stock option each month following the March 10, 2016 vesting commencement date and expires up to 10 years after the date of grant. This stock option also provides that, in the event of a change of control (as defined in the 2013 Plan), all the unvested shares subject to the stock option will become immediately vested and exercisable as of the date immediately prior to the change of control.

(b) The stock option vests over a four-year period at the rate of 1/48th of the shares of Class B common stock underlying the stock option each month following the June 26, 2013 vesting commencement date and expires up to 10 years after the date of grant. This stock option also provides that, in the event of a change of control (as defined in the 2013 Plan), all of the unvested shares subject to the stock option will become immediately vested and exercisable as of the date immediately prior to the change of control.

(c) The stock option vests over a two-year period at the rate of 1/24th of the shares of Class B common stock underlying the stock option each month following the December 5, 2015 vesting commencement date and expires up to 10 years after the date of grant. This stock option also provides that, in the event of a change of control (as defined in the 2013 Plan), all of the unvested shares subject to the stock option will become immediately vested and exercisable as of the date immediately prior to the change of control.

(3) Mr. Garn retired from our board of directors in June 2017.

Kimberly E. Alexy was appointed to our board of directors in February 2017. In addition to the grant that Ms. Alexy received upon our initial public offering as described below under “—Non-Employee Director Equity Compensation—Initial Public Offering RSU Grant,” in connection with our initial public offering, she also was granted an RSU settleable for 3,750 shares of our Class A common stock as compensation for her service as a member of our board of directors. This RSU vests in accordance with the vesting schedule applicable to the IPO RSUs, as described below under “—Non-Employee Director Equity Compensation—Initial Public Offering RSU Grant.”
Eileen M. Schloss was appointed to our board of directors in May 2017. Ms. Schloss was granted an RSU settleable for 8,730 shares of our Class A common stock as compensation for Ms. Schloss’ service as a member of our board of directors. This RSU vests as to 100% of the shares on the earlier of (i) the date of our 2018 annual meeting of stockholders and (ii) May 2, 2018.

In connection with our initial public offering, in February 2017, our board of directors approved the following cash and equity compensation for our non-employee directors:

**Non-Employee Director Equity Compensation**

Each non-employee director is entitled to receive RSUs under our 2017 Plan as follows:

*Initial Public Offering RSU Grant.* In connection with our initial public offering, each non-employee director on our board of directors at the time of our initial public offering was granted RSUs, or the IPO RSUs, having an aggregate value of $150,000 based on the initial public offering price. The IPO RSUs fully vest on the earlier of (i) the date of our 2018 annual meeting of stockholders and (ii) March 24, 2018, in each case so long as the non-employee director continues to provide services to us through such date. In addition, the IPO RSUs will fully vest upon the consummation of a corporate transaction (as defined in our 2017 Plan).

*Initial Appointment RSU Grant.* Each non-employee director appointed to our board of directors after our initial public offering will be granted RSUs, or the Initial Appointment RSUs, on the date of his or her appointment to our board of directors having an aggregate value of $150,000 (with such amount pro-rated based on the number of days between the date of such non-employee director’s appointment and (i) the date of our first annual meeting of stockholders following the date of grant or (ii) to the extent that we have not determined the date of the next annual meeting of stockholders on or before the date of grant, then the one-year anniversary of the most recently completed annual meeting of our stockholders (or in the case of a non-employee director appointed to our board of directors prior to our 2018 annual meeting of stockholders, the one-year anniversary of the closing of our initial public offering)) based on the average daily closing price of the Class A common stock in the ten business days ending on the day preceding the date of grant. The Initial Appointment RSUs will fully vest on the earlier of (i) the date of our first annual meeting of stockholders following the date of grant and (ii) the date that is one year following the date of grant, in each case so long as the non-employee director continues to provide services to us through such date. In addition, the Initial Appointment RSUs will fully vest upon the consummation of a corporate transaction.

If an individual is appointed as a non-employee director at an annual meeting of stockholders, he or she will be granted an annual RSU grant, as described below, in lieu of the Initial Appointment RSUs.

*Annual RSU Grant.* On the date of each annual meeting of stockholders following the completion of our initial public offering, commencing with our 2018 annual meeting of stockholders, each non-employee director who is serving on our board of directors on, and will continue to serve on our board of directors following, the date of which annual meeting will automatically be granted RSUs, or the Annual RSUs, having an aggregate value of $150,000 based on the average daily closing price of the Class A common stock in the ten business days ending on the day preceding the date of grant. The Annual RSUs will fully vest on the earlier of (i) the date of the following year’s annual meeting of stockholders and (ii) the date that is one year following the date of grant, in each case so long as the non-employee director continues to us through such date. In addition, the Annual RSUs will fully vest upon the consummation of a corporate transaction.
Non-Employee Director Cash Compensation

Each non-employee director is entitled to receive an annual cash retainer of $30,000 for service on the board of directors and additional annual cash compensation for committee membership as follows:

- Audit committee chair: $15,000
- Audit committee member: $7,500
- Compensation committee chair: $10,000
- Compensation committee member: $5,000
- Nominating and corporate governance committee chair: $7,000
- Nominating and corporate governance committee member: $3,500

In addition, our lead independent director is entitled to receive an additional annual cash retainer of $15,000.
EXECUTIVE COMPENSATION

The following tables and accompanying narrative disclosure set forth information about the compensation provided to our executive officers during the year ended December 31, 2016. These executive officers, who include our principal executive officer and the two most highly compensated executive officers (other than our principal executive officer) who were serving as executive officers as of December 31, 2016, the end of our last completed fiscal year, were:

• Dean A. Stoecker, Chairman of the Board of Directors and Chief Executive Officer;
• Paul Evans, our former Chief Revenue Officer; and
• Kevin Rubin, our Chief Financial Officer.

We refer to these individuals in this section as our “Named Executive Officers.”

Summary Compensation Table

The following table presents summary information regarding the total compensation that was awarded to, earned by, or paid to our Named Executive Officers for services rendered in all capacities during the year ended December 31, 2016 and for the year ended December 31, 2015 for Messrs. Stoecker and Evans who were also our named executive officers for such year.

<table>
<thead>
<tr>
<th>Name and Principal Position</th>
<th>Year</th>
<th>Salary ($)</th>
<th>Stock Awards ($) (1)</th>
<th>Option Awards ($) (1)</th>
<th>Non-Equity Incentive Plan Compensation ($) (2)</th>
<th>All Other Compensation ($) (3)</th>
<th>Total ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dean A. Stoecker</td>
<td>2016</td>
<td>$310,500</td>
<td>$1,153,125</td>
<td>$957,708</td>
<td>$150,000</td>
<td>$7,218</td>
<td>$2,578,551</td>
</tr>
<tr>
<td>Chairman of the Board of Directors</td>
<td>2015</td>
<td>310,500</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>6,496</td>
<td>488,794</td>
</tr>
<tr>
<td>Chairman and Chief Executive Officer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paul Evans(4)(5)</td>
<td>2016</td>
<td>179,877</td>
<td>565,800</td>
<td>469,568</td>
<td>327,119</td>
<td>6,445</td>
<td>1,548,809</td>
</tr>
<tr>
<td>Former Chief Revenue Officer</td>
<td>2015</td>
<td>173,888</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>6,987</td>
<td>731,700</td>
</tr>
<tr>
<td>Kevin Rubin</td>
<td>2016</td>
<td>223,864</td>
<td>353,625</td>
<td>2,384,014</td>
<td>78,330</td>
<td>—</td>
<td>3,039,833</td>
</tr>
<tr>
<td>Chief Financial Officer</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) The amounts reported in the Stock Awards and Option Awards columns represent the grant date fair value of the RSUs and stock options granted to our Named Executive Officers during the year ended December 31, 2016 as computed in accordance with FASB Accounting Standards Codification Topic 718. The assumptions used in calculating the grant date fair value of the RSUs and stock options reported in the Stock Awards and Option Awards columns are set forth in Note 2 of the notes to our consolidated financial statements included in this prospectus. Note that the amounts reported in this column reflect the accounting cost for these RSUs and stock options, and do not correspond to the actual economic value that may be received by our Named Executive Officers from the RSUs and stock options.

(2) The amounts reported represent amounts paid in cash under our discretionary annual bonus program, in the case of Messrs. Stoecker and Rubin, and under Mr. Evans’ 2016 compensation plan, in the case of Mr. Evans. Payments for the year ended December 31, 2016 are described in greater detail in the section titled “—Non-Equity Incentive Plan Compensation.”

(3) The amounts reported represent our matching contributions on the Named Executive Officer’s behalf under our 401(k) plan.

(4) 100% and approximately 69% of the amounts in the Salary and Non-Equity Incentive Plan Compensation columns for the years ended December 31, 2016 and 2015, respectively, were paid to Mr. Evans in Canadian dollars. The amounts reported above that were paid in Canadian dollars have been converted into U.S. Dollars using the bank exchange rate as reported by Square 1 Bank in effect at the time of each payment date, which corresponds to the methodology used for financial reporting purposes.

(5) Mr. Evans resigned in May 2017.

Equity Compensation

From time to time, we grant equity awards in the form of stock options and RSUs to our Named Executive Officers, which are generally subject to vesting based on each of our Named Executive Officers.
Officer’s continued service with us. Each of our Named Executive Officers currently holds outstanding stock options to purchase shares of our Class B common stock and RSUs to be settled in shares of Class B common stock that were granted under our 2013 Plan, as set forth in the “Outstanding Equity Awards at Fiscal Year-End Table” below.

Non-Equity Incentive Plan Compensation

Discretionary Annual Bonus Program

Messrs. Stoecker and Rubin participated in our discretionary annual bonus program during the year ended December 31, 2016. Incentives under our discretionary annual bonus program were payable quarterly based on our achievement of quarterly and annual bookings targets, with 20% of each participant’s annual bonus target payable following the end of each of the first three fiscal quarters and 40% of the annual bonus target payable following the end of the fourth fiscal quarter. Payments under the bonus program were conditioned upon achievement of 80% of the bookings target for each quarter and the year and subject to our management’s discretion to reduce such awards. The bonus payment for the fourth fiscal quarter also includes an accelerator on full year company performance of 1.5% for every 1% achieved above the bookings target. For the year ended December 31, 2016, the target bonus amounts were $150,000 for Mr. Stoecker and $78,330 for Mr. Rubin (pro rated for Mr. Rubin due to his April 2016 start date). Amounts earned by Messrs. Stoecker and Rubin for the year ended December 31, 2016 under the discretionary annual bonus program are set forth in the Summary Compensation Table in the Non-Equity Incentive Plan Compensation column.

Compensation Plan

Mr. Evans participated in a compensation plan during the year ended December 31, 2016. Commissions under Mr. Evans’ compensation plan were typically payable on a monthly basis based on our achievement of monthly bookings targets. Mr. Evans’ earned commissions for a particular month were equal to the amount of bookings for the month multiplied by his commission rate. In addition, Mr. Evans was eligible to receive a year-end payout under the compensation plan based on the actual bookings amounts achieved above the target. The year-end payout was equal to the amount of bookings achieved above the target multiplied by a commission rate, which varied depending on the percentage achieved above target. Amounts earned by Mr. Evans for the year ended December 31, 2016 under his compensation plan are set forth in the Summary Compensation Table in the Non-Equity Incentive Plan Compensation column.

Offer Letters

We have entered into offer letters with each of the named executive officers. In addition, each of our named executive officers has executed a form of our standard confidential information and invention assignment agreement. Any potential payments and benefits due upon a termination of employment or a change of control of us are further described below in “—Potential Payments upon Termination or Change of Control.”

Dean A. Stoecker

In February 2017, we entered into an amended and restated offer letter with Mr. Stoecker, our Chairman and Chief Executive Officer. The offer letter has no specific term and provides for at-will employment. The offer letter provides for an annual base salary of $375,000, subject to periodic review. Under the offer letter, Mr. Stoecker is also eligible to earn a discretionary annual bonus based
on achievement of specified performance goals in an amount up to 80% of his annual base salary. For information regarding payments made to Mr. Stoecker in the year ended December 31, 2016 under our discretionary annual bonus program, see the section titled “—Non-Equity Incentive Plan Compensation—Discretionary Annual Bonus Program.”

Kevin Rubin

In February 2017, we entered into an amended and restated offer letter with Mr. Rubin, our Chief Financial Officer. The offer letter has no specific term and provides for at-will employment. The offer letter provides for an annual base salary of $310,000, subject to periodic review. Under the offer letter, Mr. Rubin is also eligible to earn a discretionary annual bonus based on achievement of specified performance goals, in an amount up to 50% of his annual base salary. For information regarding payments made to Mr. Rubin in the year ended December 31, 2016 under our discretionary annual bonus program, see the section titled “—Non-Equity Incentive Plan Compensation—Discretionary Annual Bonus Program.”

Paul Evans

In June 2011, we entered into an offer letter with Mr. Evans, our former Chief Revenue Officer, which was subsequently amended in January 2013. Mr. Evans was an at-will employee and did not have a fixed employment term before ceasing to serve as our Chief Revenue Officer in February 2017. The terms and conditions of his offer letter provided for an annual base salary of $172,500 and eligibility to receive standard vacation and benefits commensurate with other similarly-situated employees. Mr. Evans’ annual base salary was $250,000 as of December 31, 2016. Under the offer letter, Mr. Evans was also eligible to earn annual bonus compensation paid monthly upon meeting certain regional sales targets. For information regarding payments made to Mr. Evans in the year ended December 31, 2016 under Mr. Evans’ compensation plan, see the section titled “—Non-Equity Incentive Plan Compensation—Compensation Plan.”

Potential Payments upon Termination or Change of Control

Dean A. Stoecker and Kevin Rubin

In February 2017, we entered into severance and change in control agreements, or Severance & Change of Control Agreements, with each of Messrs. Stoecker and Rubin. These agreements provide for Messrs. Stoecker and Rubin to receive the benefits described below upon either a termination by us of the executive officer’s employment without “cause” or a voluntarily resignation by the executive officer from his employment with “good reason” (each as defined in the Severance & Change of Control Agreement). We refer to either of these terminations as a “qualifying termination.” These benefits are contingent upon the executive officer executing a customary release of claims.

The benefits provided under the Severance & Change of Control Agreements vary depending on whether the executive officer is subject to the qualifying termination within a period beginning three months before a change of control (as defined in the Severance & Change of Control Agreement) and ending 12 months after a change of control, or the change of control period.

If a qualifying termination occurs prior to or after the change of control period, Messrs. Stoecker and Rubin will be entitled to: (i) 12 months’ and nine months’ continued payment of base salary, respectively, and (ii) if the executive officer elects to continue his health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, or COBRA, then payment of the premiums for his continued health insurance (or equivalent cash payment, if applicable law so requires) for up to 12 months and nine months, respectively.
If a qualifying termination occurs during the change of control period, Messrs. Stoecker and Rubin will be entitled to: (i) 18 months’ and 12 months’ continued payment of base salary, respectively, (ii) if the executive officer elects to continue his health insurance coverage under COBRA, then payment of the premiums for his continued health insurance (or equivalent cash payment, if applicable law so requires) for up to 18 months and 12 months, respectively, and (iii) full acceleration of each of the executive officer’s then-outstanding but unvested equity awards, except that awards subject to the satisfaction of performance criteria will accelerate if, and only to the extent, set forth in the applicable award agreement. These benefits and acceleration are contingent upon the consummation of the change of control.

If a change of control occurs and our successor or acquirer refuses to assume, convert, or substitute the then-outstanding and unvested equity awards held by Messrs. Stoecker and Rubin, then those awards will accelerate in full, except that awards subject to the satisfaction of performance criteria will accelerate if, and only to the extent, set forth in the respective award agreement.

The Severance & Change of Control Agreements with Messrs. Stoecker and Rubin are in effect for three years, unless renewed, or earlier terminated, subject to certain limitations. The benefits under the Severance & Change of Control Agreements supersede all other agreements and understandings between us and Messrs. Stoecker and Rubin with respect to severance and vesting acceleration.

**Paul Evans**

Mr. Evan’s offer letter provided that if Mr. Evans was subject to an involuntary termination (as defined in the offer letter) prior to a change of control (as defined in the offer letter), we would pay him severance at a monthly rate of $12,083 for a period of four months.

In addition, if there was a change of control and Mr. Evans was subject to an involuntary termination concurrent with or on or prior to the one year anniversary of such change of control, he would receive severance at a monthly rate of $12,083 for a period of four months. In addition, as of December 31, 2016, Mr. Evans held an outstanding option to purchase 53,497 shares of our Class B common stock that was subject to acceleration upon a change of control or certain terminations in connection with or following a change of control. The terms of the stock option provide that in the event of a change of control (as defined in his offer letter) during his employment with us in which the stock option is not assumed by the successor corporation or substituted for another stock option or other equity right or otherwise continued, the unvested portion of the stock option that would normally vest over the following seven and one-half months from the closing of such change of control shall vest and become exercisable immediately prior to the closing of such change of control. In addition, in the event that Mr. Evans was subject to an involuntary termination (as defined in his offer letter) concurrent with, or on or prior to the one year anniversary of, a change of control, the unvested portion of the stock option that would normally vest over the following three and three quarter months from the date of such termination would have immediately vested and become exercisable upon such termination. For more information regarding Mr. Evans’ outstanding equity awards as of December 31, 2016, see the section titled “—Outstanding Equity Awards at Fiscal Year-End Table.”

**Other Executive Officers**

In addition to the Severance & Change of Control Agreements that we have entered into with Messrs. Stoecker and Rubin, we have entered into Severance & Change of Control Agreements with each of our other executive officers on similar terms provided to Messrs. Stoecker and Rubin.
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Outstanding Equity Awards at Fiscal Year-End Table

<table>
<thead>
<tr>
<th>Name</th>
<th>Grant Date</th>
<th>Number of Securities Underlying Unexercised Options (#)</th>
<th>Number of Securities Underlying Unexercised Options (#)</th>
<th>Number of Options Exercise Price ($)</th>
<th>Option Expiration Date</th>
<th>Number of Shares or Units of Stock That Have Not Vested (#)</th>
<th>Market Value of Shares or Units of Stock That Have Not Vested ($)</th>
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</thead>
<tbody>
<tr>
<td>Dean A. Stoecker</td>
<td>11/29/2016(3)</td>
<td>187,500</td>
<td>187,500</td>
<td>12.30</td>
<td>11/28/2026</td>
<td>93,750</td>
<td>1,830,000</td>
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<td></td>
<td>11/29/2016(4)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Paul Evans</td>
<td>06/26/2013(5)</td>
<td>35,303</td>
<td>—</td>
<td>0.35</td>
<td>06/25/2023(6)</td>
<td>—</td>
<td>—</td>
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<tr>
<td></td>
<td>11/29/2016(3)</td>
<td>—</td>
<td>92,000</td>
<td>12.30</td>
<td>11/28/2026(6)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td></td>
<td>11/29/2016(4)</td>
<td>—</td>
<td>—</td>
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<td>—</td>
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<td>—</td>
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<tr>
<td>Kevin Rubin</td>
<td>04/30/2016(8)</td>
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<td>—</td>
<td>9.50</td>
<td>04/29/2026</td>
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<td>—</td>
<td>—</td>
<td>—</td>
<td>561,200</td>
<td>—</td>
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</tbody>
</table>

(1) All of the outstanding equity awards described in this table were granted under our 2013 Plan.

(2) Our Class B common stock was not publicly traded as of December 31, 2016. The market price for our Class B common stock is based on the last reported sale price of our Class A common stock on June 30, 2017.

(3) The stock option vests at a rate of 1/48th of the shares of Class B common stock underlying the stock option vesting on the one year anniversary of the grant date and 1/48th of the shares of Class B common stock underlying the stock option vesting each month following the one year anniversary of the grant date. The stock option is subject to acceleration upon certain events as described in “—Potential Payments upon Termination or Change of Control.”

(4) The RSUs granted to our Named Executive Officers only vest upon the satisfaction of both (i) a time and service-based vesting condition and (ii) a liquidity-based vesting condition. The time and service-based vesting condition provides that 1/48th of the total number of RSUs shall vest on each of the first, second, third and fourth annual anniversaries of the grant date. The liquidity-based vesting condition will be satisfied on the earlier of: (a) September 19, 2017; or (b) a change of control (as defined in our 2013 Plan), provided that if the Named Executive Officer is not providing services to us on the date of such liquidity event, the liquidity-based vesting condition will not be satisfied and the RSUs will be cancelled and terminated. The RSUs are subject to acceleration upon certain events as described in “—Potential Payments upon Termination or Change of Control.”

(5) As of December 31, 2016, all of the shares of Class B common stock subject to the stock option were vested.

(6) Following Mr. Evans’ resignation in May 2017, these options terminated in August 2017 pursuant to their terms.

(7) The stock option vests at a rate of 1/30th of the shares of Class B common stock underlying the stock option each month following the grant date. The stock option contains an early-exercise provision and is exercisable as to unvested shares, subject to our right of repurchase. As of December 31, 2016, 44,582 shares of Class B common stock subject to the stock option were vested and 8,915 shares remained unvested. The stock option is subject to acceleration upon certain events as described in “—Potential Payments upon Termination or Change of Control.”

(8) The stock option vests at a rate of 1/48th of the shares of Class B common stock underlying the stock option vesting on the one year anniversary of the vesting commencement date and 1/48th of the shares of Class B common stock underlying the stock option vesting each month following the one year anniversary of the vesting commencement date. The stock option contains an early-exercise provision and is exercisable as to unvested shares, subject to our right of repurchase. As of December 31, 2016, all of the shares of Class B common stock subject to the stock option remain unvested. The stock option is subject to acceleration upon certain events as described in “—Potential Payments upon Termination or Change of Control.”

Employee Benefit Plans

2013 Amended and Restated Stock Plan

Our board of directors originally adopted our 2013 Plan in June 2013. Our 2013 Plan was subsequently approved by our stockholders in September 2013. Our 2013 Plan was most recently amended and restated in November 2016. Our board of directors, or a committee thereof appointed by our board of directors, administers the 2013 Plan and the awards granted under it.

Our 2017 Plan became effective on March 22, 2017, the date immediately prior to the date of our initial public offering. The 2013 Plan terminated concurrently with the effectiveness of our 2017 Plan.
and, as a result, we have not granted any additional equity awards under the 2013 Plan following that date. However, any outstanding stock options and RSUs granted under the 2013 Plan remain outstanding, subject to the terms of our 2013 Plan and applicable award agreements, until such shares are issued under those awards (by exercise of stock options or settlement of RSUs) or until the awards terminate or expire by their terms.

The 2013 Plan provided for the grant of both incentive stock options, which qualify for favorable tax treatment to their recipients under Section 422 of the Code, and nonstatutory stock options, as well as for the issuance of RSUs and restricted stock. We have granted incentive stock options only to our employees. We have granted nonstatutory stock options, RSUs, and shares of restricted stock to our employees, directors, and consultants.

The exercise price of each incentive stock option must be at least equal to the fair market value of our Class B common stock on the date of grant. However, the exercise price of incentive stock options granted to 10% stockholders must be at least equal to 110% of the fair market value of our Class B common stock on the date of grant. The maximum permitted term of options granted under our 2013 Plan is ten years. However, the maximum permitted term of incentive stock options granted to 10% stockholders is five years. Outstanding options under the 2013 Plan generally vest based on time. After a participant’s termination of service, the participant generally may exercise his or her options, to the extent vested as of such date of termination, at any time within three months following termination or such longer period of time as specified in the applicable option agreement, unless such termination is for cause, in which case all his or her outstanding options immediately terminate in their entirety. If termination is due to death or disability, including in case of the death of the optionee within three months following the optionee’s termination not for cause, the option generally will remain exercisable, to the extent vested as of such date of termination at any time within 12 months following such termination. However, in no event may an option be exercised later than the expiration of its term.

RSUs represent the right to receive shares of our Class B common stock at a specified date in the future, subject to forfeiture of that right because of termination of employment or failure to achieve certain performance conditions. Generally, the vesting our RSUs is upon satisfaction of both a liquidity-event vesting condition and a time-based vesting schedule on or before the expiration date of such RSUs. RSUs will be forfeited in case of a termination of employment or service before the satisfaction of both the liquidity-event vesting condition and the time-based vesting schedule or, otherwise, generally in case of non-satisfaction of either the liquidity-event vesting condition or the time-based vesting schedule. The liquidity-based vesting condition will be satisfied upon the earlier of (i) September 19, 2017 and (ii) a change of control (as defined in the 2013 Plan); provided in either case that the RSU holder remains in continuous service status on such date. Following the satisfaction of the liquidity-event vesting condition, RSUs that remain unvested as of the date of such liquidity event due to the RSUs’ time-based vesting schedule will continue to vest after the liquidity-event vesting condition for so long as the holder remains in continuous service status through each such time-based vesting date.

In the event we are a party to a change of control (as defined in the 2013 Plan), the 2013 Plan provides that each outstanding award (vested or unvested) will be treated as the plan administrator determines and as set forth in the agreement evidencing the change of control, which determination may be made without the consent of award holders and need not treat all outstanding awards (or portion thereof) in an identical manner, and may include the following: (i) the continuation of the outstanding awards, (ii) the assumption of the outstanding awards by the surviving corporation or its parent, (iii) the substitution by the surviving corporation or its parent of new options or equity awards for the outstanding awards, (iv) the cancellation of the outstanding awards in exchange for a payment as set forth in the 2013 Plan, or (v) the cancellation of the outstanding awards for no consideration. Upon a change of control, all outstanding awards shall terminate and cease to be outstanding, except to the extent such awards have been continued or assumed.
As of June 30, 2017, there remained outstanding under our 2013 Plan (i) options to purchase 5,632,870 shares of our Class B common stock and (ii) RSUs that may be settled for 323,375 shares of our Class B common stock. The options outstanding as of June 30, 2017 had a weighted-average exercise price of $6.78 per share.

2017 Equity Incentive Plan

In February 2017, our board of directors adopted our 2017 Plan and our stockholders approved the 2017 Plan. The 2017 Plan became effective on March 22, 2017 and serves as the successor to our 2013 Plan. As of June 30, 2017, there were reserved 5,369,714 shares of Class A common stock under our 2017 Plan. The number of shares of Class A common stock reserved for issuance under our 2017 Plan will increase automatically on the first day of January of each of 2018 through 2027 by the lesser of (a) 5% of the total outstanding shares of our Class A and Class B common stock as of the immediately preceding December 31 and (b) the number of shares determined by our board of directors. In addition, the following shares of our Class A common stock will be available for grant and issuance under our 2017 Plan:

• shares subject to awards granted under our 2017 Plan that cease to be subject to the awards for any reason other than exercise of stock options or stock appreciation rights;

• shares issued or subject to awards granted under our 2017 Plan that are subsequently forfeited or repurchased by us at the original issue price;

• shares subject to awards granted under our 2017 Plan that otherwise terminate without shares being issued;

• shares surrendered, cancelled, or exchanged for cash or a different award (or combination thereof);

• shares issuable upon the exercise of options or subject to other awards under our 2013 Plan that cease to be subject to such options or other awards by forfeiture or otherwise;

• shares issued under our 2013 Plan that are repurchased by us or forfeited; and

• shares subject to awards under our 2013 Plan or 2017 Plan that are used to pay the exercise price of a stock option or withheld to satisfy the tax withholding obligations related to any award.

Shares of our Class B common stock that were either reserved, but not issued under the 2013 Plan as of the date of its termination, or issued under the 2013 Plan and later become available for grant under our 2017 Plan, either as set forth above, shall be issued under the 2017 Plan only as shares of Class A common stock.

Our 2017 Plan authorizes the award of stock options, restricted stock awards, stock appreciation rights, RSUs, performance awards, and stock bonuses. No person is eligible to receive more than 1,500,000 shares in any calendar year under our 2017 Plan, except that new employees of ours are eligible to receive up to 3,000,000 shares under the 2017 Plan in the calendar year in which the employee commences employment. The aggregate number of shares of our Class A common stock that may be subject to awards granted to any one non-employee director pursuant to the 2017 Plan in any calendar year shall not exceed such number of shares with an aggregate grant-date value of $500,000. No recipient is eligible to receive more than $5,000,000 in performance awards in any calendar year under our 2017 Plan.

Our 2017 Plan is administered by our compensation committee, all of the members of which are outside directors as defined under applicable federal tax laws, or by our board of directors acting in
place of our compensation committee. The compensation committee has the authority to construe and interpret our 2017 Plan, grant awards, and make all other determinations necessary or advisable for the administration of the 2017 Plan.

Our 2017 Plan provides for the grant of awards to our employees, directors, consultants, independent contractors, and advisors, provided the directors, consultants, independent contractors, and advisors render services not in connection with the offer and sale of securities in a capital-raising transaction. The exercise price of stock options must be at least equal to the fair market value of our Class A common stock on the date of grant.

We anticipate that, in general, options granted under our 2017 Plan will vest over a four-year period. Options may vest based on time or achievement of performance conditions. Our compensation committee may provide for options to be exercised only as they vest or to be immediately exercisable with any shares issued on exercise being subject to our right of repurchase that lapses as the shares vest. The maximum term of options granted under our 2017 Plan is ten years.

A restricted stock award is an offer by us to sell shares of our Class A common stock subject to restrictions, which may vest based on time or achievement of performance conditions. The price, if any, of a restricted stock award will be determined by the compensation committee. Unless otherwise determined by the compensation committee at the time of award, vesting will cease on the date the holder no longer provides services to us, and unvested shares will be forfeited to or repurchased by us following such termination.

Stock appreciation rights provide for a payment, or payments, in cash or shares of our Class A common stock, to the holder based upon the difference between the fair market value of our Class A common stock on the date of exercise and the stated exercise price at grant up to a maximum amount of cash or number of shares. Stock appreciation rights may vest based on time or achievement of performance conditions.

RSUs represent the right to receive shares of our Class A common stock at a specified date in the future, subject to forfeiture of that right upon the earlier termination of employment or upon failure to achieve certain performance conditions or time-based vesting requirements. If a RSU has not been forfeited, then on the date specified in the RSU agreement, we will deliver to the holder of the RSU whole shares of our Class A common stock (which may be subject to additional restrictions), cash or a combination of our Class A common stock and cash. We anticipate that, in general, RSUs will vest over a four-year period.

Performance awards have a value determined by reference to a number of shares of our Class A common stock that may be settled in cash or shares of our Class A common stock upon achievement of the pre-established performance conditions, as provided in the 2017 Plan. These awards are subject to forfeiture prior to settlement due to termination of employment or failure to achieve the performance conditions.

Stock bonuses may be granted as additional compensation for service or performance, in the form of cash, Class A common stock or a combination thereof, and may be subject to restrictions, which may vest based on time or achievement of performance conditions.

In the event there is a specified type of change in our capital structure without our receipt of consideration, such as a stock split, appropriate adjustments will be made to the number or class of shares reserved under our 2017 Plan, the maximum number or class of shares that can be granted in a calendar year, and the number or class of shares and exercise price, if applicable, of all outstanding awards under our 2017 Plan.
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The 2017 Plan permits the grant of performance-based stock and cash awards that may qualify as performance-based compensation that is not subject to the $1,000,000 limitation on income tax deductibility imposed by Section 162(m) of the Code. Our compensation committee may structure awards so that the stock or cash will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period.

Our compensation committee may establish performance goals by selecting from one or more of the following performance criteria: (i) profit before tax, (ii) billings, (iii) revenue, (iv) net revenue, (v) earnings (which may include earnings before interest and taxes, earnings before taxes, net earnings, stock-based compensation expenses, and depreciation and amortization) (vi) operating income, (vii) operating profit, (ix) controllable operating profit or net operating profit, (x) net profit, (xi) gross margin, (xii) operating expenses or operating expenses as a percentage of revenue, (xiii) net income, (xiv) earnings per share, (xv) total stockholder return, (xvi) market share, (xvii) return on assets or net assets, (xviii) our stock price, (xix) growth in stockholder value relative to a pre-determined index, (xx) return on equity, (xxi) return on invested capital, (xxii) cash flow (including free cash flow or operating cash flows), (xxiii) cash conversion cycle, (xxiv) economic value added, (xxv) individual confidential business objectives, (xxvi) contract awards or backlog, (xxvii) overhead or other expense reduction, (xxviii) credit rating, (xxix) strategic plan development and implementation, (xxx) succession plan development and implementation, (xxxx) improvement in workforce diversity, (xxxxi) customer indicators and/or satisfaction, (xxxxii) new product invention or innovation, (xxxxiii) attainment of research and development milestones, (xxxxiv) improvements in productivity, (xxxxv) bookings, (xxxxvi) attainment of objective operating goals and employee metrics, (xxxxvii) sales, (xxxxviii) expenses, (xlix) balance of cash, cash equivalents and marketable securities, (lix) completion of an identified special project, (lx) completion of a joint venture or other corporate transaction, (lxi) employee satisfaction and/or retention, (lxii) research and development expenses, (lxiii) working-capital targets and changes in working capital, and (lxiv) any other metric that is capable of measurement as determined by our compensation committee.

Awards granted under our 2017 Plan may not be transferred in any manner other than by will or by the laws of descent and distribution or as determined by our compensation committee. Unless otherwise permitted by our compensation committee, stock options may be exercised during the lifetime of the optionee only by the optionee or the optionee’s guardian or legal representative. Stock options granted under our 2017 Plan generally may be exercised for a period of three months after the termination of the optionee’s service to us, for a period of 12 months in the case of death or disability or for such shorter or longer period as our compensation committee may provide. Stock options generally terminate immediately upon termination of employment for cause.

In the event of a corporate transaction (as defined in our 2017 Plan), any or all outstanding awards may be assumed or replaced by the successor corporation, the successor corporation may substitute equivalent awards for those outstanding under our 2017 Plan or provide substantially similar consideration to the holders of outstanding awards as was provided to our stockholders (after taking into account the existing provisions of the awards). The successor corporation may also issue, in place of our outstanding shares held by the 2017 Plan participant, substantially similar shares or other property subject to repurchase restrictions no less favorable to the participant. In the event such successor or acquiring corporation (if any) refuses to assume, convert, replace, or substitute awards, as provided above, pursuant to a corporate transaction, then notwithstanding any other provision in the 2017 Plan to the contrary, such awards will expire on such transaction at such time and on such conditions as our board of directors will determine, provided, however, that our board of directors (or, our compensation committee, if so designated by the board of directors) may, in its sole discretion, accelerate the vesting of such awards in connection with a corporate transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace, or substitute awards, as provided above, pursuant to a corporate transaction, a 2017 Plan participant will
be notified that such award will be exercisable for a period of time determined by our board or compensation committee, and such award will terminate upon the expiration of such period. Awards need not be treated similarly in a corporate transaction. Notwithstanding the foregoing, in the event of a corporate transaction, all awards granted to non-employee members of the board of directors will accelerate vesting and become exercisable in full prior to the consummation of the proposed corporate transaction, at such times and on such conditions determined by our board of directors (or, our compensation committee, if so designated by our board of directors).

Our 2017 Plan terminates ten years from the date our board of directors approved the plan, unless it is terminated earlier by our board of directors. Our board of directors may amend or terminate our 2017 Plan at any time. If our board of directors amends our 2017 Plan, it does not need to ask for stockholder approval of the amendment unless required by applicable law.

As of June 30, 2017, we had outstanding under our 2017 Plan (i) options to purchase 359,500 shares of our Class A common stock and (ii) 137,008 shares of our Class A common stock subject to the settlement of RSUs. The stock options to purchase shares of our Class A common stock outstanding as of June 30, 2017 had a weighted-average exercise price of $18.28 per share.

2017 Employee Stock Purchase Plan

In February 2017, our board of directors adopted and our stockholders approved our 2017 ESPP. The 2017 ESPP became effective on March 23, 2017. We have adopted the 2017 ESPP in order to enable eligible employees to purchase shares of our Class A common stock at a discount. Purchases are accomplished through participation in discrete offering periods. Our 2017 ESPP is intended to qualify as an employee stock purchase plan under Section 423 of the Code. We initially reserved, and, as of June 30, 2017, continued to have reserved, 1,100,000 shares of our Class A common stock for issuance under our 2017 ESPP. The number of shares reserved for issuance under our 2017 ESPP will increase automatically on the first day of January of each of 2018 through 2027 by the lesser of (a) 1% of the total outstanding shares of our Class A and Class B common stock as of the immediately preceding December 31 and (b) the number of shares determined by our board of directors. The aggregate number of shares issued over the term of our 2017 ESPP may not exceed 11,000,000 shares of our Class A common stock.

Our compensation committee administers our 2017 ESPP. Our employees generally are eligible to participate in our 2017 ESPP in an offering period if they were employed by us before the beginning of such offering period and if they are employed by us for at least 20 hours per week and more than five months in a calendar year. Employees who are 5% stockholders, or who would become 5% stockholders as a result of their participation in our 2017 ESPP, are ineligible to participate in our 2017 ESPP. We may impose additional restrictions on eligibility. Under our 2017 ESPP, eligible employees are able to acquire shares of our Class A common stock by accumulating funds through payroll deductions. Our eligible employees are able to select a rate of payroll deduction between 1% and 15% of their base cash compensation in 1% increments. We also have the right to amend or terminate our 2017 ESPP at any time.

An eligible employee must enroll in a timely manner prior to the commencement of an offering period. Once an employee is enrolled in our 2017 ESPP, participation will be automatic in subsequent offering periods provided that the employee has not withdrawn or reduced his or her payroll deduction to 0% during the immediately preceding offering period. An employee's participation automatically ends upon termination of employment for any reason. Except for the first offering period, each offering period runs for no more than six months, with purchases occurring every six months. The first offering period began on March 23, 2017 and ended upon the purchase date that occurred on August 14, 2017. Each subsequent six-month offering period will begin on February 15 or August 15, as applicable, immediately following the preceding offering period.
No participant has the right to purchase shares of our Class A common stock in an amount, when aggregated with purchase rights under all our employee stock purchase plans that are also in effect in the same calendar year, that have a fair market value of more than $25,000, determined as of the first day of the applicable purchase period, for each calendar year in which that right is outstanding. In addition, no participant is permitted to purchase more than 2,500 shares of our Class A common stock during any one purchase period or a greater or lesser amount determined by our compensation committee. The purchase price for shares of our Class A common stock purchased under our 2017 ESPP is 85% of the lesser of the fair market value of our Class A common stock on (i) the first trading day of the applicable offering period and (ii) the last trading day of each purchase period in the applicable offering period.

Our 2017 ESPP terminates on the tenth anniversary of the last day of the first purchase period, unless it is terminated earlier by our board of directors.

If we experience a corporate transaction (as defined in the 2017 ESPP), each outstanding right to purchase Class A common stock under the 2017 ESPP will be assumed or substituted for with an equivalent option by the successor. If the successor refuses to assume or substitute a purchase right, any ongoing offering period that commenced prior to the closing of the proposed change of control transaction will be shortened and terminated on a new purchase date. The new purchase date will occur prior to the closing of the proposed corporate transaction, and our 2017 ESPP will then terminate on the closing of the proposed corporate transaction.

401(k) Plan

We maintain a retirement plan for the benefit of our employees. The plan is intended to qualify as a tax-qualified 401(k) plan so that contributions to the 401(k) plan, and income earned on such contributions, are not taxable to participants until withdrawn or distributed from the 401(k) plan (except in the case of contributions under the 401(k) plan designated as Roth contributions). Under the retirement plan, participating employees may defer a percentage of their eligible pre-tax earnings up to the Internal Revenue Service’s annual contribution limit. All of our full-time employees with at least one month of service and that are over the age of 21 are eligible to participate in the plan. The retirement plan does not permit investment of participant or contributions by us in our common stock. Our contributions to the plan are discretionary. We have historically provided a matching contribution of 50% of employee contributions in each year with a maximum match of 3% of participating employees’ annual salaries. Our contributions vest immediately. We contributed $0.4 million, $0.6 million, $1.1 million, $0.6 million, and $0.8 million of cash to the retirement plan in the years ended December 31, 2014, 2015, and 2016 and in the six months ended June 30, 2016 and 2017, respectively.

Limitation of Liability and Indemnification of Directors and Officers

Our restated certificate of incorporation contains provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by the DGCL. Consequently, our directors are not personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director’s duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the DGCL; or
- any transaction from which the director derived an improper personal benefit.
Our restated certificate of incorporation and our restated bylaws require us to indemnify our directors and officers to the maximum extent not prohibited by the DGCL and allow us to indemnify other employees and agents as set forth in the DGCL. Subject to certain limitations, our restated bylaws also require us to advance expenses incurred by our directors and officers for the defense of any action for which indemnification is required or permitted.

We have entered, and intend to continue to enter, into separate indemnification agreements with our directors, officers, and certain of our key employees, in addition to the indemnification provided for in our restated certificate of incorporation and restated bylaws. These agreements, among other things, require us to indemnify our directors, officers, and key employees for certain expenses, including attorneys’ fees, judgments, penalties, fines, and settlement amounts actually incurred by these individuals in any action or proceeding arising out of their service to us or any of our subsidiaries or any other company or enterprise to which these individuals provide services at our request. Subject to certain limitations, our indemnification agreements also require us to advance expenses incurred by our directors, officers, and key employees for the defense of any action for which indemnification is required or permitted.

We believe that provisions of our restated certificate of incorporation, bylaws, and indemnification agreements are necessary to attract and retain qualified directors, officers, and key employees. We also maintain directors’ and officers’ liability insurance.

The limitation of liability and indemnification provisions in our restated certificate of incorporation and restated bylaws may discourage stockholders from bringing a lawsuit against our directors and officers for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder’s investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions.

At present, there is no pending litigation or proceeding involving any of our directors or executive officers as to which indemnification is required or permitted, and we are not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, executive officers or persons controlling us, we have been informed that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.
CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the executive officer and director compensation arrangements discussed above under “Management—Non-Employee Director Compensation” and “Executive Compensation,” below we describe transactions since January 1, 2014 to which we have been or will be a participant, in which the amount involved in the transaction exceeds or will exceed $120,000 and in which any of our directors, executive officers, or beneficial holders of more than 5% of any class of our capital stock, or any immediate family member of, or person sharing the household with, any of these individuals, had or will have a direct or indirect material interest.

Series C Convertible Preferred Stock and Common Stock Financing and Tender Offer

In September 2015, we sold an aggregate of 3,659,463 shares of our Series C convertible preferred stock at a purchase price of approximately $13.66 per share and 2,944,390 shares of our common stock at a purchase price of approximately $11.89 per share for an aggregate purchase price of approximately $85.0 million. Each share of our Series C convertible preferred stock converted automatically into one share of our Class B common stock immediately prior to the completion of our initial public offering.

The purchasers of our Series C convertible preferred and common stock are entitled to specified registration rights. For additional information, see “Description of Capital Stock—Registration Rights.” The terms of these purchases were the same for all purchasers of our Series C convertible preferred stock and common stock. See the section titled “Principal and Selling Stockholders” for more details regarding the shares held by certain of these entities.

The following table summarizes the Series C convertible preferred stock and common stock purchased by members of our board of directors or their affiliates and holders of more than 5% of our outstanding capital stock:

<table>
<thead>
<tr>
<th>Name of Stockholder</th>
<th>Shares of Series C Convertible Preferred Stock</th>
<th>Shares of Common Stock</th>
<th>Total Purchase Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entities affiliated with Insight Venture Partners(1)</td>
<td>1,829,732</td>
<td>841,254</td>
<td>$35,000,005</td>
</tr>
<tr>
<td>ICONIQ Capital(2)</td>
<td>1,829,731</td>
<td>841,254</td>
<td>34,999,999</td>
</tr>
</tbody>
</table>

(1) Consists of shares purchased by Insight Venture Partners VIII, L.P., Insight Venture Partners VIII (Co-investors), L.P., Insight Venture Partners (Cayman) VIII, L.P., Insight Venture Partners (Delaware) VIII, L.P., Insight Venture Partners Co-investment Fund (Delaware) III, L.P., and Insight Venture Partners Co-investment Fund III, L.P., which collectively hold more than 5% of our outstanding capital stock. Jeffrey L. Horing, a member of our board of directors, is a Managing Director of Insight Venture Partners.

(2) Consists of shares purchased by ICONIQ Strategic Partners II, L.P. and ICONIQ Strategic Partners II-B, L.P., which collectively with their affiliates hold more than 5% of our outstanding capital stock.

Following the closing of the Series C convertible preferred stock financing, we commenced a tender offer pursuant to which we purchased 2,944,390 shares of our common stock at a price per share of $11.89. Our executive officers and their affiliated entities and certain holders of more than 5% of our outstanding capital stock were eligible to participate in the tender offer, including each of DBRA, Limited Partnership and Toba Capital. The following holders of more than 5% of our outstanding capital stock tendered their capital stock to us in such offering:

<table>
<thead>
<tr>
<th>Name of Stockholder</th>
<th>Shares of Common Stock</th>
<th>Total Purchase Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>DBRA, Limited Partnership(1)</td>
<td>915,492</td>
<td>$10,882,453</td>
</tr>
<tr>
<td>Toba Capital Fund II, LLC(2)</td>
<td>252,376</td>
<td>2,999,999</td>
</tr>
</tbody>
</table>

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DBRA, Limited Partnership, or DBRA, holds more than 5% of our outstanding capital stock. Dean A. Stoecker, a member of our board of directors and an executive officer, is affiliated with DBRA.

In addition, Douglas F. Garn, a former member of our board of directors, tendered 17,500 shares of common stock in the tender offer for a total purchase price of $208,023.

Series B Convertible Preferred Stock Financing

In September 2014, we sold an aggregate of 3,001,663 shares of our Series B convertible preferred stock at a purchase price of approximately $6.66 per share (after giving effect to a 1-to-2.5 forward stock split effected in 2015) for an aggregate purchase price of approximately $20.0 million. Each share of our Series B convertible preferred stock converted automatically into one share of our Class B common stock immediately prior to the completion of our initial public offering.

The purchasers of our Series B convertible preferred stock are entitled to specified registration rights. For additional information, see “Description of Capital Stock—Registration Rights.” The terms of these purchases were the same for all purchasers of our Series B convertible preferred stock. See the section titled “Principal and Selling Stockholders” for more details regarding the shares held by these entities.

The following table summarizes the Series B convertible preferred stock purchased by members of our board of directors or their affiliates and holders of more than 5% of our outstanding capital stock:

<table>
<thead>
<tr>
<th>Name of Stockholder</th>
<th>Shares of Series B Convertible Preferred Stock</th>
<th>Total Purchase Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entities affiliated with Insight Venture Partners(1)</td>
<td>2,219,085</td>
<td>$14,785,708</td>
</tr>
<tr>
<td>Sapphire Ventures Fund I, L.P.(2)</td>
<td>700,390</td>
<td>4,666,671</td>
</tr>
<tr>
<td>Teach a Man to Fish Foundation(3)</td>
<td>82,188</td>
<td>547,620</td>
</tr>
</tbody>
</table>

(1) Consists of shares purchased by Insight Venture Partners VIII, L.P., Insight Venture Partners VIII (Co-investors), L.P., Insight Venture Partners (Cayman) VIII, L.P., Insight Venture Partners (Delaware) VIII, L.P., Insight Venture Partners Coinvestment Fund (Delaware) III, L.P., and Insight Venture Partners Coinvestment Fund III, L.P., which collectively hold more than 5% of our outstanding capital stock. Jeffrey L. Horing, a member of our board of directors, is a Managing Director of Insight Venture Partners.

(2) Sapphire Ventures Fund I, L.P. holds more than 5% of our outstanding capital stock. Jayendra Das, a member of our board of directors, is a Managing Director of Sapphire Ventures.

(3) Toba Capital Fund II, LLC, together with its affiliate Teach a Man to Fish Foundation, holds more than 5% of our outstanding capital stock.

Loan to Executive Officer

In March 2011, we entered into a loan and security agreement with Dean A. Stoecker, our Chairman and Chief Executive Officer, and his affiliated entity, DBRA, Limited Partnership, pursuant to which we agreed to lend Mr. Stoecker up to $4.2 million in monthly advances of approximately $0.1 million. The loan was secured by a lien covering certain of our common stock held by Mr. Stoecker. In September 2014, we amended the loan and security agreement such that we would not be obligated to lend Mr. Stoecker any additional amounts under the agreement and confirmed the outstanding balance was $2.3 million. The outstanding principal balance had an annual interest rate equal to the applicable federal rate, compounded annually. The outstanding principal and accrued interest of approximately $2.3 million was fully repaid to us in November 2016.
Employment Arrangement with an Immediate Family Member of Our Chairman and Chief Executive Officer

Reed Stoecker, the son of Dean A. Stoecker, our Chairman and Chief Executive Officer, is a sales employee in strategic accounts. During the years ended December 31, 2014, 2015, and 2016 and the six months ended June 30, 2017, Reed Stoecker had total cash compensation, including base salary, bonus, and other cash compensation of $0.3 million, $0.4 million, $0.2 million, and $0.1 million, respectively.

Reed Stoecker’s cash compensation was based on reference to external market practice of similar positions or internal pay equity when compared to the compensation paid to employees in similar positions who were not related to our Chairman and Chief Executive Officer. Reed Stoecker was also eligible for equity awards on the same general terms and conditions as applicable to employees in similar positions who were not related to our Chairman and Chief Executive Officer.

Second Amended and Restated Investors’ Rights Agreement

On September 24, 2015, we entered into a second amended and restated investors’ rights agreement with certain holders of our convertible preferred stock, which converted into Class B common stock in connection with our initial public offering, including entities with which certain of our executive officers and directors are affiliated. These stockholders are entitled to rights with respect to the registration of their shares. For a description of these registration rights, see the section titled “Description of Capital Stock—Registration Rights.”

Participation in Our Initial Public Offering

ICONIQ Capital and Insight Venture Partners, each a holder of more than 5% of our common stock and, with respect to Insight Venture Partners, an affiliate of a member of our board of directors, each purchased, through their affiliated entities, 675,000 shares of our Class A common stock in our initial public offering at the initial public offering price.

Indemnification Agreements

We have entered into indemnification agreements with each of our directors and executive officers. The indemnification agreements and our restated bylaws require us to indemnify our directors to the fullest extent not prohibited by Delaware law. Subject to certain limitations, our restated bylaws also require us to advance expenses incurred by our directors and officers. For more information regarding these agreements, see the section titled “Executive Compensation—Limitation of Liability and Indemnification of Directors and Officers.”

Review, Approval, or Ratification of Transactions with Related Parties

Our written related party transactions policy and the charters of our audit committee and nominating and corporate governance committee adopted by our board of directors require that any transaction with a related person that must be reported under applicable rules of the SEC must be reviewed and approved or ratified by our audit committee, unless the related party is, or is associated with, a member of that committee, in which event the transaction must be reviewed and approved by our nominating and corporate governance committee.

Prior to our initial public offering, we had no formal, written policy or procedure for the review and approval of related party transactions. However, our practice prior to our initial public offering was to have all related party transactions reviewed and approved by a majority of the disinterested members of our board of directors, including the transactions described above.
The following table presents certain information with respect to the beneficial ownership of our Class A common stock and Class B common stock, and as adjusted to reflect the sale of Class A common stock offered by the selling stockholders in this offering assuming no exercise of the underwriters’ option to purchase additional shares from us and certain selling stockholders, by:

• each of our directors;

• each of our named executive officers;

• all of our directors and executive officers as a group;

• each stockholder known by us to be the beneficial owner of more than 5% of our outstanding shares of Class A common stock or Class B common stock; and

• each selling stockholder.

We have determined beneficial ownership in accordance with the rules of the SEC. Unless otherwise indicated below, to our knowledge, based on information furnished to us, the persons and entities named in the table have sole voting and investment power with respect to all shares that they beneficially own, subject to applicable community property laws. We have deemed shares of our common stock subject to options that are currently exercisable or exercisable within 60 days of August 31, 2017 to be outstanding and to be beneficially owned by the person holding the option for the purpose of computing the percentage ownership of that person but have not treated them as outstanding for the purpose of computing the percentage ownership of any other person. No RSUs were releasable within 60 days of August 31, 2017.

We have based percentage ownership of our common stock before this offering on 11,776,909 shares of our Class A common stock and 47,278,777 shares of our Class B common stock outstanding on August 31, 2017. Percentage ownership of our common stock after this offering also assumes the sale by the selling stockholders of 8,000,000 shares of Class A common stock in this offering. Unless otherwise indicated, the address of each beneficial owner in the table below is c/o Alteryx, Inc., 3345 Michelson Drive, Suite 400, Irvine, California 92612.
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<table>
<thead>
<tr>
<th>Name of Beneficial Owner</th>
<th>Shares Beneficially Owned Before this Offering</th>
<th>% Total Voting Power Before this Offering</th>
<th>Number of Shares Being Offered</th>
<th>Shares Beneficially Owned After this Offering</th>
<th>% Total Voting Power After this Offering</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Class A</td>
<td>Class B</td>
<td></td>
<td>Shares</td>
<td>%</td>
</tr>
<tr>
<td>Directors and Named Executive Officers:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dean A. Stoecker(3)</td>
<td>9,737,698</td>
<td>20.6%</td>
<td>600,000</td>
<td>20.1%</td>
<td>9,137,698</td>
</tr>
<tr>
<td>Paul Evans(4)</td>
<td>169,031</td>
<td>*</td>
<td></td>
<td>*</td>
<td>169,031</td>
</tr>
<tr>
<td>Kevin Rubin(5)</td>
<td>530,702</td>
<td>1.1</td>
<td>1.1</td>
<td>530,702</td>
<td>1.3</td>
</tr>
<tr>
<td>Kimberly E. Alexy</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>John Bellizzi</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charles R. Cory(6)</td>
<td>105,021</td>
<td>*</td>
<td></td>
<td>*</td>
<td>105,021</td>
</tr>
<tr>
<td>Jeffrey L. Horning(8)</td>
<td>12,870,545</td>
<td>27.2</td>
<td>26.7</td>
<td>12,870,545</td>
<td>32.8</td>
</tr>
<tr>
<td>Timothy I. Maudlin(9)</td>
<td>121,602</td>
<td>*</td>
<td></td>
<td>*</td>
<td>121,602</td>
</tr>
<tr>
<td>Eileen M. Schloss</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All executive officers and directors as a group (13 persons)(10)</td>
<td>29,719,313</td>
<td>61.7</td>
<td>60.3</td>
<td>5,700,000</td>
<td>3.4</td>
</tr>
<tr>
<td>Other 5% Stockholders:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entities affiliated with Insight Venture Partners(8)</td>
<td>12,870,545</td>
<td>27.2</td>
<td>26.7</td>
<td>12,870,545</td>
<td>32.8</td>
</tr>
<tr>
<td>Thomson Reuters U.S. LLC(11)</td>
<td>6,245,231</td>
<td>13.2</td>
<td>12.9</td>
<td>2,000,000</td>
<td>—</td>
</tr>
<tr>
<td>Sapphire Ventures Fund I, L.P. (7)</td>
<td>6,192,283</td>
<td>13.1</td>
<td>12.8</td>
<td>5,100,000</td>
<td>—</td>
</tr>
<tr>
<td>Capital(12)</td>
<td>2,843,764</td>
<td>6.0</td>
<td>5.9</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>ICONIQ Capital(13)</td>
<td>2,670,985</td>
<td>5.6</td>
<td>5.7</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Capital World Investors(14)</td>
<td>1,235,325</td>
<td>10.5</td>
<td>10.5</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Entities Affiliated with Abdiel Capital(15)</td>
<td>1,623,844</td>
<td>32.8</td>
<td>32.8</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Keenan Capital(16)</td>
<td>925,697</td>
<td>13.8</td>
<td>—</td>
<td>—</td>
<td>925,697</td>
</tr>
<tr>
<td>Other Selling Stockholders:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Olivia Duane Adams(17)</td>
<td>2,128,564</td>
<td>4.4</td>
<td>4.3</td>
<td>150,000</td>
<td>—</td>
</tr>
<tr>
<td>Edward P. Harding Jr.(18)</td>
<td>1,768,236</td>
<td>3.7</td>
<td>3.6</td>
<td>150,000</td>
<td>—</td>
</tr>
</tbody>
</table>

* Less than 1 percent.
† Former executive officer.

(1) Percentage of total voting power represents voting power with respect to all shares of our Class A common stock and Class B common stock, as a single class. The holders of our Class B common stock are entitled to ten votes per share, and holders of our Class A common stock are entitled to one vote per share. See the section titled “Description of Capital Stock—Common Stock” for more information about the voting rights of our Class A common stock and Class B common stock.

(2) Assumes no exercise of the underwriters’ option to purchase additional shares from us and certain selling stockholders. See the section titled “Underwriting.”

(3) Consists of (i) 372,778 shares of Class B common stock held by Mr. Stoecker and (ii) 9,364,920 shares of Class B common stock held of record by DBRA, Limited Partnership. Mr. Stoecker is the general partner of DBRA and, therefore, may be deemed to hold sole voting and dispositive power over the shares held by DBRA, Limited Partnership.

(4) Consists of 169,031 shares of Class B common stock held by Mr. Evans.

(5) Consists of 530,702 shares of Class B common stock subject to a stock option held by Mr. Rubin that is exercisable within 60 days of August 31, 2017, of which 331,684 shares subject to the stock option are unvested as of such date.

(6) Consists of 105,021 shares of Class B common stock subject to a stock option held by Mr. Cory that is exercisable within 60 days of August 31, 2017.

(7) Consists of 892,283 shares of Class B common stock held of record by Sapphire Ventures Fund I, L.P. Sapphire Ventures (GPE) I, L.L.C., or Sapphire GP, is the general partner of Sapphire Ventures Fund I, L.P. Nino N. Marakovic, Richard Douglas Higgins, Jayendra Das, David A. Hartwig, and Andreas M. Weiskam, as the managing members of Sapphire GP, may be deemed to share voting and dispositive power over the shares held by Sapphire Ventures Fund I, L.P. The address for these entities is 3408 Hilview Avenue, Palo Alto, CA 94304. If the underwriters’ option to purchase additional shares is exercised in full, Sapphire Ventures Fund I, L.P. will hold 992,283 shares of Class B common stock after this offering.

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(8) Consists of (i) 209,429 shares of Class A common stock and 3,993,269 shares of Class B common stock held of record by Insight Venture Partners VIII, L.P., (ii) 54,173 shares of Class A common stock and 1,032,943 shares of Class B common stock held of record by Insight Venture Partners (Cayman) VIII, L.P., (iii) 56,424 shares of Class A common stock and 1,286,543 shares of Class B common stock held of record by Insight Venture Partners (Delaware) VIII, L.P., (iv) 7,474 shares of Class A common stock and 142,515 shares of Class B common stock held of record by Insight Venture Partners VIII (Co-Investors), L.P., (v) 195,796 shares of Class A common stock and 3,733,342 shares of Class B common stock held of record by Insight Venture Partners Coinvestment Fund III, L.P., and (vi) 141,704 shares of Class A common stock and 2,701,933 shares of Class B common stock held of record by Insight Venture Partners Coinvestment Fund (Delaware) III, L.P., Insight Holdings Group, LLC, or Holdings, is the sole shareholder of Insight Venture Associates VIII, Ltd., or IVA Ltd. IVA Ltd is the general partner of Insight Venture Associates VIII, L.P., or IVA LP, which is the general partner of Insight Venture Partners VIII, L.P., Insight Ventures Partners (Cayman) VIII, L.P., Insight Venture Partners (Delaware) VIII, L.P., and Insight Venture Partners VIII (Co-Investors), L.P., or collectively, Fund VIII. Holdings is also the sole shareholder of Insight Venture Associates Coinvestment III, Ltd., or IVAC Ltd. IVAC Ltd. is the general partner of Insight Venture Associates Coinvestment III, L.P., or IVAC. IVAC is the general partner of Insight Venture Partners Coinvestment Fund III, L.P. and Insight Venture Partners Coinvestment Fund (Delaware) III, L.P., or collectively, Coinvest III. Each of Jeffrey L. Horing, Deven Parekh, Peter Soboloff, Jeffrey Lieberman and Michael Tripplett is a member of the board of managers of Holdings. Because Messrs. Horing, Parekh, Soboloff, Lieberman, and Tripplett are members of the board of managers of Holdings, Holdings is the sole shareholder of IVA Ltd and the general partner of IVAC, IVA LP, the general partner of Fund VIII, and IVAC is the general partner of Coinvest III. Messrs. Horing, Parekh, Soboloff, Lieberman, and Tripplett may be deemed to share voting and dispositive power over the shares noted above. The address for these entities is 1114 Avenue of the Americas, 36th Floor, New York, NY 10036.

(9) Consists of 121,602 shares of Class B common stock subject to options held by Mr. Maudlin that are exercisable within 60 days of August 31, 2017.

(10) Consists of (i) 675,000 shares of Class A common stock and 28,800,526 shares of Class B common stock and (ii) 918,787 shares of Class B common stock subject to options that are exercisable within 60 days of August 31, 2017 held by our all our executive officers and directors, as a group, of which 378,556 shares subject to stock options are unvested as of such date.

(11) Consists of 6,245,231 shares held of record by Thomson Reuters U.S. LLC. Thomson Reuters U.S. LLC is an indirect, wholly owned subsidiary of Thomson Reuters Corporation, an Ontario, Canada corporation listed on the New York Stock Exchange and Toronto Stock Exchange. The address for this entity is Metro Center, One Station Place, Stamford, CT 06902.

(12) Consists of (i) 2,493,571 shares held of record by Toba Capital Fund II, LLC and (ii) 350,193 shares held of record by Teach a Man to Fish Foundation. Toba Capital Fund II Series of Toba Capital LLC is the managing member of Toba Capital Fund II, LLC. Toba Capital Management, LLC is the manager of Toba Capital Fund II Series of Toba Capital LLC. Vincent C. Smith is the managing member of Toba Capital Management, LLC. Mr. Smith may be deemed to hold sole voting and dispositive power over the shares held by Toba Capital Fund II, LLC. The address for this entity is 2560 East Chapman Avenue, Suite 173, Orange, CA 92869. Mr. Smith is the president of Teach a Man to Fish Foundation. The address for this entity is 2560 East Chapman Avenue, Suite 173, Orange, CA 92869.

(13) Consists of (i) 378,618 shares of Class A common stock and 907,480 shares of Class B common stock held of record by ICONIQ Strategic Partners II, L.P., or ICONIQ, (ii) 296,382 shares of Class A common stock and 710,373 shares of Class B common stock held of record by ICONIQ Strategic Partners II-B, L.P., or ICONIQ B, and (iii) 1,053,132 shares of Class B common stock held of record by ICONIQ Strategic Partners II Co-Invest, L.P., AX Series, or ICONIQ AX. ICONIQ Strategic Partners II GP, L.P., or ICONIQ GP, is the general partner of each of ICONIQ, ICONIQ B, and ICONIQ AX. ICONIQ Strategic Partners II TT GP, Ltd., or ICONIQ Parent GP, is the general partner of ICONIQ GP. Divesh Makan and William Griffith are the sole equity holders and directors of ICONIQ Parent GP and may be deemed to share voting and dispositive power over the shares noted above. The address for these entities is c/o ICONIQ Strategic Partners, 394 Pacific Avenue, 2nd Floor, San Francisco, CA 94111.

(14) Based solely on information contained in a Schedule 13G filed on April 3, 2017 by Capital World Investors, 333 South Hope Street, Los Angeles, CA 90071.

(15) Based solely on information contained in a Schedule 13G/A jointly filed on August 31, 2017 by Abdiel Qualified Master Fund, LP, or AQMF, Abdiel Capital, LP, or AC, Abdiel Capital Management, LLC, or ACM, Abdiel Capital Advisors, LP, or ACA, and Colin T. Moran. Consists of (i) 1,566,663 shares of Class A common stock held of record by AQMF, and (ii) 57,181 shares of Class A common stock held of record by AC. ACM and ACA serve as the general partner and the investment manager, respectively, of AQMF and AC. Colin T. Moran serves as managing member of ACM and Abdiel Capital Partners, LLC, which serves as the general partner of ACA. The address for these entities is c/o Abdiel Capital, 410 Park Avenue, Suite 930, New York, NY 10022.

(16) Based solely on information contained in a Schedule 13G jointly filed on April 3, 2017 by Keenan Capital, LLC, or Keenan Capital, and Keenan Capital GP, LLC, or KCGP. Consists of 925,697 shares of Class A common stock held of record by Keenan Capital Fund, LP, or KCF. KCF is controlled by KCGP, which delegates investment decisions to Keenan Capital. KCGP may terminate such delegation at any time and retain the voting and dispositive power over the shares of Class A common stock held by KCF. Accordingly, KCGP may be deemed to be a beneficial owner of such shares. As the manager
of KCF, and pursuant to the delegation by KCGP referenced above, Keenan Capital has the ultimate voting and dispositive power over the shares of Class A common stock held by KCF, making Keenan Capital a beneficial owner of such shares. As sole owner and manager of Keenan Capital, as well as the sole owner of KCGP, Charles J. Keenan, IV may be deemed to be a beneficial owner of the shares of Class A common stock held by KCF. The address for these entities is c/o Keenan Capital Fund, 1229 Burlingame Avenue, Suite 201, Burlingame, CA 94010.

(17) Consists of (i) 1,550,173 shares of Class B common stock held by Ms. Adams and (ii) 578,391 shares of Class B common stock subject to options held by Ms. Adams that are exercisable within 60 days of August 31, 2017.

(18) Consists of (i) 1,709,641 shares of Class B common stock held by Mr. Harding and (ii) 58,595 shares of Class B common stock subject to options held by Mr. Harding that are exercisable within 60 days of August 31, 2017.
DESCRIPTION OF CAPITAL STOCK

The following description summarizes the most important terms of our capital stock. Because it is only a summary, it does not contain all the information that may be important to you. This description summarizes provisions that are included in our restated certificate of incorporation and restated bylaws. For a complete description, you should refer to our restated certificate of incorporation and restated bylaws, which are included as exhibits to the registration statement of which this prospectus forms a part, and to the applicable provisions of Delaware law.

Our authorized capital stock consists of 500,000,000 shares of Class A common stock, $0.0001 par value per share, 500,000,000 shares of Class B common stock, $0.0001 par value per share, and 10,000,000 shares of undesignated preferred stock, $0.0001 par value per share.

As of June 30, 2017, there were outstanding:

- 10,709,293 shares of our Class A common stock and 48,001,851 shares of our Class B common stock, held by 170 registered stockholders of record;
- 359,500 shares of our Class A common stock and 5,632,870 shares of our Class B common stock issuable upon exercise of outstanding stock options; and
- 137,008 shares of our Class A common stock and 323,375 shares of our Class B common stock issuable upon settlement of RSUs.

Common Stock

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine. See the section titled “Dividend Policy” for additional information.

Voting Rights

Holders of our Class A common stock are entitled to one vote for each share of Class A common stock held on all matters submitted to a vote of stockholders and holders of our Class B common stock are entitled to ten votes for each share of Class B common stock held on all matters submitted to a vote of stockholders. Holders of shares of our Class A common stock and Class B common stock vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders, unless otherwise required by law. Our restated certificate of incorporation does not provide for cumulative voting for the election of directors. As a result, the holders of a majority of our voting shares can elect all of the directors then standing for election. Our restated certificate of incorporation establishes a classified board of directors that is divided into three classes with staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights, and is not subject to redemption or sinking fund provisions.
Right to Receive Liquidation Distributions

Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights of and the payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Conversion

Each outstanding share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock converts automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain permitted transfers described in our restated certificate of incorporation, including transfers to family members, trusts solely for the benefit of the stockholder or their family members, and partnerships, corporations, and other entities exclusively owned by the stockholder or their family members. Once converted or transferred and converted into Class A common stock, the Class B common stock will not be reissued.

All the outstanding shares of Class B common stock will convert automatically into shares of Class A common stock upon the date that is the earliest of (i) the date specified by a vote of the holders of 66 2/3% of the outstanding shares of Class B common stock, (ii) March 29, 2027, and (iii) the date that the total number of shares of Class B common stock outstanding cease to represent at least 10% of all outstanding shares of our common stock. Following such conversion, each share of Class A common stock will have one vote per share and the rights of the holders of all outstanding common stock will be identical. Once converted into Class A common stock, the Class B common stock may not be reissued.

Preferred Stock

Our board of directors is authorized, subject to limitations prescribed by Delaware law, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, and to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations, or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring, or preventing a change in our control and might adversely affect the market price of our Class A common stock and the voting and other rights of the holders of our common stock. We have no current plan to issue any shares of preferred stock.

Stock Options

As of June 30, 2017, we had outstanding options to purchase an aggregate of 359,500 shares of our Class A common stock and 5,632,870 shares of our Class B common stock, with a weighted-average exercise price of $7.47 per share, pursuant to our 2017 Plan and 2013 Plan. Since June 30, 2017, we have granted (i) options to purchase 93,750 shares of Class A common stock under the 2017 Plan, with a weighted-average exercise price of $22.02 per share, and (ii) options to purchase 38,000 shares of our Class A common stock under the 2017 Plan, with an exercise price equal to the last reported sale price of our Class A common stock on the New York Stock Exchange on September 5, 2017;
Restricted Stock Units

As of June 30, 2017, we had outstanding 323,375 RSUs under our 2013 Plan that may be settled for shares of our Class B common stock and 137,008 RSUs under our 2017 Plan that may be settled for shares of our Class A common stock. Since June 30, 2017, we have granted 30,000 RSUs under our 2017 Plan that may be settled for shares of our Class A common stock.

Registration Rights

The holders of certain outstanding shares of our Class B common stock, or their permitted transferees, are entitled to rights with respect to the registration of these shares under the Securities Act. These shares are referred to as registrable securities. Immediately following this offering, there will be 32,487,728 registrable securities outstanding. These rights are provided under the terms of a second amended and restated investors’ rights agreement between us and the holders of these shares, which was entered into on September 24, 2015 in connection with our convertible preferred stock financings, as subsequently amended, and include requested registration rights, Form S-3 registration rights, and piggyback registration rights. In any registration made pursuant to such second amended and restated investors’ rights agreement, all fees, costs, and expenses of underwritten registrations, including fees and disbursements of one special counsel to the selling stockholders, will be borne by us and all selling expenses, including the estimated underwriting discounts and selling commissions, will be borne by the holders of the shares being registered. However, we will not be required to bear the expenses in connection with the exercise of the requested and Form S-3 registration rights of a registration if the request is subsequently withdrawn at the request of the selling stockholders holding a majority of registrable securities to be registered or a sufficient number of selling stockholders withdraw such that minimum offering conditions are no longer satisfied.

The registration rights terminate on the earlier of (a) March 29, 2022, and (b) with respect to any holder of registrable securities, at such time as all of such holder’s registrable securities could be sold without any restriction on volume or manner of sale in any three-month period under Rule 144 promulgated under the Securities Act or any successor.

Requested Registration Rights

Under the terms of the second amended and restated investors’ rights agreement, if we receive a written request, at any time after six months following our initial public offering, from the holders of at least 51% of the registrable securities then outstanding that we file a registration statement under the Securities Act covering the registration of outstanding registrable securities, then we will be required to use our reasonable best efforts to register, within 20 days of such written request, all of the shares requested to be registered for public resale, if the amount of registrable securities to be registered will have aggregate gross proceeds (before underwriting discounts and commissions) of at least $5.0 million. We are required to effect only two registrations pursuant to this provision of the amended and restated investors’ rights agreement. We may postpone the filing of a registration statement no more than twice during any 12-month period for up to 60 days if our board of directors determines that the filing would be detrimental to us and our stockholders. We are not required to effect a requested registration under certain additional circumstances specified in the second amended and restated investors’ rights agreement.

Form S-3 Registration Rights

The holders of registrable securities then outstanding can request that we register all or part of their shares on Form S-3 if we are eligible and qualified to file a registration statement on Form S-3.
and if the aggregate price to the public of the shares offered is at least $1.0 million. The stockholders may require us to effect at most two registration statements on Form S-3 in any 12-month period. We may postpone the filing of a registration statement on Form S-3 no more than twice during any 12-month period for up to 60 days if our board of directors determines that the filing would be detrimental to us and our stockholders. We are not required to effect a registration on Form S-3 under certain additional circumstances specified in the amended and restated investors’ rights agreement.

Piggyback Registration Rights

If we register any of our securities for public sale, holders of shares having registration rights will have the right to include their shares in the registration statement. However, this right does not apply to a registration relating to sales of shares of participants in one of our stock plans, a registration relating to the offer and sale of debt securities, a registration relating to a corporate reorganization or other transaction under Rule 145 of the Securities Act, or a registration on any registration form that does not permit secondary sales. The underwriters of any underwritten offering will have the right, in their sole discretion, to limit, because of marketing reasons, the number of shares registered by these holders, in which case the number of shares to be registered will be apportioned pro rata among these holders, according to the total amount of securities entitled to be included by each holder, or in a manner mutually agreed upon by the holders.

Anti-Takeover Provisions

The provisions of Delaware law, our restated certificate of incorporation, and our restated bylaws could have the effect of delaying, deferring, or discouraging another person from acquiring control of our company. These provisions, which are summarized below, may have the effect of discouraging takeover bids. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Delaware Law

We are subject to the provisions of Section 203 of the DGCL, regulating corporate takeovers. In general, DGCL Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder for a period of three years following the date on which the person became an interested stockholder unless:

1. prior to the date of the transaction, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

2. the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, but not the outstanding voting stock owned by the interested stockholder, (i) shares owned by persons who are directors and also officers and (ii) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

3. at or subsequent to the date of the transaction, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66.67% of the outstanding voting stock that is not owned by the interested stockholder.
Generally, a business combination includes a merger, asset, or stock sale, or other transaction or series of transactions together resulting in a financial benefit to the interested stockholder. An interested stockholder is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status, did own 15% or more of a corporation’s outstanding voting stock. We expect the existence of this provision to have an anti-takeover effect with respect to transactions our board of directors does not approve in advance. We also anticipate that DGCL Section 203 may also discourage attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

**Restated Certificate of Incorporation and Restated Bylaw Provisions**

Our restated certificate of incorporation and our restated bylaws include a number of provisions that could deter hostile takeovers or delay or prevent changes in control of our management team, including the following:

- **Dual Class Common Stock.** As described above in the section titled "—Common Stock—Voting Rights," our restated certificate of incorporation provides for a dual class common stock structure pursuant to which holders of our Class B common stock have the ability to control the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the shares of our outstanding Class A common stock and Class B common stock, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets. Directors, executive officers, and employees, and their respective affiliates, have the ability to exercise significant influence over those matters.

- **Board of Directors Vacancies.** Our restated certificate of incorporation and restated bylaws authorize only our board of directors to fill vacant directorships, including newly created seats. In addition, the number of directors constituting our board of directors is permitted to be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. This makes it more difficult to change the composition of our board of directors but promotes continuity of management.

- **Classified Board.** Our restated certificate of incorporation and restated bylaws provide that our board of directors is classified into three classes of directors. The existence of a classified board of directors could discourage a third-party from making a tender offer or otherwise attempting to obtain control of us as it is more difficult and time consuming for stockholders to replace a majority of the directors on a classified board of directors. See the section titled “Management—Board of Directors Composition” for additional information.

- **Directors Removed Only for Cause.** Our restated certificate of incorporation provides that stockholders may remove directors only for cause.

- **Supermajority Requirements for Amendments of Our Restated Certificate of Incorporation and Restated Bylaws.** Our restated certificate of incorporation further provides that the affirmative vote of holders of at least 66 2/3% of the voting power of all of the then outstanding shares of voting stock is required to amend certain provisions of our restated certificate of incorporation, including provisions relating to the classified board, the size of the board, removal of directors, special meetings, actions by written consent, and designation of our preferred stock. In addition, the affirmative vote of holders of 75% of the voting power of each of our Class A common stock and Class B common stock, voting separately by class, is required to amend the provisions of our restated certificate of incorporation relating to the terms of our Class B common stock. The affirmative vote of holders of at least 66 2/3% of the voting power of all of the then outstanding shares of voting stock is required to amend or repeal our restated bylaws, although our restated bylaws may be amended by a simple majority vote of our board of directors.
Stockholder Action; Special Meeting of Stockholders. Our restated certificate of incorporation provides that special meetings of our stockholders may be called only by a majority of our board of directors, the chairman of our board of directors, our lead independent director, our chief executive officer, or our president. Our restated certificate of incorporation provides that our stockholders may not take action by written consent, but may only take action at annual or special meetings of our stockholders. As a result, holders of our capital stock would not be able to amend our restated bylaws or remove directors without holding a meeting of our stockholders called in accordance with our restated bylaws. Further, our restated bylaws provide that special meetings of our stockholders may be called only by a majority of our board of directors, the chairman of our board of directors, our lead independent director, our chief executive officer, or our president, thus prohibiting a stockholder from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders to take any action, including the removal of directors.

Advance Notice Requirements for Stockholder Proposals and Director Nominations. Our restated bylaws provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders. Our restated bylaws also specify certain requirements regarding the form and content of a stockholder’s notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions might also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer’s own slate of directors or otherwise attempting to obtain control of our company.

No Cumulative Voting. The DGCL provides that stockholders are not entitled to the right to cumulate votes in the election of directors unless a corporation’s certificate of incorporation provides otherwise. Our restated certificate of incorporation and restated bylaws do not provide for cumulative voting.

Issuance of Undesignated Preferred Stock. Our board of directors has the authority, without further action by the stockholders, to issue up to 10,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock enables our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest, or other means.

Choice of Forum. Our restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the DGCL, our restated certificate of incorporation, or our restated bylaws, or any action asserting a claim against us that is governed by the internal affairs doctrine.

Listing

Our Class A common stock is listed on the New York Stock Exchange under the symbol "AYX."

Transfer Agent and Registrar

The transfer agent and registrar for our Class A common stock is American Stock Transfer & Trust Company, LLC. The transfer agent’s address is Operations Center, 6201 15th Avenue, Brooklyn, NY 11219, and its telephone number is (800) 937-5449.
SHARES ELIGIBLE FOR FUTURE SALE

Future sales of substantial amounts of our Class A common stock, or the availability of shares of our Class A common stock for sale, including shares issued upon exercise of outstanding stock options or settlement of RSUs, in the public market following this offering could adversely affect market prices prevailing from time to time and could impair our ability to raise capital through the sale of our equity securities.

Following the completion of this offering, based on the number of shares of our capital stock outstanding as of June 30, 2017, we will have a total of 18,709,293 shares of our Class A common stock outstanding and 40,001,851 shares of our Class B common stock outstanding, assuming no exercise of the underwriters’ option to purchase additional shares from us and certain selling stockholders. Of these outstanding shares, all of the 8,000,000 shares of Class A common stock sold in this offering by the selling stockholders and all of the 10,350,000 shares of our Class A common stock sold by us in our initial public offering will be freely tradable, except that any shares purchased by our affiliates, as that term is defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with the Rule 144 limitations and any applicable lock-up agreements described below. Shares of our Class B common stock are convertible into an equivalent number of shares of our Class A common stock and generally convert into shares of our Class A common stock upon transfer.

The remaining outstanding shares of our common stock will be deemed “restricted securities” as defined in Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, which rules are summarized below. In addition, all of our executive officers and directors and substantially all of our other security holders have entered into market stand-off agreements with us or lock-up agreements with the underwriters under which they have agreed, subject to specific exceptions, not to sell any of our stock, as described below. As a result of these agreements and the provisions of our second amended and restated investors’ rights agreement described above in the section titled “Description of Capital Stock—Registration Rights,” subject to the provisions of Rule 144 or Rule 701, shares are or will be available for sale in the public market as follows:

- on the date of this prospectus, 18,350,000 shares of our Class A common stock (including all 8,000,000 shares of our Class A common stock sold in this offering and all 10,350,000 shares of our Class A common stock sold in our initial public offering) are available for sale in the public market, except that any shares purchased by our affiliates, including an aggregate of 1,350,000 shares of Class A common stock purchased in our initial public offering by entities affiliated with ICONIQ Capital and Insight Venture Partners, are subject to the volume and other restrictions of Rule 144 and any applicable lock-up agreements;

- 7,384,588 shares will be eligible for sale on September 20, 2017 in the public market upon the expiration of lock-up agreements entered into in connection with our initial public offering;

- when the trading window opens pursuant to our insider trading policy during the fiscal quarter ending December 31, 2017 (currently expected to occur in mid-November 2017), 15,541,530 additional shares will be eligible for sale in the public market upon the expiration of lock-up agreements entered into in connection with this offering by our directors, executive officers, and certain stockholders that are not participating in this offering, all of which will be held by affiliates and subject to the volume and other restrictions of Rule 144, as described below;

- beginning 91 days after the date of this prospectus, 17,435,026 additional shares will become eligible for sale in the public market upon the expiration of lock-up agreements entered into in connection with this offering by the selling stockholders, of which 14,475,212 shares will be subject to the volume and other restrictions of Rule 144, as described below; and
Lock-Up Agreements and Market Stand-Off Provisions

In connection with our initial public offering, we, all of our executive officers and directors and substantially all of our other security holders from prior to our initial public offering entered into lock-up agreements or market stand-off provisions that, subject to exceptions described in the section titled "Underwriting" below, prohibit us and them from offering for sale, selling, contracting to sell, granting any option for the sale of, transferring or otherwise disposing of any shares of our Class A and Class B common stock, stock options, or any security or instrument related to the Class A and Class B common stock until September 20, 2017, without the prior written consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC. These agreements are subject to certain customary exceptions. See the section titled “Underwriting” for additional information.

In addition, in connection with this offering, we, all of our directors and executive officers, certain stockholders and the selling stockholders have agreed to extend the restricted period for an additional period ending (i) 90 days after the date of this prospectus for us and the selling stockholders, and (ii) on the day immediately prior to the date on which the trading window opens pursuant to our insider trading policy during the fiscal quarter ending December 31, 2017 (currently expected to occur in mid-November 2017) for our directors, executive officers, and certain stockholders that are not participating in this offering. See the section titled “Underwriting” for additional information.

Rule 144

In general, under Rule 144, as currently in effect, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates, is entitled to sell those shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then that person would be entitled to sell those shares without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell upon expiration of the lock-up and market stand-off provisions described above, within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately 187,093 shares immediately after this offering; or
- the average weekly trading volume of our Class A common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.
Rule 701

Rule 701 generally allows a stockholder who purchased shares of our capital stock pursuant to a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation, or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. Moreover, all Rule 701 shares are subject to lock-up agreements or market stand-off provisions as described above and under the section titled “Underwriting” and will not become eligible for sale until the expiration of those agreements.

Registration Statements

We have filed a registration statement on Form S-8 under the Securities Act covering all of the shares of our Class A common stock and Class B common stock subject to outstanding stock options and RSUs and the shares of our Class A common stock reserved for future issuance under our equity incentive plans. However, the shares registered on Form S-8 may be subject to the volume limitations and the manner of sale, notice, and public information requirements of Rule 144 and will not be eligible for resale until expiration of the applicable lock-up and market stand-off agreements to which they are subject.

Registration Rights

We have granted requested, Form S-3, and piggyback registration rights to certain of our stockholders to sell our common stock. Registration of the sale of these shares under the Securities Act would result in these shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates. See the section titled “Description of Capital Stock—Registration Rights” for additional information.
MATERIAL U.S. FEDERAL TAX CONSEQUENCES TO
NON-U.S. HOLDERS OF OUR CLASS A COMMON STOCK

The following summary describes the material U.S. federal income tax considerations of the acquisition, ownership, and disposition of our Class A common stock by "non-U.S. holders" (as described below under the section titled "—Non-U.S. Holder Defined"). This summary does not address all aspects of U.S. federal income tax considerations relating thereto. This summary also does not address the tax considerations arising under the laws of any non-U.S., state, or local jurisdiction, or under U.S. federal gift and estate tax laws, except to the limited extent provided below.

Special rules different from those described below may apply to certain non-U.S. holders that are subject to special treatment under the Code, including, without limitation:

- banks, insurance companies, or other financial institutions;
- partnerships or entities or arrangements treated as partnerships or other pass-through entities for U.S. federal income tax purposes (or investors in such entities);
- corporations that accumulate earnings to avoid U.S. federal income tax;
- persons subject to the alternative minimum tax or Medicare contribution tax;
- tax-exempt entities (including private foundations) or tax-qualified retirement plans;
- controlled foreign corporations or passive foreign investment companies;
- persons who acquired our common stock as compensation for services;
- dealers in securities or currencies;
- traders in securities that elect to use a mark-to-market method of accounting for their securities holdings;
- persons that own, or are deemed to own, more than 5% of our capital stock (except to the extent specifically set forth below);
- U.S. expatriates and certain former citizens or long-term residents of the United States;
- persons who hold our common stock as a position in a hedging transaction, "straddle," "conversion transaction," or other risk reduction transaction;
- persons who do not hold our common stock as a capital asset within the meaning of Section 1221 of the Code (generally, for investment purposes); or
- persons deemed to sell our common stock under the constructive sale provisions of the Code.

In addition, if a partnership or an entity or an arrangement classified as a partnership or other pass-through entity for U.S. federal income tax purposes is a beneficial owner of our Class A common stock, the tax treatment of a partner in the partnership or an owner of the entity will depend upon the status of the partner or other owner and the activities of the partnership or other entity. Therefore, this summary does not address tax considerations applicable to partnerships that hold our Class A common stock, and partners in such partnerships should consult their tax advisors.

The information provided below is based upon provisions of the Code, Treasury regulations promulgated thereunder, administrative rulings and judicial decisions as of the date hereof. Such authorities may be subject to differing interpretations, repealed, revoked or modified, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the Internal Revenue Service, or IRS, with respect to the statements made and the conclusions reached in the following summary, and there can be no
assurance that the IRS will not take a contrary position regarding the tax consequences of the acquisition, ownership and disposition of our Class A common stock, or that any such contrary position would not be sustained by a court.

**INVESTORS CONSIDERING THE PURCHASE OF OUR CLASS A COMMON STOCK SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME AND ESTATE TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE CONSEQUENCES OF FOREIGN, STATE OR LOCAL LAWS AND TAX TREATIES.**

**Non-U.S. Holder Defined**

For purposes of this summary, a “non-U.S. holder” is any beneficial owner of our Class A common stock, other than a partnership, that is not:

- an individual who is a citizen or resident of the United States (as determined under U.S. federal income tax rules);
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States, any state therein or the District of Columbia;
- a trust if it (i) is subject to the primary supervision of a court within the United States and one of more U.S. persons have authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or
- an estate whose income is subject to U.S. income tax regardless of its source.

If you are a non-U.S. citizen that is an individual, you may, in some cases, be deemed to be a resident alien (as opposed to a nonresident alien) by virtue of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three-year period ending in the current calendar year. Generally, for this purpose, all the days you are present in the current year, one-third of the days you are present in the immediately preceding year and one-sixth of the days you are present in the second preceding year, are counted. Resident aliens are generally subject to U.S. federal income tax as if they were U.S. citizens. Such an individual is urged to consult his or her own tax advisor regarding the U.S. federal income tax consequences of the ownership or disposition of our Class A common stock.

**Distributions**

We do not expect to declare or make any distributions on our Class A common stock in the foreseeable future. If we do make distributions on our Class A common stock, however, such distributions will generally constitute dividends for U.S. federal income tax purposes to the extent they are paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of our current and accumulated earnings and profits will constitute a return of capital that is applied against and reduces, but not below zero, a non-U.S. holder’s adjusted tax basis in our Class A common stock. Any remaining excess will be treated as gain realized on the sale or exchange of our Class A common stock as described below under the section titled “—Gain on Disposition of our Class A Common Stock.”

Any distribution on our Class A common stock that is treated as a dividend paid to a non-U.S. holder that is not effectively connected with the non-U.S. holder’s conduct of a trade or business in the United States will generally be subject to U.S. withholding tax at a 30% rate or such
lower rate as may be specified under the terms of an applicable income tax treaty between the United States and the non-U.S. holder’s country of residence. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under a relevant income tax treaty. Generally, in order for us or our paying agent to withhold tax at a lower treaty rate, a non-U.S. holder must certify its entitlement to treaty benefits. A non-U.S. holder generally can meet this certification requirement by providing a properly executed Form W-8BEN or Form W-8BEN-E or appropriate substitute form to us or our paying agent. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the holder’s behalf, the holder will be required to provide appropriate documentation to the agent. The holder’s agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. A non-U.S. holder that is eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty with the United States may obtain a refund or credit of any excess amounts withheld by filing an appropriate claim for a refund with the IRS in a timely manner.

Dividends received by a non-U.S. holder that are effectively connected with a U.S. trade or business conducted by the non-U.S. holder, and if required by an applicable income tax treaty between the United States and the non-U.S. holder’s country of residence, are attributable to a permanent establishment maintained by the non-U.S. holder in the United States, are not subject to U.S. withholding tax. To obtain this exemption, a non-U.S. holder must provide us or our paying agent with a properly executed IRS Form W-8ECI certifying such exemption. Such effectively connected dividends, although not subject to withholding tax, are taxed at the same graduated rates applicable to U.S. persons, net of certain deductions and credits. In addition to being taxed at graduated income tax rates, dividends received by corporate non-U.S. holders that are effectively connected with a U.S. trade or business of the corporate non-U.S. holder may also be subject to an additional “branch profits tax,” which is imposed, under certain circumstances, at a rate of 30% (or such lower rate as may be specified by an applicable tax treaty) on the corporate non-U.S. holder’s effectively connected earnings and profits, subject to certain adjustments.

For additional withholding rules that may apply to dividends paid to foreign financial institutions (as specifically defined by the applicable rules), or to non-financial foreign entities that have substantial direct or indirect U.S. owners, see the section titled “—Foreign Accounts.”

Gain on Disposition of our Class A Common Stock

Subject to the discussions below under the section titled “—Backup Withholding and Information Reporting” and “—Foreign Accounts,” non-U.S. holders will generally not be subject to U.S. federal income tax on gain realized on the sale, exchange or other disposition of our Class A common stock unless:

(a) the gain is effectively connected with the conduct by the non-U.S. holder of a U.S. trade or business and if required by an applicable income tax treaty between the United States and the non-U.S. holder’s country of residence, is attributable to a permanent establishment maintained by the non-U.S. holder in the United States;

(b) the non-U.S. holder is a nonresident individual and is present in the United States for 183 days or more in the taxable year of the sale, exchange or other disposition of our Class A common stock and certain other requirements are met; or

(c) the rules of the Foreign Investment in Real Property Tax Act, or FIRPTA, apply to treat the gain as effectively connected with a U.S. trade or business.

A non-U.S. holder described in (a) above will be required to pay tax on the net gain derived from the sale, exchange, or other disposition of our Class A common stock at regular graduated U.S. federal
income tax rates, unless a specific treaty exemption applies, and corporate non-U.S. holders described in (a) above may also be subject to the additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

An individual non-U.S. holder described in (b) above, will be required to pay a flat 30% tax on the gain derived from the sale, exchange or other disposition of our Class A common stock, or such other reduced rate as may be specified by an applicable income tax treaty, which gain may be offset by U.S. source capital losses (even though the non-U.S. holder is not considered a resident of the United States).

With respect to (c) above, in general, the FIRPTA rules may apply to a sale, exchange, or other disposition of our Class A common stock if we are, or were within the shorter of the five-year period preceding the disposition and the non-U.S. holder’s holding period, a U.S. real property holding corporation, or USRPHC. We do not believe that we are a USRPHC and we do not anticipate becoming a USRPHC in the future. Even if we become a USRPHC, gain realized by a non-U.S. holder on a disposition of our Class A common stock will not be subject to U.S. federal income tax under FIRPTA as long as (i) our common stock is regularly traded on an established securities market and (ii) the non-U.S. holder owned, directly, indirectly and constructively, no more than 5% of our outstanding common stock at all times within the shorter of (1) the five-year period preceding the disposition or (2) the holder's holding period.

For additional withholding rules that may apply to proceeds of a disposition of our Class A common stock paid to foreign financial institutions (as specifically defined by the applicable rules), or to non-financial foreign entities that have substantial direct or indirect U.S. owners, see the section titled “—Foreign Accounts.”

**U.S. Federal Estate Tax**

The estates of nonresident alien individuals generally are subject to U.S. federal estate tax on property with a U.S. situs. Because we are a U.S. corporation, our common stock will be U.S. situs property and therefore will be included in the taxable estate of a nonresident alien decedent, unless an applicable estate tax treaty between the United States and the decedent’s country of residence provides otherwise. Investors are urged to consult their own tax advisors regarding the U.S. federal estate tax consequences of the ownership or disposition of our Class A common stock.

**Backup Withholding and Information Reporting**

The Code and the Treasury regulations require those who make specified payments to report the payments to the IRS. Among the specified payments are dividends and proceeds paid by brokers to their customers. The required information returns enable the IRS to determine whether the recipient properly included the payments in income. This reporting regime is reinforced by “backup withholding” rules. These rules require the payors to withhold tax from payments subject to information reporting if the recipient fails to comply with the reporting requirements by failing to provide his taxpayer identification number or other certification of exempt status to the payor; furnishing an incorrect identification number, or failing to report interest or dividends on his returns. The backup withholding tax rate is currently 28%. The backup withholding rules do not apply to payments to corporations, whether domestic or foreign, provided they establish such exemption.

Payments to non-U.S. holders of dividends on Class A common stock generally will not be subject to backup withholding and payments of proceeds made to non-U.S. holders by a broker upon a sale of common stock will not be subject to information reporting or backup withholding, in each case.
so long as the non-U.S. holder certifies its nonresident status (and we or our paying agent do not have actual knowledge or reason to know the holder is a U.S. person or that the conditions of any other exemption are not, in fact, satisfied) or otherwise establishes an exemption. U.S. backup withholding generally will not apply to a non-U.S. holder who provides a properly executed IRS Form W-8BEN, IRS Form W-8BEN-E or otherwise establishes an exemption. We must report annually to the IRS any dividends paid to each non-U.S. holder and the tax withheld, if any, with respect to these dividends. Copies of these reports may be made available to tax authorities in the country where the non-U.S. holder resides.

Under the Treasury regulations, the payment of proceeds from the disposition of shares of our Class A common stock by a non-U.S. holder made to or through a U.S. office of a broker generally will be subject to information reporting and backup withholding unless the beneficial owner certifies, under penalties of perjury, among other things, its status as a non-U.S. holder (and the broker does not have actual knowledge or reason to know the holder is a U.S. person) or otherwise establishes an exemption. The payment of proceeds from the disposition of shares of our common stock by a non-U.S. holder made to or through a non-U.S. office of a broker generally will not be subject to backup withholding and information reporting, except as noted below. Information reporting, but not backup withholding, will apply to a payment of proceeds, even if that payment is made outside of the United States, if a non-U.S. holder sells our common stock through a non-U.S. office of a broker that is:

- a U.S. person (including a foreign branch or office of such person);
- a "controlled foreign corporation" for U.S. federal income tax purposes;
- a foreign person 50% or more of whose gross income from certain periods is effectively connected with a U.S. trade or business; or
- a foreign partnership if at any time during its tax year (a) one or more of its partners are U.S. persons who, in the aggregate, hold more than 50% of the income or capital interests of the partnership or (b) the foreign partnership is engaged in a U.S. trade or business,

unless the broker has documentary evidence that the beneficial owner is a non-U.S. holder and certain other conditions are satisfied, or the beneficial owner otherwise establishes an exemption (and the broker has no actual knowledge or reason to know to the contrary).

Backup withholding is not an additional tax. Any amounts withheld from a payment to a holder of common stock under the backup withholding rules can be credited against any U.S. federal income tax liability of the holder and may entitle the holder to a refund, provided that the required information is furnished to the IRS in a timely manner.

Foreign Accounts

In addition to, and separately from the withholding rules described above, U.S. federal withholding taxes may apply under the Foreign Account Tax Compliance Act, or FATCA, on certain types of payments, including dividends and the gross proceeds of a disposition of our Class A common stock, made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or gross proceeds from the sale or other disposition of, our Class A common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. The 30% federal withholding tax
described in this paragraph cannot be reduced under an income tax treaty with the United States. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain “specified United States persons” or “United States-owned foreign entities” (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under applicable Treasury Regulations and IRS guidance, FATCA withholding as described above currently apply to payments of dividends on our Class A common stock, and will also apply to payments of gross proceeds from the sale or other disposition of our common stock made on or after January 1, 2019.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE POTENTIAL APPLICATION OF WITHHOLDING UNDER FATCA TO THEIR INVESTMENT IN OUR CLASS A COMMON STOCK. THE PRECEDING DISCUSSION OF U.S. FEDERAL TAX CONSIDERATIONS IS FOR GENERAL INFORMATION PURPOSES ONLY. IT IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE PARTICULAR U.S. FEDERAL, GIFT, ESTATE, STATE, LOCAL, AND FOREIGN TAX CONSEQUENCES OF PURCHASING, HOLDING, AND DISPOSING OF OUR CLASS A COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAWS.
We, the selling stockholders, and the underwriters named below have entered into an underwriting agreement with respect to the shares of our Class A common stock being offered. Subject to certain conditions, the underwriters will severally agree to purchase the number of shares indicated in the following table from the selling stockholders. Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC are the representatives of the underwriters.

<table>
<thead>
<tr>
<th>Underwriters</th>
<th>Number of Shares</th>
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<tbody>
<tr>
<td>Goldman Sachs &amp; Co. LLC</td>
<td></td>
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<tr>
<td>J.P. Morgan Securities LLC</td>
<td></td>
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<tr>
<td>Merrill Lynch, Pierce, Fenner &amp; Smith</td>
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<tr>
<td>Incorporated</td>
<td></td>
</tr>
<tr>
<td>KeyBanc Capital Markets Inc.</td>
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<tr>
<td>William Blair &amp; Company, L.L.C.</td>
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<tr>
<td>JMP Securities LLC</td>
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<tr>
<td>Raymond James &amp; Associates, Inc.</td>
<td></td>
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<tr>
<td>Cowen and Company, LLC</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,000,000</strong></td>
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</tbody>
</table>

The underwriters will be committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

The underwriters will have an option to buy up to an additional 1,200,000 shares of our Class A common stock from us and certain selling stockholders to cover sales by the underwriters of a greater number of shares than the total number set forth in the table above. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following tables show the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters’ option to purchase 1,200,000 additional shares from us and certain selling stockholders.

Paid by Us

<table>
<thead>
<tr>
<th>Per Share</th>
<th>No Exercise</th>
<th>Full Exercise</th>
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<tr>
<td>Total</td>
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</table>

Paid by the Selling Stockholders

<table>
<thead>
<tr>
<th>Per Share</th>
<th>No Exercise</th>
<th>Full Exercise</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$</td>
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</table>

Shares sold by the underwriters to the public will initially be offered at the public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to $ per share from the public offering price. After the initial offering of the shares, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters’ right to reject any order in whole or in part.

In connection with our initial public offering, we and our executive officers, directors, and holders of substantially all of our common stock and securities convertible into or exchangeable for our...
common stock have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of our or their common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of our initial public offering prospectus continuing through September 19, 2017, except with the prior written consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC. Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, on behalf of the underwriters in our initial public offering, have consented to the release of these lock-up restrictions with respect to 8,200,000 shares of Class A common stock that may be sold in this offering by the selling stockholders, including 5,800,000 shares beneficially owned by our directors and executive officers or their affiliated entities (including, in each case, 200,000 shares of Class A common stock that may be sold by certain selling stockholders upon exercise of the underwriters’ option to purchase additional shares). The releases will take effect on the pricing of this offering.

In addition, in connection with this offering, we, our executive officers and directors, certain stockholders, and the selling stockholders have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of our or their common stock or securities convertible into or exchangeable for shares of Class A and Class B common stock, for a period ending (i) 90 days after the date of this prospectus for us and the selling stockholders, and (ii) on the day immediately prior to the date on which the trading window opens pursuant to our insider trading policy during the fiscal quarter ending December 31, 2017 (currently expected to occur in mid-November 2017) for our directors, executive officers and certain stockholders that are not participating in this offering, except with the prior written consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC. Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC may, in their discretion, release any of the securities subject to the lock-up agreements with the underwriters at any time. These agreements do not apply to any existing employee benefit plans. See the section of this prospectus titled “Shares Eligible for Future Sale” for a discussion of certain transfer restrictions.

Our Class A common stock is listed on New York Stock Exchange under the symbol “AYX.”

In connection with this offering, the underwriters may purchase and sell shares of our Class A common stock in the open market. These transactions may include short sales, stabilizing transactions, and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in this offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A “covered short position” is a short position that is not greater than the amount of additional shares for which the underwriters’ option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to cover the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase additional shares pursuant to the option described above. “Naked” short sales are any short sales that create a short position greater than the amount of additional shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Class A common stock in the open market after pricing that could adversely affect investors who purchase in this offering. Stabilizing transactions consist of various bids for or purchases of Class A common stock made by the underwriters in the open market prior to the closing of this offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.
Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our Class A common stock, and together with the imposition of the penalty bid, may stabilize, maintain, or otherwise affect the market price of our Class A common stock. As a result, the price of our Class A common stock may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on New York Stock Exchange, in the over-the-counter market, or otherwise.

We estimate that our share of the total expenses of this offering, excluding estimated underwriting discounts and commissions, will be approximately $0.8 million. We have also agreed to reimburse the underwriters for up to $25,000 of expenses relating to clearance of this offering with the Financial Industry Regulatory Authority.

We and the selling stockholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage, and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to us and to persons and entities with relationships with us, for which they received or will receive customary fees and expenses and certain of the underwriters in this offering also served as underwriters in our initial public offering in March 2017.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors, and employees may purchase, sell, or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps, and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities, and/or instruments of the issuer (directly, as collateral securing other obligations or otherwise), and/or persons and entities with relationships with the issuer. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color, or trading ideas and/or publish or express independent research views in respect of such assets, securities, or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities, and instruments.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, or each, a Relevant Member State, an offer to the public of any shares of our common stock may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any shares of our common stock may be made at any time under the following exemptions under the Prospectus Directive:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC for any such offer; or
(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,
provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any shares of our common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares of our common stock to be offered so as to enable an investor to decide to purchase any shares of our common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression “Prospectus Directive” means Directive 2003/71/EC (as amended), including by Directive 2010/73/EU, and includes any relevant implementing measure in the Relevant Member State.

United Kingdom

Each underwriter has represented and agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or FSMA) received by it in connection with the issue or sale of the shares in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares in, from or otherwise involving the United Kingdom.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, or the Exempt Investors, who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.
Canada

The securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor. Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts, or NI 33-105, the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or the DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

France

Neither this prospectus nor any other offering material relating to the shares described in this prospectus has been submitted to the clearance procedures of the Autorité des Marchés Financiers or of the competent authority of another Member State and notified to the Autorité des Marchés Financiers. The shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus nor any other offering material relating to the shares has been or will be:

(i) released, issued, distributed or caused to be released, issued or distributed to the public in France; or
(ii) used in connection with any offer for subscription or sale of the shares to the public in France.

Such offers, sales and distributions will be made in France only to qualified investors (investisseurs qualifiés) and/or to persons providing investment services relating to portfolio management for the account of third parties (personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers) as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 of the French Code monétaire et financier.
Hong Kong

The shares may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a “prospectus” within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation, or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The securities may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

New Zealand

The shares offered hereby have not been offered or sold, and will not be offered or sold, directly or indirectly in New Zealand and no offering materials or advertisements have been or will be distributed in relation to any offer of shares in New Zealand, in each case other than:

(i) to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or
(ii) to persons who in all the circumstances can properly be regarded as having been selected otherwise than as members of the public; or
(iii) to persons who are each required to pay a minimum subscription price of at least NZ$500,000 for the shares before the allotment of those shares (disregarding any amounts payable, or paid, out of money lent by the issuer or any associated person of the issuer); or
(iv) in other circumstances where there is no contravention of the Securities Act 1978 of New Zealand (or any statutory modification or re-enactment of, or statutory substitution for, the Securities Act 1978 of New Zealand).

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an
institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 by a relevant person which is: (i) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, or (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that trust has acquired the shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or the SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, us, or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or the CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.
LEGAL MATTERS

Fenwick & West LLP, San Francisco, California, which has acted as our counsel in connection with this offering, will pass upon the validity of the issuance of the shares of our Class A common stock offered by this prospectus. Certain legal matters relating to this offering will be passed upon for the underwriters by Cooley LLP, San Diego, California.

EXPERTS

The financial statements as of December 31, 2015 and 2016 and for each of the three years in the period ended December 31, 2016 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC, a registration statement on Form S-1 under the Securities Act with respect to the shares of Class A common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits filed therewith. For further information about us and the Class A common stock offered hereby, reference is made to the registration statement and the exhibits filed therewith. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and in each instance we refer you to the copy of such contract or other document filed as an exhibit to the registration statement. We are required to file periodic reports, proxy statements, and other information with the SEC pursuant to the Exchange Act. A copy of the registration statement and the exhibits filed therewith may be inspected without charge at the public reference room maintained by the SEC, located at 100 F Street, NE, Washington, DC 20549, and copies of all or any part of the registration statement may be obtained from that office. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. The SEC also maintains a website that contains reports, proxy, and information statements, and other information regarding registrants that file electronically with the SEC. The address of the website is www.sec.gov.
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## ALTERYX, INC.

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F-1
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of Alteryx, Inc.

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' deficit, and cash flows present fairly, in all material respects, the financial position of Alteryx, Inc. and its subsidiaries (the "Company"), as of December 31, 2015 and 2016, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2016 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Los Angeles, California

February 24, 2017, except for the effects of the reverse stock split described in note 18 to the consolidated financial statements, as to which the date is March 10, 2017.

F-2
## ALTERYX, INC.
### CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except per share data)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$37,984</td>
<td>$53,821</td>
<td>$85,790</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>8,533</td>
<td>10,521</td>
<td>16,026</td>
</tr>
<tr>
<td>Gross profit</td>
<td>29,451</td>
<td>43,300</td>
<td>69,764</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>7,787</td>
<td>11,103</td>
<td>17,481</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>24,612</td>
<td>43,244</td>
<td>57,585</td>
</tr>
<tr>
<td>General and administrative</td>
<td>17,264</td>
<td>10,039</td>
<td>17,720</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>49,663</td>
<td>64,386</td>
<td>92,786</td>
</tr>
<tr>
<td>Loss from operations</td>
<td>(20,212)</td>
<td>(21,086)</td>
<td>(23,022)</td>
</tr>
<tr>
<td>Other expense, net</td>
<td>(81)</td>
<td>(186)</td>
<td>(1,028)</td>
</tr>
<tr>
<td>Loss before provision for income taxes</td>
<td>(20,293)</td>
<td>(21,272)</td>
<td>(24,050)</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>36</td>
<td>178</td>
<td>208</td>
</tr>
<tr>
<td>Net loss</td>
<td>$20,329</td>
<td>$21,450</td>
<td>$24,258</td>
</tr>
<tr>
<td>Less: Accretion of Series A redeemable convertible preferred stock</td>
<td>(1,669)</td>
<td>(2,603)</td>
<td>(6,442)</td>
</tr>
<tr>
<td>Net loss attributable to common stockholders</td>
<td>$21,998</td>
<td>$24,053</td>
<td>$30,700</td>
</tr>
<tr>
<td>Net loss per share attributable to common stockholders, basic and diluted</td>
<td>$(1.37)$</td>
<td>$(0.76)</td>
<td>$(0.95)</td>
</tr>
<tr>
<td>Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted</td>
<td>16,112</td>
<td>31,697</td>
<td>32,440</td>
</tr>
<tr>
<td>Other comprehensive loss, net of tax:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net unrealized holding gain (loss) on investments, net of tax</td>
<td>—</td>
<td>(81)</td>
<td>72</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td>$(20,329)$</td>
<td>$(21,531)$</td>
<td>$(24,186)$</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
<table>
<thead>
<tr>
<th>Assets</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$24,779</td>
<td>$31,306</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>14,791</td>
<td>21,394</td>
</tr>
<tr>
<td>Accounts receivable, net of allowances for doubtful accounts and sales reserves of $405 and $758 as of December 31, 2015 and 2016, respectively</td>
<td>21,569</td>
<td>35,367</td>
</tr>
<tr>
<td>Deferred commissions</td>
<td>5,776</td>
<td>7,358</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>2,971</td>
<td>5,013</td>
</tr>
<tr>
<td>Total current assets</td>
<td>69,886</td>
<td>100,438</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>2,650</td>
<td>6,212</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>21,573</td>
<td>—</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>1,200</td>
<td>200</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,816</td>
<td>4,525</td>
</tr>
<tr>
<td>Deferred income taxes, net</td>
<td>13</td>
<td>40</td>
</tr>
<tr>
<td>Total assets</td>
<td>$97,138</td>
<td>$111,415</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities, Redeemable Convertible Preferred Stock, and Stockholders’ Equity (Deficit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities:</td>
</tr>
<tr>
<td>Accounts payable</td>
</tr>
<tr>
<td>Accrued payroll and payroll related liabilities</td>
</tr>
<tr>
<td>Accrued expenses and other current liabilities</td>
</tr>
<tr>
<td>Deferred revenue</td>
</tr>
<tr>
<td>Capital lease obligations</td>
</tr>
<tr>
<td>Total current liabilities</td>
</tr>
<tr>
<td>Other liabilities</td>
</tr>
<tr>
<td>Total liabilities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commitments and contingencies (Note 14)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redeemable convertible preferred stock, $0.0001 par value: 14,899 shares authorized and outstanding as of December 31, 2015 and 2016; aggregate liquidation preference of $87,448 as of December 31, 2015 and 2016</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Stockholders’ equity (deficit):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common stock, $0.0001 par value: 56,025 shares authorized as of December 31, 2015 and 2016; 32,258 and 32,674 shares issued and outstanding as of December 31, 2015 and 2016, respectively</td>
</tr>
<tr>
<td>Additional paid-in capital</td>
</tr>
<tr>
<td>Notes receivable from stockholder</td>
</tr>
<tr>
<td>Accumulated deficit</td>
</tr>
<tr>
<td>Accumulated other comprehensive loss</td>
</tr>
<tr>
<td>Total stockholders’ equity (deficit)</td>
</tr>
<tr>
<td>Total liabilities, redeemable convertible preferred stock, and stockholders’ equity (deficit)</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.

F-4
### ALTERYX, INC.

#### CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS’ DEFICIT

(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Redeemable Convertible Preferred Stock</th>
<th>Common Stock</th>
<th>Additional Paid-in Capital</th>
<th>Notes Receivable From Stockholders</th>
<th>Accumulated Deficit</th>
<th>Accumulated Other Comprehensive Income (Loss)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Shares $20,035</td>
<td>Shares $3</td>
<td>Amount $795</td>
<td>$1,917</td>
<td>$(20,010)</td>
<td>$—</td>
<td>$(21,129)</td>
</tr>
<tr>
<td>Balances at December 31, 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issue of Series B convertible preferred stock, net of issuance costs of $86</td>
<td>3,002</td>
<td>19,914</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accretion of Series A redeemable convertible preferred stock issuance costs and redemption feature</td>
<td>—</td>
<td>1,669</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Exercise of stock options</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Repurchase of common stock</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Additions to stockholder note</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Repayments of stockholder note</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Net loss</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Balances at December 31, 2014</td>
<td>11,240</td>
<td>41,618</td>
<td>31,290</td>
<td>10,902</td>
<td>(2,237)</td>
<td>(40,339)</td>
<td>(31,571)</td>
</tr>
<tr>
<td>Issue of Series C convertible preferred stock, net of issuance costs of $775</td>
<td>3,659</td>
<td>49,225</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Issuance of common stock</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Repurchase of common stock</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Conversion of Series A redeemable convertible preferred stock to common stock</td>
<td>(252)</td>
<td>(706)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>706</td>
</tr>
<tr>
<td>Accretion of Series A redeemable convertible preferred stock issuance costs and redemption feature</td>
<td>—</td>
<td>2,603</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(2,603)</td>
</tr>
<tr>
<td>Exercise of stock options</td>
<td>—</td>
<td>734</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>686</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,482</td>
</tr>
<tr>
<td>Excess tax benefit from stock-based compensation</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>—</td>
</tr>
<tr>
<td>Unrealized loss on investments</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(81)</td>
</tr>
<tr>
<td>Net loss</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(21,450)</td>
</tr>
<tr>
<td>Balances at December 31, 2015</td>
<td>14,647</td>
<td>92,740</td>
<td>32,258</td>
<td>11,193</td>
<td>(2,237)</td>
<td>(61,789)</td>
<td>(52,911)</td>
</tr>
<tr>
<td>Issue of common stock</td>
<td>—</td>
<td>—</td>
<td>2</td>
<td>21</td>
<td></td>
<td></td>
<td>21</td>
</tr>
<tr>
<td>Repurchase of common stock</td>
<td>—</td>
<td>(17)</td>
<td>(6)</td>
<td>—</td>
<td></td>
<td></td>
<td>(6)</td>
</tr>
<tr>
<td>Accretion of Series A redeemable convertible preferred stock issuance costs and redemption feature</td>
<td>—</td>
<td>6,442</td>
<td></td>
<td>(6,442)</td>
<td></td>
<td></td>
<td>(6,442)</td>
</tr>
<tr>
<td>Exercise of stock options</td>
<td>—</td>
<td>431</td>
<td></td>
<td>.413</td>
<td></td>
<td></td>
<td>413</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>—</td>
<td>—</td>
<td></td>
<td>3,263</td>
<td></td>
<td></td>
<td>3,263</td>
</tr>
<tr>
<td>Excess tax benefit from stock-based compensation</td>
<td>—</td>
<td>—</td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Repayments of stockholder note</td>
<td>—</td>
<td>—</td>
<td></td>
<td>2,237</td>
<td></td>
<td></td>
<td>2,237</td>
</tr>
<tr>
<td>Unrealized gain on investments</td>
<td>—</td>
<td>—</td>
<td></td>
<td>—</td>
<td></td>
<td></td>
<td>72</td>
</tr>
<tr>
<td>Net loss</td>
<td>—</td>
<td>—</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(24,258)</td>
</tr>
<tr>
<td>Balances at December 31, 2016</td>
<td>14,647</td>
<td>99,182</td>
<td>32,674</td>
<td>8,443</td>
<td>—</td>
<td>(86,047)</td>
<td>(77,610)</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.

F-5
# ALTERYX, INC.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

**(in thousands)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net loss</td>
<td>$(20,329)</td>
<td>$(21,450)</td>
<td>$(24,258)</td>
</tr>
<tr>
<td>Adjustments to reconcile net loss to net cash used in operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>345</td>
<td>759</td>
<td>1,677</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>10,677</td>
<td>1,482</td>
<td>3,284</td>
</tr>
<tr>
<td>Provision for doubtful accounts and sales reserve, net of recoveries</td>
<td>(38)</td>
<td>380</td>
<td>432</td>
</tr>
<tr>
<td>Deferred income taxes</td>
<td>(1)</td>
<td>(12)</td>
<td>(27)</td>
</tr>
<tr>
<td>Loss on disposal of assets</td>
<td>7</td>
<td>47</td>
<td>66</td>
</tr>
<tr>
<td><strong>Changes in operating assets and liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(2,718)</td>
<td>(6,216)</td>
<td>(14,248)</td>
</tr>
<tr>
<td>Deferred commissions</td>
<td>(1,563)</td>
<td>(2,233)</td>
<td>(1,582)</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>(750)</td>
<td>(768)</td>
<td>(4,314)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>590</td>
<td>(902)</td>
<td>2,134</td>
</tr>
<tr>
<td>Accrued payroll and payroll related liabilities</td>
<td>1,344</td>
<td>2,744</td>
<td>1,177</td>
</tr>
<tr>
<td>Accrued expenses and other current liabilities</td>
<td>(210)</td>
<td>1,908</td>
<td>1,122</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>8,511</td>
<td>15,252</td>
<td>27,840</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>707</td>
<td>874</td>
<td>666</td>
</tr>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td>$(3,428)</td>
<td>$(8,035)</td>
<td>$(6,031)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(531)</td>
<td>(2,714)</td>
<td>(4,307)</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>—</td>
<td>(36,445)</td>
<td>(5,720)</td>
</tr>
<tr>
<td>Maturities of investments</td>
<td>—</td>
<td>—</td>
<td>20,762</td>
</tr>
<tr>
<td>Purchase of cost method investment</td>
<td>(1,050)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Change in restricted cash</td>
<td>—</td>
<td>(1,200)</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Net cash provided by (used in) investing activities</strong></td>
<td>(1,581)</td>
<td>(40,359)</td>
<td>11,735</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of Series C convertible preferred stock, net of issuance costs paid</td>
<td>—</td>
<td>49,575</td>
<td>(350)</td>
</tr>
<tr>
<td>Proceeds from issuance of common stock</td>
<td>—</td>
<td>35,000</td>
<td>—</td>
</tr>
<tr>
<td>Repurchase of common stock, net of costs paid</td>
<td>(240)</td>
<td>(34,756)</td>
<td>(256)</td>
</tr>
<tr>
<td>Proceeds from issuance of Series B convertible preferred stock, net of issuance costs paid</td>
<td>19,914</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Payment of initial public offering costs</td>
<td>—</td>
<td>—</td>
<td>(948)</td>
</tr>
<tr>
<td>Principal payments on capital lease obligations</td>
<td>—</td>
<td>—</td>
<td>(274)</td>
</tr>
<tr>
<td>Advance from line of credit</td>
<td>—</td>
<td>1,875</td>
<td>—</td>
</tr>
<tr>
<td>Repayment of line of credit</td>
<td>—</td>
<td>(3,875)</td>
<td>—</td>
</tr>
<tr>
<td>Loans to stockholders</td>
<td>(466)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Repayment of loans to stockholders</td>
<td>146</td>
<td>—</td>
<td>2,237</td>
</tr>
<tr>
<td>Proceeds from exercise of stock options</td>
<td>1,339</td>
<td>686</td>
<td>413</td>
</tr>
<tr>
<td>Excess tax benefit from stock-based compensation</td>
<td>—</td>
<td>26</td>
<td>1</td>
</tr>
<tr>
<td><strong>Net cash provided by financing activities</strong></td>
<td>20,693</td>
<td>48,531</td>
<td>823</td>
</tr>
<tr>
<td><strong>Net increase in cash and cash equivalents</strong></td>
<td>15,664</td>
<td>137</td>
<td>6,527</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents—beginning of year</strong></td>
<td>8,958</td>
<td>24,642</td>
<td>24,779</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents—end of year</strong></td>
<td>$24,642</td>
<td>$24,779</td>
<td>$31,306</td>
</tr>
<tr>
<td><strong>Supplemental disclosure of cash flow information:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash paid for interest</td>
<td>$66</td>
<td>$101</td>
<td>—</td>
</tr>
<tr>
<td>Cash paid for income taxes</td>
<td>$10</td>
<td>$7</td>
<td>$12</td>
</tr>
<tr>
<td><strong>Supplemental disclosure of noncash investing activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and equipment recorded in accounts payable</td>
<td>$16</td>
<td>$27</td>
<td>$38</td>
</tr>
</tbody>
</table>
### Supplemental disclosure of noncash financing activities:

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accretion of Series A redeemable convertible preferred stock</td>
<td>$1,669</td>
<td>$2,603</td>
<td>$6,442</td>
</tr>
<tr>
<td>Deferred initial public offering costs included in other assets and accounts payable and accrued expenses and other current liabilities</td>
<td>$ —</td>
<td>$ —</td>
<td>$452</td>
</tr>
<tr>
<td>Property and equipment funded by capital lease borrowing</td>
<td>$ —</td>
<td>$ —</td>
<td>$987</td>
</tr>
<tr>
<td>Conversion of Series A redeemable convertible preferred stock to common shares</td>
<td>$ —</td>
<td>$706</td>
<td>$ —</td>
</tr>
<tr>
<td>Series C convertible preferred stock issuance costs recorded in accrued expenses and other current liabilities</td>
<td>$ —</td>
<td>$350</td>
<td>$ —</td>
</tr>
<tr>
<td>Repurchase of common stock costs recorded in accrued expenses and other current liabilities</td>
<td>$ —</td>
<td>$250</td>
<td>$ —</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
1. Organization and Nature of Operations

Alteryx, Inc. was initially organized in California in March 1997 as SRC, LLC, commenced principal operations in November 1997, changed its name to Alteryx, LLC in March 2010, and converted into a Delaware corporation in March 2011 under the name Alteryx, Inc. Alteryx, Inc. and its subsidiaries, or we, our, or us, are headquartered in Irvine, California.

We are a provider of self-service data analytics software. Our software platform enables organizations to improve business outcomes and the productivity of their business analysts. Our subscription-based platform allows organizations to prepare, blend, and analyze data from a multitude of sources and benefit from data-driven decisions. The ease-of-use, speed, and sophistication that our platform provides is enhanced through intuitive and highly repeatable visual workflows.

We have incurred cumulative losses from operations and had an accumulated deficit of $61.8 million and $86.0 million as of December 31, 2015 and 2016, respectively. We believe that our existing cash and cash equivalents and short-term investments and any positive cash flows from operations will be sufficient to support our working capital and capital expenditure requirements through at least March 31, 2018. To the extent existing cash and cash equivalents and short-term investments and cash from operations are not sufficient to fund future activities, we may need to raise additional funds. If we are unable to raise additional capital when desired, our business, operating results, and financial condition could be adversely affected.

2. Summary of Significant Accounting Policies

Principles of Consolidation and Basis of Presentation

Our consolidated financial statements are presented in accordance with accounting standards generally accepted in the United States of America, or U.S. GAAP, and include the accounts of Alteryx, Inc. and its wholly owned subsidiaries after elimination of intercompany transactions and balances.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

On an ongoing basis, our management evaluates estimates and assumptions based on historical data and experience, as well as various other factors that our management believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. In addition, we engaged third-party valuation specialists to assist with estimates related to the valuation of common and convertible preferred stock.

Concentration of Risk

Financial instruments, which subject us to concentrations of credit risk, consist primarily of cash and cash equivalents, investments, and trade accounts receivable. We maintain our cash and cash equivalents and investments with two major financial institutions and a portion of such balances exceed Federal Deposit Insurance Corporation, or FDIC, insurance limits. Our investments in certificates of deposit are invested at levels under the maximum FDIC requirements, giving full FDIC protection to all of our investments in certificates of deposit.

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We extend differing levels of credit to customers, do not require collateral deposits, and when necessary maintain reserves for potential credit losses based upon the expected collectability of accounts receivable. We manage credit risk related to our customers by following credit approval processes, establishing credit limits, performing periodic evaluations of credit worthiness and applying other credit risk monitoring procedures.

Accounts receivable include amounts due from customers with principal operations primarily in the United States.

Significant customers are those which represent 10% or more of our revenue for each period presented or total net accounts receivable at each balance sheet date presented. For all years presented, we had no customer which accounted for 10% or more of our accounts receivable balance or 10% or more of our revenue.

**Fair Value of Financial Instruments**

We utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. We determine fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- **Level 1** Unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- **Level 2** Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active near the measurement date; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- **Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value of our money market funds was determined based on “Level 1” inputs.

The fair value of certificates of deposit and corporate bonds were determined based on “Level 2” inputs. The valuation techniques used to measure the fair value of certificates of deposit included observable market-based inputs for similar assets, which primarily include yield curves and time-to-maturity factors. The valuation techniques used to measure the fair value of corporate bonds included standard observable inputs, including reported trades, quoted market prices, matrix pricing, benchmark yields, broker/dealer quotes, issuer spreads, two-sided markets or benchmark securities and data provided by third parties as many of the bonds are not actively traded.

There were no financial instruments in the “Level 3” category.

We have not elected the fair value option as prescribed by Accounting Standards Codification, or ASC, 825, The Fair Value Option for Financial Assets and Financial Liabilities, for our financial assets.
and liabilities that are not otherwise required to be carried at fair value. Under ASC 820, material financial assets and liabilities not carried at fair value, such as our borrowings under our line of credit, accounts receivable, and payables, are reported at their carrying values.

**Variable Interest Entities**

In accordance with ASC 810, *Consolidation*, the applicable accounting guidance for the consolidation of variable interest entities, or VIEs, we analyze our interests to determine if such interests are variable interests. If variable interests are identified, then the related entity is assessed to determine if it is a VIE. VIEs are generally entities that have either a total equity investment that is insufficient to permit the entity to finance its activities without additional subordinated financial support, or whose equity investors lack the characteristics of a controlling financial interest (i.e., ability to make significant decisions through voting rights and a right to receive the expected residual returns of the entity or an obligation to absorb the expected losses of the entity). If we determine that the entity is a VIE, we then assess if we must consolidate the VIE as our primary beneficiary. We deem ourselves to be the primary beneficiary if we have both (i) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (ii) an obligation to absorb losses of the entity that could potentially be significant to the VIE, or a right to receive benefits from the entity that could be significant to the VIE.

As of December 31, 2015 and 2016, we determined that two of our distributors were VIEs under the guidance of ASC 810, *Consolidation*, due to (a) our participation in the design of the distributor’s legal entity, (b) our having a variable interest in the distributor, and (c) our having the right to residual returns. We determined that we were not the primary beneficiary of these VIEs because we did not have (i) the power to direct the activities that most significantly impact the VIE’s economic performance, and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant. Therefore, we did not consolidate any assets or liabilities of these distributors in our consolidated balance sheet or record the results of these distributors in our consolidated statements of operations and comprehensive loss. Transactions with the distributors were accounted for in the same manner as our other distributors and resellers. As of December 31, 2015 and 2016, we had no exposure to losses from the contractual relationships with these VIEs or commitments to fund these VIEs.

**Reclassifications**

Certain amounts in our consolidated financial statements have been reclassified to conform to the current period presentation.

**Cash and Cash Equivalents**

We consider cash and cash equivalents to include short-term, highly liquid investments that are readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in the value, including investments that mature within three months from the date of original purchase. Amounts receivable from a credit card processor of approximately $0.1 million and $0.3 million as of December 31, 2015 and 2016, respectively, are considered cash equivalents because they were both short-term and highly liquid in nature and are typically converted to cash within three days of the sales transaction.
Investments

Our investments include available-for-sale marketable securities. The classification of investments is determined at the time of purchase and reevaluated at each balance sheet date. We classify investments as current or non-current based on the nature of the securities as well as their stated maturities. Investments are stated at fair value. The net unrealized gains or losses on available-for-sale securities are recorded as a component of accumulated other comprehensive loss, net of income taxes.

At each balance sheet date, we assess available-for-sale securities in an unrealized loss position to determine whether the unrealized loss is other than temporary. We consider factors including the significance of the decline in value as compared to the cost basis, underlying factors contributing to a decline in the prices of securities in a single asset class, how long the market value of the security has been less than its cost basis, the security’s relative performance versus its peers, sector or asset class, expected market volatility, and the market and economy in general, and, if determined to be other than temporary, will record an other than temporary impairment charge.

Accounts Receivable, Allowance for Doubtful Accounts, and Sales Reserves

Our accounts receivable consist of amounts due from customers and are typically unsecured. Accounts receivable are recorded at the invoiced amount and are non-interest bearing.

The allowance for doubtful accounts is estimated and established by assessing individual accounts receivable over a specific age and dollar value, and all other balances are pooled based on historical collection experience. Additions to the allowance are charged to general and administrative expenses. Accounts receivable are written off against the allowance when an account balance is deemed uncollectible.

We estimate a sales reserve based upon the historical adjustments made to customer billings. Such reserve is recorded as a reduction of revenue and deferred revenue.

Royalties

We pay royalties associated with licensed data sold with our platform and we recognize royalty expense to cost of revenue when incurred. For the years ended December 31, 2014, 2015, and 2016, we recognized royalty expense of approximately $4.1 million, $4.1 million, and $6.0 million, respectively. Under certain of our contractual arrangements we prepay royalties. Prepaid royalties were approximately $0.4 million and $1.3 million as of December 31, 2015 and 2016, respectively, and are included in prepaid expenses and other current assets in our consolidated balance sheet.

Sales Commissions and Cash-Based Performance Awards

Our sales personnel and other commissioned employees are paid commissions. Commissions are considered direct and incremental costs to customer agreements and are generally paid in the period we receive payment from the customer under the associated customer agreement. These costs are recoverable from future revenue associated with the noncancelable customer agreements that gave rise to the commissions. Commissions are amortized to sales and marketing expense over the term the respective revenue is recognized. For the years ended December 31, 2014, 2015, and 2016, we amortized to sales and marketing expense approximately $4.6 million, $6.4 million, and $9.4 million, respectively.

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Certain of our sales personnel and other commissioned employees are also eligible for annual cash-based performance awards based on overall performance of the individuals. The nature of these awards, while incremental sales costs, are not directly related to a specific customer agreement, therefore they are expensed to sales and marketing expense during the year they are earned commencing when the award is both probable of being earned and reasonably estimable, which generally has been in the latter part of the year. For the years ended December 31, 2014, 2015, and 2016, we recognized sales and marketing expense related to these awards of approximately $0.0 million, $1.2 million, and $1.4 million, respectively.

**Deferred Offering Costs**

Deferred offering costs included in other assets in our consolidated balance sheet, consist of direct and incremental costs related to the proposed initial public offering of our common stock. Upon completion of the initial public offering, these amounts will be offset against the proceeds of the offering. If the offering is terminated, the deferred offering costs will be expensed.

**Property and Equipment**

Property and equipment are stated at historical cost, less accumulated depreciation and amortization. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized on a straight-line basis over the shorter of their estimated useful lives or lease terms. Useful lives by asset category are as follows:

- Computer equipment: 3 years
- Furniture and fixtures: 3 to 7 years
- Leasehold improvement: Shorter of useful life or lease term

Repairs and maintenance costs are charged to expense as incurred. Upon the sale or retirement of property and equipment, the cost and the related accumulated depreciation or amortization are removed from the accounts, with any resulting gain or loss included in our consolidated statement of operations and comprehensive loss.

**Software Development Costs**

Costs incurred in the development of new software products and enhancements to existing software products to be accounted for under software revenue recognition guidance are accounted for in accordance with ASC 985-20, Costs of Software to be Sold, Leased, or Marketed. These costs, consisting primarily of salaries and related payroll costs, are expensed as incurred until technological feasibility has been established. After technological feasibility is established, costs are capitalized in accordance with ASC 985-20. Because our process for developing software is completed concurrently with the establishment of technological feasibility, no internally generated software development costs have been capitalized as of December 31, 2015 and 2016.

We account for costs to develop or obtain internal-use software in accordance with ASC 350-40, Internal-Use Software. We also account for costs of significant upgrades and enhancements resulting in additional functionality under ASC 350-40. These costs are primarily software purchased for internal-use, purchased software licenses, implementation costs, and development costs related to our hosted product which is accessed by customers on a subscription basis. Costs incurred for
maintenance, training, and minor modifications or enhancements are expensed as incurred. Internal use software is amortized on a straight-line basis over its estimated useful life, which is generally three years. Management evaluates the useful lives of these assets on an annual basis and tests for impairment whenever events or changes in circumstances occur that could impact the recoverability of these assets. Development costs related to internal-use software were insignificant during the years ended December 31, 2015 and 2016 and, therefore, have not been capitalized.

**Impairment of Long-Lived Assets**

We review our long-lived assets, primarily property and equipment, for impairment whenever events or changes in circumstances indicate the carrying amount of such assets may not be fully recoverable. Recoverability of these assets is determined by comparing the forecasted undiscounted cash flows attributable to such assets to their carrying value. If the carrying value of the assets exceeds the forecasted undiscounted cash flows, then the assets are written down to their fair value. Fair value is determined based on discounted cash flows or appraised values, depending upon the nature of the assets. To date, no such impairments have been recorded.

**Restricted Cash**

Restricted cash as of December 31, 2015 was held in accounts owned by us required to be restricted as to use by our office leaseholder to collateralize a standby letter of credit and by our credit card processor. The standby letter of credit with our lease holder was replaced by a cash security deposit in 2016. As of December 31, 2016, restricted cash related to amounts required to be restricted as to use by our credit card processor.

**Revenue Recognition**

Our revenue is derived from the licensing of subscription, time-based software, sale of a hosted version of our software, data subscription services, and professional services, including training and consulting services. The time-based subscriptions include post contract support, or PCS, which provides the customer the right to receive when-and-if-available unspecified future updates, upgrades and enhancements, and technical product support.

Revenue is recognized when all four revenue recognition criteria have been met: persuasive evidence of an arrangement exists, the product has been delivered or the service has been performed, the fee is fixed or determinable, and collection is probable or reasonably assured. Determining whether and when some of these criteria have been satisfied often involves exercising judgment and using estimates and assumptions that can have a significant impact on the timing and amount of revenue that is recognized. Invoiced amounts have been recorded in accounts receivable and in deferred revenue or revenue, depending on whether the revenue recognition criteria have been met.

We account for revenue from software and related products and services in accordance with ASC 985-605, Software. For the duration of the license term, the customer receives coterminous PCS. We do not provide PCS on a standalone or renewal basis unless the customer renews the software subscription license and, as such, we are unable to determine vendor specific objective evidence of fair value, VSOE, of PCS. Accordingly, revenue for the subscription of time-based software licenses and PCS is recognized ratably beginning on the date the license is first made available to the customer and continuing through the end of the subscription term. Revenue from time-based software licenses and PCS comprised more than 90% of revenue for each of the years ended December 31, 2014, 2015, and 2016.
We also recognize revenue from the sale of a hosted version of our platform which is delivered pursuant to a hosting arrangement. Revenue from hosted services is recognized ratably beginning on the date the services are first made available to the customer and continuing through the end of the contractual service term. Hosted revenue arrangements are outside the scope of ASC 986-605 software revenue recognition guidance as customers do not have the right to take possession of the software code underlying our hosted solutions.

Our arrangements may include the resale of third-party syndicated data content pursuant to subscription arrangements, and professional services. Data subscriptions provide the customer the right to receive data that is updated periodically over the term of the license agreement, and revenue is recognized ratably over the contract period once the customer has access to the data. We recognize revenue from the resale of third-party syndicated data on a gross basis when (i) we are the primary obligor, (ii) we have latitude to establish the price charged, and (iii) we bear credit risk in the transaction. Revenue from professional services, which is comprised primarily of training and consulting services, is recognized on a time and materials basis as the services are provided.

**Multiple Element Arrangements**

We enter into multiple element revenue arrangements in which a customer may purchase a combination of software, data, and services.

For multiple element arrangements that contain only software and software-related elements, revenue is allocated and deferred for the undelivered elements based on their VSOE. In situations where VSOE exists for all elements (delivered and undelivered), the revenue to be earned under the arrangement among the various elements is allocated based on their relative fair value. For arrangements where VSOE exists only for the undelivered elements, the full fair value of the undelivered elements is deferred and the difference between the total arrangement fee and the amount deferred for the undelivered items is recognized as revenue. If VSOE does not exist for an undelivered service element, the revenue from the entire arrangement is recognized over the service period, once all services have commenced. Changes in assumptions or judgments or changes to the elements in a software arrangement could cause a material increase or decrease in the amount of revenue recognized in a particular period.

VSOE is determined for each element, or a group of elements sold on a combined basis, such as our software and PCS, based on historical stand-alone sales to third parties or the price to be charged when the product or service, or group of products or services, is available. In determining VSOE, a substantial majority of the selling prices for a product or service must fall within a reasonably narrow pricing range.

Revenue related to the delivered products or services is recognized only if (i) the above revenue recognition criteria are met, (ii) any undelivered products or services are not essential to the functionality of the delivered products and services, (iii) payment for the delivered products or services is not contingent upon delivery of the remaining products or services, and (iv) there is an enforceable claim to receive the amount due in the event that the undelivered products or services are not delivered.

For multiple-element arrangements that contain both software and non-software elements, revenue is allocated on a relative fair value basis to software or software-related elements as a group and any non-software elements separately based on the selling price hierarchy. The selling price for
each deliverable is determined using VSOE of selling price, if it exists, or third-party evidence of fair value, or TPE. If neither VSOE nor TPE exist for a deliverable, best estimate of selling price, or BESP, is used. Once revenue is allocated to software or software-related elements as a group, revenue is recognized in accordance with software revenue accounting guidance. Revenue allocated to non-software elements is recognized in accordance with SAB Topic 13, Revenue Recognition. Revenue is recognized when revenue recognition criteria are met for each element.

Judgment is required to determine VSOE or BESP. For VSOE, we consider multiple factors including, but not limited to, product types, geographies, sales channels, and customer sizes and, for BESP, we also consider market conditions, competitive landscape, internal costs, gross margin objectives, and pricing practices. Pricing practices taken into consideration include historic contractually stated prices, volume discounts, where applicable, and price lists. BESP is generally used for offerings that are not typically sold on a stand-alone basis or when the selling prices for a product or service do not fall within a reasonably narrow pricing range.

Revenue generated from sales arrangements through distributors is recognized in accordance with our revenue recognition policies as described above at the amount invoiced to the distributor. We recognize revenue at the net amount invoiced to the distributor, as opposed to the gross amount the distributor invoices their end customer, as we have determined that (i) we are not the primary obligor in these arrangements, (ii) we do not have latitude to establish the price charged to the end-customer, and (iii) we do not bear credit risk in the transaction with the end-customer.

Deferred Revenue
Deferred revenue includes amounts collected or billed in excess of revenue recognized. Such amounts are recognized by us over the life of the contract upon meeting the revenue recognition criteria. Deferred revenue that will be recognized during the succeeding 12-month period is recorded as current deferred revenue and the remaining portion is recorded as non-current deferred revenue, which is included in other liabilities in our consolidated balance sheet.

Cost of Revenue
Cost of revenue is accounted for in accordance with ASC 705, Cost of Sales and Services, and consists primarily of employee-related costs, including salaries and bonuses, stock-based compensation expense, and employee benefit costs associated with our customer support and professional services organizations. It also includes expenses related to hosting and operating our cloud infrastructure in a third-party data center, licenses of third-party syndicated data, and related overhead expenses. Out-of-pocket travel costs related to the delivery of professional services are typically reimbursed by the customers and are accounted for as both revenue and cost of revenue in the period in which the cost is incurred.

Advertising Costs
Advertising costs are expensed as incurred. We incurred advertising costs of approximately $2.6 million, $3.7 million, and $5.0 million for the years ended December 31, 2014, 2015, and 2016, respectively. Such costs primarily relate to online and print advertising as well as sponsorship of public marketing events, and are reflected in sales and marketing expense in our consolidated statements of operations and comprehensive loss.

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Research and Development

Research and development expense consists primarily of employee-related costs, including salaries and bonuses, stock-based compensation expense, and employee benefits costs, for our research and development employees, depreciation of equipment used in research and development, third-party contractor costs, and related allocated overhead costs. Product development expenses, other than software development costs qualifying for capitalization, are expensed as incurred.

Stock-Based Compensation

We recognize stock-based compensation expense in accordance with the provisions of ASC 718, Compensation—Stock Compensation. ASC 718 requires the measurement and recognition of compensation expense for all stock-based payment awards made to employees and directors based on the grant date fair values of the awards. We use the Black-Scholes option-pricing method for valuing stock options. The fair value of an award, net of estimated forfeitures, is recognized as an expense over the requisite service period on a straight-line basis. Stock-based compensation expense is included in cost of revenue and operating expenses within our consolidated statements of operations and comprehensive loss based on the classification of the individual earning the award.

The determination of the grant date fair value of stock-based awards is affected by the estimated fair value of our common stock as well as other highly subjective assumptions, including, but not limited to, the expected term of the stock-based awards, expected stock price volatility, risk-free interest rates, and expected dividends, which are estimated as follows:

- **Fair value per share of our common stock.** Because there is no public market for our common stock, our board of directors, with the assistance of a third-party valuation specialist, determined the common stock fair value at the time of the grant of stock options by considering numerous objective and subjective factors, including our actual operating and financial performance, market conditions, and performance of comparable publicly traded companies, business developments, and the likelihood of achieving a liquidity event and transactions involving our preferred and common stock, among other factors. The fair value of the underlying common stock will be determined by our board of directors until such time as our common stock commences trading on an established stock exchange or national market system. The fair value of our common stock has been determined in accordance with applicable elements of the practice aid issued by the American Institute of Certified Public Accountants, Valuation of Privately Held Company Equity Securities Issued as Compensation. Our board of directors grants stock options with exercise prices equal to the estimated fair value of our common stock on the date of grant.

- **Expected term.** We determine the expected term of the awards using the simplified method, which estimates the expected term based on the average of the vesting period and contractual term of the stock option.

- **Expected volatility.** Since a public market for our common stock has not existed and, therefore, we do not have a trading history of our common stock, we estimate the expected volatility based on the volatility of similar publicly held entities (referred to as “guideline companies”) over a period equivalent to the expected term of the awards. In evaluating the similarity of guideline companies to us, we considered factors such as industry, stage of life cycle, size, and financial leverage. We intend to continue to consistently apply this process using the same or similar guideline companies to estimate the expected volatility until sufficient historical information regarding the volatility of the share price of our common stock becomes available.
• **Risk-free interest rate**. The risk-free interest rate used to value stock-based awards is based on the U.S. Treasury yield in effect at the time of grant for a period consistent with the expected term of the award.

• **Estimated dividend yield**. The expected dividend was assumed to be zero as we have never declared or paid any cash dividends and do not currently intend to declare dividends in the foreseeable future.

In addition, we are required to estimate at the time of grant the expected forfeiture rate and only recognize expense for those stock-based awards expected to vest. Our estimated forfeiture rate is based on our estimate of pre-vesting award forfeitures.

The assumptions used in calculating the fair value of stock-based awards represent our best estimates, but these estimates involve inherent uncertainties and the application of judgment. As a result, if factors change or we use different assumptions, stock-based compensation expense could be materially different in the future.

The following table presents the weighted-average assumptions used for stock options granted for each of the years indicated:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expected term (in years)</td>
<td>6.0</td>
<td>6.0</td>
<td>6.0</td>
</tr>
<tr>
<td>Estimated volatility</td>
<td>48%</td>
<td>56%</td>
<td>41%</td>
</tr>
<tr>
<td>Risk-free interest rate</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Estimated dividend yield</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

**Foreign Currency Remeasurement and Transactions**

The U.S. dollar is the functional currency of our wholly owned subsidiaries. Local currency financial statements are remeasured from the local currency into the functional currency using the current exchange rate for monetary accounts and historical exchange rates for nonmonetary accounts, with exchange differences on remeasurement included in other income (expense).

Transactions denominated in currencies other than the U.S. dollar may result in transaction gains or losses at the end of the period and when the related receivable or payable is settled, which are recorded in other income (expense), net. Transaction gains and losses were $0.1 million, $0.2 million, and $0.5 million for the years ended December 31, 2014, 2015, and 2016, respectively.

**Income Taxes**

We apply the provisions of ASC 740, *Income Taxes*. Under ASC 740, we account for our income taxes using the asset and liability method whereby deferred tax assets and liabilities are determined based on temporary differences between the bases used for financial reporting and income tax reporting purposes. Deferred income taxes are provided based on the enacted tax rates and laws that will be in effect at the time such temporary differences are expected to reverse. A valuation allowance is provided for deferred tax assets if it is more likely than not that we will not realize those tax assets through future operations.
We also utilize the guidance in ASC 740 to account for uncertain tax positions. ASC 740 contains a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates it is more likely than not that the position will be sustained on audit, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount which is more likely than not of being realized and effectively settled. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments and which may not accurately reflect actual outcomes. We recognize interest and penalties on unrecognized tax benefits as a component of income tax expense in our consolidated statement of operations and comprehensive loss.

**Net Loss Per Share Attributable to Common Stockholders**

In periods in which we have net income, we apply the two-class method for calculating earnings per share. Under the two-class method, net income is attributed to common stockholders and participating securities based on their participation rights. Participating securities include convertible preferred stock. In periods in which we have net losses after accretion of convertible preferred stock, we do not attribute losses to participating securities as they are not contractually obligated to share our losses.

Under the two-class method, basic net loss per share attributable to common stockholders is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Net loss attributable to common stockholders is calculated as net loss including current period convertible preferred stock accretion.

Diluted earnings per share attributable to common stockholders adjusts basic earnings per share for the potentially dilutive impact of stock options and convertible preferred stock. As we have reported losses for all periods, all potentially dilutive securities are antidilutive and accordingly, basic net loss per share equals diluted net loss per share.

**Recent Accounting Pronouncements**

Under the Jumpstart Our Business Startups Act, or the JOBS Act, we meet the definition of an emerging growth company. We have elected to use this extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act.

In November 2016, the Financial Accounting Standards Board, or FASB, issued Accounting Standards Update, or ASU, 2016-18, Restricted Cash, which requires that restricted cash be included with cash and cash equivalents when reconciling the beginning and ending total amounts shown on the statement of cash flows. This guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019 and should be applied using a retrospective transition method to each period presented. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. We have not yet determined the timing of adoption. We currently present changes in restricted cash within investing activities and to certain beginning and ending cash and cash equivalent totals shown on our consolidated statement of cash flows.

In October 2016, FASB issued ASU 2016-16, Intra-Entity Transfers of Assets Other Than Inventory. This guidance removes the prohibition in ASC 740 against the immediate recognition of the
current and deferred income tax effects of intra-entity transfers of assets other than inventory. This guidance is intended to reduce the complexity of U.S. GAAP and diversity in practice related to the tax consequences of certain types of intra-entity asset transfers, particularly those involving intellectual property. This guidance is effective for annual reporting periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted. We are currently evaluating the impact of this guidance on our consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, Classification of Certain Cash Receipts and Cash Payments, which addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice, including presentation of cash flows relating to contingent consideration payments, proceeds from the settlement of insurance claims, and debt prepayment or debt extinguishment costs, among other matters. This guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If adopted in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. Adoption of this guidance is required to be applied using a retroactive transition method to each period presented, unless impracticable to do so. We are currently evaluating the impact of this guidance on our consolidated statement of cash flows.

In March 2016, the FASB issued ASU 2016-09, Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting, which simplifies several aspects of the accounting for share-based payment transactions and related tax impacts, the classification of excess tax benefits on the statement of cash flows, statutory tax withholding requirements, and other stock based compensation classification matters. This guidance is effective for annual reporting periods beginning after December 15, 2017 and interim periods within annual periods beginning after December 31, 2018. Early adoption is permitted in any interim or annual period. All of the amendments in the new guidance must be adopted in the same period. We are evaluating the potential impact of this guidance on our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases, creating Topic 842, which requires lessees to record the assets and liabilities arising from all leases in the statement of financial position. Under ASU 2016-2, lessees will recognize a liability for lease payments and a right-of-use asset. When measuring assets and liabilities, a lessee should include amounts related to option terms, such as the option of extending or terminating the lease or purchasing the underlying asset, that are reasonably certain to be exercised. For leases with a term of 12 months or less, lessees are permitted to make an accounting policy election to not recognize lease assets and liabilities. This guidance retains the distinction between finance leases and operating leases and the classification criteria remains similar. For financing leases, a lessee will recognize the interest on a lease liability separate from amortization of the right of use asset. In addition, repayments of principal will be presented within financing activities, and interest payments will be presented within operating activities in the statement of cash flows. For operating leases, a lessee will recognize a single lease cost on a straight-line basis and classify all cash payments within operating activities in the statement of cash flows. This guidance will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020 and is required to be applied using a modified retrospective approach. Early adoption is permitted. We are evaluating the potential impact of this guidance on our consolidated financial statements.

In April 2015, the FASB issued ASU 2015-05, Customer’s Accounting for Fees Paid in a Cloud Computing Arrangement, which provides guidance to customers about whether a cloud computing
Arrangement includes a software license. If a cloud computing arrangement includes a software license, the customer should account for the software license element of the arrangement consistent with the acquisition of other software licenses. If a cloud computing arrangement does not include a software license, the customer should account for the arrangement as a service contract. This guidance does not change the accounting for service contracts. This guidance is effective for annual periods beginning after December 15, 2015, and interim periods within annual periods beginning after December 15, 2016. Adoption of this guidance is not anticipated to have a material impact on our consolidated financial statements.

In February 2015, the FASB issued ASU 2015-02, Consolidation, which amended Topic 810 with respect to the consolidation guidance for variable interest entities, which could change consolidation conclusions. This guidance is effective for reporting periods beginning after December 15, 2016. Adoption of this guidance is not anticipated to have a material impact on our consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers. This guidance replaces most existing revenue recognition guidance. It provides principles for recognizing revenue for the transfer of promised goods or services to customers with the consideration to which the entity expects to be entitled in exchange for those goods or services. In August 2015, the FASB issued ASU 2015-14, which deferred the effective date of ASU 2014-09 by one year. During 2016, the FASB has continued to issue additional amendments to this new revenue guidance. This new revenue guidance will be effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. Early adoption is permitted for annual periods beginning after December 15, 2016. We are evaluating the potential impact of this guidance on our consolidated financial statements.

3. Fair Value Measurements

Instruments Measured at Fair Value on a Recurring Basis. The following tables present our cash and cash equivalents and investments’ costs, gross unrealized losses, and fair value by major security type recorded as cash and cash equivalents or short-term or long-term investments as of December 31, 2015 and 2016 (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Gross Unrealized Losses</th>
<th>Fair Value</th>
<th>Cash and Cash Equivalents</th>
<th>Short-term Investments</th>
<th>Long-term Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash</strong></td>
<td>$853</td>
<td>$—</td>
<td>$853</td>
<td>$853</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td><strong>Level 1:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money market funds</td>
<td>15,216</td>
<td>—</td>
<td>15,216</td>
<td>15,216</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>15,216</td>
<td>—</td>
<td>15,216</td>
<td>15,216</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Level 2:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>26,442</td>
<td>—</td>
<td>26,442</td>
<td>8,710</td>
<td>7,146</td>
<td>10,586</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>18,713</td>
<td>(81)</td>
<td>18,632</td>
<td>—</td>
<td>7,645</td>
<td>10,987</td>
</tr>
<tr>
<td>Subtotal</td>
<td>45,155</td>
<td>(81)</td>
<td>45,074</td>
<td>8,710</td>
<td>14,791</td>
<td>21,573</td>
</tr>
<tr>
<td><strong>Level 3</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$61,224</td>
<td>$(81)</td>
<td>$61,143</td>
<td>$24,779</td>
<td>$14,791</td>
<td>$21,573</td>
</tr>
</tbody>
</table>

F-20
As of December 31, 2016

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Gross</th>
<th>Unrealized Gains (Losses)</th>
<th>Fair Value</th>
<th>Cash and Cash Equivalents</th>
<th>Short-term Investments</th>
<th>Long-term Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$10,499</td>
<td>$10,499</td>
<td>$10,499</td>
<td>$10,499</td>
<td>$10,499</td>
<td>$10,499</td>
<td>$10,499</td>
</tr>
<tr>
<td>Level 1:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money market funds</td>
<td>20,807</td>
<td>—</td>
<td>—</td>
<td>20,807</td>
<td>20,807</td>
<td>20,807</td>
<td>20,807</td>
</tr>
<tr>
<td>Subtotal</td>
<td>20,807</td>
<td>—</td>
<td>—</td>
<td>20,807</td>
<td>20,807</td>
<td>20,807</td>
<td>20,807</td>
</tr>
<tr>
<td>Level 2:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>10,552</td>
<td>—</td>
<td>—</td>
<td>10,552</td>
<td>—</td>
<td>10,552</td>
<td>—</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>10,770</td>
<td>72</td>
<td>10,842</td>
<td>—</td>
<td>10,842</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>21,322</td>
<td>72</td>
<td>21,394</td>
<td>—</td>
<td>21,394</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Level 3</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>$52,628</td>
<td>$72</td>
<td>$52,700</td>
<td>$31,306</td>
<td>$21,394</td>
<td>$—</td>
<td>—</td>
</tr>
</tbody>
</table>

There were no transfers between Level 1, Level 2, or Level 3 securities during the years ended December 31, 2014, 2015, or 2016.

All of the long-term investments had maturities of between one and two years in duration as of December 31, 2015. Cash and cash equivalents, restricted cash, and investments as of December 31, 2015 and 2016 were approximately $62.3 million and $52.9 million, respectively, and were all held domestically.

_Instruments Not Recorded at Fair Value on a Recurring Basis._ The carrying amounts of our financial instruments, including cash, accounts receivable, prepaid expenses and other current assets, accounts payable, and accrued liabilities approximate their current fair value because of their nature and relatively short maturity dates or durations.

_Instruments Not Recorded at Fair Value on a Non-Recurring Basis._ The fair value of our cost method investment is measured when it is deemed to be other-than-temporarily impaired, and long lived assets when they are held for sale or determined to be impaired.

4. **Cost Method Investment**

In November 2014, we entered into a definitive agreement with a privately held company, in which we agreed to invest approximately $1.1 million in exchange for shares of convertible preferred stock equal to approximately 15% ownership of the privately held company. We account for our investment in this company using the cost method of accounting and the investment balance is included in other non-current assets as of December 31, 2015 and 2016. There has been no change in ownership since 2014. For the cost method investment, if we conclude that an other than temporary impairment has occurred, the carrying value of the cost method investment is written down to the current fair value, with a corresponding charge to realized gain (loss) in our consolidated statements of operations and comprehensive loss. We base our review on a number of factors including, but not limited to, the severity and duration of the decline in fair value of the cost method investment as well as the cause of the decline, our ability and intent to hold the security for a sufficient period of time to allow for a recovery in value, any third-party research reports or analysis, and the financial condition and
near-term prospects of the privately held company, taking into consideration the economic prospects of its industry and geographical location. No impairment was identified during the years ended December 31, 2014, 2015, and 2016.

5. Allowance for Doubtful Accounts

The following table summarizes the changes in the allowance for doubtful accounts (in thousands):

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance</td>
<td>$100</td>
<td>$ 62</td>
<td>$280</td>
</tr>
<tr>
<td>Charge-offs</td>
<td>(89)</td>
<td>(19)</td>
<td>(97)</td>
</tr>
<tr>
<td>Recoveries</td>
<td>—</td>
<td>(1)</td>
<td>(283)</td>
</tr>
<tr>
<td>Provision</td>
<td>51</td>
<td>238</td>
<td>770</td>
</tr>
<tr>
<td><strong>Ending balance</strong></td>
<td>$ 62</td>
<td>$280</td>
<td>$670</td>
</tr>
</tbody>
</table>

Our sales reserve was $0.1 million each as of December 31, 2015 and 2016.

6. Property and Equipment

Property and equipment, net consisted of the following (in thousands):

<table>
<thead>
<tr>
<th>As of December 31,</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer equipment</td>
<td>$2,131</td>
<td>$5,480</td>
</tr>
<tr>
<td>Furniture and fixtures</td>
<td>1,069</td>
<td>1,910</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>695</td>
<td>1,318</td>
</tr>
<tr>
<td><strong>Less: Accumulated depreciation and amortization</strong></td>
<td>3,895</td>
<td>8,708</td>
</tr>
<tr>
<td><strong>Total property and equipment, net</strong></td>
<td>$2,650</td>
<td>$6,212</td>
</tr>
</tbody>
</table>

Depreciation and amortization expense for the years ended December 31, 2014, 2015, and 2016 was approximately $0.3 million, $0.8 million, and $1.7 million, respectively.

7. Accrued Expenses and Other Current Liabilities

Accrued commissions of approximately $3.4 million and $4.1 million as of December 31, 2015 and 2016, respectively, were included in accrued expenses and other current liabilities in our consolidated balance sheets.

8. Deferred Revenue

Deferred revenue consisted of the following (in thousands):

<table>
<thead>
<tr>
<th>As of December 31,</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current portion of deferred revenue</td>
<td>$44,179</td>
<td>$71,050</td>
</tr>
<tr>
<td>Long-term portion of deferred revenue</td>
<td>2,133</td>
<td>3,084</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$46,312</td>
<td>$74,134</td>
</tr>
</tbody>
</table>
9. Notes Receivable From Stockholder

Pursuant to a Loan and Security Agreement, dated March 18, 2011, we agreed to lend Dean A. Stoecker, the Chairman of our board of directors and Chief Executive Officer, or Borrower, up to $4.2 million, or Loan, in monthly advances of $0.1 million commencing on April 1, 2011. We were obligated to make the advances until the earlier of the termination of the Borrower’s employment agreement with us or November 1, 2017. The Loan bore interest on the outstanding principal balance at the applicable federal rate, as published monthly, and the accrued, but unpaid, interest was due and payable annually, or Annual Interest, by the Borrower no later than December 31 of each year. On or before December 31 of each year, we were obligated to pay the Borrower a bonus equal to the Annual Interest plus an amount equal to the estimated income taxes which the Borrower was required to pay on the bonus. In the event that we suspended the bonus for any reason, the Borrower’s obligation to pay the Annual Interest was also suspended until such time as we resumed payment of the bonus. The Loan was secured by our common stock held by an entity affiliated with the Borrower, or the Collateral Stock, and, prior to the Modification (as described below), was due and payable in full upon the sale of all shares of the Collateral Stock or, if less than all of the shares of the Collateral Stock were sold, the net proceeds from such sale were required to be paid to us towards repayment of the Loan.

On September 30, 2014, the terms of the Loan were modified, or the Modification, principally to (a) eliminate our obligation to make additional advances, (b) provide that the outstanding principal and accrued interest was due and payable upon the earlier of (i) the date that our unrestricted cash and cash equivalents was less than $15 million for more than thirty consecutive days, (ii) the date prior to the date we determine that the Loan would be deemed a prohibited loan under U.S. securities or other applicable laws, (iii) March 18, 2018, or (iv) the date of sale of any or all of the Collateral Stock, and (c) remove the restriction that limited our recourse solely to the Collateral Stock, resulting in the Loan becoming full recourse, or the Recourse Loan. The terms of the Loan were also modified to eliminate our obligations to pay the Borrower a bonus. Interest on the Loan balance continued to accrue monthly at the applicable federal rate. Concurrent with the Modification, the Borrower sold shares of common stock. As of December 31, 2015, an aggregate amount of approximately $2.3 million was outstanding pursuant to the Loan, including accrued, but unpaid, interest and 9.8 million shares held by the Borrower collateralized the Loan. The outstanding principal and accrued interest of approximately $2.3 million was fully repaid to us in November 2016.

We accounted for the original issuance of the Loan secured solely by shares of common stock as a repurchase of common stock and a concurrent grant of an option to purchase the shares of common stock, or the Note Option, with an effective exercise price equal to the borrowings under the Loan. The fair value of the Note Option was not material. We accounted for the Modification of the Loan as an exercise of the Note Option through the issuance of the Recourse Loan. Prior to the Modification, the Collateral Stock was treated as treasury stock and therefore was excluded from the basic net loss per share computations.

10. Line of Credit

On October 22, 2012, we entered into a line of credit agreement, as subsequently amended, with a commercial bank, or Bank, whereby we had a borrowing capacity of $10.0 million. Interest at the Bank’s prime rate was payable monthly. The loan was collateralized by a lien on substantially all of our assets. In December 2015, we paid off the line of credit in full and cancelled the line of credit agreement.
11. Capitalization

Convertible Preferred Stock

Our convertible preferred stock consisted of the following (in thousands, except per share data):

<table>
<thead>
<tr>
<th></th>
<th>Shares Authorized</th>
<th>Shares Outstanding</th>
<th>Price per Share</th>
<th>Net Carrying Value</th>
<th>Liquidation Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A</td>
<td>8,238</td>
<td>7,986</td>
<td>$ 2.1850</td>
<td>$23,601</td>
<td>$17,448</td>
</tr>
<tr>
<td>Series B</td>
<td>3,002</td>
<td>3,002</td>
<td>$ 6.6630</td>
<td>$19,914</td>
<td>$20,000</td>
</tr>
<tr>
<td>Series C</td>
<td>3,659</td>
<td>3,659</td>
<td>$13.6632</td>
<td>$49,225</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,899</td>
<td>14,647</td>
<td></td>
<td>$92,740</td>
<td>$87,448</td>
</tr>
</tbody>
</table>

As of December 31, 2016:

<table>
<thead>
<tr>
<th></th>
<th>Shares Authorized</th>
<th>Shares Outstanding</th>
<th>Price per Share</th>
<th>Net Carrying Value</th>
<th>Liquidation Preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Series A</td>
<td>8,238</td>
<td>7,986</td>
<td>$ 2.1850</td>
<td>$30,043</td>
<td>$17,448</td>
</tr>
<tr>
<td>Series B</td>
<td>3,002</td>
<td>3,002</td>
<td>$ 6.6630</td>
<td>$19,914</td>
<td>$20,000</td>
</tr>
<tr>
<td>Series C</td>
<td>3,659</td>
<td>3,659</td>
<td>$13.6632</td>
<td>$49,225</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>14,899</td>
<td>14,647</td>
<td></td>
<td>$99,182</td>
<td>$87,448</td>
</tr>
</tbody>
</table>

The carrying value of the Series A redeemable convertible preferred stock increased during the years ended December 31, 2014, 2015, and 2016 by $1.7 million, $2.6 million, and $6.4 million, respectively, due to accretion of the Series A redeemable convertible preferred stock using the effective interest method to its redemption value.

Upon the closing of our initial public offering, all shares of our then-outstanding convertible preferred stock, as shown in the tables above, will automatically convert on a one-for-one basis into shares of common stock.

The rights, privileges, and preferences of the Series A, Series B, and Series C convertible preferred stock, or Preferred Stock, are as follows:

Dividends

Dividends on the Preferred Stock are payable only when, and if, declared by the board of directors. No dividends on the Preferred Stock or common stock have been declared by our board of directors or paid since inception.

Voting

The holders of each share of Preferred Stock are entitled to the number of votes equal to the number of shares of common stock into which their respective shares are convertible.

The holders of the Preferred Stock have certain protective provisions so long as an aggregate of 4.1 million shares Preferred Stock are outstanding. Under these provisions, we cannot, without the approval of greater than 50% of the then outstanding shares of the Preferred Stock (i) amend, alter or
repeal our certificate of incorporation or bylaws if such action would adversely alter the rights, preferences, privileges, or powers of, or restrictions provided for the benefit of the Preferred Stock or any series thereof, (ii) make certain restricted distributions involving the (a) transfer or distribution of cash or other property without consideration, or (b) repurchase or redemption of our capital stock, or restricted distributions, (iii) change the authorized number of shares of Preferred Stock or common stock (other than for decreases resulting from conversion of Preferred Stock), (iv) authorize or create a new class of stock having rights, preferences, or privileges senior or on parity with any series of Preferred Stock, (v) approve or enter into any merger or acquisition where our existing stockholders retain less than 50% of the voting stock of the surviving entity, sell or otherwise dispose of all or substantially all of our assets, or exclusively and irrevocably license all or substantially all of our intellectual property, (vi) enter into or become a party in a transaction for the acquisition of another entity with an acquisition price of greater than $0.1 million, (vii) repurchase, redeem, or otherwise acquire any shares of Preferred Stock or common stock (other than shares subject to our right of repurchase or, if approved by a majority of the disinterested members of the board of directors, through the exercise of any right of first refusal), (viii) approve or enter into any transaction or agreement for the transfer or loan of our material assets to any third party, unless approved by a majority of the disinterested members of our board of directors, (ix) change the size of our board of directors, or (x) voluntarily liquidate or dissolve.

So long as an aggregate of at least 4.1 million shares of Series A redeemable convertible preferred stock are outstanding, we cannot, without the approval of at least 50% of the then outstanding shares of Series A redeemable convertible preferred stock, alter or change the rights, preferences, or privileges of the Series A redeemable convertible preferred stock if such action would adversely alter the rights, preferences, privileges, or powers of, or restrictions provided for the benefit of the Series A redeemable convertible preferred stock.

So long as an aggregate of at least 1.5 million shares of Series B convertible preferred stock are outstanding, we cannot, without the approval of at least 50% of the then outstanding shares of Series B convertible preferred stock, (i) alter or change the rights, preferences, or privileges of the Series B convertible preferred stock if such action would adversely alter the rights, preferences, privileges, or powers of, or restrictions provided for the benefit of the Series B convertible preferred stock, or (ii) make restricted distributions.

So long as an aggregate of at least 1.8 million shares of Series C convertible preferred stock are outstanding, we cannot, without the approval of at least 50% of the then outstanding shares of Series C convertible preferred stock, (i) alter or change the rights, preferences, or privileges of the Series C convertible preferred stock if such action would adversely alter the rights, preferences, privileges, or powers of, or restrictions provided for the benefit of the Series C convertible preferred stock, (ii) change the authorized number of shares of Series C convertible preferred stock or issue authorized shares of Series C convertible preferred stock, (iii) make restricted distributions, or (iv) enter into a transaction on or prior to September 22, 2016 that would result in payment of less than $20.4948 per share of Series C convertible preferred stock (subject to adjustments for certain dilutive issuances, splits, and combinations, and other recapitalizations or reorganizations).

Conversion
The holders of each share of Preferred Stock have the option to convert each share of Preferred Stock into one share of common stock at any time. The conversion prices for the Series A redeemable convertible preferred stock, Series B convertible preferred stock, and Series C convertible preferred stock are:

\[
\text{Conversion Price} = \frac{\text{Current Market Value}}{\text{Conversion Factor}}
\]

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stock are $2.185, $6.663, and $13.6632, respectively (subject to adjustments for certain dilutive issuances, splits, and combinations, and other recapitalizations or reorganizations). The Preferred Stock will automatically be converted into common stock upon the earlier of (i) with respect to the Series A redeemable convertible preferred stock and Series B convertible preferred stock, the written consent of the holders of a majority of the outstanding shares of such series of Preferred Stock voting on an as-converted basis, or (ii) an initial public offering which results in aggregate gross cash proceeds of at least $50 million at a minimum price per share of $20.4948 (subject to adjustments for certain dilutive issuances, splits, and combinations, and other recapitalizations or reorganizations). As of December 31, 2016, the number of shares of common stock into which the Series A redeemable convertible preferred stock, Series B convertible preferred stock, and Series C convertible preferred stock were convertible was 8.0 million, 3.0 million, and 3.6 million, respectively.

**Liquidation**

In the event of our liquidation, dissolution, or winding up, the holders of Series A redeemable convertible preferred stock, Series B convertible preferred stock, and Series C convertible preferred stock are entitled to receive their full preferential amounts plus any declared but unpaid dividends prior to any distribution to the holders of common stock. If the assets available for distribution are insufficient to pay the entire preferential amounts, then the entire assets available for distribution will be distributed ratably among the holders of Preferred Stock in proportion to the full preferential amount each holder is otherwise entitled to receive. After payment to the holders of the Series A redeemable convertible preferred stock, Series B convertible preferred stock, and Series C convertible preferred stock of the full preferential amounts specified above, our remaining assets available for distribution to stockholders will be distributed among the holders of Series A redeemable convertible preferred stock and common stock pro rata based upon the number of shares of common stock held by each (assuming conversion of all such Preferred Stock into common stock) until the holders of the Series A redeemable convertible preferred stock will have received an aggregate of $6.5552 per share (subject to adjustments for certain dilutive issuances, splits, and combinations, and other recapitalizations or reorganizations). Thereafter, if any assets remain, the holders of common stock will receive all of the remaining assets on a pro rata basis, based upon the number of shares of common stock outstanding. The preferential amounts per share of the Series A redeemable convertible preferred stock, Series B convertible preferred stock, and Series C convertible preferred stock were $2.185, $6.663, and $13.6632, respectively, as of December 31, 2016.

A liquidation transaction will be deemed to have occurred if the following occur (i) our acquisition by another entity of an equal amount or majority of the total outstanding voting securities (50% or more), (ii) a sale, lease or other disposition of all or substantially all of our assets, (iii) an exclusive, irrevocable license of all or substantially all of our intellectual property to a third party taken as a whole by means of any transaction or series of related transactions, or (iv) our liquidation, dissolution, or winding up, whether voluntary or involuntary. The holders of Preferred Stock can waive the treatment of any transaction as a "liquidation transaction" by a vote of each of the holders of Series C convertible preferred stock, a majority of the outstanding shares of Series B convertible preferred stock, and a majority of the outstanding shares of Series A redeemable convertible preferred stock.

**Redemption**

On or after March 22, 2022, the holders of greater than 50% of the Series A redeemable convertible preferred stock may require us to redeem all or a portion of the outstanding Series A
redeemable convertible preferred stock at a price per share equal to the greater of (i) 1.5 times the original Series A redeemable convertible preferred stock issue price per share, and (ii) the then fair market value of a share of Series A redeemable convertible preferred stock, plus any declared but unpaid dividends. The redemption price will be paid in eight equal quarterly installments beginning on a date that will occur no later than 25 days after we receive a redemption request and thereafter on the last day of the calendar quarter after the initial redemption date. The Series A redeemable convertible preferred stock is being accreted to the redemption price as of March 22, 2022 utilizing the effective interest method. Neither the Series B convertible preferred stock nor the Series C convertible preferred stock has a mandatory redemption provision.

Classification of Preferred Stock

The redemption provisions of the Series A redeemable convertible preferred stock are considered provisions that are not solely within our control. Also, the deemed liquidation preference provisions of the Series A redeemable convertible preferred stock, Series B convertible preferred stock, and Series C convertible preferred stock are considered contingent redemption provisions that are not solely within our control. Accordingly, the Preferred Stock has been presented outside of permanent equity in the mezzanine portion of our consolidated balance sheets.

Repurchase of Common Stock

In connection with the Series B convertible preferred stock financing in September 2014, the investors that participated in the financing also purchased shares of our common stock from certain of our employees at a price of $5.32 per share for an aggregate purchase price of $40.0 million. At the close of the transaction, we recorded $10.3 million as compensation expense related to the excess of the selling price per share paid to our employees over the then-fair value of the purchased shares.

In connection with the Series C convertible preferred stock financing in September 2015, we conducted a tender offer to repurchase $35.0 million outstanding shares of our common stock at a price per share of $11.887 from our employees and existing stockholders. At the close of the transaction, 2.9 million shares of common stock were tendered for an aggregate price of approximately $35.0 million.

12. Equity Awards

In June 2013, we adopted the 2013 Stock Plan, or 2013 Plan, which provides for grants of stock awards, including restricted stock units, or RSUs, incentive stock options, and nonqualified stock options to employees, directors, and consultants. As of December 31, 2016, there were 12.6 million total shares of common stock authorized for issuance under the 2013 Plan, which includes shares already issued under such plan and shares reserved for issuance pursuant to outstanding options and RSUs. As of December 31, 2016, 0.8 million shares were available for future grant under the 2013 Plan.

Stock Options

The exercise price of stock options equals the fair market value of the underlying shares of common stock on the date of grant as determined by our board of directors. Stock options generally vest over four years and expire ten years from the date of grant. Vested stock options generally expire three months after termination of employment. We allow for early exercise of certain stock option grants.
Stock option activity during the year ended December 31, 2016 consisted of the following (in thousands, except per share information):

<table>
<thead>
<tr>
<th>Options outstanding at December 31, 2015</th>
<th>Options Outstanding</th>
<th>Weighted-Average Exercise Price</th>
<th>Aggregate Intrinsic Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Granted</td>
<td>4,922</td>
<td>$ 2.87</td>
<td>$ 44,335</td>
</tr>
<tr>
<td>Exercised</td>
<td>2,249</td>
<td>10.88</td>
<td></td>
</tr>
<tr>
<td>Cancelled/forfeited</td>
<td>(431)</td>
<td>0.96</td>
<td>4,125</td>
</tr>
<tr>
<td></td>
<td>(422)</td>
<td>5.96</td>
<td></td>
</tr>
<tr>
<td>Options outstanding at December 31, 2016</td>
<td>6,318</td>
<td>5.65</td>
<td>51,752</td>
</tr>
</tbody>
</table>

The weighted-average remaining contractual life, in years, of options outstanding as of December 31, 2015 and 2016 was 8.39 and 8.14, respectively.

The total intrinsic value of options exercised in the years ended December 31, 2014, 2015, and 2016 was $0.3 million, $6.8 million, and $4.1 million, respectively. The intrinsic value represents the excess of the fair market value of our common stock on the date of exercise over the exercise price of each option.

The total intrinsic value of exercisable options as of December 31, 2016 was $41.1 million. The total intrinsic value of options vested and expected to vest as of December 31, 2016 was $50.8 million.

The following table summarizes information about stock options outstanding as of December 31, 2016 (number of options in thousands):

<table>
<thead>
<tr>
<th>Options</th>
<th>Number of Options</th>
<th>Weighted-Average Remaining Contractual Life (Years)</th>
<th>Weighted-Average Exercise Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding</td>
<td>6,318</td>
<td>8.14</td>
<td>$ 5.65</td>
</tr>
<tr>
<td>Exercisable</td>
<td>3,930</td>
<td>7.54</td>
<td>3.38</td>
</tr>
<tr>
<td>Unvested</td>
<td>3,189</td>
<td>9.09</td>
<td>8.99</td>
</tr>
<tr>
<td>Vested and expected to vest</td>
<td>6,059</td>
<td>8.08</td>
<td>5.46</td>
</tr>
</tbody>
</table>

The weighted-average grant date fair value per share of stock options granted during the years ended December 31, 2014, 2015, and 2016 was $0.97, $4.23, and $4.47, respectively.

As of December 31, 2016, there was $10.6 million of unrecognized compensation cost related to unvested stock options, which is expected to be recognized over a weighted-average period of 3.1 years.

**RSUs**

RSUs granted under the 2013 Plan generally vest upon satisfaction of both a liquidity-event vesting condition and a time-based vesting schedule, generally four years, on or before the expiration date of such RSUs. RSUs generally expire ten years from date of grant. RSUs will be forfeited in case of a termination of employment or service before the satisfaction of both the liquidity-event vesting condition and the time-based vesting schedule or, otherwise, generally in the case of non-satisfaction of either the liquidity-event vesting condition or the time-based vesting schedule.
RSU activity during the year ended December 31, 2016 consisted of the following (in thousands, except per share information):

<table>
<thead>
<tr>
<th></th>
<th>Weighted-Average Grant Date Fair Value (Per Share)</th>
<th>Aggregate Intrinsic Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Outstanding</td>
<td>Aggregate</td>
</tr>
<tr>
<td>RSUs outstanding at December 31, 2015</td>
<td>—</td>
<td>$ —</td>
</tr>
<tr>
<td>Granted</td>
<td>373</td>
<td>12.30</td>
</tr>
<tr>
<td>Vested</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Forfeited</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>RSUs outstanding at December 31, 2016</td>
<td>373</td>
<td>12.30</td>
</tr>
</tbody>
</table>

For the year ended December 31, 2016, we did not recognize any stock-based compensation expense associated with RSUs as the likelihood of a liquidity event was not probable.

As of December 31, 2016, total unrecognized compensation expense, adjusted for estimated forfeitures, related to unvested RSUs was approximately $4.6 million and will be recognized over the time-based vesting period once the liquidity event condition is probable of being achieved.

We classified stock-based compensation expense in the accompanying consolidated statements of operations and comprehensive loss as follows (in thousands):

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue</td>
<td>$34</td>
<td>$34</td>
<td>$106</td>
</tr>
<tr>
<td>Research and development</td>
<td>1,081</td>
<td>239</td>
<td>338</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>183</td>
<td>800</td>
<td>1,281</td>
</tr>
<tr>
<td>General and administrative</td>
<td>9,379</td>
<td>409</td>
<td>1,559</td>
</tr>
<tr>
<td>Total</td>
<td>$10,677</td>
<td>$1,482</td>
<td>$3,284</td>
</tr>
</tbody>
</table>

Stock-based compensation expense for the year ended December 31, 2014 includes an expense of $10.3 million related to the excess of the price per share paid to our employees over the then-fair value of the purchased shares (see Note 11).

13. Retirement Plan

We established a savings plan that qualifies as a defined contribution plan under Section 401(k) of the Code for the benefit of our employees. Our contributions to the savings plan are discretionary and vest immediately. We contributed approximately $0.4 million, $0.6 million, and $1.1 million, to the savings plan for the years ended December 31, 2014, 2015, and 2016, respectively.

14. Commitments and Contingencies

Leases

We have various non-cancelable operating leases for our offices. These leases expire at various times through 2024. Certain lease agreements contain renewal options, rent abatement, and
escalation clauses. We recognize rent expense on a straight-line basis over the lease term, commencing when we take possession of the property. Total rent expense under operating leases was approximately $0.9 million, $1.3 million, and $2.7 million for the years ended December 31, 2014, 2015, and 2016, respectively.

The aggregate undiscounted future minimum rental payments under these leases as of December 31, 2016 were as follows (in thousands):

<table>
<thead>
<tr>
<th>Year Ending December 31</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$2,693</td>
</tr>
<tr>
<td>2018</td>
<td>3,422</td>
</tr>
<tr>
<td>2019</td>
<td>3,472</td>
</tr>
<tr>
<td>2020</td>
<td>3,562</td>
</tr>
<tr>
<td>2021</td>
<td>2,709</td>
</tr>
<tr>
<td>Thereafter</td>
<td>5,079</td>
</tr>
<tr>
<td><strong>Total minimum lease payments</strong></td>
<td><strong>$20,937</strong></td>
</tr>
</tbody>
</table>

**Indemnification**

In the ordinary course of business, we enter into agreements in which we may agree to indemnify other parties with respect to certain matters, including losses resulting from claims of intellectual property infringement, damages to property or persons, business losses, or other liabilities. In addition, we have entered into indemnification agreements with our directors, executive officers, and other officers that will require us to indemnify them against liabilities that may arise by reason of their status or service as directors, officers, or employees. The term of these agreements are generally perpetual any time after execution of the agreement. The maximum potential amount of future payments we could be required to make under these indemnification provisions is indeterminable. Management believes our internal development processes and other policies and practices limit our exposure. To date, we have not had to reimburse any party for losses related to an indemnity claim. As of December 31, 2015 and 2016, we have not accrued a liability for these indemnification provisions because the likelihood of incurring a payment obligation, if any, in connection with these arrangements is not probable or reasonably estimable.

We also have agreed to indemnify our officers and directors for certain events or occurrences, subject to certain limits, while the officer or director is or was serving at our request in such capacity. The maximum amount of potential future indemnification is unlimited; however, we maintain insurance that reduces our exposure and enables us to recover a portion of any future amounts paid. Since our inception, we have not been obligated to make payments for these obligations, and no liabilities have been recorded for these obligations as of December 31, 2015 and 2016.

**Litigation**

From time to time, we may be involved in lawsuits, claims, investigations, and proceedings, consisting of intellectual property, commercial, employment, and other matters, which arise in the ordinary course of business. In accordance with ASC 450, Contingencies, we make a provision for a liability when it is both probable that a liability has been incurred and the amount of the loss can be reasonably estimated.
We are not currently a party to any material legal proceedings or claims, nor are we aware of any pending or threatened litigation or claims that could have a material adverse effect on our business, operating results, cash flows, or financial condition. We have determined that the existence of a material loss is neither probable nor reasonably possible.

**Warranty**

We warrant to customers that our platform will operate substantially in accordance with its specifications. Historically, no significant costs have been incurred related to product warranties and none are expected in the future and, as such, no accruals for product warranty costs have been made.

**15. Income Taxes**

The components of loss before provision for income taxes for the years ended December 31, 2014, 2015, and 2016 were as follows (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>Domestic</td>
<td>$(20,403)</td>
<td>$(21,605)</td>
<td>$(24,741)</td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>110</td>
<td>333</td>
<td>691</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$(20,293)</td>
<td>$(21,272)</td>
<td>$(24,050)</td>
<td></td>
</tr>
</tbody>
</table>

The components of the provision for income taxes for the years ended December 31, 2014, 2015, and 2016 were as follows (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>$ —</td>
<td>$ —</td>
<td>$ —</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>14</td>
<td>1</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>23</td>
<td>189</td>
<td>229</td>
<td></td>
</tr>
<tr>
<td>Total current income tax expense</td>
<td>37</td>
<td>190</td>
<td>235</td>
<td></td>
</tr>
<tr>
<td>Deferred:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal</td>
<td>$ —</td>
<td>$ —</td>
<td>$ —</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td>Foreign</td>
<td>(1)</td>
<td>(12)</td>
<td>(27)</td>
<td></td>
</tr>
<tr>
<td>Total deferred income tax benefit</td>
<td>(1)</td>
<td>(12)</td>
<td>(27)</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 36</td>
<td>$ 178</td>
<td>$ 208</td>
<td></td>
</tr>
</tbody>
</table>
For purposes of the reconciling our provision for income taxes at the statutory rate and our provision (benefit) for income taxes at the effective tax rate, a notional 34% tax rate was applied as follows (in thousands):

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax (benefit) at federal statutory rate</td>
<td>$(6,903)</td>
<td>$(7,225)</td>
<td>$(8,177)</td>
</tr>
<tr>
<td>Increase/decrease in tax resulting from:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State income tax expense, net of federal</td>
<td>(252)</td>
<td>(589)</td>
<td>(716)</td>
</tr>
<tr>
<td>Foreign rate differential</td>
<td>(13)</td>
<td>(46)</td>
<td>(88)</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>3,534</td>
<td>346</td>
<td>602</td>
</tr>
<tr>
<td>Change in valuation allowance</td>
<td>3,853</td>
<td>7,549</td>
<td>8,449</td>
</tr>
<tr>
<td>Other</td>
<td>(183)</td>
<td>143</td>
<td>138</td>
</tr>
<tr>
<td>Total</td>
<td>$ 36</td>
<td>$ 178</td>
<td>$ 208</td>
</tr>
</tbody>
</table>

Significant components of deferred income tax assets (liabilities) as of December 31, 2015 and 2016 were as follows (in thousands):

<table>
<thead>
<tr>
<th>As of December 31,</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred revenue</td>
<td>$ 404</td>
<td>$ 812</td>
</tr>
<tr>
<td>Net operating losses</td>
<td>21,062</td>
<td>28,736</td>
</tr>
<tr>
<td>Accruals and reserves</td>
<td>390</td>
<td>75</td>
</tr>
<tr>
<td>State taxes</td>
<td>(762)</td>
<td>(1,131)</td>
</tr>
<tr>
<td>Deferred commissions</td>
<td>(1,949)</td>
<td>(1,837)</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>145</td>
<td>690</td>
</tr>
<tr>
<td>Other</td>
<td>78</td>
<td>499</td>
</tr>
<tr>
<td>Valuation allowance</td>
<td>(19,355)</td>
<td>(27,804)</td>
</tr>
<tr>
<td>Net non-current deferred tax assets</td>
<td>$ 13</td>
<td>$ 40</td>
</tr>
</tbody>
</table>

We have evaluated the available positive and negative evidence supporting the realization of our gross deferred tax assets, including our cumulative losses, and the amount and timing of future taxable income, and have determined it is more likely than not that the assets will not be realized. Accordingly, we recorded a full valuation allowance against our U.S. federal and state deferred tax assets as of December 31, 2015 and 2016.

The change in the valuation allowance for the years ended December 31, 2014, 2015, and 2016 was as follows (in thousands):

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning balance</td>
<td>$ 7,953</td>
<td>$11,806</td>
<td>$19,355</td>
</tr>
<tr>
<td>Increase in valuation allowance</td>
<td>3,853</td>
<td>7,549</td>
<td>8,449</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$11,806</td>
<td>$19,355</td>
<td>$27,804</td>
</tr>
</tbody>
</table>
As of December 31, 2015 and 2016, our pre-tax unrecognized excess tax benefits of $11.0 million relating to stock-based compensation expense were not included in the deferred tax assets and will create a benefit to additional paid-in capital when recognized.

As of December 31, 2016, we had U.S. federal and state income tax net operating loss carryforwards of approximately $81.0 million and $53.0 million, respectively. The U.S. federal and state net operating losses will begin to expire in 2031 and 2024, respectively, unless previously utilized.

Pursuant to Section 382 of the Code, annual use of our net operating loss carryforwards may be limited in the event a cumulative change in ownership of more than 50% occurs within a three-year period. We determined that such an ownership change occurred. This ownership change resulted in limitations of the annual utilization of our net operating loss carryforwards, but did not result in permanent disallowance of any of our net operating loss carryforwards.

We have not provided for U.S federal and state income taxes on the undistributed earnings of foreign subsidiaries as of December 31, 2016 because such earnings are intended to be indefinitely reinvested. As of December 31, 2016, the cumulative unremitted foreign earnings that are considered to be permanently reinvested outside the United States and for which no U.S. taxes have been provided were approximately $1.2 million. The residual U.S. tax liability if such amounts were remitted would be nominal.

For the years ended December 31, 2014, 2015, and 2016, we have not recorded any uncertain tax positions. We do not anticipate any material change in the total amount of unrecognized tax benefits will occur within the next twelve months. We had no accrual for interest or penalties related to uncertain tax positions in our consolidated balance sheets as of December 31, 2015 and 2016, and have not recognized interest or penalties in our consolidated statement of operations and comprehensive loss for the years ended December 31, 2014, 2015, and 2016.

We are subject to taxation in the United States and various states and international jurisdictions. Our U.S. federal tax returns are open for examination for tax years 2013 and forward, and our state tax returns are open for examination for tax years 2012 and forward. Our tax returns for international jurisdictions are open for examination for tax years 2013 and forward.

16. Basic and Diluted Net Loss Per Share

Prior to the Modification, and as further described in Note 9, the Collateral Stock was treated as treasury stock and therefore was excluded on a weighted-average basis from the basic net loss per share computations.

As we reported losses attributable to common stockholders for all periods presented, all potentially dilutive shares of common stock are antidilutive for those periods.
The following weighted-average equivalent shares of common stock were excluded from the diluted net loss per share calculation because their inclusion would have been anti-dilutive (in thousands):

<table>
<thead>
<tr>
<th>Options to purchase common stock</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5,132</td>
<td>5,045</td>
<td>5,516</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Conversion of convertible preferred stock</th>
<th>9,003</th>
<th>12,198</th>
<th>14,647</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Shares of common stock collateralizing note receivable from stockholders</th>
<th>13,688</th>
<th>-</th>
<th>-</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Total shares excluded from net loss per share</th>
<th>27,823</th>
<th>17,243</th>
<th>20,163</th>
</tr>
</thead>
</table>

### 17. Segment and Geographic Information

We operate as one operating segment. Operating segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating decision maker, or CODM, who is our chief executive officer, in deciding how to allocate resources and assess our financial and operational performance. Our CODM evaluates our financial information and resources and assesses the performance of these resources on a consolidated and aggregated basis. As a result, we have determined that our business operates in a single operating segment.

Our operations outside the United States include sales offices in Canada, Germany, and the United Kingdom. Revenue by location is determined by the billing address of the customer. The following sets forth our revenue by geographic region (in thousands):

<table>
<thead>
<tr>
<th>Year Ended December 31</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>$33,135</td>
<td>$46,078</td>
<td>$69,420</td>
</tr>
<tr>
<td>International</td>
<td>4,849</td>
<td>7,743</td>
<td>16,370</td>
</tr>
<tr>
<td>Total</td>
<td>$37,984</td>
<td>$53,821</td>
<td>$85,790</td>
</tr>
</tbody>
</table>

No countries outside the United States comprised more than 10% of revenue for any of the years presented.

As of December 31, 2015 and 2016, substantially all of our property and equipment was located in the United States.

### 18. Subsequent Events

We performed an evaluation of the impact of subsequent events through February 24, 2017, the date our consolidated financial statements for the year ended December 31, 2016 were available to be issued. We have also evaluated subsequent events through March 10, 2017, including for the effects of the reverse stock split described below.

On February 7, 2017, we granted stock options to purchase approximately 446,749 shares of common stock at an exercise price of $13.84 per share. The grant date fair value of these awards of $2.6 million, net of estimated forfeitures, is expected to be recognized as compensation expense over the vesting period of four years.
On January 30, 2017, we acquired 100% of the outstanding equity of a software development firm based in Prague, Czech Republic that delivers a cloud-based data governance and metadata management platform. The total purchase price for the acquisition was approximately $4.3 million in cash, less a holdback of $0.5 million for customary indemnification matters and up to $2.3 million of shares of our common stock to be paid over two years contingent on the achievement of specified milestones, with the number of shares to be determined based on the fair market value of our common stock at the time of the issuance. Given the timing of the completion of the acquisition, we are currently in the process of valuing the assets acquired and liabilities assumed in the acquisition. As a result, we are unable to provide the amounts recognized as of the acquisition date for the major classes of assets acquired and liabilities assumed and certain pro forma and other disclosures.

On February 27, 2017, we effected a 2-to-1 reverse stock split of our outstanding common and preferred stock and a corresponding reduction in the number of authorized shares of preferred stock. All share and per share amounts for all periods presented in these consolidated financial statements and notes, have been adjusted retrospectively, to reflect this reverse stock split.

Also, on February 27, 2017, we implemented a dual class common stock structure where all existing shares of common stock converted to Class B common stock and we authorized a new class of Class A common stock. The Class A common stock is entitled to one vote per share and the Class B common stock is entitled to ten votes per share. The Class A and Class B common stock have the same dividend and liquidation rights, and the Class B common stock converts to Class A at any time at the option of the holder, or automatically upon the date that is the earliest of (i) the date specified by a vote of the holders of 66 2/3% of the outstanding shares of Class B common stock, (ii) ten years from the effective date of an initial public offering, and (iii) the date that the total number of shares of Class B common stock outstanding cease to represent at least 10% of all outstanding shares of our common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, except for certain transfers described in our amended and restated certificate of incorporation. Upon the creation of the dual class common stock structure, our preferred stock converts into Class B common stock on a one-for-one basis, all outstanding options to purchase common stock became options to purchase an equivalent number of shares of Class B common stock, and all RSUs became RSUs for an equivalent number of Class B common stock.
### ALTERYX, INC.
### CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except per share data)
(unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended June 30,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>Revenue</td>
<td>$38,366</td>
<td>$58,864</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>7,665</td>
<td>10,120</td>
</tr>
<tr>
<td>Gross profit</td>
<td>30,701</td>
<td>48,744</td>
</tr>
<tr>
<td>Operating expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research and development</td>
<td>7,923</td>
<td>13,169</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>29,074</td>
<td>33,217</td>
</tr>
<tr>
<td>General and administrative</td>
<td>7,325</td>
<td>16,110</td>
</tr>
<tr>
<td>Total operating expenses</td>
<td>44,322</td>
<td>62,496</td>
</tr>
<tr>
<td>Loss from operations</td>
<td>(13,621)</td>
<td>(13,752)</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>(278)</td>
<td>434</td>
</tr>
<tr>
<td>Loss before provision for (benefit of) income taxes</td>
<td>(13,899)</td>
<td>(13,318)</td>
</tr>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>90</td>
<td>(657)</td>
</tr>
<tr>
<td>Net loss</td>
<td>$(13,989)</td>
<td>$(12,661)</td>
</tr>
<tr>
<td>Less: Accretion of Series A redeemable convertible preferred stock</td>
<td>(2,733)</td>
<td>(1,983)</td>
</tr>
<tr>
<td>Net loss attributable to common stockholders</td>
<td>$(16,722)</td>
<td>$(14,644)</td>
</tr>
<tr>
<td>Net loss per share attributable to common stockholders, basic and diluted</td>
<td>$(0.52)</td>
<td>$(0.31)</td>
</tr>
<tr>
<td>Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted</td>
<td>32,315</td>
<td>46,757</td>
</tr>
<tr>
<td>Other comprehensive income (loss), net of tax:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net unrealized holding gain (loss) on investments, net of tax</td>
<td>84</td>
<td>(86)</td>
</tr>
<tr>
<td>Foreign currency translation adjustments, net of tax</td>
<td>—</td>
<td>(108)</td>
</tr>
<tr>
<td>Other comprehensive income (loss), net of tax</td>
<td>84</td>
<td>(194)</td>
</tr>
<tr>
<td>Total comprehensive loss</td>
<td>$(13,905)</td>
<td>$(12,855)</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these condensed consolidated financial statements.

F-36
## ALTERYX, INC.
### CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except par value)
(unaudited)

<table>
<thead>
<tr>
<th></th>
<th>December 31, 2016</th>
<th>June 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$31,306</td>
<td>$98,415</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>21,394</td>
<td>54,288</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>35,367</td>
<td>27,187</td>
</tr>
<tr>
<td>Deferred commissions</td>
<td>7,358</td>
<td>6,357</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>5,013</td>
<td>5,129</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>100,438</td>
<td>191,376</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>6,212</td>
<td>6,493</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>—</td>
<td>30,013</td>
</tr>
<tr>
<td>Goodwill</td>
<td>—</td>
<td>8,724</td>
</tr>
<tr>
<td>Intangible assets, net</td>
<td>—</td>
<td>8,917</td>
</tr>
<tr>
<td>Other assets</td>
<td>4,765</td>
<td>4,649</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$111,415</td>
<td>$250,172</td>
</tr>
</tbody>
</table>

| **Liabilities, Redeemable Convertible Preferred Stock, and Stockholders’ Equity (Deficit)** |                    |              |
| Current liabilities: |                   |              |
| Accounts payable     | $1,780            | $4,663       |
| Accrued payroll and payroll related liabilities | 7,760   | 7,011   |
| Accrued expenses and other current liabilities | 4,987   | 8,297   |
| Deferred revenue     | 71,050            | 73,289       |
| **Total current liabilities** | 85,577 | 93,260 |
| Deferred revenue     | 3,084             | 3,461        |
| Other liabilities    | 1,182             | 2,855        |
| **Total liabilities** | 89,843            | 99,576       |

| Commitments and contingencies (Note 7) |              |              |
| Redeemable convertible preferred stock, $0.0001 par value; no shares and 14,899 shares authorized as of December 31, 2017 and December 31, 2016, respectively; no shares and 14,647 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively; aggregate liquidation preference of $0 and $87,448 as of June 30, 2017 and December 31, 2016, respectively | 99,182 | — |

| Stockholders’ equity (deficit): |                   |              |
| Preferred stock, $0.0001 par value, 10,000 and no shares authorized as of June 30, 2017 and December 31, 2016, respectively; no shares issued and outstanding as of June 30, 2017 and December 31, 2016 | —       | —     |
| Common stock, $0.0001 par value: 1,000,000 and 56,025 shares authorized as of June 30, 2017 and December 31, 2016, respectively; 58,711 and 32,674 shares issued and outstanding as of June 30, 2017 and December 31, 2016, respectively | 3       | 5     |
| Additional paid-in capital | 8,443             | 249,502      |
| Accumulated deficit | (86,047) | (98,708) |
| Accrued other comprehensive loss | (9)   | (203)   |
| **Total stockholders’ equity (deficit)** | (77,610) | 150,596 |

| Total liabilities, redeemable convertible preferred stock, and stockholders’ equity (deficit) | $111,415 | $250,172 |

The accompanying notes are an integral part of these condensed consolidated financial statements.

F-37
## ALTERYX, INC.

### CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS’ EQUITY

**(DEFICIT)**

**(in thousands)**

**(unaudited)**

<table>
<thead>
<tr>
<th>Redeemable Convertible Preferred Stock</th>
<th>Common Stock</th>
<th>Additional Paid-in Capital</th>
<th>Accumulated Deficit</th>
<th>Accumulated Other Comprehensive Loss</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shares</td>
<td>Amount</td>
<td>Shares</td>
<td>Amount</td>
<td></td>
<td>Total</td>
</tr>
<tr>
<td>Shares at December 31, 2016</td>
<td>14,647</td>
<td>$ 99,182</td>
<td>32,674</td>
<td>$ 3</td>
<td>$ (86,047)</td>
</tr>
<tr>
<td>Issuance of common stock, net of issuance costs of $3,344</td>
<td>—</td>
<td>—</td>
<td>10,350</td>
<td>1</td>
<td>131,412</td>
</tr>
<tr>
<td>Accretion of Series A redeemable convertible preferred stock issuance costs and redemption feature</td>
<td>—</td>
<td>1,983</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Conversion of redeemable convertible preferred stock to common stock</td>
<td>(14,647)</td>
<td>(101,165)</td>
<td>14,647</td>
<td>1</td>
<td>101,164</td>
</tr>
<tr>
<td>Equity issued in business combination</td>
<td>—</td>
<td>—</td>
<td>265</td>
<td>1</td>
<td>5,285</td>
</tr>
<tr>
<td>Shares issued pursuant to stock awards</td>
<td>—</td>
<td>—</td>
<td>775</td>
<td>—</td>
<td>1,006</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>4,175</td>
<td>—</td>
</tr>
<tr>
<td>Cumulative translation adjustment</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Unrealized loss on investments</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(108)</td>
</tr>
<tr>
<td>Net loss</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Shares at June 30, 2017</td>
<td>—</td>
<td>$ —</td>
<td>58,711</td>
<td>$ 5</td>
<td>$ 249,502</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these condensed consolidated financial statements.

F-38
## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)  
(unaudited)

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30,</td>
<td>2016</td>
<td>2017</td>
</tr>
</tbody>
</table>

### Cash flows from operating activities:

- **Net loss**: $(13,989)$ $(12,661)$
- **Adjustments to reconcile net loss to net cash provided by (used in) operating activities:**
  - Depreciation and amortization: 689 1,439
  - Stock-based compensation: 1,428 4,179
  - Provision for doubtful accounts and sales reserve, net of recoveries: — 784
  - Deferred income taxes: — (1,048)
  - Change in fair value of contingent consideration: — 158
  - Loss on disposal of assets: 76 32

### Changes in operating assets and liabilities, net of effect of business acquisitions:

- **Accounts receivable**: 4,740 7,658
- **Deferred commissions**: 584 1,097
- **Prepaid expenses and other current assets and other assets**: 93 (929)
- **Accounts payable**: 1,067 1,961
- **Accrued payroll and payroll related liabilities**: (2,486) (734)
- **Accrued expenses and other current liabilities**: 188 989
- **Deferred revenue**: 3,866 2,563
- **Other liabilities**: (210) 208

**Net cash provided by (used in) operating activities**: $(3,954)$ 5,692

### Cash flows from investing activities:

- **Purchases of property and equipment**: $(2,318)$ $(1,209)
- **Cash paid in business acquisitions, net of cash acquired**: — $(9,097)
- **Purchases of investments**: $(5,706)$ $(76,053)
- **Maturities of investments**: 8,109 12,977

**Net cash provided by (used in) investing activities**: 85 $(73,382)$

### Cash flows from financing activities:

- **Proceeds from initial public offering, net of underwriting commissions and discounts**: — 134,757
- **Payment of initial public offering costs**: — (797)
- **Payment of Series C convertible preferred stock issuance costs**: (350) —
- **Repurchase of common stock, net of costs paid**: (250) —
- **Principal payments on capital lease obligations**: 174 1,006

**Net cash provided by (used in) financing activities**: $(536)$ 134,802

### Effect of exchange rate changes on cash:

- **Effect of exchange rate changes on cash**: — (3)

### Net increase (decrease) in cash and cash equivalents:

- **Net increase (decrease) in cash and cash equivalents**: $(10,320)$ 52,928

### Immediately preceding line:

- **Cash and cash equivalents—beginning of period**: $24,779

### Immediately following line:

- **Cash and cash equivalents—end of period**: $20,374

### Supplemental disclosure of noncash investing and financing activities:

- **Property and equipment recorded in accounts payable**: $782 $130
- **Consideration for business acquisition included in accrued expenses and other current liabilities and other liabilities**: $— $1,600
- **Consideration for business acquisition from issuance of common stock**: $— $5,285
- **Accretion of Series A redeemable convertible preferred stock**: $2,733 $1,983
- **Deferred initial public offering costs recorded in accounts payable and accrued expenses**: $— $1,599
- **Property and equipment funded by capital lease borrowing**: $987 $—
- **Conversion of Series A redeemable convertible preferred stock to common shares**: $— $101,165

---

The accompanying notes are an integral part of these condensed consolidated financial statements.

F-39
1. Business

Our Company

Alteryx, Inc. and its subsidiaries, or we, our, or us, are a leading provider of self-service data analytics software. Our software platform enables organizations to dramatically improve business outcomes and the productivity of their business analysts. Our subscription-based platform allows organizations to easily prepare, blend, and analyze data from a multitude of sources and more quickly benefit from data-driven decisions. The ease-of-use, speed, and sophistication that our platform provides is enhanced through intuitive and highly repeatable visual workflows. We aim to make our platform as ubiquitous in the workplace as spreadsheets are today.

Initial Public Offering

In March 2017, we completed an initial public offering, or IPO, of our Class A common stock. In connection with the IPO, we sold 10.4 million shares of Class A common stock, which included the exercise in full of the underwriters’ option to purchase an additional 1.4 million shares in April 2017, at $14.00 per share for aggregate net proceeds of $131.4 million after underwriting discounts and commissions and offering expenses. Prior to the closing of the IPO, all shares of common stock then outstanding were reclassified as Class B common stock and all shares of our then outstanding convertible preferred stock held prior to the IPO were converted into Class B common stock. See Note 5 for further discussion of our Class A and Class B common stock.

As of June 30, 2017, we had 10.7 million and 48.0 million shares of Class A common stock and Class B common stock issued and outstanding, respectively.

Basis of Presentation

Our interim condensed consolidated financial statements are presented in accordance with accounting standards generally accepted in the United States of America, or U.S. GAAP, for interim financial information. Certain information and disclosures normally included in consolidated financial statements presented in accordance with U.S. GAAP have been condensed or omitted. Accordingly, these condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes for the year ended December 31, 2016 included in our final prospectus related to our IPO dated March 23, 2017, or the Prospectus, filed with the Securities and Exchange Commission, or SEC, pursuant to Rule 424(b) under the Securities Act of 1933, as amended, or the Securities Act. The unaudited interim condensed consolidated financial statements have been prepared on a basis consistent with that used to prepare the audited annual consolidated financial statements and reflect all adjustments which are, in the opinion of our management, of a normal recurring nature and necessary for a fair statement of the condensed consolidated financial statements.

The operating results for the six months ended June 30, 2017 are not necessarily indicative of the results expected for the full year ending December 31, 2017.

2. Significant Accounting Policies

There have been no changes to our accounting policies disclosed in our audited consolidated financial statements and the related notes for the year ended December 31, 2016 included in our
Prospectus. As a result of business combinations made during the six months ended June 30, 2017 (see Note 3), we have included our accounting policies relating to business combinations, intangible assets, and goodwill below.

**Correction of an Error**

In the course of preparing our consolidated financial statements as of and for the year ended December 31, 2016, we identified an error related to the improper calculation of royalty expense during the year ended December 31, 2016 associated with licensed third-party syndicated data. We have determined that the error was not material to our interim financial statements. The correction of this error resulted in a revision which increased cost of revenue, loss from operations, and net loss by $0.8 million for the six months ended June 30, 2016.

**Use of Estimates**

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates and assumptions.

On an ongoing basis, our management evaluates estimates and assumptions based on historical data and experience, as well as various other factors that our management believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities.

**Business Combinations**

The results of businesses acquired in a business combination are included in our condensed consolidated financial statements from the date of the acquisition. We allocated the purchase price, including the fair value of any non-cash and contingent consideration, to the identifiable assets and liabilities of the relevant acquired business at their acquisition date fair values. Any excess consideration over the fair value of assets acquired and liabilities assumed is recognized as goodwill.

Contingent consideration payable in cash or a fixed dollar amount settleable in a variable number of shares is classified as a liability and recorded at fair value, with changes in fair value recorded in general and administrative expenses each period. Transaction costs associated with business combinations are expensed as incurred, and are included in general and administrative expense in the condensed consolidated statements of operations and comprehensive loss.

We perform valuations of assets acquired, liabilities assumed, and contingent consideration and allocate the purchase price to its respective assets and liabilities. Determining the fair value of assets acquired, liabilities assumed, and contingent consideration requires us to use significant judgment and estimates including the selection of valuation methodologies, estimates of future revenue, costs and cash flows, discount rates, the probability of the achievement of specified milestones, and selection of comparable companies. We engage the assistance of valuation specialists in concluding on fair value measurements in connection with determining fair values of assets acquired, liabilities assumed, and contingent consideration in a business combination.
Intangible Assets

Intangible assets consist of acquired developed technology. We determine the appropriate useful life of our intangible assets by performing an analysis of expected cash flows of the acquired assets. Intangible assets are amortized over their estimated useful lives of three to seven years, using the straight-line method, which approximates the pattern in which the economic benefits are consumed.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination. We test goodwill for impairment in accordance with the provisions of Accounting Standards Codification, or ASC, 350, Intangibles—Goodwill and Other. Goodwill is tested for impairment at least annually at the reporting unit level or whenever events or changes in circumstances indicate that goodwill might be impaired. Events or changes in circumstances which could trigger an impairment review include a significant adverse change in legal factors or in the business climate, unanticipated competition, loss of key personnel, significant changes in the use of the acquired assets or our strategy, significant negative industry or economic trends, or significant underperformance relative to expected historical or projected future results of operations.

ASC 350 provides that an entity has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then additional impairment testing is not required. However, if an entity concludes otherwise, then it is required to perform the first of a two-step impairment test.

The first step involves comparing the estimated fair value of a reporting unit with its book value, including goodwill. If the estimated fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. If, however, the fair value of the reporting unit is less than book value, then the carrying amount of the goodwill is compared with its implied fair value. The estimate of implied fair value of goodwill may require valuations of certain internally generated and unrecognized intangible assets. If the carrying amount of goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to the excess.

We have one reporting unit and we test for goodwill impairment annually during the fourth quarter of each calendar year.

Variable Interest Entities

In accordance with ASC 810, Consolidation, the applicable accounting guidance for the consolidation of variable interest entities, or VIEs, we analyze our interests to determine if such interests are variable interests. If variable interests are identified, then the related entity is assessed to determine if it is a VIE. VIEs are generally entities that have either a total equity investment that is insufficient to permit the entity to finance its activities without additional subordinated financial support, or whose equity investors lack the characteristics of a controlling financial interest (i.e., ability to make significant decisions through voting rights and a right to receive the expected residual returns of the
entity or an obligation to absorb the expected losses of the entity). If we determine that the entity is a VIE, we then assess if we must consolidate the VIE. We deem ourselves to be the primary beneficiary if we have both (i) the power to direct the activities of the VIE that most significantly impact the entity’s economic performance, and (ii) an obligation to absorb losses of the entity that could potentially be significant to the VIE, or a right to receive benefits from the entity that could be significant to the VIE.

As of June 30, 2017 and December 31, 2016, we determined that two of our distributors were VIEs under the guidance of ASC 810, Consolidation, due to (i) our participation in the design of the distributor’s legal entity, (ii) our having a variable interest in the distributor, and (iii) our having the right to residual returns. We determined that we were not the primary beneficiary of these VIEs because we did not have (a) the power to direct the activities that most significantly impact the VIE’s economic performance, and (b) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant. Therefore, we did not consolidate any assets or liabilities of these distributors in our consolidated balance sheets or record the results of these distributors in our consolidated statements of operations and comprehensive loss. Transactions with the distributors were accounted for in the same manner as our other distributors and resellers. As of June 30, 2017 and December 31, 2016, we had no exposure to losses from the contractual relationships with these VIEs or commitments to fund these VIEs.

Recent Accounting Pronouncements

In January 2017, the Financial Accounting Standards Board, or FASB, issued Accounting Standards Update, or ASU, 2017-04, Simplifying the Test for Goodwill Impairment, which simplifies the subsequent measurement of goodwill by removing the requirement to perform a hypothetical purchase price allocation to compute the implied fair value of goodwill to measure impairment. Instead, any goodwill impairment will equal the amount by which a reporting unit’s carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. Further, the guidance eliminates the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. This guidance is effective for annual or any interim goodwill impairment test in annual reporting periods beginning after December 15, 2021. Early adoption is permitted. While we continue to assess the potential impact of the adoption of this guidance, we do not expect the adoption of this guidance to have a material impact on our consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01, Clarifying the Definition of a Business, which narrows the application of when an integrated set of assets and activities is considered a business and provides a framework to assist entities in evaluating whether both an input and a substantive process are present to be considered a business. It is expected that the new guidance will reduce the number of transactions that would need to be further evaluated and accounted for as a business. This guidance is effective for annual reporting periods beginning after December 15, 2018 and interim periods within annual periods beginning after December 15, 2019. Early adoption is permitted. We are evaluating the potential impact of adopting this guidance on our consolidated financial statements.

In November 2016, the FASB issued ASU 2016-18, Restricted Cash, which requires that restricted cash be included with cash and cash equivalents when reconciling the beginning and ending total amounts shown on the statement of cash flows. This guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019, and should be applied using a retrospective transition method to each period.
presented. Early adoption is permitted, including adoption in an interim period. If an entity early adopts the amendments in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. We have not yet determined the timing of adoption. We currently present changes in restricted cash within investing activities and so the adoption of this guidance will result in changes in net cash flows from investing activities and to certain beginning and ending cash and cash equivalent totals shown on our consolidated statement of cash flows.

In October 2016, the FASB issued ASU 2016-16, Intra-Entity Transfers of Assets Other Than Inventory. This guidance removes the prohibition in ASC 740, Income Taxes, against the immediate recognition of the current and deferred income tax effects of intra-entity transfers of assets other than inventory. This guidance is intended to reduce the complexity of U.S. GAAP and diversity in practice related to the tax consequences of certain types of intra-entity asset transfers, particularly those involving intellectual property. This guidance is effective for annual reporting periods beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted. We are currently evaluating the potential impact of this guidance on our consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, Classification of Certain Cash Receipts and Cash Payments, which addresses eight specific cash flow issues with the objective of reducing the existing diversity in practice, including presentation of cash flows relating to contingent consideration payments, proceeds from the settlement of insurance claims, and debt prepayment or debt extinguishment costs, among other matters. This guidance is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019. Early adoption is permitted, including adoption in an interim period. If adopted in an interim period, any adjustments should be reflected as of the beginning of the fiscal year that includes that interim period. Adoption of this guidance is required to be applied using a retrospective transition method to each period presented, unless impracticable to do so. We are currently evaluating the potential impact of this guidance on our consolidated statement of cash flows.

In March 2016, the FASB issued ASU 2016-09, Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting, which simplifies several aspects of the accounting for share-based payment transactions and related tax impacts, the classification of excess tax benefits on the statement of cash flows, statutory tax withholding requirements, and other stock-based compensation classification matters. This guidance is effective for annual reporting periods beginning after December 15, 2017, and interim periods within annual periods beginning after December 31, 2018. Early adoption is permitted in any interim or annual period. All the amendments in the new guidance must be adopted in the same period. We are evaluating the potential impact of this guidance on our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases, creating Topic 842, which requires lessees to record the assets and liabilities arising from all leases in the statement of financial position. Under ASU 2016-02, lessees will recognize a liability for lease payments and a right-of-use asset. When measuring assets and liabilities, a lessee should include amounts related to option terms, such as the option of extending or terminating the lease or purchasing the underlying asset, that are reasonably certain to be exercised. For leases with a term of 12 months or less, lessees are permitted to make an accounting policy election to not recognize lease assets and liabilities. This guidance retains the distinction between finance leases and operating leases and the classification criteria remains similar. For financing leases, a lessee will recognize the interest on a lease liability separate

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from amortization of the right-of-use asset. In addition, repayments of principal will be presented within financing activities, and interest payments will be presented within operating activities in the statement of cash flows. For operating leases, a lessee will recognize a single lease cost on a straight-line basis and classify all cash payments within operating activities in the statement of cash flows. This guidance will be effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020, and is required to be applied using a modified retrospective approach. Early adoption is permitted. We are evaluating the potential impact of this guidance on our consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers. This guidance replaces most existing revenue recognition guidance. It provides principles for recognizing revenue for the transfer of promised goods or services to customers with the consideration to which the entity expects to be entitled in exchange for those goods or services. In August 2015, the FASB issued ASU 2015-14, which deferred the effective date of ASU 2014-09 by one year. During 2016, the FASB continued to issue additional amendments to this new revenue guidance. This new revenue guidance will be effective for annual reporting periods beginning after December 15, 2018, and interim reporting periods within annual reporting periods beginning after December 15, 2019. Early adoption is permitted for annual periods beginning after December 15, 2016. We are evaluating the potential impact of this guidance on our consolidated financial statements.

3. Business Combinations

In January 2017, we acquired 100% of the outstanding equity of Semanta, s.r.o., or Semanta, a software development firm based in Prague, Czech Republic that delivers a cloud-based data governance and metadata management platform. In May 2017, we acquired 100% of the outstanding equity of Yhat, Inc., or Yhat, a data science software company based in Brooklyn, New York that provides data scientists and analysts with self-service data science tools for developing, managing, and deploying analytical models. These acquisitions were made to enhance our platform with additional data governance capabilities and the ability to deploy and manage advanced analytic models.

The following table presents details of the purchase consideration related to each acquisition.

<table>
<thead>
<tr>
<th>Company Acquired</th>
<th>Month Acquired</th>
<th>Cash Consideration Paid</th>
<th>Equity Consideration Paid</th>
<th>Cash Holdback</th>
<th>Contingent Consideration Maximum</th>
<th>Contingent Consideration Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Semanta</td>
<td>January 2017</td>
<td>$3,944</td>
<td>$0</td>
<td>$500</td>
<td>$2,300</td>
<td>$1,160</td>
</tr>
<tr>
<td>Yhat</td>
<td>May 2017</td>
<td>5,535</td>
<td>5,285</td>
<td>—</td>
<td>$2,300</td>
<td>$1,160</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$9,479</strong></td>
<td><strong>$5,285</strong></td>
<td><strong>$500</strong></td>
<td><strong>$4,600</strong></td>
<td><strong>$2,320</strong></td>
</tr>
</tbody>
</table>

The acquisition of Semanta included cash consideration held back for customary indemnification matters for a period of 24-months following the acquisition date. A portion of the cash consideration in the Yhat acquisition is currently held in escrow pursuant to the terms of the acquisition agreement and is reflected in goodwill.

The condensed consolidated financial statements include the results of operations of the acquired companies commencing as of their respective acquisition dates. Revenues and operating results of the acquired companies for the six months ended June 30, 2017 were not material to the condensed
consolidated financial statements. During the six months ended June 30, 2017 we recognized $0.9 million of acquisition related costs in general and administrative expense in the condensed consolidated statement of operations and comprehensive loss.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed as of the dates of each acquisition (in thousands):

<table>
<thead>
<tr>
<th>Assets acquired and liabilities assumed:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 382</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>247</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>68</td>
</tr>
<tr>
<td>Property and equipment</td>
<td>54</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>9,220</td>
</tr>
<tr>
<td>Goodwill</td>
<td>8,724</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(479)</td>
</tr>
<tr>
<td>Accrued expenses, deferred revenue and other current liabilities</td>
<td>(205)</td>
</tr>
<tr>
<td>Deferred tax liability, included in other liabilities</td>
<td>(1,587)</td>
</tr>
<tr>
<td><strong>Total purchase consideration</strong></td>
<td><strong>$16,424</strong></td>
</tr>
</tbody>
</table>

Goodwill represents the excess of the purchase consideration over the fair value of the underlying intangible assets and net liabilities assumed. We believe the amount of goodwill resulting from the acquisitions is primarily attributable to expected synergies from an assembled workforce, increased development capabilities, increased offerings to customers, and enhanced opportunities for growth and innovation. The goodwill resulting from the acquisitions is not tax deductible.

We determined the fair value of the completed technology acquired in the acquisitions using the multiple period excess earnings and the replacement cost models. These models utilize certain unobservable inputs classified as Level 3 measurements as defined by ASC 820, *Fair Value Measurements and Disclosures*. Key inputs utilized in the models include discount rates ranging from 35% to 45%, a market participant tax rate of 40%, an estimated level of future cash flows based on current product and market data, and estimated costs to recreate the technology. Based on the valuation models, we determined the fair value of the completed technology to be $9.2 million with a weighted-average amortization period of 5.7 years.

A portion of the consideration for the Semanta acquisition is subject to earn-out provisions. Additional contingent earn-out consideration of up to $2.3 million in shares of our Class B common stock may be paid out to the former shareholders of Semanta over two years upon the achievement of specified milestones. The number of shares that will be issued will be determined based on the total dollar value of consideration earned upon the achievement of a particular milestone divided by an average trading value of our Class A common stock calculated at the time of the issuance. We utilized a probability weighted scenario based model to determine the fair value of the contingent consideration. Based on this valuation model we determined the fair value of the contingent consideration to be $1.2 million as of the acquisition date.

Pro forma information as if the acquisitions occurred on January 1, 2016 has not been presented as the pro forma impact is not material to our condensed consolidated financial statements.
4. Fair Value Measurements

We utilize valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. We determine fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- **Level 1**: Unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- **Level 2**: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active near the measurement date; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- **Level 3**: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The fair value of our money market funds was determined based on “Level 1” inputs.

The fair value of certificates of deposit, U.S. Treasury and agency bonds, and corporate bonds were determined based on “Level 2” inputs. The valuation techniques used to measure the fair value of certificates of deposit included observable market-based inputs for similar assets, which primarily include yield curves and time-to-maturity factors. The valuation techniques used to measure the fair value of U.S. Treasury and agency bonds and corporate bonds included standard observable inputs, including reported trades, quoted market prices, matrix pricing, benchmark yields, broker/dealer quotes, issuer spreads, two-sided markets or benchmark securities and data provided by third parties as many of the bonds are not actively traded.

There were no marketable securities measured on a recurring basis in the “Level 3” category.

We have not elected the fair value option as prescribed by ASC 825, *The Fair Value Option for Financial Assets and Financial Liabilities*, for our financial assets and liabilities that are not otherwise required to be carried at fair value. Under ASC 820, material financial assets and liabilities not carried at fair value, such as our accounts receivable and payables, are reported at their carrying values.

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Instruments Measured at Fair Value on a Recurring Basis. The following tables present our cash and cash equivalents and investments' costs, gross unrealized gains (losses), and fair value by major security type recorded as cash and cash equivalents or short-term or long-term investments as of June 30, 2017 and December 31, 2016 (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>As of June 30, 2017</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Gross Unrealized Gains (Losses)</td>
<td>Fair Value</td>
<td>Cash and Cash Equivalents</td>
<td>Short-term Investments</td>
</tr>
<tr>
<td>Cash</td>
<td>$ 89,576</td>
<td>$ —</td>
<td>$ 89,576</td>
<td>$ 89,576</td>
<td>$ —</td>
</tr>
<tr>
<td>Level 1:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money market funds</td>
<td>5,840</td>
<td>—</td>
<td>5,840</td>
<td>5,840</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>5,840</td>
<td>—</td>
<td>5,840</td>
<td>5,840</td>
<td>—</td>
</tr>
<tr>
<td>Level 2:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>5,894</td>
<td>—</td>
<td>5,894</td>
<td>—</td>
<td>5,894</td>
</tr>
<tr>
<td>U.S. Treasury and agency bonds</td>
<td>53,554</td>
<td>(65)</td>
<td>53,489</td>
<td>2,999</td>
<td>20,477</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>27,947</td>
<td>(30)</td>
<td>27,917</td>
<td>—</td>
<td>27,917</td>
</tr>
<tr>
<td>Subtotal</td>
<td>87,395</td>
<td>(95)</td>
<td>87,300</td>
<td>2,999</td>
<td>54,288</td>
</tr>
<tr>
<td>Level 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$182,811</td>
<td>$ (95)</td>
<td>$182,716</td>
<td>$ 98,415</td>
<td>$ 54,288</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>As of December 31, 2016</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost</td>
<td>Gross Unrealized Gains (Losses)</td>
<td>Fair Value</td>
<td>Cash and Cash Equivalents</td>
<td>Short-term Investments</td>
</tr>
<tr>
<td>Cash</td>
<td>$ 10,499</td>
<td>—</td>
<td>$ 10,499</td>
<td>$ 10,499</td>
<td>$ —</td>
</tr>
<tr>
<td>Level 1:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money market funds</td>
<td>20,807</td>
<td>—</td>
<td>20,807</td>
<td>20,807</td>
<td>—</td>
</tr>
<tr>
<td>Subtotal</td>
<td>20,807</td>
<td>—</td>
<td>20,807</td>
<td>20,807</td>
<td>—</td>
</tr>
<tr>
<td>Level 2:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>10,552</td>
<td>—</td>
<td>10,552</td>
<td>—</td>
<td>10,552</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>10,770</td>
<td>72</td>
<td>10,842</td>
<td>—</td>
<td>10,842</td>
</tr>
<tr>
<td>Subtotal</td>
<td>21,322</td>
<td>72</td>
<td>21,394</td>
<td>—</td>
<td>21,394</td>
</tr>
<tr>
<td>Level 3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$ 52,628</td>
<td>72</td>
<td>$ 52,700</td>
<td>$ 31,306</td>
<td>$ 21,394</td>
</tr>
</tbody>
</table>

There were no transfers between Level 1, Level 2, or Level 3 securities during the six months ended June 30, 2017. As of June 30, 2017, there were 23 securities with a fair value of $73.8 million in an unrealized loss position for less than 12 months. The gross unrealized losses of $0.1 million as of June 30, 2017 were due to changes in market rates, and we have determined the losses are temporary in nature.
All the long-term investments had maturities of between one and two years in duration as of June 30, 2017. Cash and cash equivalents, restricted cash, and investments as of June 30, 2017 and December 31, 2016 held domestically were approximately $177.7 million and $52.9 million, respectively.

Contingent Consideration. Contingent consideration in connection with acquisitions is measured at fair value each reporting period based on significant unobservable inputs, classified as Level 3 measurement. See Note 3 for additional information on the valuation of the contingent consideration as of the acquisition date. The contingent earn-out consideration has been recorded in other liabilities in our accompanying condensed consolidated balance sheet with any changes in fair value each reporting period recorded in general and administrative expenses in our condensed consolidated statements of operations and comprehensive loss. Changes in fair value depend on several factors including estimates of the timing and ability to achieve the milestones.

The following table presents a reconciliation of the beginning and ending balances of acquisition-related accrued contingent consideration using significant unobservable inputs (Level 3) for the six months ended June 30, 2017 (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>Beginning balance</td>
<td>$</td>
</tr>
<tr>
<td>Obligations assumed</td>
<td>—</td>
</tr>
<tr>
<td>Change in fair value</td>
<td>—</td>
</tr>
<tr>
<td>Ending balance</td>
<td>$</td>
</tr>
</tbody>
</table>

Instruments Not Recorded at Fair Value on a Recurring Basis. The carrying amounts of our financial instruments, including cash, accounts receivable, prepaid expenses and other current assets, accounts payable, and accrued liabilities approximate their current fair value because of their nature and relatively short maturity dates or durations.

Assets and Liabilities Recorded at Fair Value on a Non-Recurring Basis. The fair value of our cost method investment is measured when it is deemed to be other-than-temporarily impaired, assets acquired and liabilities assumed in a business acquisition, and goodwill and other long lived assets when they are held for sale or determined to be impaired. See Note 3 for fair value measurements of certain assets and liabilities recorded at fair value on a non-recurring basis.

5. Stockholders’ Equity

Reverse Stock Split

In February 2017, we effected a 2-to-1 reverse stock split of our outstanding common and preferred stock and a corresponding reduction in the number of authorized shares of preferred stock. All share and per share amounts for all periods presented in these condensed consolidated financial statements and notes, have been adjusted retrospectively to reflect this reverse stock split.

Dual Class Common Stock Structure

In February 2017, we implemented a dual class common stock structure in which each then existing share of common stock converted into a share of Class B common stock and we also
authorized a new class of common stock, the Class A common stock. The Class A common stock is entitled to one vote per share and the Class B common stock is entitled to ten votes per share. The Class A common stock and Class B common stock have the same dividend and liquidation rights, and the Class B common stock converts to Class A common stock at any time at the option of the holder, or automatically upon the date that is the earliest of (i) the date specified by a vote of the holders of at least 66 2/3% of the outstanding shares of Class B common stock, (ii) March 29, 2027, and (iii) the date that the total number of shares of Class B common stock outstanding cease to represent at least 10% of the aggregate number of shares of Class A common stock and Class B common stock then outstanding. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, except for certain permitted transfers described in our restated certificate of incorporation, or the Restated Certificate. Upon the creation of the dual class common stock structure all outstanding options to purchase common stock became options to purchase an equivalent number of shares of Class B common stock, and all restricted stock units, or RSUs, became RSUs for an equivalent number of shares of Class B common stock.

Upon the effectiveness of the Restated Certificate in March 2017, the number of shares of capital stock that is authorized to be issued consisted of 500,000,000 shares of Class A common stock, $0.0001 par value per share, 500,000,000 shares of Class B common stock, $0.0001 par value per share, and 10,000,000 shares of undesignated preferred stock, $0.0001 par value per share.

6. Equity Awards

Amended and Restated 2013 Stock Plan

We granted options and RSUs under our Amended and Restated 2013 Stock Plan, or 2013 Plan, until March 22, 2017, when the plan was terminated in connection with our IPO. Accordingly, no shares are available for future issuance under the 2013 Plan following the IPO. The 2013 Plan continues to govern outstanding equity awards granted thereunder.

2017 Equity Incentive Plan

In February 2017, our board of directors adopted and our stockholders approved the 2017 Equity Incentive Plan, or 2017 Plan. The 2017 Plan became effective on March 22, 2017 and is the successor plan to the 2013 Plan. Under the 2017 Plan, we initially reserved (i) 5.1 million shares of Class A common stock for future issuance and (ii) 0.8 million shares of Class A common stock equal to the number of Class B shares reserved but not issued under the 2013 Plan as of the effective date of the 2017 Plan. The number of shares of Class A common stock reserved for issuance under our 2017 Plan will increase automatically on the first day of January of each of 2018 through 2027 by the lesser of (a) 5% of the total outstanding shares of our Class A and Class B common stock as of the immediately preceding December 31 and (b) the number of shares determined by our board of directors. The share reserve may also increase to the extent that outstanding awards under our 2013 Plan expire or terminate. As of June 30, 2017, an aggregate of 5.4 million shares of Class A common stock were reserved for issuance under the 2017 Plan.

2017 Employee Stock Purchase Plan

In February 2017, our board of directors adopted and our stockholders approved the 2017 Employee Stock Purchase Plan, or 2017 ESPP. The 2017 ESPP became effective on March 23, 2017.
Under the 2017 ESPP, we reserved 1.1 million shares of Class A common stock for future issuance. The number of shares of Class A common stock reserved for issuance under our 2017 ESPP will increase automatically on the first day of January of each of 2018 through 2027 by the lesser of (a) 1% of the total outstanding shares of our Class A and Class B common stock as of the immediately preceding December 31 and (b) the number of shares determined by our board of directors. The aggregate number of shares issued over the term of the 2017 ESPP may not exceed 11,000,000 shares of Class A common stock.

**Stock Options**

Stock option activity during the six months ended June 30, 2017 consisted of the following (in thousands, except weighted-average information):

<table>
<thead>
<tr>
<th>Options</th>
<th>Outstanding</th>
<th>Weighted-Average Exercise Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options outstanding at December 31, 2016</td>
<td>6,318</td>
<td>$5.65</td>
</tr>
<tr>
<td>Granted</td>
<td>806</td>
<td>15.82</td>
</tr>
<tr>
<td>Exercised</td>
<td>(769)</td>
<td>1.31</td>
</tr>
<tr>
<td>Cancelled/forfeited</td>
<td>(363)</td>
<td>7.45</td>
</tr>
<tr>
<td>Options outstanding at June 30, 2017</td>
<td>5,992</td>
<td>$7.47</td>
</tr>
</tbody>
</table>

As of June 30, 2017, there was $12.5 million of unrecognized compensation cost related to unvested stock options, which is expected to be recognized over a weighted-average period of 3.0 years.

**Restricted Stock Units**

RSU activity during the six months ended June 30, 2017 consisted of the following (in thousands, except weighted-average information):

<table>
<thead>
<tr>
<th>Awards</th>
<th>Outstanding</th>
<th>Weighted-Average Grant Date Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>RSUs outstanding at December 31, 2016</td>
<td>373</td>
<td>$12.30</td>
</tr>
<tr>
<td>Granted</td>
<td>148</td>
<td>17.11</td>
</tr>
<tr>
<td>Cancelled/forfeited</td>
<td>(61)</td>
<td>12.89</td>
</tr>
<tr>
<td>RSUs outstanding at June 30, 2017</td>
<td>460</td>
<td>$13.78</td>
</tr>
</tbody>
</table>

RSUs outstanding as of December 31, 2016, or pre-2017 RSUs, vest upon the satisfaction of both a service condition and a liquidity condition. The service condition for these awards will be satisfied over four years. The liquidity condition is satisfied upon the occurrence of a qualifying event, defined as a change of control transaction, or 180 days following the closing of the IPO, which occurred in March 2017. Beginning on the closing of the IPO in March 2017, we recognized a cumulative stock-based compensation expense for the portion of the pre-2017 RSUs that had met the service condition. In the six months ended June 30, 2017, stock-based compensation expense related to our pre-2017 RSUs was $1.1 million.
As of June 30, 2017, total unrecognized compensation expense, adjusted for estimated forfeitures, related to unvested RSUs was approximately $4.2 million, which is expected to be recognized over a weighted-average period of 1.8 years.

We classified stock-based compensation expense in the accompanying consolidated statements of operations and comprehensive loss as follows (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended June 30,</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
<td>2017</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>$48</td>
<td>$245</td>
</tr>
<tr>
<td>Research and development</td>
<td>144</td>
<td>699</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>634</td>
<td>1,183</td>
</tr>
<tr>
<td>General and administrative</td>
<td>602</td>
<td>2,103</td>
</tr>
<tr>
<td>Total</td>
<td>$1,428</td>
<td>$4,230</td>
</tr>
</tbody>
</table>

7. Commitments and Contingencies

Leases

We have various non-cancelable operating leases for our offices. These leases expire at various times through 2024. Certain lease agreements contain renewal options, rent abatement, and escalation clauses.

Indemnification

In the ordinary course of business, we enter into agreements in which we may agree to indemnify other parties with respect to certain matters, including losses resulting from claims of intellectual property infringement, damages to property or persons, business losses, or other liabilities. In addition, we have entered into indemnification agreements with our directors, executive officers, and certain other employees that will require us to indemnify them against liabilities that may arise by reason of their status or service as directors, officers, or employees. The term of these indemnification agreements with our directors, executive officers, and other employees, are generally perpetual after execution of the agreement. The maximum potential amount of future payments we could be required to make under these indemnification provisions is unlimited; however, we maintain insurance that reduces our exposure and enables us to recover a portion of any future amounts paid. As of June 30, 2017 and December 31, 2016, we have not accrued a liability for these indemnification provisions because the likelihood of incurring a payment obligation, if any, in connection with these arrangements is not probable or reasonably estimable.

Litigation

From time to time, we may be involved in lawsuits, claims, investigations, and proceedings, consisting of intellectual property, commercial, employment, and other matters, which arise in the ordinary course of business.

We are not currently a party to any material legal proceedings or claims, nor are we aware of any pending or threatened litigation or claims that could have a material adverse effect on our business, operating results, cash flows, or financial condition should such litigation or claim be resolved unfavorably.

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8. Income Taxes

The following table presents details of the provision for (benefit of) income taxes and our effective tax rates (in thousands except percentages):

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provision for (benefit of) income taxes</td>
<td>$90</td>
<td>$(657)</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>0.6%</td>
<td>(4.9)%</td>
</tr>
</tbody>
</table>

We account for income taxes according to ASC 740, *Income Taxes*, which, among other things, requires that we estimate our annual effective income tax rate for the full year and apply it to pre-tax income (loss) to each interim period, taking into account year-to-date amounts and projected results for the full year. The provision for (benefit of) income taxes consists of federal, foreign, state, and local income taxes. Our effective tax rate differs from the statutory U.S. income tax rate due to the effect of state and local income taxes, generally lower tax rates in foreign jurisdictions compared to the United States, certain nondeductible expenses, and the changes in valuation allowances against our deferred tax assets. Our effective tax rate could change significantly from quarter to quarter because of recurring and nonrecurring factors.

We evaluate whether to record a valuation allowance against our deferred tax assets by considering all available positive and negative evidence, using a "more likely than not" realization standard, including our cumulative losses, and the amount and timing of future taxable income. Based on our review, we will continue to maintain a full valuation allowance against our U.S. deferred tax assets.

The income tax benefit of $0.7 million for the six months ended June 30, 2017, primarily relates to a discrete tax benefit of $1.0 million related to a decrease in our valuation allowance against our deferred tax assets related to the Yhat acquisition, offset in part by U.S. and Czech tax expense from the sale of the intellectual property related to our products from the U.S. parent company to wholly owned subsidiaries outside the United States and from the Czech subsidiary to the U.S. parent company and other wholly owned subsidiaries outside the United States.

Neither we nor any of our subsidiaries are currently under examination from tax authorities in the jurisdictions in which we do business.

9. Basic and Diluted Net Loss Per Share

In periods in which we have net income, we apply the two-class method for calculating net loss per share. Under the two-class method, net income is attributed to common stockholders and participating securities based on their participation rights. Participating securities include convertible preferred stock. In periods in which we have net losses after accretion of convertible preferred stock, we do not attribute losses to participating securities as they are not contractually obligated to share our losses.

Under the two-class method, basic net loss per share attributable to common stockholders is computed by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Net loss attributable to common stockholders is calculated as net loss including current period convertible preferred stock accretion.
Diluted net loss per share attributable to common stockholders adjusts basic net loss per share for the potentially dilutive impact of stock options and convertible preferred stock. As we have reported losses attributable to common stockholders for all periods presented, all potentially dilutive securities are antidilutive and accordingly, basic net loss per share equals diluted net loss per share. Basic and diluted net loss per share attributable to common stockholders for Class A and Class B common stock were the same because they were entitled to the same liquidation and dividend rights.

The following weighted-average equivalent shares of common stock were excluded from the diluted net loss per share calculation because their inclusion would have been anti-dilutive (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>Options to purchase common stock</td>
<td>5,249</td>
</tr>
<tr>
<td>Unvested restricted stock units</td>
<td>—</td>
</tr>
<tr>
<td>Conversion of convertible preferred stock</td>
<td>14,647</td>
</tr>
<tr>
<td>Total shares excluded from net loss per share</td>
<td>19,896</td>
</tr>
</tbody>
</table>

10. Segment and Geographic Information

Operating segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating decision maker, or CODM, who is our chief executive officer, in deciding how to allocate resources and assess our financial and operational performance. Our CODM evaluates our financial information and resources and assesses the performance of these resources on a consolidated and aggregated basis. As a result, we have determined that our business operates in a single operating segment.

Our operations outside the United States include sales offices in Canada, Germany, Czech Republic, and the United Kingdom. Revenue by location is determined by the billing address of the customer. The following sets forth our revenue by geographic region (in thousands):

<table>
<thead>
<tr>
<th></th>
<th>Six Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>United States</td>
<td>$31,474</td>
</tr>
<tr>
<td>International</td>
<td>6,892</td>
</tr>
<tr>
<td>Total</td>
<td>$38,366</td>
</tr>
</tbody>
</table>

No countries outside the United States comprised more than 10% of revenue for any of the periods presented.
ALTERYX POWERS THE ANALYTIC ENTERPRISE

Visual workflow for analytics
Better insights, faster
Enterprise ready, today

alteryx
8,000,000 Shares

Class A Common Stock

alteryx

Goldman Sachs & Co. LLC  J.P. Morgan  BofA Merrill Lynch
KeyBanc Capital Markets  William Blair  JMP Securities
Raymond James  Cowen
PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the costs and expenses to be paid by us, other than estimated writing discounts and commissions, in connection with the sale of the shares of Class A common stock being registered hereby. All amounts are estimates except for the SEC registration fee, the FINRA filing fee, and the New York Stock Exchange listing fee.

<table>
<thead>
<tr>
<th>Cost Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEC registration fee</td>
<td>$23,970</td>
</tr>
<tr>
<td>FINRA filing fee</td>
<td>$31,523</td>
</tr>
<tr>
<td>New York Stock Exchange listing fee</td>
<td>$43,200</td>
</tr>
<tr>
<td>Printing and engraving</td>
<td>$100,000</td>
</tr>
<tr>
<td>Legal fees and expenses</td>
<td>$425,000</td>
</tr>
<tr>
<td>Accounting fees and expenses</td>
<td>$100,000</td>
</tr>
<tr>
<td>Transfer agent and registrar fees and expenses</td>
<td>$7,000</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>$69,307</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$800,000</strong></td>
</tr>
</tbody>
</table>


Section 145 of the DGCL, authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers under certain circumstances and subject to certain limitations. The terms of Section 145 of the DGCL are sufficiently broad to permit indemnification under certain circumstances for liabilities, including reimbursement of expenses incurred, arising under the Securities Act.

As permitted by the DGCL, the Registrant’s restated certificate of incorporation contains provisions that eliminate the personal liability of its directors for monetary damages for any breach of fiduciary duties as a director, except liability for the following:

- any breach of the director’s duty of loyalty to the Registrant or its stockholders;
- acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- under Section 174 of the DGCL (regarding unlawful dividends and stock purchases); or
- any transaction from which the director derived an improper personal benefit.

As permitted by the DGCL, the Registrant’s restated bylaws provide that:

- the Registrant is required to indemnify its directors and officers to the fullest extent permitted by the DGCL, subject to very limited exceptions;
- the Registrant may indemnify its other employees and agents as set forth in the DGCL;
- the Registrant is required to advance expenses, as incurred, to its directors and officers in connection with a legal proceeding to the fullest extent permitted by the DGCL, subject to very limited exceptions; and
- the rights conferred in the restated bylaws are not exclusive.
The Registrant has entered into indemnification agreements with each of its current directors and executive officers to provide these directors and executive officers additional contractual assurances regarding the scope of the indemnification set forth in the Registrant’s restated certificate of incorporation and restated bylaws and to provide additional procedural protections. At present, there is no pending litigation or proceeding involving a director, executive officer, or employee of the Registrant regarding which indemnification is sought. Reference is also made to the underwriting agreement filed as Exhibit 1.1 to this Registration Statement, which provides for the indemnification of executive officers, directors, and controlling persons of the Registrant against certain liabilities. The indemnification provisions in the Registrant’s restated certificate of incorporation and restated bylaws and the indemnification agreements entered into or to be entered into between the Registrant and each of its directors and executive officers may be sufficiently broad to permit indemnification of the Registrant’s directors and executive officers for liabilities arising under the Securities Act.

The Registrant has directors’ and officers’ liability insurance for its directors and officers.

Certain of the Registrant’s directors are also indemnified by their employers with regard to their service on the Registrant’s board of directors.

Reference is made to the following documents filed as exhibits to this Registration Statement regarding relevant indemnification provisions described above and elsewhere herein:

<table>
<thead>
<tr>
<th>Exhibit Document</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Form of Underwriting Agreement</td>
<td>1.1</td>
</tr>
<tr>
<td>Restated Certificate of Incorporation of the Registrant</td>
<td>3.1</td>
</tr>
<tr>
<td>Restated Bylaws of the Registrant</td>
<td>3.2</td>
</tr>
<tr>
<td>Second Amended and Restated Investors’ Rights Agreement by and among the Registrant and certain security holders of the Registrant, dated September 24, 2015, as amended</td>
<td>4.2</td>
</tr>
<tr>
<td>Form of Indemnification Agreement</td>
<td>10.1</td>
</tr>
</tbody>
</table>

**Item 15. Recent Sales of Unregistered Securities.**

Since June 1, 2014, the Registrant has issued and sold the following securities (after giving effect to stock splits):

1. From June 1, 2014 to March 24, 2017 (the date the Registrant filed its registration statement on Form S-8), the Registrant granted options to employees, directors, consultants, and other service providers to purchase an aggregate of 5,395,118 shares of Class B common stock under its Amended and Restated 2013 Plan, or 2013 Plan, with per share exercise prices ranging from $0.72 to $13.84, and has issued 2,581,915 shares of Class B common stock upon exercise of stock options under its 2013 Plan.

2. From June 1, 2014 to March 24, 2017 (the date the Registrant filed its registration statement on Form S-8), the Registrant granted 373,125 RSUs to employees and other service providers to be settled in shares of Class B common stock under its 2013 Plan.

3. From June 1, 2014 to March 24, 2017 (the date the Registrant filed its registration statement on Form S-8), the Registrant issued to service providers 2,104 shares of Class B common stock for aggregate consideration of $19,988.

4. In September 2014, the Registrant issued and sold to eight accredited investors an aggregate of 3,001,663 shares of Series B convertible preferred stock, at a purchase price of approximately $6.66 per share (after giving effect to a 1-to-2.5 forward stock split of preferred stock effected in September 2015), for aggregate consideration of approximately $20 million. In connection with the closing of the Registrant’s initial public offering, all
3,001,663 shares of Series B convertible preferred stock converted into an equivalent number of shares of Class B common stock.

5. In September 2015, theRegistrant issued and sold to ten accredited investors an aggregate of 3,659,463 shares of Series C convertible preferred stock, at a purchase price of approximately $13.66 per share, and an aggregate of 2,944,390 shares of Class B common stock, at a purchase price of approximately $11.89 per share, for aggregate consideration of approximately $85 million. In connection with the closing of the Registrant's initial public offering, all 3,659,463 shares of Series C convertible preferred stock converted into an equivalent number of shares of Class B common stock.

6. On January 30, 2017, the Registrant completed an acquisition of Semanta, s.r.o. Shares of the Registrant's Class B common stock with an aggregate value of up to $2.3 million may become issuable upon the achievement of certain milestones in connection with the acquisition. On August 21, 2017, 12,492 shares of Class B common stock were issued to five former Semanta shareholders.

7. On May 26, 2017, the Registrant completed an acquisition of Yhat, Inc. In connection with that acquisition, the Registrant issued 271,224 shares of Class A common stock to 24 former Yhat stockholders.

Unless otherwise stated, the sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act (or Regulation D or Regulation S promulgated thereunder), or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions.


(a) Exhibits.

<table>
<thead>
<tr>
<th>Exhibit Number</th>
<th>Exhibit Title</th>
<th>Incorporated by Reference</th>
<th>Filed Herewith</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Form of Underwriting Agreement.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>3.1</td>
<td>Restated Certificate of Incorporation of the Registrant.</td>
<td>10-Q, 001-38034, 3.1</td>
<td>May 11, 2017</td>
</tr>
<tr>
<td>3.2</td>
<td>Restated Bylaws of the Registrant.</td>
<td>10-Q, 001-38034, 3.2</td>
<td>May 11, 2017</td>
</tr>
<tr>
<td>4.1</td>
<td>Form of Registrant’s Class A common stock certificate.</td>
<td>S-1/A, 333-216237, 4.1</td>
<td>March 13, 2017</td>
</tr>
<tr>
<td>4.2</td>
<td>Second Amended and Restated Investors’ Rights Agreement by and among the Registrant and certain security holders of the Registrant, dated September 24, 2015, as amended.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>5.1</td>
<td>Opinion of Fenwick &amp; West LLP.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Exhibit Number</td>
<td>Exhibit Title</td>
<td>Incorporated by Reference</td>
<td>Filed Herewith</td>
</tr>
<tr>
<td>---------------</td>
<td>-----------------------------------------------------------------------------</td>
<td>---------------------------</td>
<td>----------------</td>
</tr>
<tr>
<td>10.1</td>
<td>Form of Indemnity Agreement.</td>
<td>S-1</td>
<td>10.1 February 24, 2017</td>
</tr>
<tr>
<td>10.2</td>
<td>Amended and Restated 2013 Stock Plan and forms of award agreements.</td>
<td>S-1</td>
<td>10.2 February 24, 2017</td>
</tr>
<tr>
<td>10.3</td>
<td>2017 Equity Incentive Plan and forms of award agreements.</td>
<td>S-1</td>
<td>10.3 February 24, 2017</td>
</tr>
<tr>
<td>10.4</td>
<td>2017 Employee Stock Purchase Plan and form of subscription agreement.</td>
<td>S-1</td>
<td>10.4 February 24, 2017</td>
</tr>
<tr>
<td>10.5</td>
<td>Discretionary Alteryx Annual Bonus Program.</td>
<td>S-1</td>
<td>10.5 February 24, 2017</td>
</tr>
<tr>
<td>10.6</td>
<td>Amended and Restated Offer Letter by and between the Registrant and Dean A. Stoecker, dated February 22, 2017</td>
<td>S-1</td>
<td>10.6 February 24, 2017</td>
</tr>
<tr>
<td>10.7</td>
<td>Offer Letter by and between the Registrant and Paul Evans, dated June 30, 2011, as amended.</td>
<td>S-1</td>
<td>10.7 February 24, 2017</td>
</tr>
<tr>
<td>10.8</td>
<td>Amended and Restated Offer Letter by and between the Registrant and Kevin Rubin, dated February 22, 2017.</td>
<td>S-1</td>
<td>10.8 February 24, 2017</td>
</tr>
<tr>
<td>10.9</td>
<td>Lease by and between the Registrant and LBA IV-PPI, LLC, dated December 7, 2015.</td>
<td>S-1</td>
<td>10.9 February 24, 2017</td>
</tr>
<tr>
<td>10.10</td>
<td>Form of Severance and Change in Control Agreement.</td>
<td>S-1</td>
<td>10.10 February 24, 2017</td>
</tr>
<tr>
<td>21.1</td>
<td>List of Subsidiaries of the Registrant.</td>
<td>S-1</td>
<td>21.1 February 24, 2017</td>
</tr>
<tr>
<td>23.1</td>
<td>Consent of Fenwick &amp; West LLP (included in Exhibit 5.1).</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>23.2</td>
<td>Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm.</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>24.1</td>
<td>Power of Attorney (included on signature pages to registration statement).</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>99.1</td>
<td>Consent of International Data Corporation.</td>
<td></td>
<td>X</td>
</tr>
</tbody>
</table>
### (b) Financial Statement Schedule.

All financial statement schedules are omitted because they are not applicable or the information is included in the Registrant’s consolidated financial statements or related notes.

#### Item 17. Undertakings.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers, and controlling persons of the Registrant pursuant to provisions described in Item 14 above, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

1. For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

2. For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

---

**Table of Contents**

<table>
<thead>
<tr>
<th>Exhibit Number</th>
<th>Exhibit Title</th>
<th>Form</th>
<th>File No.</th>
<th>Exhibit</th>
<th>Filing Date</th>
<th>Filed Herewith</th>
</tr>
</thead>
<tbody>
<tr>
<td>101.INS</td>
<td>XBRL Instance Document.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irvine, State of California, on September 5, 2017.

ALERXYX, INC.

By: /s/ Dean A. Stoecker
Dean A. Stoecker
Chairman of the Board of Directors and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints Dean A. Stoecker and Kevin Rubin, and each of them, as his or her true and lawful attorneys-in-fact, proxies and agents, each with full power of substitution, for him or her in any and all capacities, to sign any and all amendments to this registration statement (including post-effective amendments or any abbreviated registration statement and any amendments thereto filed pursuant to Rule 462(b) increasing the number of securities for which registration is sought), and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, proxies and agents full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully for all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact, proxies and agents, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the date indicated:

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>/s/ Dean A. Stoecker</td>
<td>Chairman of the Board of Directors and Chief Executive Officer</td>
<td>September 5, 2017</td>
</tr>
<tr>
<td>Dean A. Stoecker</td>
<td>(Principal Executive Officer)</td>
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<tr>
<td>/s/ Kevin Rubin</td>
<td>Chief Financial Officer (Principal Financial and Accounting Officer)</td>
<td>September 5, 2017</td>
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<tr>
<td>Kevin Rubin</td>
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<tr>
<td>/s/ Kimberly E. Alexy</td>
<td>Director</td>
<td>September 5, 2017</td>
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<tr>
<td>Kimberly E. Alexy</td>
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<tr>
<td>/s/ John Bellizzi</td>
<td>Director</td>
<td>September 5, 2017</td>
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<tr>
<td>John Bellizzi</td>
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<tr>
<td>/s/ Charles R. Cory</td>
<td>Director</td>
<td>September 5, 2017</td>
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<td>Charles R. Cory</td>
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<td>Name</td>
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<tr>
<td>/s/ Jayendra Das</td>
<td>Director</td>
<td>September 5, 2017</td>
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<td>Jayendra Das</td>
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<tr>
<td>/s/ Jeffrey L. Horing</td>
<td>Director</td>
<td>September 5, 2017</td>
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<td>Jeffrey L. Horing</td>
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<tr>
<td>/s/ Timothy I. Maudlin</td>
<td>Director</td>
<td>September 5, 2017</td>
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<td>Timothy I. Maudlin</td>
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<tr>
<td>/s/ Eileen M. Schloss</td>
<td>Director</td>
<td>September 5, 2017</td>
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<tr>
<td>Eileen M. Schloss</td>
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<tr>
<td>Exhibit Number</td>
<td>Exhibit Title</td>
<td>Incorporated by Reference</td>
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<tr>
<td>1.1</td>
<td>Form of Underwriting Agreement.</td>
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<td>3.1</td>
<td>Restated Certificate of Incorporation of the Registrant.</td>
<td>10-Q 001-38034 3.1</td>
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<tr>
<td>3.2</td>
<td>Restated Bylaws of the Registrant.</td>
<td>10-Q 001-38034 3.2</td>
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<tr>
<td>4.1</td>
<td>Form of Registrant’s Class A common stock certificate.</td>
<td>S-1/A 333-216237 4.1</td>
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<tr>
<td>4.2</td>
<td>Second Amended and Restated Investors’ Rights Agreement by and among the</td>
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<td>Registrant and certain security holders of the Registrant, dated September</td>
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<td>24, 2015, as amended.</td>
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<td>5.1</td>
<td>Opinion of Fenwick &amp; West LLP.</td>
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<td>10.1</td>
<td>Form of Indemnity Agreement.</td>
<td>S-1 333-216237 10.1</td>
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<tr>
<td>10.2</td>
<td>Amended and Restated 2013 Stock Plan and forms of award agreements.</td>
<td>S-1 333-216237 10.2</td>
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<tr>
<td>10.3</td>
<td>2017 Equity Incentive Plan and forms of award agreements.</td>
<td>S-1 333-216237 10.3</td>
</tr>
<tr>
<td>10.4</td>
<td>2017 Employee Stock Purchase Plan and form of subscription agreement.</td>
<td>S-1 333-216237 10.4</td>
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<tr>
<td>10.5</td>
<td>Discretionary Alteryx Annual Bonus Program.</td>
<td>S-1 333-216237 10.5</td>
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<tr>
<td>10.6</td>
<td>Amended and Restated Offer Letter by and between the Registrant and Dean A.</td>
<td>S-1 333-216237 10.6</td>
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<tr>
<td>10.7</td>
<td>Offer Letter by and between the Registrant and Paul Evans, dated June 30,</td>
<td>S-1 333-216237 10.7</td>
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<td>2011, as amended.</td>
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<td>10.8</td>
<td>Amended and Restated Offer Letter by and between the Registrant and Kevin</td>
<td>S-1 333-216237 10.8</td>
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<td>10.9</td>
<td>Lease by and between the Registrant and LBA IV-PPI, LLC, dated December 7,</td>
<td>S-1 333-216237 10.9</td>
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<td>2015.</td>
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<td>10.10</td>
<td>Form of Severance and Change in Control Agreement.</td>
<td>S-1 333-216237 10.10</td>
</tr>
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<tr>
<td>23.1</td>
<td>Consent of Fenwick &amp; West LLP (included in Exhibit 5.1).</td>
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<tr>
<td>23.2</td>
<td>Consent of PricewaterhouseCoopers LLP, independent registered public accounting firm.</td>
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<tr>
<td>24.1</td>
<td>Power of Attorney (included on signature pages to registration statement).</td>
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<tr>
<td>99.1</td>
<td>Consent of International Data Corporation.</td>
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<td>101.INS</td>
<td>XBRL Instance Document.</td>
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Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC

As representatives (the "Representatives") of the several Underwriters named in Schedule II hereto,

c/o Goldman Sachs & Co. LLC
200 West Street,
New York, New York 10282-2198

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Ladies and Gentlemen:

The stockholders named in Schedule I hereto (the "Selling Stockholders") of Alteryx, Inc., a Delaware corporation (the "Company"), propose, subject to the terms and conditions stated in this agreement (this "Agreement"), to sell to the Underwriters named in Schedule II hereto (the "Underwriters") an aggregate of [●] shares of Class A common stock, par value $0.0001 per share ("Stock"), of the Company and, at the election of the Underwriters, up to [●] additional shares of Stock (the "Selling Stockholder Optional Shares"). The Company proposes, subject to the terms and conditions stated in this Agreement, to issue and sell to the Underwriters, at the election of the Underwriters, up to [●] shares of Stock (the "Company Optional Shares"). The aggregate of [●] shares to be sold by the Selling Stockholders is hereinafter called the "Firm Shares" and the Selling Stockholder Optional Shares together with the Company Optional Shares are hereinafter called the "Optional Shares." The Firm Shares and the Optional Shares that the Underwriters elect to purchase pursuant to Section 2 hereof are hereinafter collectively called the "Shares." The shares of Class B common stock, par value $0.0001 per share, of the Company are hereinafter referred to as the "Class B Common Stock." The Stock and the Class B Common Stock are hereinafter collectively referred to as the "Common Stock."
1. (a) The Company represents and warrants to, and agrees with, each of the Underwriters that:

(i) A registration statement on Form S-1 (File No. 333-[●]) (the "Initial Registration Statement") in respect of the Shares has been filed with the Securities and Exchange Commission (the "Commission"); the Initial Registration Statement and any post-effective amendment thereto, each in the form heretofore delivered to you, and, excluding exhibits thereto, to you for each of the other Underwriters, have been declared effective by the Commission in such form; other than a registration statement, if any, increasing the size of the offering (a "Rule 462(b) Registration Statement"), filed pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the "Act"), which became effective upon filing, no other document with respect to the Initial Registration Statement has heretofore been filed with the Commission; and no stop order suspending the effectiveness of the Initial Registration Statement, any post-effective amendment thereto or the Rule 462(b) Registration Statement, if any, has been issued and no proceeding for that purpose has been initiated or, to the Company’s knowledge, threatened by the Commission (any preliminary prospectus included in the Initial Registration Statement or filed with the Commission pursuant to Rule 424(a) of the rules and regulations of the Commission under the Act is hereinafter called a "Preliminary Prospectus"); the various parts of the Initial Registration Statement and the Rule 462(b) Registration Statement, if any, including all exhibits thereto and including the information contained in the form of final prospectus filed with the Commission pursuant to Rule 424(b) under the Act to be part of the Initial Registration Statement at the time it was declared effective, each as amended at the time such part of the Initial Registration Statement became effective or such part of the Rule 462(b) Registration Statement, if any, became or hereafter becomes effective, are hereinafter collectively called the "Registration Statement"; the Preliminary Prospectus relating to the Shares that was included in the Registration Statement immediately prior to the Applicable Time (as defined in Section 1(a)(iii) hereof) is hereinafter called the "Pricing Prospectus"; such final prospectus, in the form first filed pursuant to Rule 424(b) under the Act, is hereinafter called the "Prospectus"; any "issuer free writing prospectus" as defined in Rule 433 under the Act relating to the Shares is hereinafter called an "Issuer Free Writing Prospectus"); any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act is hereinafter called a "Section 5(d) Communication"; and any Section 5(d) Communication that is a written communication within the meaning of Rule 405 under the Act is hereinafter called a "Section 5(d) Writing";

(ii) (A) No order preventing or suspending the use of any Preliminary Prospectus or any Issuer Free Writing Prospectus has been issued by the Commission, and (B) each Preliminary Prospectus, at the time of filing thereof, conformed in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder, and did not contain an untrue statement of a material fact or omit to state a material fact required to
be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information (as defined in Section 9 of this Agreement) or Selling Stockholder Information (as defined below);

(iii) For the purposes of this Agreement, the “Applicable Time” is [●] p.m. (Eastern time) on the date of this Agreement. The Pricing Prospectus, as supplemented by the information listed on Schedule III(b) hereto, taken together (collectively, the “Pricing Disclosure Package”), as of the Applicable Time, did not, and as of each Time of Delivery (as defined in Section 4 of this Agreement) will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; and each Issuer Free Writing Prospectus listed on Schedule III(a) hereto does not conflict with the information contained in the Registration Statement, the Pricing Prospectus or the Prospectus and each such Issuer Free Writing Prospectus, each as supplemented by and taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of each Time of Delivery, will not, include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not apply to statements or omissions made in the Pricing Disclosure Package or an Issuer Free Writing Prospectus in reliance upon and in conformity with the Underwriter Information or Selling Stockholder Information;

(iv) The Registration Statement conforms, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will conform, in all material respects to the requirements of the Act and the rules and regulations of the Commission thereunder and do not and will not, as of the applicable effective date as to each part of the Registration Statement, as of the applicable filing date as to the Prospectus and any amendment or supplement thereto, and as of each Time of Delivery, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that this representation and warranty shall not apply to any statements or omissions made in reliance upon and in conformity with the Underwriter Information or Selling Stockholder Information;

(v) Neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included in the Pricing Prospectus any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any material labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus; and, since the respective dates as of which information is given in the Registration Statement and the Pricing Prospectus, there has not been any change in the capital stock (other than as a result of (i) the grant, vesting, exercise or settlement of stock options and restricted stock units or other equity incentives pursuant to the Company’s equity-based incentive plans disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or (ii) the repurchase of shares of capital stock granted under the Company’s equity-based
incentive plans disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus) or long-term debt of the Company and its subsidiaries, taken as a whole, or any Material Adverse Effect. For the purposes of this Agreement, "Material Adverse Effect" shall mean a material adverse change or effect, or any development involving a prospective material adverse change or effect, in or affecting the general affairs, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries, taken as a whole;

(vi) The Company and its subsidiaries do not own any real property. The Company and its subsidiaries have valid title to all personal property (other than with respect to Intellectual Property (as defined below) which is addressed exclusively in subsection (xxvii)) owned by them, in each case free and clear of all liens, encumbrances and defects except such as are described in the Pricing Prospectus and the Prospectus or such as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries; and any real property and buildings held under lease by the Company and its subsidiaries are held by them, to their knowledge, under valid, subsisting and enforceable leases (subject to the effects of (A) bankruptcy, insolvency, fraudulent conveyance, fraudulent transfer, reorganization, moratorium or other similar laws relating to or affecting rights or remedies of creditors generally; (B) the application of general principles of equity (including without limitation, concepts of materiality, reasonableness, good faith and fair dealing, regardless of whether enforcement is considered in proceedings at law or in equity); and (C) applicable laws and public policy with respect to rights to indemnity and contribution) with such exceptions as are not material and do not materially interfere with the use made of such property and buildings by the Company and its subsidiaries;

(vii) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own its properties and conduct its business as described in the Pricing Prospectus and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing (where such concept exists) under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification except to the extent where the failure to be so qualified or be in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and each significant subsidiary (as such term is defined in Rule 1-02 of Regulation S-X promulgated under the Act) of the Company (each a “significant subsidiary”) has been duly incorporated or organized, has been duly qualified as a foreign corporation for the transaction of business and is validly existing as a corporation or other business organization in good standing under the laws of its jurisdiction of incorporation, formation or organization, to the extent that the concept of “good standing” is applicable under the laws of such jurisdiction, except where the failure to be so qualified or to be in good standing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;
(viii) The Company has an authorized capitalization as set forth in the Pricing Prospectus and the Prospectus and all of the issued shares of capital stock of the Company, including the Shares to be sold by the Selling Stockholders, have been duly and validly authorized and issued and are fully paid and non-assessable and conform in all material respects to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus; and all of the issued shares of capital stock of each significant subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and (except for directors’ qualifying shares and except as otherwise set forth in the Pricing Prospectus and the Prospectus) are owned directly or indirectly by the Company or a subsidiary of the Company, free and clear of all liens, encumbrances, equities or claims, except to the extent that such liens, encumbrances, equities or claims would not reasonably be expected to have a Material Adverse Effect;

(ix) The Company Optional Shares to be issued and sold by the Company to the Underwriters hereunder have been duly and validly authorized and, when issued and delivered against payment therefor as provided herein, will be duly and validly issued and fully paid and non-assessable and will conform to the description of the Stock contained in the Pricing Disclosure Package and the Prospectus;

(x) The issue and sale of the Company Optional Shares and the compliance by the Company with this Agreement and the consummation of the transactions contemplated in this Agreement and the Pricing Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any indenture, mortgage, deed of trust, loan agreement or other agreement, lease or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, (ii) result in any violation of the provisions of the Certificate of Incorporation or Bylaws or similar organizational documents of the Company or any of its subsidiaries or (iii) result in any violation of any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except in the case of (i) and (iii) for such conflicts, breaches, defaults or violations that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or affect the ability of the Company to perform its obligations under this Agreement; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the issue and sale of the Company Optional Shares or the consummation by the Company of the transactions contemplated by this Agreement, except such as have been obtained under the Act, the approval by the Financial Industry Regulatory Authority (“FINRA”) of the underwriting terms and arrangements, the approval for listing on the New York Stock Exchange (the “Exchange”) and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Company Optional Shares by the Underwriters;

(xi) Neither the Company nor any of its subsidiaries is (i) in violation of its Certificate of Incorporation, By-laws or similar organizational documents, (ii) in violation of any other statute or order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or (iii) in default in the performance or observance of any material obligation, agreement, covenant or
condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, except in the case of (ii) and (iii) for such violations or defaults as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(xii) The statements set forth in the Pricing Prospectus and Prospectus under the caption "Description of Capital Stock", insofar as they purport to constitute a summary of the terms of the Stock, under the caption "Material U.S. Federal Tax Consequences to Non-U.S. Holders of Our Class A Common Stock" and under the caption "Underwriting", insofar as they purport to describe the provisions of the laws and documents referred to therein, are accurate, complete and fair in all material respects;

(xiii) Other than as set forth in the Pricing Prospectus and the Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries or, to the Company’s knowledge, any officer or director of the Company is a party or of which any property or assets of the Company or any of its subsidiaries or, to the Company’s knowledge, any officer or director of the Company is the subject which, if determined adversely to the Company or any of its subsidiaries (or such officer or director), would individually or in the aggregate reasonably be expected to have a Material Adverse Effect; and, to the Company’s knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others;

(xiv) The Company is not and, after giving effect to the offering and sale of the Company Optional Shares and the application of any proceeds thereof as described in the Pricing Prospectus and the Prospectus, will not be an "investment company", as such term is defined in the Investment Company Act of 1940, as amended (the "Investment Company Act");

(xv) At the time of filing the Initial Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) under the Act) of the Shares, and at the date hereof, the Company was not and, as of the date hereof, is not an “ineligible issuer,” as defined under Rule 405 under the Act;

(xvi) PricewaterhouseCoopers LLP, which has certified certain financial statements of the Company and its subsidiaries, is an independent registered public accounting firm as required by the Act and the rules and regulations of the Commission thereunder;

(xvii) The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that complies with the requirements of the Exchange Act and has been designed by the Company’s principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles (it being understood that this subsection shall not require the Company to comply with Section 404 of the Sarbanes-Oxley Act of 2002, as amended, as of an earlier date than it would otherwise be required to so
comply under applicable law) and is designed to ensure that (i) transactions are executed in accordance with management’s general or specific authorization; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (v) the interactive data in eXtensible Business Reporting Language, if any, included or incorporated by reference in the Registration Statement is accurate to the extent required. Except as disclosed in the Pricing Prospectus and the Prospectus, the Company’s internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting;

(xviii) Since the date of the latest audited financial statements included in the Pricing Prospectus and the Prospectus, there has been no change in the Company’s internal control over financial reporting that has materially and adversely affected, or is reasonably likely to materially and adversely affect, the Company’s internal control over financial reporting;

(xix) The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that comply with the requirements of the Exchange Act; such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company’s principal executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective;

(xx) The financial statements, including the notes thereto included in the Registration Statement, the Pricing Prospectus and the Prospectus present fairly in all material respects the financial position at the dates indicated therein and the cash flows and results of operations for the periods indicated therein of the Company and its subsidiaries. Except as otherwise stated in the Registration Statement, the Pricing Prospectus and the Prospectus, such financial statements have been prepared in conformity with generally accepted accounting principles as applied in the United States ("U.S. GAAP") applied on a consistent basis throughout the periods involved. The selected historical financial data set forth in the Registration Statement, the Pricing Prospectus and the Prospectus under the captions “Prospectus Summary—Summary Consolidated Financial Data” and “Selected Consolidated Financial Data” present fairly in all material respects the information included therein. Except as included therein, no other financial statements or supporting schedules are required to be included in the Registration Statement. The other financial and accounting-related information and data included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been prepared on a basis consistent with that of the financial statements that are included in the Registration Statement, the Pricing Prospectus and the Prospectus and the books and records of the Company and its subsidiaries and presents fairly in all material respects the information shown thereby;
(xxi) There are no off-balance sheet arrangements (as defined in Regulation S-K Item 303(a)(4)(ii)) that may have a material current or future effect on the Company’s financial condition, changes in financial condition, results of operations, liquidity, capital expenditures or capital resources;

(xxii) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, each Plan (as defined below) has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and the Internal Revenue Code of 1986, as amended (the "Code"). For purposes of this paragraph, (x) the term "Plan" means an employee benefit plan, within the meaning of Section 3(3) of ERISA, subject to Title IV of ERISA, but excluding any Multiemployer Plan, for which the Company or any member of its "Controlled Group" (defined as any organization which is a member of a controlled group of corporations within the meaning of Section 414(b), (c), (m) or (o) of the Code) has any liability and (y) the term "Multiemployer Plan" means a multiemployer plan within the meaning of Section 4001(a)(3) of ERISA;

(xxiii) Since the date as of which information is given in the Pricing Prospectus and the Prospectus, and except as may otherwise be disclosed in the Pricing Prospectus and the Prospectus, the Company has not (i) issued or granted any securities, other than pursuant to employee benefit plans, stock option plans or other employee compensation plans disclosed in the Pricing Prospectus and the Prospectus or pursuant to outstanding options, rights or warrants, (ii) incurred any material liability or obligation, direct or contingent, other than liabilities and obligations which were incurred in the ordinary course of business, (iii) entered into any material transaction not in the ordinary course of business or (iv) declared or paid any dividends on its capital stock;

(xxiv) The Company has not sold or issued any shares of Stock during the six-month period preceding the date of the Prospectus, including any sales pursuant to Regulation D of the Securities Act, other than (i) shares issued pursuant to employee benefit plans, stock option plans or other employee compensation plans disclosed in the Pricing Prospectus and the Prospectus or pursuant to outstanding options, rights or warrants, (ii) shares issued in connection with the Company's initial public offering, or (iii) as disclosed in the Pricing Prospectus and the Prospectus;

(xxv) This Agreement has been duly authorized, executed and delivered by the Company;

(xxvi) (A) Neither the Company nor any of its subsidiaries is in material violation of any applicable statute, law, rule, regulation, ordinance, code, rule of common law or order of or with any governmental agency or body or any court, domestic or foreign, relating to the use, management, disposal or release of hazardous or toxic material, chemical substance, waste, pollutant or contaminant (together, "Hazardous Materials") or relating to pollution, contamination or the protection of the environment or human health or relating to exposure to Hazardous Materials (collectively, "Environmental Laws") applicable to such entity, and (B) neither the Company nor any of its subsidiaries has received any written claim, written
request for information or written notice of liability or investigation arising under, relating to or based upon any Environmental Laws, except in the case where the failure to comply or the potential liability or obligation would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

(xxvii) The Company and its subsidiaries own, possess, have licensed, or can acquire on commercially reasonable terms, adequate rights to use all technology, patents, trademarks, service marks, trade names, copyrights, domain names, and similar intellectual property rights (collectively, "Intellectual Property") that are necessary for the conduct of their respective businesses as currently conducted, except where the failure to have any of the foregoing would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole. Except as described in any of the Registration Statement, the Pricing Disclosure Package and the Prospectus, or as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the Company and its subsidiaries, taken as a whole, (A) there is no pending, or to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the Company’s rights or any of its subsidiaries’ rights in or to any Company Intellectual Property (as defined below); (B) there is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the validity, enforceability or scope of any Intellectual Property registered and issued in the name of the Company or any of its subsidiaries ("Company Intellectual Property"), (C) there is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others that the Company or any of its subsidiaries infringes or misappropriates any Intellectual Property or other proprietary rights of others, and (D) neither the Company nor any of its subsidiaries have brought or threatened any action, suit, proceeding or claim for unauthorized use, disclosure, infringement or misappropriation of Company Intellectual Property or breach of any license or agreement involving Company Intellectual Property against any third party, and to the Company’s knowledge, no person is infringing upon or otherwise violating the Company Intellectual Property. There are no outstanding agreements pursuant to which the Company grants to a third party rights to material Company Intellectual Property that are required to be described in the Registration Statement, the Pricing Disclosure Package, and the Prospectus and are not described therein in all material respects. The Company and its subsidiaries are not a party to any agreements pursuant to which a third party grants to the Company any rights to Intellectual Property that are material to the Company and are required to be set forth in the Registration Statement, the Pricing Disclosure Package, and the Prospectus and are not described therein in all material respects. The Company and its subsidiaries incorporate any software or other materials distributed under an “open source,” or similar licensing model that meets the definition of “open source” promulgated by the Open Source Initiative located online at http://opensource.org/osd (including but not limited to the GNU General Public License, GNU Lesser General Public License and GNU Affero General Public License) (“Open Source Materials”) in any product developed or distributed by the Company, the Company and its subsidiaries have used such Open Source Materials in material compliance with the license terms applicable to such Open Source Materials, except where any noncompliance would not reasonably be expected to have a Material Adverse Effect.
(xxviii) The Company and its subsidiaries (A) have operated their businesses in a manner compliant, and are presently in compliance, with all privacy and data protection laws and regulations applicable to the Company’s and its subsidiaries’ collection, use, transfer, protection, disposal, disclosure, handling, and storage of its customers’ data; (B) have and are in compliance with policies and procedures designed to ensure the integrity and security of the data collected, handled or stored by the Company and its subsidiaries in connection with the delivery of its product offerings, and (C) have and are in compliance with policies and procedures designed to ensure privacy and data protection laws are complied with, except in the case of each of (A), (B) and (C) where the failure to so comply would not reasonably be expected to have a Material Adverse Effect;

(xxix) The Company and its subsidiaries possess and are in compliance with all licenses, permits, certificates and other authorizations from, and have made all declarations and filings with, all governmental authorities, required or necessary to own or lease, as the case may be, and to operate their respective properties and to carry on their respective businesses as currently conducted by them or as described in the Pricing Prospectus and the Prospectus to be conducted by them (“Permits”), except where the failure to obtain, possess or be in compliance with such Permits would not individually or in the aggregate reasonably be expected to have a Material Adverse Effect, and such Permits are in full force and effect;

(xxx) Except as described in the Pricing Prospectus and the Prospectus, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder’s fee or other like payment in connection with this offering;

(xxiii) Except as described in the Pricing Prospectus and the Prospectus, there are no contracts, agreements or understandings between the Company or any subsidiary and any person granting such person the right to require the Company or any subsidiary to file a registration statement under the Act with respect to any securities of the Company or any subsidiary owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement, except for the Shares to be sold by the Selling Stockholders or such rights that have been effectively waived; and the holders of outstanding shares of the Company’s capital stock are not entitled to preemptive or other rights to subscribe for the Shares that have not been complied with or otherwise effectively waived;

(xxxii) Neither the Company nor any of its subsidiaries, nor any director or officer thereof, nor, to the Company’ knowledge, any agent, employee, affiliate or other person acting on behalf of the Company or any of its subsidiaries, has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of, any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory
official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; (iv) violated or is in violation of any provision of the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption laws; or (v) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment or benefit. The Company and its subsidiaries have conducted their businesses in compliance with applicable anti-corruption laws and have instituted, maintain and enforce policies and procedures designed to promote and ensure compliance with such laws;

(xxxiii) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions in which the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental or regulatory agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened;

(xxxiv) Neither the Company nor any of its subsidiaries, nor any director or officer thereof, nor, to the Company’s knowledge, any agent, employee or affiliate or other person acting on behalf of the Company or any of its subsidiaries is currently subject to any sanctions administered or enforced by the U.S. government, including, without limitation, the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"), the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person," the United Nations Security Council, the European Union, Her Majesty’s Treasury, or other relevant sanctions authority (collectively, "Sanctions"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject of Sanctions prohibiting such location, organization, or residency (including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria (each, a "Sanctioned Country")). The Company will not directly or indirectly use any proceeds of the offering of the Company Optional Shares, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person, or in any country or territory, that at the time of such funding, is the subject of Sanctions or (ii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past five years, the Company and its subsidiaries have not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person, or in any country or territory, that at the time of the dealing or transaction was the subject of Sanctions;
The Company has not and no one acting on its behalf has, other than as contemplated in this Agreement, (i) taken and will not take, directly or indirectly, any action which is designed to or which has constituted or which would reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company or any subsidiaries to facilitate the sale or resale of the Shares, (ii) sold, bid for, purchased, or paid anyone any compensation for soliciting purchases of, the Shares, or (iii) paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company or any subsidiaries;

The Company and each of its subsidiaries have filed all federal, state, local and foreign tax returns required to be filed through the date of this Agreement or have requested extensions thereof and have paid all taxes required to be paid thereon (except where the failure to file would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect). No tax deficiency has been determined adversely to the Company or any of its subsidiaries which would reasonably be expected to have (nor has the Company or any of its subsidiaries received written notice of any tax deficiency that will be assessed or, to the Company’s knowledge, has been proposed by any taxing authority, which could reasonably be expected to be determined adversely to the Company or its subsidiaries and which could reasonably be expected to have) a Material Adverse Effect;

The Company and its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are commercially reasonable and customary for the conduct of their collective business; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; there are no material claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; and neither the Company nor any of its subsidiaries has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable costs from similar insurers as may be necessary to continue its business;

No material labor dispute with or disturbance by the employees of the Company or any of its subsidiaries exists or is threatened, and neither the Company nor any of its subsidiaries has received written notice of any existing, threatened or imminent labor disturbance by the employees of any of its principal suppliers, manufacturers or contractors;

Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in the Pricing Prospectus and the Prospectus are not based on or derived from sources that the Company reasonably believes are reliable and accurate in all material respects;
From the time of initial confidential submission of the registration statement relating to the Company’s initial public offering with the Commission (or, if earlier, the first date on which a Section 5(d) Communication was made) through the date hereof, the Company has been and is an “emerging growth company” as defined in Section 2(a)(19) of the Act (an “Emerging Growth Company”);

The Company has not engaged in any Section 5(d) Communications or distributed any Section 5(d) Writings in connection with the offering of the Shares; and

The interactive data in eXtensible Business Reporting Language, if any, included in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission’s rules and guidelines applicable thereto to the extent required.

(b) Each of the Selling Stockholders severally and not jointly represents and warrants to, and agrees with the Company and each of the Underwriters that:

(i) All consents, approvals, authorizations and orders necessary for the execution and delivery by such Selling Stockholder of this Agreement and the Power of Attorney and the Custody Agreement referred to below, and for the sale and delivery of the Shares to be sold by such Selling Stockholder hereunder, have been obtained; and such Selling Stockholder has full right, power and authority to enter into this Agreement, the Power of Attorney and the Custody Agreement and to sell, assign, transfer and deliver the Shares to be sold by such Selling Stockholder hereunder;

(ii) The sale of the Shares to be sold by such Selling Stockholder hereunder and the compliance by such Selling Stockholder with this Agreement, the Power of Attorney and the Custody Agreement and the consummation of the transactions herein and therein contemplated will not (a) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any statute, indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which such Selling Stockholder is a party or by which such Selling Stockholder is bound or to which any of the property or assets of such Selling Stockholder is subject, (b) result in any violation of the provisions of the certificate of incorporation or by-laws of such Selling Stockholder if such Selling Stockholder is a corporation, the partnership agreement of such Selling Stockholder if such Selling Stockholder is a partnership, or other similar organizational documents of such Selling Stockholder if such Selling Stockholder is not a natural person, corporation or partnership, or (c) result in any violation of any statute or any judgment, order, rule or regulation of any court or governmental agency or body having jurisdiction over such Selling Stockholder or any of its subsidiaries or any property or assets of such Selling Stockholder, except in the case of clause (a) and (c) above for any such conflict, breach or violation that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect on the ability of such Selling Stockholder to perform its obligations under this Agreement; and no consent, approval, authorization, order, registration or qualification of or with any such court or
governmental body or agency is required for the performance by such Selling Stockholder of its obligations under this Agreement, the Power of Attorney and the Custody Agreement and the consummation by such Selling Stockholder of the transactions contemplated by this Agreement, the Power of Attorney and the Custody Agreement in connection with the Shares to be sold by such Selling Stockholder hereunder, except the registration under the Act of the Shares and such consents, approvals, authorizations, orders, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Shares by the Underwriters;

(iii) With respect to any Shares to be sold by such Selling Stockholder that are outstanding on the date hereof, such Selling Stockholder has, and with respect to any Shares to be sold by such Selling Stockholder upon the conversion of Class B Common Stock will have, immediately prior to each Time of Delivery (as defined in Section 4 hereof) good and valid title to, or a valid “security entitlement” within the meaning of Section 8-501 of the New York Uniform Commercial Code in respect of, the Shares to be sold by such Selling Stockholder hereunder at such Time of Delivery, free and clear of all liens, encumbrances, equities or claims; and, upon delivery of such Shares and payment therefor pursuant hereto, good and valid title to such Shares, free and clear of all liens, encumbrances, equities or claims, will pass to the several Underwriters;

(iv) On or prior to the date of the Pricing Prospectus, such Selling Stockholder has executed and delivered to the Underwriters an agreement substantially in the form attached hereto as Annex I;

(v) Such Selling Stockholder has not taken and will not take, directly or indirectly, any action that is designed to or that has constituted or might reasonably be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares;

(vi) To the extent that any statements or omissions made in the Registration Statement, any Preliminary Prospectus, the Prospectus or any amendment or supplement thereto are made in reliance upon and in conformity with written information furnished to the Company by such Selling Stockholder expressly for use therein, such Registration Statement and Preliminary Prospectus did, and the Prospectus and any further amendments or supplements to the Registration Statement and the Prospectus will, when they become effective or are filed with the Commission, as the case may be, not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading; provided that it is agreed that the only such information furnished by such Selling Stockholder to the Company consists of (A) the legal name, address and the number of shares of Stock beneficially owned by such Selling Stockholder before and after the offering, (B) any biographical information provided by the Selling Stockholders with respect to representatives of the Selling Stockholders that are members of the board of directors, and (C) the other information with respect to such Selling Stockholder (excluding percentages) which appear in the table (and corresponding footnotes) under the caption “Principal and Selling Stockholders” (with respect to each Selling Stockholder, the “Selling Stockholder Information”).

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(vii) In order to document the Underwriters’ compliance with the reporting and withholding provisions of the Tax Equity and Fiscal Responsibility Act of 1982 with respect to the transactions herein contemplated, such Selling Stockholder will deliver to you prior to or at the First Time of Delivery a properly completed and executed United States Treasury Department Form W-9 (or other applicable form or statement specified by Treasury Department regulations in lieu thereof);

(viii) Certificates in negotiable form or book-entry securities entitlements representing all of the Shares to be sold by such Selling Stockholder hereunder have been placed in custody under a Custody Agreement, in the form heretofore furnished to you (the "Custody Agreement"), duly executed and delivered by such Selling Stockholder to American Stock Transfer & Trust Company, LLC, as custodian (the "Custodian"), and such Selling Stockholder has duly executed and delivered a Power of Attorney, in the form heretofore furnished to you (the "Power of Attorney"), appointing the persons indicated in Schedule I hereto, and each of them, as such Selling Stockholder’s attorneys-in-fact (the "Attorneys-in-Fact") with authority to execute and deliver this Agreement on behalf of such Selling Stockholder, to determine the purchase price to be paid by the Underwriters to the Selling Stockholders as provided in Section 2 hereof, to authorize the delivery of the Shares to be sold by such Selling Stockholder hereunder and otherwise to act on behalf of such Selling Stockholder in connection with the transactions contemplated by this Agreement and the Custody Agreement;

(ix) The Shares represented by the certificates or in book-entry form held in custody for such Selling Stockholder under the Custody Agreement are subject to the interests of the Underwriters hereunder; the arrangements made by such Selling Stockholder for such custody, and the appointment by such Selling Stockholder of the Attorneys-in-Fact by the Power of Attorney, are to that extent irrevocable; the obligations of the Selling Stockholders hereunder shall not be terminated by operation of law, whether by the death or incapacity of any individual Selling Stockholder or, in the case of an estate or trust, by the death or incapacity of any executor or trustee or the termination of such estate or trust, or in the case of a partnership or other corporate entity, by the dissolution of such partnership or other corporate entity, or by the occurrence of any other event; if any individual Selling Stockholder or any such executor or trustee should die or become incapacitated, or if any such estate or trust should be terminated, or if any such partnership or other corporate entity should be dissolved, or if any other such event should occur, before the delivery of the Shares to be sold by such Selling Stockholder hereunder, certificates representing the Shares to be sold by such Selling Stockholder hereunder shall be delivered by or on behalf of the Selling Stockholders in accordance with the terms and conditions of this Agreement and of the Custody Agreements; and actions taken by the Attorneys-in-Fact pursuant to the Powers of Attorney shall be as valid as if such death, incapacity, termination, dissolution or other event had not occurred, regardless of whether or not the Custodian, the Attorneys-in-Fact, or any of them, shall have received notice of such death, incapacity, termination, dissolution or other event;
(x) Such Selling Stockholder is not prompted to sell its Shares pursuant to this Agreement by any material non-public information concerning the Company that is not set forth in the Registration Statement, the Pricing Prospectus and the Prospectus;

(xi) Such Selling Stockholder has not, prior to the execution of this Agreement, offered or sold any Shares by means of any “prospectus” (within the meaning of the Act), or used any “prospectus” (within the meaning of the Act) in connection with the offer or sale of the Shares, in each case, other than the most recent Preliminary Prospectus;

(xii) Such Selling Stockholder will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding, is the subject of Sanctions, or (ii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions; and

(xiii) Such Selling Stockholder is not (1) an employee benefit plan subject to Title I of ERISA, (2) a plan or account subject to Section 4975 of the Code or (3) an entity deemed to hold “plan assets” of any such plan or account under Section 3(42) of ERISA, 29 C.F.R. 2510.3-101, or otherwise.

2. Subject to the terms and conditions herein set forth, (a) each of the Selling Stockholders agree, severally and not jointly, to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from each of the Selling Stockholders, at a purchase price per share of $[●], the number of Firm Shares (to be adjusted by you so as to eliminate fractional shares) determined by multiplying the aggregate number of Firm Shares to be sold by each of the Selling Stockholders as set forth opposite their respective names in Schedule I hereto by a fraction, the numerator of which is the aggregate number of Firm Shares to be purchased by such Underwriter as set forth opposite the name of such Underwriter in Schedule II hereto and the denominator of which is the aggregate number of Firm Shares to be purchased by all of the Underwriters from all of the Selling Stockholders hereunder and (b) in the event and to the extent that the Underwriters shall exercise the election to purchase Optional Shares as provided below, the Company and each of the Selling Stockholders, as and to the extent indicated in Schedule I hereto, agree, severally and not jointly, to sell to each of the Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company and each of the Selling Stockholders, at the purchase price per share set forth in clause (a) of this Section 2 (provided that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares), that portion of the number of Optional Shares as to which such election shall have been exercised (to be adjusted by you so as to
eliminate fractional shares) determined by multiplying such number of Optional Shares by a fraction, the numerator of which is the maximum number of Optional Shares which such Underwriter is entitled to purchase as set forth opposite the name of such Underwriter in Schedule II hereto and the denominator of which is the maximum number of Optional Shares that all of the Underwriters are entitled to purchase hereunder.

The Company and the Selling Stockholders, as and to the extent indicated in Schedule I hereto, hereby grant, severally and not jointly, to the Underwriters the right to purchase at their election up to an aggregate of [●] Optional Shares, at the purchase price per share set forth in the paragraph above, for the sole purpose of covering sales of shares in excess of the number of Firm Shares, provided that the purchase price per Optional Share shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Firm Shares but not payable on the Optional Shares. Any such election to purchase Optional Shares shall be made in proportion to the maximum number of Optional Shares to be sold by the Company and all Selling Stockholders as set forth in Schedule I hereto. Any such election to purchase Optional Shares may be exercised only by written notice from you to the Company and the Attorneys-in-Fact, given within a period of 30 calendar days after the date of this Agreement, setting forth the aggregate number of Optional Shares to be purchased and the date on which such Optional Shares are to be delivered, as determined by you but in no event earlier than the First Time of Delivery (as defined in Section 4 hereof) or, unless you and the Company and the Attorneys-in-Fact otherwise agree in writing, earlier than two or later than ten business days after the date of such notice.

3. Upon the authorization by you of the release of the Firm Shares, the several Underwriters propose to offer the Firm Shares for sale upon the terms and conditions set forth in the Prospectus.

4. (a) The Shares to be purchased by each Underwriter hereunder, in electronic form, and in such authorized denominations and registered in such names as the Representatives may request upon at least forty-eight hours’ prior notice to the Company and the Selling Stockholders shall be delivered by or on behalf of the Company and the Selling Stockholders to the Representatives, through the facilities of the Depository Trust Company (“DTC”), for the account of such Underwriter, against payment by or on behalf of such Underwriter of the purchase price therefor by wire transfer of Federal (same-day) funds to the accounts specified by the Company and the Custodian to the Representatives at least forty-eight hours in advance. The Company and the Selling Stockholders will cause the certificates, if any, representing the Shares to be made available for checking and packaging at least twenty-four hours prior to the Time of Delivery (as defined below) with respect thereto at the office of DTC or its designated custodian (the “Designated Office”). The time and date of such delivery and payment shall be, with respect to the Firm Shares, 9:30 a.m., New York City time, on [●], 2017 or such other time and date as the Representatives, the Company and the Attorneys-in-Fact may agree upon in writing, and, with respect to the Optional Shares, 9:30 a.m., New York time, on the date specified by the Representatives in each written notice given by the Representatives of the Underwriters’ election to purchase such Optional Shares, or such other time and date as the Representatives, the Company and
the Attorneys-in-Fact may agree upon in writing. Such time and date for delivery of the Firm Shares is herein called the "First Time of Delivery", such time and date for delivery of the Optional Shares, if not the First Time of Delivery, is herein called the "Second Time of Delivery", and each such time and date for delivery is herein called a "Time of Delivery".

(b) The documents to be delivered at each Time of Delivery by or on behalf of the parties hereto pursuant to Section 8 hereof, including the cross receipt for the Shares and any additional documents requested by the Underwriters pursuant to Section 8(I) hereof, will be delivered at the offices of Cooley LLP, 4401 Eastgate Mall, San Diego, CA 92121-1909 (the "Closing Location"), and the Shares will be delivered at the Designated Office, all at such Time of Delivery. A meeting will be held at the Closing Location at 5:30 P.M., New York City time, on the New York Business Day next preceding such Time of Delivery, at which meeting the final drafts of the documents to be delivered pursuant to the preceding sentence will be available for review by the parties hereto. For the purposes of this Section 4, "New York Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in New York City are generally authorized or obligated by law or executive order to close.

5. The Company agrees with each of the Underwriters:

(a) To prepare the Prospectus in a form approved by you and to file such Prospectus pursuant to Rule 424(b) under the Act not later than the Commission’s close of business on the second business day following the execution and delivery of this Agreement, or, if applicable, such earlier time as may be required by Rule 430A(a)(3) under the Act; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Time of Delivery which shall be disapproved by you promptly after reasonable notice thereof; to advise you, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective or any amendment or supplement to the Prospectus has been filed and to furnish you with copies thereof; to file promptly all material required to be filed by the Company with the Commission pursuant to Rule 433(d) under the Act; to advise you, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus in respect of the Shares, of the suspension of the qualification of the Shares for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding for any such purpose, or of any request by the Commission for the amending or supplementing of the Registration Statement or the Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of any Preliminary Prospectus or other prospectus or suspending such any qualification, to promptly use its reasonable efforts to obtain the withdrawal of such order; 

(b) Promptly from time to time to take such action as you may reasonably request to qualify the Shares for offering and sale under the securities laws of such jurisdictions as you may reasonably request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Shares, provided that in connection therewith the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction or subject itself to taxation in any such jurisdiction in which it was not otherwise subject to taxation;
(c) Prior to 10:00 a.m., New York City time, on the New York Business Day next succeeding the date of this Agreement (or such later time as may be agreed to by the Company and the Representatives) and from time to time, to furnish the Underwriters with written and electronic copies of the Prospectus in New York City in such quantities as you may reasonably request, and, if the delivery of a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is required at any time prior to the expiration of nine months after the time of issue of the Prospectus in connection with the offering or sale of the Shares and if at such time any event shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus in order to comply with the Act, to notify you and upon your request to prepare and furnish without charge to each Underwriter and to any dealer in securities (whose name and address the Representatives shall furnish to the Company) as many written and electronic copies as you may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which will correct such statement or omission or effect such compliance; and in case any Underwriter is required to deliver a prospectus (or in lieu thereof, the notice referred to in Rule 173(a) under the Act) in connection with sales of any of the Shares at any time nine months or more after the time of issue of the Prospectus, upon your request but at the expense of such Underwriter, to prepare and deliver to such Underwriter as many written and electronic copies as you may request of an amended or supplemented Prospectus complying with Section 10(a)(3) of the Act;

(d) To make generally available to its securityholders as soon as practicable (which may be satisfied by filing with the Commission’s Electronic Data Gathering, Analysis and Retrieval System (“EDGAR”)), but in any event not later than sixteen months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder (including, at the option of the Company, Rule 158);

(e) During the period beginning from the date hereof and continuing to and including the date 90 days after the date of the Prospectus (the “Lock-Up Period”), not to (i) offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise transfer or dispose of, directly or indirectly, or file with or confidentially submit to the Commission a registration statement under the Act relating to, any securities of the Company that are substantially similar to the Shares, including but not limited to any options or warrants to purchase shares of Stock or any securities that are convertible into or exchangeable for, or that represent the right to receive, Stock or any such substantially similar securities, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, or (ii) enter
into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clauses (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without your prior written consent; provided, however, that the foregoing restrictions shall not apply to (A) the Shares to be sold hereunder, (B) the issuance by the Company of shares of Common Stock upon the exercise (including net exercise) of an option or warrant, vesting or settlement of a restricted stock unit, or the exercise, conversion or exchange of a security outstanding on the date hereof, provided that such option or security is disclosed in or contemplated by the Pricing Prospectus, (C) the grant of options to purchase or the issuance by the Company of Common Stock or any securities convertible into, exchangeable for or that represent the right to receive shares of Common Stock, in each case pursuant to the Company’s equity compensation plans disclosed in the Pricing Prospectus, provided that the Company shall cause each newly appointed director or executive officer that is a recipient of such options to execute and deliver to you, on or prior to the issuance of such options a lock-up agreement on substantially the same terms as the lock-up agreements referenced in Section 8(j) hereof for the remainder of the Lock-Up Period, (D) the entry into an agreement providing for the issuance by the Company of shares of Common Stock or any security convertible into or exercisable for shares of Common Stock in connection with the acquisition by the Company or any of its subsidiaries of the securities, business, technology, property or other assets of another person or entity or pursuant to an employee benefit plan assumed by the Company in connection with such acquisition, and the issuance of any such securities pursuant to any such agreement, and (E) the entry into any agreement providing for the issuance of shares of Common Stock or any security convertible into or exercisable for shares of Common Stock in connection with joint ventures, commercial relationships or other strategic transactions, and the issuance of any such securities pursuant to any such agreement, and (F) the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to the Company’s equity compensation plans that are described in the Pricing Prospectus or any assumed employee benefit plan contemplated by clause (D); provided that in the case of clauses (D) and (E), the aggregate number of shares of Common Stock that the Company may sell or issue or agree to sell or issue pursuant to clauses (D) and (E) shall not exceed 5% of the total number of shares of the Common Stock issued and outstanding immediately following the completion of the transactions contemplated by this Agreement and provided further that in the case of clauses (D) and (E) the Company shall cause each recipient of such securities to execute and deliver to you, on or prior to the issuance of such securities, a lock-up agreement on substantially the same terms as the lock-up agreements referenced in Section 8(i) hereof for the remainder of the Lock-Up Period and enter stop transfer instructions with the Company’s transfer agent and registrar on such securities, which the Company agrees it will not waive or amend without your prior written consent;

(f) During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act, to furnish to its stockholders as soon as practicable after the end of each fiscal year an annual report (including a balance sheet and statements...
of income, stockholders’ equity and cash flows of the Company and its consolidated subsidiaries certified by independent public accountants) and, as soon as practicable after the end of each of the first three quarters of each fiscal year (beginning with the fiscal quarter ending after the effective date of the Registration Statement), to make available to its stockholders consolidated summary financial information of the Company and its subsidiaries for such quarter in reasonable detail, provided, however, that the Company may satisfy the requirements of this Section 5(f) by filing such information through EDGAR;

(g) During a period of three years from the effective date of the Registration Statement, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act, to furnish to you copies of all reports or other communications (financial or otherwise) furnished to stockholders, and to deliver to you (i) as soon as they are available, copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange on which any class of securities of the Company is listed; and (ii) such additional information concerning the business and financial condition of the Company as you may from time to time reasonably request (such financial statements to be on a consolidated basis to the extent the accounts of the Company and its subsidiaries are consolidated in reports furnished to its stockholders generally or to the Commission), provided, that no reports, documents or other information need be furnished pursuant to this subsection (g) to the extent they are available on EDGAR;

(h) To use any net proceeds received by it from the sale of the Company Optional Shares pursuant to this Agreement in the manner specified in the Pricing Prospectus and the Prospectus under the caption “Use of Proceeds”;

(i) To use its reasonable best efforts to list, subject to notice of issuance, the Shares on the Exchange;

(j) To file with the Commission such information on Form 10-Q or Form 10-K as may be required by Rule 463 under the Act;

(k) If the Company elects to rely upon Rule 462(b), the Company shall file a Rule 462(b) Registration Statement with the Commission in compliance with Rule 462(b) by 10:00 P.M., Washington, D.C. time, on the date of this Agreement, and the Company shall at the time of filing either pay to the Commission the filing fee for the Rule 462(b) Registration Statement or give irrevocable instructions for the payment of such fee pursuant to Rule 3a(c) of the Commission’s Informal and Other Procedures (16 CFR 202.3a);

(l) Upon request of any Underwriter, to furnish, or cause to be furnished, to such Underwriter an electronic version of the Company’s trademarks, servicemarks and corporate logo for use on the website, if any, operated by such Underwriter for the purpose of facilitating the on-line offering of the Shares (the “License”); provided, however, that the License shall be used solely for the purpose described above, is granted without any fee and may not be assigned or transferred; and

(m) To promptly notify you if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of the Shares within the meaning of the Act and (ii) completion of the Lock-Up Period referred to in Section 5(e) hereof.

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6. (a) The Company represents and agrees that, without the prior consent of the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a “free writing prospectus” as defined in Rule 405 under the Act; each Selling Stockholder represents and agrees that, without the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus; and each Underwriter represents and agrees that, without the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Shares that would constitute a free writing prospectus required to be filed with the Commission; any such free writing prospectus the use of which has been consented to by the Company and the Representatives is listed on Schedule III(a) hereto;

(b) The Company has complied and will comply with the requirements of Rule 433 under the Act applicable to any Issuer Free Writing Prospectus, including timely filing with the Commission or retention where required and legending; and the Company represents that it has satisfied and agrees that it will satisfy the conditions under Rule 433 under the Act to avoid a requirement to file with the Commission any electronic road show;

(c) The Company agrees that if at any time following the issuance of an Issuer Free Writing Prospectus prepared and authorized by it, any event occurred or occurs as a result of which such Issuer Free Writing Prospectus prepared or authorized by it would conflict with the information in the Registration Statement, the Pricing Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, the Company will give prompt notice thereof to the Representatives and, if requested by the Representatives, will prepare and furnish without charge to each Underwriter an Issuer Free Writing Prospectus or other document which will correct such conflict, statement or omission; provided, however, that this covenant shall not apply to any statements or omissions in an Issuer Free Writing Prospectus made in reliance upon and in conformity with the Underwriter Information or Selling Stockholder Information.

7. The Company covenants and agrees with the several Underwriters and the Selling Stockholders that the Company will pay or cause to be paid the following: (i) the fees, disbursements and expenses of the Company’s counsel and accountants and counsel for the Selling Stockholders in connection with the registration of the Shares under the Act and all other expenses in connection with the preparation, printing, reproduction and filing of the Registration Statement, any Preliminary Prospectus, any Issuer Free Writing Prospectus and the Prospectus and amendments and supplements thereto and the mailing and delivering of copies thereof to the Underwriters and dealers; (ii) the cost of printing or producing any Agreement among Underwriters, this Agreement, the Blue Sky Memorandum, closing documents (including any compilations thereof) and any other documents in connection with
the offering, purchase, sale and delivery of the Shares; (iii) all expenses of the Company in connection with the qualification of the Shares for offering and sale under state securities laws as provided in Section 5(b) hereof, including the reasonable fees and disbursements of counsel for the Underwriters in connection with such qualification and in connection with the Blue Sky survey; (iv) all fees and expenses in connection with listing the Shares on the Exchange; (v) the filing fees incident to, and the reasonable fees and disbursements of counsel for the Underwriters in connection with, any required review by FINRA of the terms of the sale of the Shares, provided that the reasonable fees and disbursements of counsel to the Underwriters described in clauses (iii) and (v) shall not, together, exceed an aggregate of $25,000; (vi) the cost of preparing stock certificates, if applicable; (vii) the cost and charges of any transfer agent or registrar; (viii) the costs and expenses of the Company relating to investor presentations on any “road show” undertaken in connection with the marketing of the Shares, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Company, travel and lodging expenses of the representatives (not including the Underwriters and their representatives) and officers of the Company and any such consultants (not including the Underwriters and their representatives) and the cost of aircraft and other transportation chartered in connection with the road show; provided, however, that the cost of any aircraft chartered in connection with the road show shall be paid 50% by the Company and 50% by the Underwriters; (ix) fees and expenses of the Custodian and the Attorneys-in-Fact, and (x) all other costs and expenses incident to the performance of its and the Selling Stockholders’ obligations hereunder which are not otherwise specifically provided for in this Section (other than any transfer taxes payable by the Selling Stockholders on their respective sales of Shares to the Underwriters). It is understood, however, that except as provided in this Section, and Sections 9 and 12 hereof, the Underwriters will pay all of their own costs and expenses, including the fees of their counsel, stock transfer taxes on resale of any of the Shares by them, and any advertising expenses connected with any offers they may make. Notwithstanding the foregoing, the Underwriters and the Company will each be responsible for any costs and expenses that the parties may agree to in writing.

8. The obligations of the Underwriters hereunder, as to the Shares to be delivered at each Time of Delivery, shall be subject, in their discretion, to the condition that all representations and warranties and other statements of the Company and of the Selling Stockholders herein are, at and as of the Applicable Time and at and as of such Time of Delivery, true and correct, the condition that each of the Company and the Selling Stockholders shall have performed all of its and their respective obligations hereunder theretofore to be performed, and the following additional conditions:

(a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) under the Act within the applicable time period prescribed for such filing by the rules and regulations under the Act and in accordance with Section 5(a) hereof; all material required to be filed by the Company pursuant to Rule 433(d) under the Act shall have been filed with the Commission within the applicable time period prescribed for such filing by Rule 433; if the Company has elected to rely upon Rule 462(b) under
the Act, the Rule 462(b) Registration Statement shall have become effective by 10:00 P.M., Washington, D.C. time, on the date of this Agreement; no stop order suspending the effectiveness of the Registration Statement or any part thereof shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission; no stop order suspending or preventing the use of the Pricing Prospectus, Prospectus or any Issuer Free Writing Prospectus shall have been initiated or threatened by the Commission; and all requests for additional information on the part of the Commission shall have been complied with to your reasonable satisfaction;

(b) Cooley LLP, counsel for the Underwriters, shall have furnished to you such written opinion and negative assurance letter, dated as of such Time of Delivery, in form and substance satisfactory to the Representatives, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such papers and information as they may reasonably request to enable them to pass upon such matters;

(c) Fenwick & West LLP, counsel for the Company, shall have furnished to you their written opinion and negative assurance letter, dated as of such Time of Delivery, substantially in form and substance satisfactory to you;

(d) Fenwick & West LLP, counsel for the Selling Stockholders, shall have furnished to you such written opinion or opinions with respect to the Selling Stockholders, substantially in form and substance satisfactory to you;

(e) On the date of the Prospectus at a time prior to the execution of this Agreement, at 9:30 a.m., New York City time, on the effective date of any post-effective amendment to the Registration Statement filed subsequent to the date of this Agreement and also at each Time of Delivery, PricewaterhouseCoopers LLP shall have furnished to you a letter or letters, dated the respective dates of delivery thereof, in form and substance satisfactory to you;

(f)(i) Neither the Company nor any of its subsidiaries shall have sustained since the date of the latest audited financial statements included in the Pricing Prospectus and the Prospectus any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, otherwise than as set forth or contemplated in the Pricing Prospectus and the Prospectus, and (ii) since the respective dates as of which information is given in the Pricing Prospectus and the Prospectus there shall not have been any change in the capital stock (other than as a result of (i) the grant, vesting, exercise or settlement of stock options and restricted stock units or other equity incentives pursuant to the Company’s equity-based incentive plans disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or (ii) the repurchase of shares of capital stock granted under the Company’s equity-based incentive plans disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus) or change in long-term debt of the Company and its subsidiaries, taken as a whole, or any change, or
any development involving a prospective change, in or affecting the general affairs, management, financial position, stockholders’ equity or results of operations of the Company and its subsidiaries, otherwise than as set forth or contemplated in the Pricing Prospectus and the Prospectus, the effect of which, in any such case described in clause (i) or (ii), is in your judgment so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(g) On or after the Applicable Time (i) no downgrading shall have occurred in the rating accorded the Company’s debt securities by any “nationally recognized statistical rating organization”, as that term is defined by the Commission for purposes of Section 3(a)(62) under the Exchange Act, and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company’s debt securities;

(h) On or after the Applicable Time there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally on the Exchange; (ii) a suspension or material limitation in trading in the Company’s securities on the Exchange; (iii) a general moratorium on commercial banking activities declared by Federal or New York authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States; (iv) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war or (v) the occurrence of any other calamity or crisis or any change in financial, political or economic conditions in the United States or elsewhere, if the effect of any such event specified in clauses (iv) or (v) is in your judgment so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Shares being delivered at such Time of Delivery on the terms and in the manner contemplated in the Pricing Prospectus and the Prospectus;

(i) The Shares to be sold at such Time of Delivery shall have been duly listed, subject to official notice of issuance, on the Exchange;

(j) The Company shall have obtained and delivered to the Underwriters executed copies of an agreement from each director, officer, Selling Stockholder and certain stockholders of the Company, substantially to the effect set forth in Annex I hereof in form and substance satisfactory to you;

(k) The Company shall have delivered to the Underwriters on the date of the Prospectus at a time prior to the execution of this Agreement and at such Time of Delivery a certificate of the Chief Financial Officer of the Company in form and substance satisfactory to you;

(l) The Company shall have complied with the provisions of Section 5(c) hereof with respect to the furnishing of prospectuses on the New York Business Day next succeeding the date of this Agreement; and
The Company and the Selling Stockholders shall have furnished or caused to be furnished to you at such Time of Delivery certificates of officers of the Company and of the Selling Stockholders, respectively, reasonably satisfactory to you as to the accuracy of the representations and warranties of the Company and of the Selling Stockholders, respectively, herein at and as of such Time of Delivery, as to the performance by the Company and the Selling Stockholders of their respective obligations hereunder to be performed at or prior to such Time of Delivery, and as to such other matters as you may reasonably request, and the Company shall have furnished or caused to be furnished certificates as to the matters set forth in subsections (a) and (f) of this Section.

9. (a) The Company will indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or any “road show” as defined under Rule 433(h) of the Act (“road show”), or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Underwriter for any documented legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any road show, in reliance upon and in conformity with the Underwriter Information.

(b) The Company will indemnify and hold harmless each Selling Stockholder against all losses, claims, damages or liabilities, joint or several, to which such Selling Stockholder may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or any roadshow, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Selling Stockholder for any legal or other expenses reasonably incurred by such Selling Stockholder in connection with investigating or defending any such action or claim; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue
(c) Each Selling Stockholder agrees, severally and not jointly, to indemnify and hold harmless the Company against any losses, claims, damages or liabilities, joint or several, to which the Company may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus or any amendment or supplement thereto in reliance upon and in conformity with the Selling Stockholder Information; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Selling Stockholders shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any Issuer Free Writing Prospectus, in reliance upon and in conformity with the Underwriter Information; provided further, that the liability of any Selling Stockholder pursuant to this subsection (c) and Section 9(d) in the aggregate shall not exceed the Selling Stockholder Proceeds.

(d) Each Selling Stockholder agrees, severally and not jointly, to indemnify and hold harmless each Underwriter against any losses, claims, damages or liabilities, joint or several, to which such Underwriter may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus or the Prospectus or any amendment or supplement thereto in reliance upon and in conformity with the Selling Stockholder Information; and will reimburse each Underwriter for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Selling Stockholders shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any roadshow, in reliance upon and in conformity with the Selling Stockholder Information; and will reimburse the Company for any legal or other expenses reasonably incurred by such Underwriter in connection with investigating or defending any such action or claim as such expenses are incurred; provided, however, that the Selling Stockholders shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, or any “issuer information” filed or required to be filed pursuant to Rule 433(d) under the Act, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any roadshow, in reliance upon and in conformity with the Selling Stockholder Information.

(e) Each Underwriter, severally and not jointly, will indemnify and hold harmless the Company and each Selling Stockholder against any losses, claims, damages or liabilities to which the Company or such Selling Stockholder may become subject, under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any roadshow or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any roadshow, in reliance upon and in conformity with the Selling Stockholder Information.
omission was made in the Registration Statement, any Preliminary Prospectus, the Pricing Prospectus or the Prospectus, or any amendment or supplement thereto, any Issuer Free Writing Prospectus, or any road show, in reliance upon and in conformity with the Underwriter Information; and will reimburse the Company and such Selling Stockholder for any documented legal or other expenses reasonably incurred by the Company and such Selling Stockholder in connection with investigating or defending any such action or claim as such expenses are incurred. As used in this Agreement with respect to an Underwriter and an applicable document, “Underwriter Information” shall mean the written information furnished to the Company by such Underwriter through the Representatives expressly for use therein; it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the fifth paragraph of text under the caption “Underwriting” concerning the terms of the offering by the Underwriters; and the ninth, tenth and eleventh paragraphs of text under the caption “Underwriting” concerning short sales, stabilizing transactions and purchases to cover positions created by short sales by the Underwriters, respectively.

(f) Promptly after receipt by an indemnified party under subsection (a), (b), (c), (d) or (e) of this Section 9 of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; provided that the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a), (b), (c), (d) or (e) of this Section 9 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party other than under subsection (a), (b), (c), (d) or (e) of this Section 9. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party of such indemnified party's election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation, except, in any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless (i) the indemnifying party and the indemnified party shall have mutually agreed to the contrary; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified person and
representation of both parties by the same counsel would be inappropriate due to actual or potential differing interest between them. The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify each indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party, in form and substance reasonably satisfactory to such indemnified party, from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(g) If the indemnification provided for in this Section 9 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a), (b), (c), (d) or (e) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other, from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other, in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other, shall be deemed to be in the same proportion as the total net proceeds from the offering (net of any underwriting discounts and commissions but before deducting expenses) received by the Company and the Selling Stockholders bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Selling Stockholders, on the one hand, or the Underwriters, on the other, and the parties’ relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, each of the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (g) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations.
referred to above in this subsection (g). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (g) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (g), (i) no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Shares underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission, and (ii) the contribution by any Selling Stockholder pursuant to this subsection (g) shall not exceed for each such Selling Stockholder, the Selling Stockholder Proceeds (reduced by any amounts such Selling Stockholder is obligated to pay under subsection (c) or (d) above). No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (g) to contribute are several in proportion to their respective underwriting obligations and not joint and the Selling Stockholders' obligations in this subsection (g) to contribute are several in proportion to their Selling Stockholder Proceeds and not joint.

(h) The obligations of the Company under this Section 9 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter or Selling Stockholder within the meaning of the Act and each broker-dealer affiliate of any Underwriter; the obligations of the Selling Stockholders under this Section 9 shall be in addition to any liability which the respective Selling Stockholders may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Underwriter or the Company within the meaning of the Act and each broker-dealer affiliate of any Underwriter; and the obligations of the Underwriters under this Section 9 shall be in addition to any liability which the respective Underwriters may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company or any Selling Stockholder within the meaning of the Act.

10. (a) If any Underwriter shall default in its obligation to purchase the Shares that it has agreed to purchase hereunder at a Time of Delivery, you may in your discretion arrange for you or another party or other parties to purchase such Shares on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Shares, then the Company and the Selling Stockholders shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Shares on such terms. In the event that, within the respective prescribed periods, you notify the Company and the Selling Stockholders that you have so arranged for the purchase of such Shares, or the Company and the Selling Stockholders notify you that they have so arranged for the purchase of such Shares, you or the Company and the Selling Stockholders shall have the right to postpone such Time of Delivery for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus, or in any other
documents or arrangements, and the Company agrees to file promptly any amendments or supplements to the Registration Statement or the Prospectus which in your opinion may thereby be made necessary. The term “Underwriter” as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement with respect to such Shares.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you, the Company and the Selling Stockholders as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased does not exceed one-eleventh of the aggregate number of all the Shares to be purchased at such Time of Delivery, then the Company and the Selling Stockholders shall have the right to require each non-defaulting Underwriter to purchase the number of Shares which such Underwriter agreed to purchase hereunder at such Time of Delivery and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the number of Shares which such Underwriter agreed to purchase hereunder) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by you, the Company and the Selling Stockholders as provided in subsection (a) above, the aggregate number of such Shares which remains unpurchased exceeds one-eleventh of the aggregate number of all of the Shares to be purchased at such Time of Delivery, or if the Company and the Selling Stockholders shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Shares of a defaulting Underwriter or Underwriters, then this Agreement (or, with respect to the Second Time of Delivery, the obligations of the Underwriters to purchase and of the Company and the Selling Stockholders to sell the Optional Shares) shall thereupon terminate, without liability on the part of any non-defaulting Underwriter, the Company or the Selling Stockholders, except for the expenses to be borne by the Company, the Selling Stockholders and the Underwriters as provided in Section 7 hereof and the indemnity and contribution agreements in Section 9 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

11. The respective indemnities, rights of contribution, agreements, representations, warranties and other statements of the Company, the Selling Stockholders and the several Underwriters, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of any Underwriter or any controlling person of any Underwriter, or the Company, or any of the Selling Stockholders, or any officer or director or controlling person of the Company, or any controlling person of any Selling Stockholder, and shall survive delivery of and payment for the Shares.

12. If this Agreement shall be terminated pursuant to Section 10 hereof, neither the Company nor the Selling Stockholders shall then be under any liability to any Underwriter except as provided in Sections 7 and 9 hereof; but, if for any other reason (other than due to
the events described in clauses (i), (iii), (iv) or (v) of Section 8(h)), any Shares are not delivered by or on behalf of the Company or any Selling Stockholder as provided herein, the Company or such Selling Stockholder as the case may be, will reimburse the Underwriters through you for documented out-of-pocket expenses approved in writing by you, including fees and disbursements of counsel, reasonably incurred by the Underwriters in making preparations for the purchase, sale and delivery of the Shares not so delivered, but the Company and the Selling Stockholders shall then be under no further liability to any Underwriter except as provided in Sections 7 and 9 hereof.

13. In all dealings hereunder, you shall act on behalf of each of the Underwriters, and the parties hereto shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by you jointly or by you on behalf of the Underwriters; and in all dealings with any Selling Stockholder hereunder, you and the Company shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of such Selling Stockholder made or given by any or all of the Attorneys-in-Fact for such Selling Stockholder.

All statements, requests, notices and agreements hereunder shall be in writing, and (A) if to the Underwriters shall be delivered or sent by mail, telex or facsimile transmission to you as the representatives (i) in care of Goldman Sachs & Co. LLC, 200 West Street, New York, New York 10282-2198, Attention: Registration Department; and (ii) in care of J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358), Attention: Equity Syndicate Desk; (B) if to the Company shall be delivered or sent by mail, telex or facsimile transmission to the address of the Company set forth on the cover of the Registration Statement, Attention: Secretary; and (C) if to any Selling Stockholder shall be delivered or sent by mail, telex or facsimile transmission to the Attorneys-in-Fact for the Selling Stockholders at the address set forth in Schedule I hereto; provided, however, that any notice to an Underwriter pursuant to Section 9(f) hereof shall be delivered or sent by mail, telex or facsimile transmission to such Underwriter at its address set forth in its Underwriters' Questionnaire, or telex constituting such Questionnaire, which address will be supplied to the Company or the Selling Stockholders by you upon request. Any such statements, requests, notices or agreements shall take effect upon receipt thereof.

In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company and the Selling Stockholders, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

14. This Agreement shall be binding upon, and inure solely to the benefit of, the Underwriters, the Company, the Selling Stockholders and, to the extent provided in Sections 9 and 11 hereof, the officers and directors of the Company and each person who controls the Company, any Selling Stockholder or any Underwriter, and their respective heirs, executors, administrators, successors and assigns, and no other person shall acquire or have any right under or by virtue of this Agreement. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign by reason merely of such purchase.

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15. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

16. The Company and each of the Selling Stockholders, severally and not jointly, acknowledge and agree that (i) the purchase and sale of the Shares pursuant to this Agreement is an arm's-length commercial transaction between the Company and the Selling Stockholders, on the one hand, and the several Underwriters, on the other, (ii) in connection therewith and with the process leading to such transaction each Underwriter is acting solely as a principal and not the agent or fiduciary of the Company or any Selling Stockholder, (iii) no Underwriter has assumed an advisory or fiduciary responsibility in favor of the Company or any Selling Stockholder with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Company or any Selling Stockholder on other matters) or any other obligation to the Company or any Selling Stockholder except the obligations expressly set forth in this Agreement and (iv) the Company and each Selling Stockholder has consulted its own legal and financial advisors to the extent it deemed appropriate. The Company and each Selling Stockholder agrees that it will not claim that the Underwriters, or any of them, has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to it, in connection with such transaction or the process leading thereto.

17. This Agreement supersedes all prior agreements and understandings (whether written or oral) among the Company, the Selling Stockholders and the Underwriters, or any of them, with respect to the subject matter hereof.

18. This Agreement and any transaction contemplated by this Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to principles of conflict of laws that would result in the application of any other law than the laws of the State of New York. The Company and each Selling Stockholder agree that any suit or proceeding arising in respect of this Agreement or any transaction contemplated by this Agreement will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in The City and County of New York and the Company and each Selling Stockholder agree to submit to the jurisdiction of, and to venue in, such courts.

19. The Company, each of the Selling Stockholders and each of the Underwriters hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

20. This Agreement may be executed by any one or more of the parties hereto in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.
21. Notwithstanding anything herein to the contrary, the Company and the Selling Stockholders are authorized to disclose to any persons the U.S. federal and state income tax treatment and tax structure of the potential transaction and all materials of any kind (including tax opinions and other tax analyses) provided to the Company and the Selling Stockholders relating to that treatment and structure, without the Underwriters imposing any limitation of any kind. However, any information relating to the tax treatment and tax structure shall remain confidential (and the foregoing sentence shall not apply) to the extent necessary to enable any person to comply with securities laws. For this purpose, “tax structure” is limited to any facts that may be relevant to that treatment.

If the foregoing is in accordance with your understanding, please sign and return to us counterparts hereof, and upon the acceptance hereof by you, on behalf of each of the Underwriters, this letter and such acceptance hereof shall constitute a binding agreement among each of the Underwriters, the Company and each of the Selling Stockholders. It is understood that your acceptance of this letter on behalf of each of the Underwriters is pursuant to the authority set forth in a form of Agreement among Underwriters, the form of which shall be submitted to the Company and the Selling Stockholders for examination upon request, but without warranty on your part as to the authority of the signers thereof.

Any person executing and delivering this Agreement as Attorney-in-Fact for a Selling Stockholder represents by so doing that he has been duly appointed as Attorney-in-Fact by such Selling Stockholder pursuant to a validly existing and binding Power of Attorney that authorizes such Attorney-in-Fact to take such action.

[Signature page follows]
Very truly yours,

Alteryx, Inc.

By:     
Name:  
Title:  

The Selling Stockholders named in Schedule I hereto, acting severally

By:     
Name:  
Title:  

As Attorney-in-Fact acting on behalf of each of the Selling Stockholders named in Schedule I to this Agreement

Accepted as of the date hereof:

Goldman Sachs & Co. LLC

By:     
Name:  
Title:  

J.P. Morgan Securities LLC

By:     
Name:  
Title:  

On behalf of each of the Underwriters
### SCHEDULE I

<table>
<thead>
<tr>
<th>The Company</th>
<th>Total Number of Firm Shares to be Sold</th>
<th>Number of Optional Shares to be Sold if Maximum Option Exercised</th>
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<tr>
<td>Sapphire Ventures Fund I, L.P.</td>
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<tr>
<td>Thomson Reuters U.S. LLC</td>
<td>[●]</td>
<td>[●]</td>
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<tr>
<td>DBRA, Limited Partnership</td>
<td>[●]</td>
<td>[●]</td>
</tr>
<tr>
<td>Olivia Duane Adams</td>
<td>[●]</td>
<td>[●]</td>
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<tr>
<td>Edward P. Harding Jr.</td>
<td>[●]</td>
<td>[●]</td>
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<tr>
<td><strong>Total</strong></td>
<td>[●]</td>
<td>[●]</td>
</tr>
</tbody>
</table>

**Attorneys-in-Fact for the Selling Stockholders:**

Dean A. Stoecker  
Kevin Rubin  
Christopher Lal  
c/o Alteryx, Inc.  
3345 Michelson Drive, Suite 400  
Irvine, CA 92612

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<table>
<thead>
<tr>
<th>Underwriter</th>
<th>Firm Shares</th>
<th>Optional Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goldman Sachs &amp; Co. LLC</td>
<td>[●]</td>
<td>[●]</td>
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<tr>
<td>J.P. Morgan Securities LLC</td>
<td>[●]</td>
<td>[●]</td>
</tr>
<tr>
<td>Merrill Lynch, Pierce, Fenner &amp; Smith Incorporated</td>
<td>[●]</td>
<td>[●]</td>
</tr>
<tr>
<td>KeyBanc Capital Markets Inc.</td>
<td>[●]</td>
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<tr>
<td>William Blair &amp; Company, L.L.C.</td>
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<td>JMP Securities LLC</td>
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<tr>
<td>Raymond James &amp; Associates, Inc.</td>
<td>[●]</td>
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</tr>
<tr>
<td>Cowen and Company, LLC</td>
<td>[●]</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td>[●]</td>
<td>[●]</td>
</tr>
</tbody>
</table>
SCHEDULE III

(a) Issuer Free Writing Prospectuses:
Electronic roadshow presentation dated September 2017

(b) Information that, together with the Pricing Prospectus, comprises the Pricing Disclosure Package:

The initial public offering price per share for the Shares is: $[●]
The number of Shares purchased by the Underwriters is [●]
Lock-Up Agreement

[●], 2017

Goldman Sachs & Co. LLC
J.P. Morgan Securities LLC

As representatives of the several Underwriters named in Schedule I hereto,

c/o Goldman Sachs & Co. LLC
200 West Street
New York, NY 10282-2198

c/o J.P. Morgan Securities LLC
383 Madison Avenue
New York, NY 10179

Re: Alteryx, Inc. - Lock-Up Agreement

Ladies and Gentlemen:

The undersigned understands that you, Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as representatives (the "Representatives"), propose to enter into an Underwriting Agreement (the "Underwriting Agreement") on behalf of the several Underwriters named in Schedule I to such agreement (collectively, the "Underwriters"), with Alteryx, Inc., a Delaware corporation (the "Company"), and the Selling Stockholders named in Schedule II to the Underwriting Agreement, if any (the "Selling Stockholders"), providing for a public offering (the "Public Offering") of shares (the "Shares") of the Class A Common Stock of the Company, par value $0.0001 per share (the "Class A Common Stock" and together with the Class B Common Stock of the Company, par value $0.0001 per share, the "Class B Common Stock", the "Common Stock"), pursuant to a Registration Statement on Form S-1 (the "Registration Statement") to be filed with the Securities and Exchange Commission (the "SEC").

In consideration of the agreement by the Underwriters to offer and sell the Shares, and of other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned agrees that, during the period beginning from the date of this Lock-Up Agreement and continuing to and including (i) if the undersigned is a Selling Stockholder, the date 90 days after the date (the "Public Offering Date") of the final prospectus (the "Final Prospectus") used to sell the Shares in the Public Offering, or (ii) if the undersigned is not a Selling Stockholder, the day immediately prior to the date on which the Company’s trading window opens pursuant to the

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Company’s insider trading policy during the fiscal quarter ending December 31, 2017 (as applicable, the “Lock-Up Period”), the undersigned will not offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale or otherwise dispose of any shares of Common Stock, or any options or warrants to purchase any shares of Common Stock, or any securities convertible into, exchangeable for or that represent the right to receive shares of Common Stock, whether now owned or hereinafter acquired, owned directly by the undersigned (including holding as a custodian) or with respect to which the undersigned has beneficial ownership within the rules and regulations of the SEC (collectively the “Undersigned’s Shares”), other than as otherwise provided herein. The foregoing restriction is expressly agreed to preclude the undersigned from engaging in any hedging or other transaction which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of the Undersigned’s Shares during the Lock-Up Period even if such Shares would be disposed of by someone other than the undersigned. Such prohibited hedging or other transactions would include without limitation any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to any of the Undersigned’s Shares or with respect to any security that includes, relates to, or derives any significant part of its value from such Shares. In addition, the undersigned agrees that, without the prior written consent of the Representatives on behalf of the Underwriters, it will not, during the Lock-Up Period, make any demand for or exercise any right with respect to, the registration of any Shares or any security convertible into or exercisable or exchangeable for Shares.

Notwithstanding the foregoing, the undersigned may:

(a) transfer the Undersigned’s Shares:

(i) as a bona fide gift or gifts, or for bona fide estate planning purposes,

(ii) to any member of the undersigned’s immediate family or to any trust for the direct or indirect benefit of the undersigned or the undersigned’s immediate family, or if the undersigned is a trust, to a trustor, trustee or beneficiary of the trust or to the estate of a trustor, trustee or beneficiary of such trust,

(iii) upon death or by will, testamentary document or intestate succession,

(iv) in connection with a sale of the Undersigned’s Shares acquired (A) in the Public Offering or (B) in open market transactions after the Public Offering Date,

(v) if the undersigned is a corporation, partnership, limited liability company or other business entity, (A) to another corporation, partnership, limited liability company or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the undersigned, or to any investment fund or other entity controlled or managed by the undersigned or affiliates of the undersigned, or (B) as part of a distribution by the undersigned to its stockholders, partners, members or other equityholders or to the estate of any such stockholders, partners, members or other equityholders,

(vi) to the Company in connection with the vesting or settlement of restricted stock units or the “net” or “cashless” exercise of options, warrants or other rights to purchase shares of Common Stock for purposes of exercising such options, warrants or rights, including any transfer for the payment of tax withholdings or remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or other rights,
in connection with (A) the exercise of options on a cash basis or the vesting and settlement of restricted stock units or other rights granted under a stock incentive plan or other equity award plan, which plan is described in the Registration Statement and in the Final Prospectus used to sell the Shares in the Public Offering and (B) the exercise of warrants on a cash basis, which warrants are described in the Registration Statement and in the Final Prospectus used to sell Shares in the Public Offering, provided, that, in each case, any shares of Common Stock issued upon exercise of such option, warrant or other rights or the vesting and settlement of restricted stock units shall continue to be subject to the restrictions set forth herein until the expiration of the Lock-Up Period,

(viii) to the Company in connection with (A) the repurchase of shares of Common Stock in the event the undersigned ceases to provide services to the Company, which such shares were issued pursuant to equity awards granted under a stock incentive plan or other equity award plan, which plan is described in the Registration Statement and in the Final Prospectus used to sell the Shares in the Public Offering or (B) a right of first refusal that the Company has with respect to transfers of such shares or securities,

(ix) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of shares of Common Stock involving a Change of Control (as defined below) of the Company, provided, that, in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the Undersigned’s Shares shall remain subject to the provisions of this Lock-Up Agreement,

(x) in connection with the conversion of Class B Common Stock to Class A Common Stock in accordance with the Company’s certificate of incorporation, provided, that, any such shares of Common Stock received upon such conversion shall remain subject to the provisions of this Lock-Up Agreement,

(xi) by operation of law, such as pursuant to a qualified domestic order or in connection with a divorce settlement or any other court order,

(xii) to the Underwriters pursuant to the Underwriting Agreement, or

(xiii) with the prior written consent of the Representatives, on behalf of the Underwriters;

provided, that, (A) in the case of (i), (ii), (iii), and (v) above, such transfer shall not involve of a disposition for value, (B) in the case of (i), (ii), (iii), (v), and (xi) above, it shall be a condition to the transfer or distribution that the donee, transferee or distributee, as the case may be, agrees in writing to be bound by the restrictions set forth herein, (C) in the case of (i), (ii), (iii), (iv), (v) and (viii)(B) above, no filing under Section 16 of the Securities Exchange Act of 1934, as
amended (the "Exchange Act"), or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock shall be required or shall be voluntarily made during the Lock-Up Period (other than any required Form 5 filing, which may be made), (D) in the case of (vi) above, no filing under Section 16 of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock shall be required or shall be voluntarily made during the Lock-Up Period (other than any required Form 5 filing, which may be made) until the Company’s first earnings release following the closing of the Public Offering (such period, the "Stabilization Period"), and if, following such Stabilization Period, the undersigned is required to file a report under Section 16 of the Exchange Act reporting a reduction in beneficial ownership of shares of Common Stock during the Lock-Up Period, the undersigned shall include a statement in such report to the effect that the purpose of such transfer was either (1) to cover tax withholding obligations of the undersigned or remittance payments due in connection with such vesting, settlement or exercise or (2) in connection with a cashless or net exercise of options, warrants or other rights to purchase shares of Common Stock for purposes of exercising such options, warrants or rights, provided, however, that, to the extent that the undersigned includes the statements required by this clause (D) in a report under Section 16 of the Exchange Act, a filing under Section 16 of the Exchange Act may be made during the Stabilization Period solely with respect to options, warrants or other rights to purchase shares of Common Stock that are scheduled to expire during the Lock-Up Period; (E) in the case of (vii) above, no filing under Section 16 of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock shall be required or shall be voluntarily made during the Stabilization Period (other than any required Form 5 filing, which may be made); (F) in the case of (viii)(A) above, no filing under Section 16 of the Exchange Act or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock shall be required or shall be voluntarily made during the Lock-Up Period (other than any required Form 5 filing, which may be made) within 60 days after the date the undersigned ceases to provide services to the Company, and after such 60th day, if the undersigned is required to file a report under Section 16 of the Exchange Act reporting a reduction in beneficial ownership of shares of Common Stock during the Lock-Up Period, the undersigned shall clearly indicate in the footnotes thereto the nature and conditions of such transfer, and (G), in the case of (xi) above, no filing under Section 16 of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock shall be voluntarily made during the Lock-Up Period and, if the undersigned is required to file a report under Section 16 of the Exchange Act during the Lock-Up Period, the undersigned shall include a statement in such report to the effect that such transfer is to the Company by operation of law, such as pursuant to a qualified domestic order or in connection with a divorce settlement or any other court order, as the case may be; or
enter into a written plan meeting the requirements of Rule 10b5-1 under the Exchange Act after the date of this Lock-Up Agreement relating to the sale of the Undersigned’s Shares, provided, that, the securities subject to such plan may not be transferred until after the expiration of the Lock-Up Period and no public announcement, report or filing under the Exchange Act regarding the establishment of such plan shall be required or voluntarily made during the Lock-Up Period.

For purposes of this Lock-Up Agreement: “immediate family” shall mean any relationship by blood, marriage, domestic partnership or adoption, not more remote than first cousin; and “Change of Control” shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of the Company’s voting securities if, after such transfer, such person or group of affiliated persons would hold shares having more than a majority of the voting power of all outstanding voting shares of the Company (or the surviving entity).

The undersigned agrees and consents to the entry of stop transfer instructions with the Company’s transfer agent and registrar against the transfer of the Undersigned’s Shares except in compliance with the foregoing restrictions.

In the event that either of the Representatives withdraws from or declines to participate in the Public Offering, all references to the Representatives contained in this letter shall be deemed to refer to the sole Representative that continues to participate in the Public Offering (the “Sole Representative”) and this Lock-Up Agreement shall remain in full force and effect. In such event, any written consent, waiver or notice given or delivered in connection with this letter by the Sole Representative shall be deemed to be sufficient and effective for all purposes under this Lock-Up Agreement.

Notwithstanding anything to the contrary contained herein, this Lock-Up Agreement will automatically terminate and the undersigned will be released from all of his, her or its obligations hereunder upon the earliest to occur, if any, of (i) the date, prior to the execution of the Underwriting Agreement, that the Company advises the Representatives in writing that it has determined not to proceed with the Public Offering, (ii) the date the Company files an application to withdraw the Registration Statement related to the Public Offering, (iii) the date the Underwriting Agreement is executed but is terminated (other than the provisions thereof which survive termination) prior to payment for and delivery of the Shares to be sold thereunder, or (iv) September 20, 2017, in the event that the Underwriting Agreement has not been executed by such date.

The undersigned hereby consents to receipt of this Lock-Up Agreement in electronic form and understands and agrees that this Lock-Up Agreement may be signed electronically. In the event that any signature is delivered by facsimile transmission, electronic mail, or otherwise by electronic transmission evidencing an intent to sign this Lock-Up Agreement, such facsimile transmission, electronic mail or other electronic transmission shall create a valid and binding obligation of the undersigned with the same force and effect as if such signature were an original. Execution and delivery of this Lock-Up Agreement by facsimile transmission, electronic mail or other electronic transmission is legal, valid and binding for all purposes.
The undersigned understands that the Company and the Underwriters are relying upon this Lock-Up Agreement in proceeding toward consummation of the Public Offering. The undersigned further understands that this Lock-Up Agreement is irrevocable and shall be binding upon the undersigned’s heirs, legal representatives, successors, and assigns.

Very truly yours,

________________________________________
Name of Security Holder (Print exact name)

By: _______________________________________
Signature

If not signing in an individual capacity:

________________________________________
Name of Authorized Signatory (Print )

Title of Authorized Signatory (Print )
(indicate capacity of person signing if signing as custodian, trustee, or on behalf of an entity)
ALTERYX, INC.
SECOND AMENDED AND RESTATED
INVESTORS' RIGHTS AGREEMENT

September 24, 2015
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This Second Amended and Restated Investors’ Rights Agreement (this “Agreement”) is made and entered into as of September 24, 2015, by and among Alteryx, Inc., a Delaware corporation (the “Company”); the individuals listed on Exhibit A-1 (each a “Principal Stockholder” and collectively “Principal Stockholders”); Sapphire Ventures Fund I, L.P., Toba Capital Fund II, LLC, Teach A Man To Fish Foundation, and the funds affiliated with Insight Venture Management, LLC (“Insight”) set forth on Exhibit A-2 (the “Existing Preferred Holders”); Meritech Capital Partners V L.P. and Meritech Capital Affiliates V L.P. (together, the “Meritech Investors”) and the funds and investment vehicles set forth on Exhibit A-3, (together with any Iconiq Affiliates that hold shares of stock in the Company, the “Iconiq Investors” and, together with the Meritech Investors and the Existing Preferred Holders, the “Investors”).

RECITALS

The Company, the Principal Stockholders and the Existing Preferred Holders are parties to a First Amended and Restated Investors’ Rights Agreement dated as of September 30, 2014 (the “Prior Agreement”). The Company, certain of the Existing Preferred Holders, the Iconiq Investors and the Meritech Investors have entered into a Series C Preferred Stock and Common Stock Purchase Agreement (the “Purchase Agreement”) dated of even date herewith, pursuant to which the Company desires to sell to the Iconiq Investors, the Meritech Investors and certain Existing Preferred Holders, and the Iconiq Investor, the Meritech Investors and certain Existing Preferred Holders desire to purchase (the “Series C Financing”) from the Company shares of the Company’s Series C Preferred Stock (the “Series C Preferred Stock”) and shares of the Company’s Common Stock (the “Common Stock”). Capitalized terms not otherwise defined herein have the meaning given them in the Purchase Agreement. A condition to the obligations of the purchasers under the Purchase Agreement is that the Company, the Principal Stockholders, the Existing Preferred Holders, the Iconiq Investor and the Meritech Investors enter into this Agreement in order to provide the Investors (i) certain rights to register shares of the Company’s common stock issuable upon conversion of the Company’s preferred stock held by the Investors, (ii) certain rights to receive or inspect information pertaining to the Company, and (iii) a right of first refusal with respect to certain issuances by the Company of its securities. The Company, the Principal Stockholders and the Existing Preferred Holders desire to induce the Iconiq Investors and the Meritech Investors to purchase shares of Series C Preferred Stock and Common Stock pursuant to the Purchase Agreement by agreeing to the terms and conditions set forth below.

The Company, the Principal Stockholders and the Existing Preferred Holders desire to amend and restate the Prior Agreement in its entirety as set forth herein.

AGREEMENT

SECTION 1 DEFINITIONS

1.1 Certain Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) “Affiliate” means, with respect to any individual, firm, corporation, partnership, association, limited liability company, trust or any other entity (collectively, a “Person”), another Person who, directly or indirectly, controls, is controlled by or is under common control with such Person, including, without limitation, any general partner, managing member, officer or director of such Person or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person.
(b) “Closing” shall mean the date of the sale of shares of the Company’s Series C Preferred Stock pursuant to the Purchase Agreement.

(c) “Commission” shall mean the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

(d) “Common Stock” means the Common Stock of the Company.

(e) “Conversion Stock” shall mean shares of Common Stock issued upon conversion of the Preferred Stock.

(f) “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended, or any similar successor federal statute and the rules and regulations thereunder, all as the same shall be in effect from time to time.

(g) “Holders” shall mean the Investors and any holder of Registrable Securities as provided hereunder or to whom the registration rights conferred by this Agreement have been duly and validly transferred in accordance with Section 2.12 of this Agreement.

(h) “Indemnified Party” shall have the meaning set forth in Section 2.6(c).

(i) “Indemnifying Party” shall have the meaning set forth in Section 2.6(c).

(j) “Initial Public Offering” shall mean the closing of the Company’s first firm commitment underwritten public offering of the Company’s Common Stock registered under the Securities Act.

(k) “Initiating Holders” shall mean any Holder or Holders who in the aggregate hold not less than fifty percent (50%) of the outstanding Registrable Securities.

(l) “Major Investor” shall mean (i) any Holder who owns at least 100,000 shares (as adjusted for stock splits, stock dividends, reverse stock splits, and the like) of Preferred Stock and (ii) for purposes of Section 3.1 only, the Meritech Investors, if the Meritech Investors own at least 2,000,000 shares of Common Stock.

(m) “New Securities” shall have the meaning set forth in Section 4.1(a).

(n) “Preferred Stock” shall mean shares of the Company’s Series A Preferred Stock, Series B Preferred Stock and Series C Preferred Stock.

(o) “Purchase Agreement” shall have the meaning set forth in the Recitals.

(p) “Registrable Securities” shall mean (i) shares of Common Stock held by an Investor, whether acquired as of the date of this Agreement or thereafter, including but not limited to, the shares of Common Stock issued or issuable pursuant to the conversion of the Shares; (ii) any Common Stock issued as a dividend or other distribution with respect to or in exchange for or in replacement of the shares referenced in (i) above and (iii) for purposes of Section 2.2 and 2.4 through 2.14 as appropriate, shares of Common Stock held by the Principal Stockholders; provided, however, that Registrable Securities shall not include any shares of Common Stock described in clause (i), (ii), or (iii) above which have previously been registered or which have been sold to the public either pursuant to a registration statement or Rule 144, or which have been sold...
in a private transaction in which the transferor’s rights under this Agreement are not validly assigned in accordance with this Agreement.

(q) The terms “register,” “registered” and “registration” shall refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act and applicable rules and regulations thereunder, and the declaration or ordering of the effectiveness of such registration statement.

(r) “Registration Expenses” shall mean all expenses incurred in effecting any registration pursuant to this Agreement, including, without limitation, all registration, qualification, and filing fees, printing expenses, escrow fees, fees and disbursements of counsel for the Company and one special counsel for the Holders reasonably acceptable to each Investor, blue sky fees and expenses, and expenses of any regular or special audits incident to or required by any such registration, but shall not include Selling Expenses, fees and disbursements of other counsel for the Holders and the compensation of regular employees of the Company, which shall be paid in any event by the Company.

(s) “Restricted Securities” shall mean any Registrable Securities required to bear the first legend set forth in Section 2.8(b).

(t) “Rule 144” shall mean Rule 144 as promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar successor rule that may be promulgated by the Commission.

(u) “Rule 145” shall mean Rule 145 as promulgated by the Commission under the Securities Act, as such Rule may be amended from time to time, or any similar successor rule that may be promulgated by the Commission.

(v) “Securities Act” shall mean the Securities Act of 1933, as amended, or any similar successor federal statute and the rules and regulations thereunder, all as the same shall be in effect from time to time.

(w) “Selling Expenses” shall mean all underwriting discounts, selling commissions and stock transfer taxes applicable to the sale of Registrable Securities and fees and disbursements of counsel for any Holder (other than the fees and disbursements of one special counsel to the Holders included in Registration Expenses).

(x) “Shares” shall mean the Preferred Stock.

(y) “Significant Stockholders” shall mean the Investors and the Principal Stockholders.

(z) “Withdrawn Registration” shall mean a forfeited demand registration under Section 2.1 in accordance with the terms and conditions of Section 2.4.

SECTION ‡2 REGISTRATION RIGHTS

2.1 Requested Registration.

(a) Request for Registration. Subject to the conditions set forth in this Section 2.1, if the Company shall receive from Initiating Holders a written request signed by such Initiating Holders that the Company effect any registration with respect to all or a part of the Registrable Securities (such request shall state the number of shares of Registrable Securities to be disposed of by such Initiating Holders) and the
holders of a majority of the then outstanding shares of Preferred Stock, voting together as a single class on an as-converted basis consent to such registration, the Company will:

(i) promptly give written notice of the proposed registration to all other Holders; and

(ii) as soon as practicable, file and use its commercially reasonable efforts to effect such registration (including, without limitation, filing post-effective amendments, appropriate qualifications under applicable blue sky or other state securities laws, and appropriate compliance with the Securities Act) and to permit or facilitate the sale and distribution of all or such portion of such Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any Holder or Holders joining in such request as are specified in a written request received by the Company within twenty (20) days after such written notice from the Company is mailed or delivered.

(b) **Limitations on Requested Registration.** The Company shall not be obligated to effect, or to take any action to effect, any such registration pursuant to this Section 2.1:

(i) Prior to the earlier of (A) the three (3) year anniversary of the date of this Agreement or (B) six (6) months following the effective date of the first registration statement filed by the Company covering an underwritten offering of any of its securities to the general public (or the subsequent date on which all market stand-off agreements applicable to the offering have terminated);

(ii) If the Initiating Holders propose to sell less than twenty percent (20%) of the outstanding Registrable Securities unless the aggregate proceeds of which (after deduction for underwriter’s discounts and expenses related to the issuance) are greater than $5,000,000;

(iii) In any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, qualification, or compliance, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(iv) After the Company has initiated two (2) such registrations pursuant to this Section 2.1 (counting for these purposes only (x) registrations which have been declared or ordered effective and pursuant to which securities have been sold, and (y) Withdrawn Registrations);

(v) During the period starting with the date ninety (90) days prior to the Company’s good faith estimate of the date of filing of, and ending on a date one hundred eighty (180) days after the effective date of, a Company-initiated registration (or ending on the subsequent date on which all market stand-off agreements applicable to the offering have terminated); provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; and

(vi) If the Initiating Holders propose to dispose of shares of Registrable Securities that may be registered on Form S-3 pursuant to a request made under Section 2.3.

(c) **Deferral.** If (i) in the good faith judgment of the Board of Directors of the Company, the filing of a registration statement covering the Registrable Securities would be detrimental to the Company and the Board of Directors of the Company concludes, as a result, that it is in the best interests of the Company to defer the filing of such registration statement at such time, and (ii) the Company shall furnish to such Holders a certificate signed by the Chief Executive Officer or equivalent senior executive of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be
detrimental to the Company for such registration statement to be filed in the near future and that it is, therefore, in the best interests of the Company
to defer the filing of such registration statement, then (in addition to the limitations set forth in Section 2.1(b)(v) above) the Company shall have the
deferred filing for a period of not more than sixty (60) days after receipt of the request of the Initiating Holders, and, provided further, that the
Company shall not deferr its obligation in this manner more than twice in any twelve-month period.

(d) Underwriting. If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an
underwriting, they shall so advise the Company in writing as a part of their request made pursuant to Section 2.1, and the Company shall include
such information in the written notice of the proposed registration to all other Holders. The underwriter(s) will be selected by the Company and shall
be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include all or any portion of its
Registrable Securities in a registration pursuant to this Section 2.1 shall be conditioned upon such Holder’s participation in an underwriting and the
inclusion of such Holder’s Registrable Securities to the extent provided herein. If the Company shall request inclusion in any registration pursuant to
Section 2.1 of securities being sold for its own account, or if other persons shall request inclusion in any registration pursuant to Section 2.1, the
Initiating Holders shall, on behalf of all Holders, offer to include such securities in the underwriting and such offer shall be conditioned upon the
participation of the Company or such other persons in such offering and the inclusion of the Company’s and such person’s other securities of
the Company and their acceptance of the further applicable provisions of this Section 2.12 (including Section 2.10). The Company shall (together with
all Holders and other persons proposing to distribute their securities through such underwriting) enter into an underwriting agreement in customary
form with the representative of the underwriter or underwriters selected for such underwriting by the Company, which underwriters are reasonably
acceptable to a majority-in-interest of the Initiating Holders.

Notwithstanding any other provision of this Section 2.1, if the underwriters advise the Initiating Holders in writing that marketing factors
require a limitation on the number of shares to be underwritten, the number of Registrable Securities that may be so included shall be allocated as
follows: (i) first, among all Holders requesting to include Registrable Securities in such registration statement based on the pro rata percentage of
Registrable Securities held by such Holders, assuming conversion; and (ii) second, to the Company, which the Company may allocate, at its
discretion, for its own account, or for the account of other holders or employees of the Company.

If a person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such
person shall be excluded therefrom by written notice from the Company, the underwriter or the Initiating Holders; provided that, notwithstanding
anything to the contrary contained herein, such terms of any such underwriting do not require any Holder to make any representations or warranties
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aggregate amount of the liability of such Holder in connection with such underwriting agreement shall not exceed such Holder’s net proceeds from
such underwritten offering. The securities so excluded shall also be withdrawn from registration. Any Registrable Securities or other securities
excluded or withdrawn from such offering shall also be withdrawn from such registration. If shares are so withdrawn from the registration and if
the number of shares to be included in such registration was previously reduced as a result of marketing factors pursuant to this Section 2.1(c), then
the Company shall then offer to all Holders who have retained

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rights to include securities in the registration the right to include additional Registrable Securities in the registration in an aggregate amount equal to the number of shares so withdrawn.

2.2 Company Registration.

(a) Company Registration. If the Company shall determine to register any of its securities either for its own account or the account of a security holder or holders, other than a registration pursuant to Section 2.1 or 2.3, a registration relating solely to employee benefit plans, a registration relating to the offer and sale of debt securities, a registration relating to a corporate reorganization or other Rule 145 transaction, or a registration on any registration form that does not permit secondary sales, the Company will:

   (i) promptly give written notice of the proposed registration to all Holders; and

   (ii) use its commercially reasonable efforts to include in such registration (and any related qualification under blue sky laws or other compliance), except as set forth in Section 2.2(b) below, and in any underwriting involved therein, all of such Registrable Securities as are specified in a written request or requests made by any Holder or Holders received by the Company within ten (10) days after such written notice from the Company is mailed or delivered. Such written request may specify all or a part of a Holder’s Registrable Securities.

(b) Underwriting. If the registration of which the Company gives notice is for a registered public offering involving an underwriting, the Company shall so advise the Holders as a part of the written notice given pursuant to Section 2.2(a)(i). In such event, the right of any Holder to registration pursuant to this Section 2.2 shall be conditioned upon such Holder’s participation in such underwriting and the inclusion of such Holder’s Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company) enter into an underwriting agreement in customary form with the representative of the underwriter or underwriters selected by the Company.

Notwithstanding any other provision of this Section 2.2, if the underwriters advise the Company in writing that marketing factors require a limitation on the number of shares to be underwritten, the underwriters may (subject to the limitations set forth below) limit the number of Registrable Securities to be included in, the registration and underwriting. The Company shall so advise all holders of securities requesting registration, and the number of shares of securities that are entitled to be included in the registration and underwriting shall be allocated, as follows: (i) first, to the Company for securities being sold for its own account, and (ii) second, to the Investors up to the number of Registrable Securities they are requesting to include in such registration statement, and (iii) third, to the Principal Stockholders requesting to include Registrable Securities in such registration statement based on the pro rata percentage of Registrable Securities held by such Principal Stockholders. Notwithstanding the foregoing, no such reduction shall reduce the value of the Registrable Securities of the Investors included in such registration below twenty five percent (25%) of the total value of securities included in such registration, unless such offering is the Company’s Initial Public Offering, in which event any or all of the Registrable Securities of the Investors may be excluded.

If a person who has requested inclusion in such registration as provided above does not agree to the terms of any such underwriting, such person shall also be excluded therefrom by written notice from the Company or the underwriter; provided that, notwithstanding anything to the contrary contained herein, such terms of any such underwriting do not require any Holder to make any representations or warranties to or agreements with the Company or the underwriters in connection with such underwriting agreement other than representations, warranties or agreements regarding such Holder, such Holder’s title to the Registrable Securities, such Holder’s authority to sell the Registrable Securities, such Holder’s intended method of
distribution, absence of liens with respect to the Registrable Securities, enforceability of the applicable underwriting agreement as against such Holder, receipt of all consents and approvals with respect to the entry into such underwriting agreement and the sale of such Registrable Securities and any other representations required to be made by such Holder under applicable law, rule or regulation, and the aggregate amount of the liability of such Holder in connection with such underwriting agreement shall not exceed such Holder’s net proceeds from such underwritten offering. The Registrable Securities or other securities so excluded shall also be withdrawn from such registration. Any Registrable Securities or other securities excluded or withdrawn from such underwriting shall be withdrawn from such registration.

(c) **Right to Terminate Registration.** The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 prior to the effectiveness of such registration whether or not any Holder has elected to include securities in such registration.

### 2.3 Registration on Form S-3.

(a) **Request for Form S-3 Registration.** After its initial public offering, the Company shall use its commercially reasonable efforts to qualify for registration on Form S-3 or any comparable or successor form or forms. After the Company has qualified for the use of Form S-3, in addition to the rights contained in the foregoing provisions of this Section 2 and subject to the conditions set forth in this Section 2.3, if the Company shall receive from a Holder or Holders of Registrable Securities a written request that the Company effect any registration on Form S-3 or any similar short form registration statement with respect to all or part of the Registrable Securities (such request shall state the number of shares of Registrable Securities to be disposed of and the intended methods of disposition of such shares by such Holder or Holders) and a majority of the Company’s Board of Directors approve the registration of such Registrable Securities, the Company will take all such action with respect to such Registrable Securities as required by Section 2.1(a)(i) and (ii).

(b) **Limitations on Form S-3 Registration.** The Company shall not be obligated to effect, or take any action to effect, any such registration pursuant to this Section 2.3:

(i) In the circumstances described in either Sections 2.1(b)(i), 2.1(b)(iii) or 2.1(b)(v);

(ii) If the Holders propose to sell Registrable Securities on Form S-3 at an aggregate price to the public of less than $1,000,000; or

(iii) If, in a given twelve-month period, the Company has effected two (2) such registrations in such period.

(c) **Deferral.** The provisions of Section 2.1(c) shall apply to any registration pursuant to this Section 2.3.

(d) **Underwriting.** If the Holders of Registrable Securities requesting registration under this Section 2.3 intend to distribute the Registrable Securities covered by their request by means of an underwriting, the provisions of Section 2.1(c) shall apply to such registration. Notwithstanding anything contained herein to the contrary, registrations effected pursuant to this Section 2.3 shall not be counted as requests for registration or registrations effected pursuant to Section 2.1.

### 2.4 Expenses of Registration.

All Registration Expenses incurred in connection with registrations pursuant to Sections 2.1, 2.2 and 2.3 shall be borne by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to
Sections 2.1 and 2.3 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered or because a sufficient number of Holders shall have withdrawn so that the minimum offering conditions set forth in Sections 2.1 and 2.3 are no longer satisfied (in which case all participating Holders shall bear such expenses pro rata among each other based on the number of Registrable Securities requested to be so registered), unless (i) the Holders of a majority of the Registrable Securities agree to forfeit their right to a demand registration pursuant to Section 2.1 or (ii) a withdrawal by the Holders is based upon material adverse information relating to the Company that is different from the information known or available (upon request from the Company or otherwise) to the Holders requesting registration at the time of their request for registration under Section 2.1. In the event of (ii) above, or if all participating Holders bear the Registration Expenses related to such withdrawn registration (which, if applicable, shall be allocated pro rata among each Holder based on the number of Registrable Securities requested to be so registered), such registration shall not be treated as a counted registration for purposes of Section 2.1. All Selling Expenses relating to securities registered on behalf of the Holders shall be borne by the holders of securities included in such registration pro rata among each other on the basis of the number of Registrable Securities so registered.

2.5 Registration Procedures. In the case of each registration effected by the Company pursuant to Section 2, the Company will keep each Holder advised in writing as to the initiation of each registration and as to the completion thereof. At its expense, the Company will use its commercially reasonable efforts to:

(a) Keep such registration effective for a period of ending on the earlier of the date which is ninety (90) days from the effective date of the registration statement or such time as the Holder or Holders have completed the distribution described in the registration statement relating thereto;

(b) Prepare and file with the Commission such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement (including, but not limited to, any issuer free writing prospectus, as defined in Rule 433 under the Securities Act) as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement for the period set forth in subsection (a) above;

(c) Furnish such number of prospectuses, including any preliminary prospectuses, and other documents incident thereto, including any amendment of or supplement to the prospectus, as a Holder from time to time may reasonably request;

(d) Register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdiction as shall be reasonably requested by the Holders; provided, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions;

(e) Notify each seller of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in light of the circumstances then existing, and following such notification timely prepare and furnish to such seller a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary so that, as thereafter delivered to the purchasers of such shares, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading or incomplete in light of the circumstances then existing;
(f) Provide a transfer agent and registrar for all Registrable Securities registered pursuant to such registration statement and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(g) Cause all such Registrable Securities registered hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed; and

(h) In connection with any underwritten offering pursuant to a registration statement filed pursuant to Section 2.1, enter into an underwriting agreement in form reasonably necessary to effect the offer and sale of Common Stock, provided such underwriting agreement contains reasonable and customary provisions, and provided further, that each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

2.6 Indemnification.

(a) To the fullest extent permitted by law, the Company will indemnify and hold harmless each Holder, each of its officers, members, directors, stockholders and partners, legal counsel and accountants and each person controlling such Holder within the meaning of Section 15 of the Securities Act, with respect to which registration, qualification or compliance has been effected pursuant to this Section 2, and each underwriter, if any, and each person who controls within the meaning of Section 15 of the Securities Act any underwriter, against all expenses, claims, losses, damages and liabilities (or actions, proceedings or settlements in respect thereof) arising out of or based on: (i) any untrue statement (or alleged untrue statement) of a material fact contained or incorporated by reference in any prospectus, offering circular, amendment or supplements thereto, any issuer information (as defined in Rule 433 of the Securities Act) or other document (including any related registration statement, notification or the like) incident to any such registration, qualification or compliance, (ii) any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, or (iii) any violation (or alleged violation) by the Company of the Securities Act, the Exchange Act, any state securities laws or any rule or regulation thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any offering covered by such registration, qualification or compliance, and the Company will reimburse each such Holder, each of its officers, members, directors, stockholders, partners, legal counsel and accountants and each person controlling such Holder, each such underwriter and each person who controls any such underwriter, for any legal and any other expenses reasonably incurred in connection with investigating and defending or settling any such claim, loss, damage, liability or action; provided that the Company will not be liable in any such case to the extent that any such claim, loss, damage, liability or action arises out of or is based on any untrue statement or omission based upon written information furnished to the Company by such Holder, any of such Holder’s officers, members, directors, stockholders, partners, legal counsel or accountants, any person controlling such Holder, such underwriter or any person who controls any such underwriter, and stated to be specifically for use therein; and provided, further that, the indemnity agreement contained in this Section 2.6(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld).

(b) To the fullest extent permitted by law, each Holder, severally and not jointly, will, if Registrable Securities held by such Holder are included in the securities as to which such registration, qualification or compliance is being effected, indemnify and hold harmless the Company, each of its directors, officers, partners, legal counsel and accountants and each underwriter, if any, of the Company’s securities covered by such a registration statement, each person who controls the Company or such underwriter within the meaning of Section 15 of the Securities Act, each other such Holder, and each of their officers, directors and partners, and each person controlling each other such Holder, against all claims, losses, damages and liabilities (or actions in respect thereof) arising out of or based on: (i) any untrue statement (or
alleged untrue statement) of a material fact contained or incorporated by reference in any prospectus, offering circular or other document (including any related registration statement, notification, or the like) incident to any such registration, qualification or compliance, or (ii) any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or omission is contained in any information furnished in writing by such Holder to the Company specifically for inclusion in such prospectus, offering circular or other document (including any related registration statement, notification, or the like) incident to any such registration and has not been corrected in a subsequent writing prior to or concurrently with the sale of the Registrable Securities to the Person asserting the claim, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) was made in such prospectus, offering circular or other document (including any related registration statement, notification, or the like) incident to any such registration, in reliance upon and in conformity with written information furnished to the Company by such Holder expressly for use therein, and will reimburse the Company and such Holders, directors, officers, partners, legal counsel and accountants, persons, underwriters, or control persons for any legal or any other expenses reasonably incurred in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such registration statement, prospectus, offering circular or other document in reliance upon and in conformity with written information furnished to the Company by such Holder and stated to be specifically for use therein; provided, however, that the obligations of such Holder hereunder shall not apply to amounts paid in settlement of any such claims, losses, damages or liabilities (or actions in respect thereof) if such settlement is effected without the consent of such Holder (which consent shall not be unreasonably withheld); and provided that in no event shall any indemnity under this Section 2.6 exceed the net proceeds from the offering received by such Holder, except in the case of fraud or willful misconduct by such Holder.

(c) Each party entitled to indemnification under this Section 2.6 (the "Indemnified Party") shall give notice to the party required to provide indemnification (the "Indemnifying Party") promptly after such Indemnified Party has actual knowledge of any claim as to which indemnity may be sought, and shall permit the Indemnifying Party to assume the defense of such claim or any litigation resulting therefrom; provided that counsel for the Indemnifying Party, who shall conduct the defense of such claim or any litigation resulting therefrom, shall be approved by the Indemnified Party (whose approval shall not be unreasonably withheld), and the Indemnified Party may participate in such defense at such party’s expense; and provided further that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Section 2.6, to the extent such failure is not prejudicial. No Indemnifying Party, in the defense of any such claim or litigation, shall, except with the consent of each Indemnified Party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation. Each Indemnified Party shall furnish such information regarding itself or the claim in question as an Indemnifying Party may reasonably request in writing and as shall be reasonably required in connection with defense of such claim and litigation resulting therefrom.

(d) If the indemnification provided for in this Section 2.6 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any loss, liability, claim, damage, or expense referred to herein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party hereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations; provided, however, that no contribution by any Holder, when combined with any amounts paid by such Holder pursuant to Section 2.6(b), shall exceed the net proceeds from the
offering received by such Holder; and provided further that in no event shall a Holder’s liability pursuant to this Section 2.6(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.6(b), exceed the proceeds from the offering received by such Holder (net of any expenses paid by such Holder). The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties’ relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission. No person or entity guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any person or entity who was not guilty of such fraudulent misrepresentation.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control provided that in no event shall any indemnity obligations exceed the net proceeds from the offering received by such Holder, except in the case of fraud or willful misconduct by such Holder.

2.7 Information by Holder. Each Holder of Registrable Securities shall furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing and as shall be reasonably required in connection with any registration, qualification, or compliance referred to in this Section 2.

2.8 Restrictions on Transfer.

(a) The Holder of each certificate representing Registrable Securities by acceptance thereof agrees to comply in all respects with the provisions of this Section 2.8. Each Holder agrees not to make any sale, assignment, transfer, pledge or other disposition of all or any portion of the Restricted Securities, or any beneficial interest therein, unless and until the transferee thereof has agreed in writing for the benefit of the Company to take and hold such Restricted Securities subject to, and to be bound by, the terms and conditions set forth in this Agreement, including, without limitation, this Section 2.8 and Section 2.10, and:

(i) There is then in effect a registration statement under the Securities Act covering such proposed disposition and the disposition is made in accordance with the registration statement; or

(ii) The Holder shall have given prior written notice to the Company of the Holder’s intention to make such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition, and the Holder shall have furnished the Company, at the Holder’s expense, with (i) an opinion of counsel, reasonably satisfactory to the Company, to the effect that such disposition will not require registration of such Restricted Securities under the Securities Act or (ii) a “no action” letter from the Commission to the effect that the transfer of such securities without registration will not result in a recommendation by the staff of the Commission that action be taken with respect thereto, whereupon the holder of such Restricted Securities shall be entitled to transfer such Restricted Securities in accordance with the terms of the notice delivered by the Holder to the Company.

(b) Each certificate representing Registrable Securities shall (unless otherwise permitted by the provisions of this Agreement) be stamped or otherwise imprinted with a legend substantially similar to the following (in addition to any legend required under applicable state securities laws):
THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM AND EXCEPT AS SET FORTH IN AN INVESTORS’ RIGHTS AGREEMENT, AS AMENDED AND/OR RESTATED, WITH THE COMPANY. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS UNLESS SUCH TRANSFER IS ALLOWED IN AN INVESTORS’ RIGHTS AGREEMENT, AS AMENDED AND/OR RESTATED, WITH THE COMPANY.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO (1) RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD IN THE EVENT OF A PUBLIC OFFERING, AS SET FORTH IN AN INVESTORS’ RIGHTS AGREEMENT, AS AMENDED AND/OR RESTATED, AND (2) VOTING RESTRICTIONS AS SET FORTH IN A VOTING AGREEMENT, AS AMENDED AND/OR RESTATED, AMONG THE COMPANY AND THE ORIGINAL HOLDERS OF THESE SHARES, COPIES OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE COMPANY.

The Holders consent to the Company making a notation on its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer established in this Section 2.8.

(c) The first legend referring to federal and state securities laws identified in Section 2.8(b) stamped on a certificate evidencing the Restricted Securities and the stock transfer instructions and record notations with respect to the Restricted Securities shall be removed and the Company shall issue a certificate without such legend to the holder of Restricted Securities if (i) those securities are registered under the Securities Act, or (ii) the holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of those securities may be made without registration or qualification.

(d) Notwithstanding the provisions of this Agreement, no restriction on transfer of Registrable Securities shall apply to a transfer by a Holder that is (A) a partnership transferring to its partners or former partners in accordance with partnership interests, provided that any such former partner was a partner of Holder as of the date of this Agreement or becomes a partner of Holder after the date of this Agreement, (B) a corporation or other entity transferring to a wholly-owned subsidiary or a parent corporation that owns all of the capital stock of the Holder, (C) a limited liability company transferring to its members or former members in accordance with their interest in the limited liability company, provided that any such former member was a member of Holder as of the date of this Agreement or becomes a member of Holder after the date of this Agreement, (D) an individual transferring to the Holder’s family member or trust for the benefit of an individual Holder, (E) an entity transferring to another entity that is under common control with such Holder, or (F) (i), in the case of any Iconiq Investor, funds or investment vehicles controlled, managed or advised by affiliates of Iconiq Capital Management, LLC (collectively, the “Iconiq Affiliates”); (ii), in the case of any Insight Investor, funds or investment vehicles controlled, managed or advised by affiliates of Insight (collectively, the “Insight Affiliates”); or (iii), in the case of the Meritech Investors, funds or
investment vehicles controlled, managed or advised by Meritech Capital LLC (collectively, the "Meritech Affiliates"); provided that in each case the transferee will agree in writing to be subject to the terms of this Agreement to the same extent as if he were an original Holder hereunder.

2.9 Rule 144 Reporting. With a view to making available the benefits of certain rules and regulations of the Commission that may permit the sale of the Restricted Securities to the public without registration, the Company agrees to use its commercially reasonable efforts to:

(a) Make and keep adequate current public information with respect to the Company available in accordance with Rule 144 under the Securities Act, at all times from and after ninety (90) days following the effective date of the first registration under the Securities Act filed by the Company for an offering of its securities to the general public;

(b) File with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act at any time after it has become subject to such reporting requirements; and

(c) So long as a Holder owns any Restricted Securities, furnish to the Holder forthwith upon written request a written statement by the Company as to its compliance with the reporting requirements of Rule 144 (at any time from and after ninety (90) days following the effective date of the first registration statement filed by the Company for an offering of its securities to the general public), and of the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), a copy of the most recent annual or quarterly report of the Company, and such other reports and documents as a Holder may reasonably request in availing itself of any rule or regulation of the Commission allowing a Holder to sell any such securities without registration.

2.10 Market Stand-Off Agreement. Each Holder shall not sell or otherwise transfer, make any short sale of, loan, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale of, or otherwise dispose of, any Common Stock (or other securities) of the Company held by such Holder (other than those included in the registration) during the one hundred and eighty (180) day period following the effective date of the registration statement for the Company's Initial Public Offering filed under the Securities Act, provided that all officers and directors of the Company and all holders of at least one percent (1%) of the Company's voting securities are bound by and have entered into similar agreements. Notwithstanding the foregoing, if during the last 17 days of the restricted period, the Company issues an earnings release or material news or a material event relating to the Company occurs, or prior to the expiration of the restricted period the Company announces that it will release earnings results during the 16-day period beginning on the last day of the restricted period, then, upon the request of the managing underwriter, to the extent required by any FINRA rules, the restrictions imposed by this subsection shall continue to apply until the end of the third trading day following the expiration of the 15-day period beginning on the issuance of the earnings release or the occurrence of the material news or material event. In no event will the restricted period extend beyond 216 days after the effective date of the registration statement. Notwithstanding Section 5.1 of this Agreement, any discretionary release or waiver by the Company from the obligations provided in this Section 2.10 shall be approved by the Company's Board of Directors (including the approval of each of the Series A Designees and the Series B Designee (as defined below), to the extent the Series A Designees and Series B Designee continue to hold a seat on the Company's board of directors at such time), and all such waivers shall apply pro rata to all Holders. The obligations described in this Section 2.10 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the second legend set forth in Section 2.8(b) with respect to the shares of Common Stock (or other securities) subject to the foregoing.
restriction until the end of such one hundred and eighty (180) day (or other) period. Each Holder agrees to execute a market standoff agreement with said underwriters in customary form consistent with the provisions of this Section 2.10. The "Series A Designees" shall mean the members of the Board of Directors appointed by the holders of shares of the Company's Series A Preferred Stock. The "Series B Designee" shall mean the member of the Board of Directors appointed by the holders of shares of the Company's Series B Preferred Stock.

2.11 Delay of Registration. No Holder shall have any right to take any action to restrain, enjoin, or otherwise delay any registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.12 Transfer or Assignment of Registration Rights. The rights to cause the Company to register securities granted to a Holder by the Company under this Section 2 may be transferred or assigned (a) by a Holder to its current and former partners and members and to its affiliates and to a transferee or assignee of not less than one percent (1%) of the outstanding shares of Common Stock and Preferred Stock (as presently constituted and subject to subsequent adjustments for stock splits, stock dividends, reverse stock splits, and the like) and (b) by an Iconiq Investor to an Iconiq Affiliate, (c) by an Insight Investor to an Insight Affiliate and (d) by the Meritech Investors to a Meritech Affiliate; provided that (i) the Company is given written notice prior to said transfer or assignment, stating the name and address of the transferee or assignee and identifying the securities with respect to which such registration rights are intended to be transferred or assigned and (ii) the transferee or assignee of such rights assumes in writing the obligations of such Holder under this Agreement, including without limitation the obligations set forth in Section 2.10.

2.13 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of Holders holding at least fifty percent (50%) of the Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Company giving such holder or prospective holder any registration rights the terms of which are pari passu with or senior to the registration rights granted to the Holders hereunder.

2.14 Termination of Registration Rights. The right of any Holder to request registration or inclusion in any registration pursuant to Sections 2.1, 2.2 or 2.3 shall terminate five (5) years after the closing of the Company's Initial Public Offering.

SECTION 3 INFORMATION COVENANTS OF THE COMPANY

The Company hereby covenants and agrees, as follows:

Financial Information and Inspection Rights.

3.1 Basic

(a) Basic Financial Information. The Company will furnish the following reports to each Major Investor (as defined below) (other than a Major Investor reasonably deemed by the Company to be a competitor of the Company; provided, however, that each of Sapphire Ventures Fund I, L.P., Toba Capital Fund II, LLC, any Insight Investor, any Iconiq Investor and any Meritech Investor shall not be deemed to be a competitor of the Company):

(i) As soon as practicable after the end of each fiscal year of the Company (commencing with fiscal year ended 2015), and in any event within one hundred and twenty (120) days (or such longer period of time within 270 days after the end of the fiscal year as approved by the Board of Directors) after the end of each fiscal year of the Company, an audited consolidated balance sheet of the Company and its subsidiaries, if any, at the end of such fiscal year, and audited consolidated statements of income and cash flows of the Company and its subsidiaries, if any, for such year, prepared in accordance with

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U.S. generally accepted accounting principles consistently applied, certified by the Company's Chief Financial Officer;

(ii) As soon as practicable after the end of each quarterly accounting periods in each fiscal year of the Company, and in any event within forty five (45) days after the end of each quarterly accounting period, and unaudited consolidated statements of income and cash flows of the Company and its subsidiaries, if any, for such period, prepared in accordance with U.S. generally accepted accounting principles consistently applied, subject to changes resulting from normal year-end audit adjustments;

(iii) Beginning with the first full calendar month after Closing, as soon as practicable after the end of each monthly accounting period thereafter, and in any event within thirty (30) days after the end of each such monthly accounting period, and unaudited consolidated balance sheet of the Company and its subsidiaries, if any, as of the end of each such monthly period, and unaudited consolidated statements of income and cash flows of the Company and its subsidiaries, if any, for such period, prepared in accordance with U.S. generally accepted accounting principles consistently applied, subject to changes resulting from normal year-end audit adjustments;

(iv) As soon as practicable, prior to the beginning of each fiscal year of the Company, and in any event within thirty (30) days prior to the beginning of each fiscal year of the Company, an annual budget and operating plan for the coming fiscal year including monthly projected financial statements; and

(v) Such other information as may be reasonably requested by such Major Investor.

(b) Inspection. The Company shall permit each Major Investor, to visit and inspect the Company’s properties, to examine its books of account and records and to discuss the Company’s affairs, finances and accounts with its officers, all upon reasonable advance notice and at such reasonable times during regular business hours as may be requested by such Major Investor (other than a Major Investor reasonably deemed by the Company to be a competitor of the Company, provided, however, that each of Sapphire Ventures Fund I L.P., Toba Capital Fund II, LLC, Insight Venture Management, LLC and each Iconiq Investor shall not be deemed to be a competitor of the Company).

3.2 Confidentiality. Each Holder acknowledges that the information received by them pursuant to this Agreement may be confidential and for its use only, and it will not use any information that is in writing and marked as confidential in violation of the Exchange Act or reproduce, disclose or disseminate such information to any other person, except in connection with the exercise of rights under this Agreement, unless the Company has made such information available to the public generally or such Holder is required to disclose such information by a governmental authority; provided, however, that a Holder may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Holder, if such prospective purchaser agrees in writing to be bound by the provisions of this Section 3.2; or (iii) to any existing or prospective investor, affiliate, partner, member, stockholder, or wholly owned subsidiary of such Holder in the ordinary course of business, provided that such Holder informs such person that such information is confidential and directs such person to maintain the confidentiality of such information, and such person agrees in writing to be bound by the provisions of this Section 3.2.
3.3 **D&O Insurance; Key Man Insurance.** The Company will obtain and maintain a Directors and Officers Insurance policy upon terms satisfactory to the Investors and in an amount customary for the Company’s industry but with coverage of no less than $1,000,000 (or such higher amount as approved by the Board of Directors). Each member of the Company’s Board of Directors shall be provided with Directors and Officers Insurance as set forth above. The Company will maintain key-man insurance with $1,000,000 coverage covering Dean Stoecker.

3.4 **Indemnification Agreements.** The Company will enter into a form of indemnification agreement reasonably satisfactory to the Investors that indemnifies each of the directors serving on the Company’s Board of Directors.

3.5 **Proprietary Information and Inventions Agreement.** The Company shall require that all employees, officers and consultants to execute and deliver a Proprietary Information and Inventions Agreement substantially in a form and substance acceptable to the Investors and approved by the Company’s Board of Directors, containing standard provisions with respect to confidentiality, corporate ownership of inventions and innovations and non-competition and non-solicitation covenants.

3.6 **Compensation Committee.** The Board of Directors of the Company shall establish and maintain a compensation committee and each of the Series A Designees and Series B Designee shall be entitled to be a member of the compensation committee.

3.7 **Notification.** The Company shall provide prompt written notice to each of its members of the Board of Directors of the initiation of any legal action or proceeding against the Company or any material adverse claim, dispute or other development.

3.8 **Right to Conduct Activities.** The Company hereby agrees and acknowledges that each of Sapphire Ventures Fund I, L.P., Toba Capital Fund II, LLC, any Insight Investor and each Iconiq Investor is a professional investment fund, and as such invests in numerous portfolio companies, some of which may be deemed competitive with the Company’s business (as currently conducted or as currently proposed to be conducted). The Company hereby agrees that, to the extent permitted under applicable law, each such Investor shall not be prohibited from competing with the Company; provided, however, that the foregoing shall not relieve (x) any of the Investors from liability associated with the unauthorized disclosure of the Company’s confidential information obtained pursuant to this Agreement, or (y) any director (including the Series A Designees and the Series B Designee) or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

3.9 **Amendment of Agreement.** Promptly after Closing, the Company shall (a) use its commercially reasonable efforts to enter into an amendment to its license agreement with Belk (the “Belk Agreement”) in order to (i) revise the triggering events for release of source code from escrow to include only those listed in the Company’s source code escrow agreement with Iron Mountain, and (ii) limit Belk’s use of any Company source code after any release from escrow solely to support and maintain Company software for the remainder of the term of the license of any Company software licenses and (b) if the Company does not amend the Belk Agreement as provided in clause (a) of Section 3.8 prior to the expiration of the term of Belk Agreement, terminate and not renew the Belk Agreement.

3.10 **Termination of Covenants.** Except for the covenants set forth in Section 3.2, the covenants set forth in Section 3 shall terminate and be of no further force and effect after the closing of the Company’s Initial Public Offering or a Liquidation Transaction (as defined under the Company’s Fourth Amended and Restated Certificate of Incorporation, as may be further amended and/or restated from time to time, the “Restated Certificate”) in which the consideration received by the stockholders of the Company is all cash or freely-tradeable securities.
4.1 Right of First Refusal to Significant Stockholders. The Company hereby grants to each Significant Stockholder, the right of first refusal to purchase its pro rata share of New Securities (as defined in this Section 4.1(a) which the Company may, from time to time, propose to sell and issue after the date of this Agreement. A Significant Stockholder’s pro rata share, for purposes of this right of first refusal, is equal to the ratio of (a) the number of shares of Common Stock owned by such Significant Stockholder immediately prior to the issuance of New Securities (as defined below) (assuming full conversion of the Shares owned by such Significant Stockholder) to (b) the total number of shares of Common Stock outstanding immediately prior to the issuance of New Securities (assuming full conversion and exercise of all convertible and exercisable securities of the Company and including shares of Common Stock issuable to employees, consultants or directors pursuant to a stock option plan, restricted stock plan, or other stock plan approved by the Board of Directors). Each Significant Stockholder shall have a right of over-allotment such that if any Significant Stockholder fails to exercise its right hereunder to purchase its pro rata share of New Securities, the other Significant Stockholders may purchase the non-purchasing Significant Stockholder’s portion on a pro rata basis. This right of first refusal shall be subject to the following provisions:

(a) "New Securities" shall mean any capital stock (including Common Stock and/or Preferred Stock) of the Company whether now authorized or not, and rights, convertible securities, options or warrants to purchase such capital stock, and securities of any type whatsoever that are, or may become, exercisable or convertible into capital stock; provided that the term “New Securities” does not include:

(i) the Shares and the Conversion Stock;

(ii) shares of Common Stock (or options therefore) issued or issuable to officers, employees, directors, consultants, placement agents, and other service providers of the Company (or any subsidiary) pursuant to stock grants, option plans, purchase plans, agreements or other employee stock incentive programs or arrangements approved by the Board of Directors of the Company, including options outstanding as of the date of this Agreement;

(iii) securities issued pursuant to the conversion or exercise of any outstanding convertible or exercisable securities as of this date of this Agreement;

(iv) securities offered pursuant to a bona fide, firmly underwritten public offering pursuant to a registration statement filed under the Securities Act;

(v) securities issued pursuant to stock splits, stock dividends, or similar transactions;

(vi) securities of the Company which are otherwise excluded by the affirmative consent of, in the case of the Series C Preferred Stock, the Requisite Series C Holders (as defined in the Restated Certificate), and the case of the Series A and Series B Preferred Stock, the holders of a majority of outstanding shares of each such series of Preferred Stock; and

(vii) any right, option or warrant to acquire any security convertible into the securities excluded from the definition of New Securities pursuant to subsections (i) through (vi) above.

(b) In the event the Company proposes to undertake an issuance of New Securities, it shall give each Significant Stockholder written notice of its intention, describing the type of New Securities, and their price and the general terms upon which the Company proposes to issue the same. Each Significant Stockholder shall have fifteen (15) days after any such notice is mailed or delivered to agree to purchase such
Holder’s pro rata share of such New Securities and to indicate whether such Holder desires to exercise its over-allotment option for the price and upon the terms specified in the notice by giving written notice to the Company, in substantially the form attached as Schedule 1, and stating therein the quantity of New Securities to be purchased.

(c) In the event the Holders fail to exercise fully the right of first refusal and over-allotment rights, if any, within said fifteen (15) day period (the “Election Period”), the Company shall have ninety (90) days thereafter to sell or enter into an agreement (pursuant to which the sale of New Securities covered thereby shall be closed, if at all, within ninety (90) days from the date of said agreement) to sell that portion of the New Securities with respect to which the Significant Stockholders’ right of first refusal option set forth in this Section 4.1 was not exercised, at a price and upon terms no more favorable to the purchasers thereof than specified in the Company’s notice to Significant Stockholders delivered pursuant to Section 4.1(b). In the event the Company has not sold within such ninety (90) day period following the Election Period, or such ninety (90) day period following the date of said agreement, the Company shall not thereafter issue or sell any New Securities, without first again offering such securities to the Significant Stockholders in the manner provided in this Section 4.1.

(d) The right of first refusal granted under this Agreement shall expire upon, and shall not be applicable to, the Company’s Qualified Public Offering (as defined in the Restated Certificate).

SECTION 5 MISCELLANEOUS

5.1 Amendment. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Agreement and signed by each of (a) the Company, (b) the Requisite Series C Holders (as defined in the Company’s Certificate of Incorporation), (c) the holders of a majority of outstanding Series A Preferred Stock, (d) the holders of a majority of outstanding Series B Preferred Stock and (e) the Principal Stockholders holding at least fifty percent (50%) of the Common Stock held by all of the Principal Stockholders, provided, that no amendment or waiver of this Agreement that by its terms treats any Principal Stockholder adversely and in a manner different from the manner in which such amendment or waiver treats any other Principal Stockholder shall be effective without the prior written consent of the adversely and differently treated Principal Stockholder and provided, further, that no amendment or waiver of this Agreement that by its terms treats any Investor adversely and in a manner different from the manner in which such amendment or waiver treats any other party hereto shall be effective without the prior written consent of such Investor. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any such amendment, waiver, discharge or termination effected in accordance with this paragraph shall be binding upon each Holder, each Principal Stockholder and each future holder of shares of Preferred Stock or Common Stock with rights or obligations under this Agreement. Each Principal Stockholder acknowledges that by the operation of this paragraph, the Principal Stockholders holding a majority of the Common Stock held by all of the Principal Stockholders will have the right and power to diminish or eliminate all rights of such Principal Stockholder under this Agreement.

5.2 Notices. All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail (if to an Investor or Holder) or otherwise delivered by hand, messenger or courier service addressed:

(a) if to an Investor, to the Investor’s respective address, facsimile number or electronic mail address as shown on the signature page hereto, as may be updated in accordance with the provisions hereof;

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(b) if to a Principal Stockholder, to the applicable address shown on Exhibit A of this Agreement; or

(c) if to the Company, to the attention of the Chief Executive Officer or Chief Financial Officer of the Company at 230 Commerce, Irvine, CA 92602, or at such other current address as the Company shall have furnished to the Investor, with a copy to the General Counsel at the same address.

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent via a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent via mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent via facsimile, upon confirmation of facsimile transfer or, if sent via electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient’s next business day. In the event of any conflict between the Company’s books and records and this Agreement or any notice delivered hereunder, the Company’s books and records will control absent fraud or error.

5.3 Governing Law. This Agreement shall be governed in all respects by the internal laws of the State of Delaware as applied to agreements entered into among Delaware residents to be performed entirely within Delaware, without regard to principles of conflicts of law.

5.4 Successors and Assigns. This Agreement, and any and all rights, duties and obligations hereunder, shall not be assigned, transferred, delegated or sublicensed by any party to this Agreement without the prior written consent of the Investors and the Company, which consent shall not be unreasonably withheld, delayed or denied. Subject to the foregoing and except as otherwise provided hereunder, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

Notwithstanding the foregoing, it is expressly agreed and understood that the Investors may assign any and all of its rights and obligations under this Agreement to a transferee of the Shares so long as (i) the transferee is an Affiliate of such Investor, (ii) the transferee is not a competitor of the Company, and (iii) the transferee agrees in writing to be bound to the terms hereof.

5.5 Entire Agreement. This Agreement and the exhibits hereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof. No party hereto shall be liable or bound to any other party in any manner with regard to the subjects hereof or thereof by any warranties, representations or covenants except as specifically set forth herein.

5.6 Delays or Omissions. Except as expressly provided herein, no delay or omission to exercise any right, power or remedy accruing to any party to this Agreement upon any breach or default of any other party under this Agreement shall impair any such right, power or remedy of such non-defaulting party, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party to this Agreement, shall be cumulative and not alternative.

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5.7 **Severability.** If any provision of this Agreement becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Agreement, and such court will replace such illegal, void or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of this Agreement shall be enforceable in accordance with its terms.

5.8 **Titles and Subtitles.** The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

5.9 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties that execute such counterparts, and all of which together shall constitute one instrument.

5.10 **Telecopy Execution and Delivery.** A facsimile, telecopy or other reproduction of this Agreement may be executed by one or more parties hereto and delivered by such party by facsimile or any similar electronic transmission device pursuant to which the signature of or on behalf of such party can be seen. Such execution and delivery shall be considered valid, binding and effective for all purposes. At the request of any party hereto, all parties hereto agree to execute and deliver an original of this Agreement as well as any facsimile, telecopy or other reproduction hereof.

5.11 **Jurisdiction; Venue.** With respect to any disputes arising out of or related to this Agreement, the parties consent to the exclusive jurisdiction of, and venue in, the state courts in the State of Delaware (or in the event of exclusive federal jurisdiction, the federal courts located in Delaware).

5.12 **Further Assurances.** Each party hereto agrees to execute and deliver, by the proper exercise of its corporate, limited liability company, partnership or other powers, all such other and additional instruments and documents and do all such other acts and things as may be necessary to more fully effectuate this Agreement.

5.13 **Termination Upon Change of Control.** Notwithstanding anything to the contrary herein, this Agreement (excluding any then-existing obligations) shall terminate upon a Liquidation Transaction (as defined in the Restated Certificate).

5.14 **Conflict.** In the event of any conflict between the terms of this Agreement and the Restated Certificate or the Company’s bylaws, the terms of the Restated Certificate or the Company’s bylaws, as the case may be, will control.

5.15 **Attorneys’ Fees.** In the event that any suit or action is instituted to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

5.16 **Jury Trial.**

(a) EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING (WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATED TO THIS AGREEMENT. This paragraph shall not restrict a party from exercising
remedies under the Uniform Commercial Code or from exercising pre-judgment remedies under applicable law.

5.17 **Common Stock Valuation.** As soon as reasonably possible, following the Closing, the Company shall engage an independent firm to conduct a valuation of the Company in accordance with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations thereunder so as to determine the fair market value of the Company's common stock.

5.18 **Aggregation of Stock.** All shares of capital stock held or acquired by Affiliates or funds or investment vehicles controlled, managed or advised by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated Persons may apportion such rights as among themselves in any manner they deem appropriate.

( signature page follows )

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The parties are signing this Second Amended and Restated Investors’ Rights Agreement as of the date stated in the introductory clause.

ALTERYX, INC.,
a Delaware corporation

By:  /s/ Gary Acord
Gary Acord, Chief Financial Officer

Signature Page to Alteryx, Inc.
Second Amended and Restated Investors Rights Agreement
The parties are signing this Second Amended and Restated Investors’ Rights Agreement as of the date stated in the introductory clause.

INVESTORS:

ICONIQ STRATEGIC PARTNERS II, L.P.

By: ICONIQ Strategic Partners II GP, L.P., its General Partner
By: ICONIQ Strategic Partners II TT GP, Ltd., its General Partner

By: /s/ Kevin Foster
Name: Kevin Foster
Title: Authorized Person

ICONIQ STRATEGIC PARTNERS II-B, L.P.

By: ICONIQ Strategic Partners II GP, L.P., its General Partner
By: ICONIQ Strategic Partners II TT GP, Ltd., its General Partner

By: /s/ Kevin Foster
Name: Kevin Foster
Title: Authorized Person

[Signature page to the Alteryx, Inc. Second Amended and Restated Investors Rights Agreement]
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INVESTORS:

INSIGHT VENTURE PARTNERS VIII, L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Blair M. Flicker

Name: Blair M. Flicker

Title: Authorized Officer

Address: 1114 Avenue of the Americas
New York, NY 10036
Attn: Blair Flicker

INSIGHT VENTURE PARTNERS (CAYMAN) VIII, L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Blair M. Flicker

Name: Blair M. Flicker

Title: Authorized Officer

Address: 1114 Avenue of the Americas
New York, NY 10036
Attn: Blair Flicker

Signature Page to Alteryx, Inc.
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INVESTORS:

INSIGHT VENTURE PARTNERS VIII (CO- INVESTORS), L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Blair M. Flicker
Name: Blair M. Flicker
Title: Authorized Officer

Address: 1114 Avenue of the Americas
New York, NY 10036
Attn: Blair Flicker

INSIGHT VENTURE PARTNERS (DELAWARE) VIII, L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Blair M. Flicker
Name: Blair M. Flicker
Title: Authorized Officer

Address: 1114 Avenue of the Americas
New York, NY 10036
Attn: Blair Flicker

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**INVESTORS:**

**INSIGHT VENTURE PARTNERS COINVESTMENT FUND III, L.P.**

By: Insight Venture Associates Coinvestment III, L.P., its general partner

By: Insight Venture Associates Coinvestment III, Ltd., its general partner

By: /s/ Blair M. Flicker

Name: Blair M. Flicker

Title: Authorized Officer

Address: 1114 Avenue of the Americas
New York, NY 10036
Attn: Blair Flicker

**INSIGHT VENTURE PARTNERS COINVESTMENT FUND (DELAWARE) III, L.P.**

By: Insight Venture Associates Coinvestment III, L.P., its general partner

By: Insight Venture Associates Coinvestment III, Ltd., its general partner

By: /s/ Blair M. Flicker

Name: Blair M. Flicker

Title: Authorized Officer

Address: 1114 Avenue of the Americas
New York, NY 10036
Attn: Blair Flicker

*Signature Page to Alteryx, Inc.*

*Second Amended and Restated Investors Rights Agreement*
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INVESTORS:

SAPPHIRE VENTURES FUND I, L.P.

By: SAPPHIRE VENTURES (GPE) I, LLC, its General Partner

By: /s/ Nino Marakovic
Name: Nino Marakovic
Title: Managing Member

By: SAPPHIRE VENTURES (GPE) I, LLC, its General Partner

By: /s/ Jayendra Das
Name: Jayendra Das
Title: Managing Member

Address: 3408 Hillview Avenue
Palo Alto, CA 94304

Signature Page to Alteryx, Inc.
Second Amended and Restated Investors Rights Agreement
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INVESTORS:

MERITECH CAPITAL PARTNERS V L.P.

By: Meritech Capital Associates V L.L.C
    its General Partner

By: /s/ Rob Ward
    Rob Ward, a managing member

MERITECH CAPITAL AFFILIATES V L.P.

By: Meritech Capital Associates V L.L.C
    its General Partner

By: /s/ Rob Ward
    Rob Ward, a managing member

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INVESTORS:

TOBA CAPITAL FUND II, LLC
By: TOBA CAPITAL FUND II SERIES, LLC
   Its Managing Member
By: Toba Capital Management, LLC
   Its: Manager
By: /s/ Vincent C. Smith
   Name: Vincent C. Smith
   Title: Managing Member

TEACH A MAN TO FISH FOUNDATION
By: /s/ Vincent C. Smith
   Name: Vincent Smith
   Title: President

Signature Page to Alteryx, Inc.
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PRINCIPAL STOCKHOLDERS:

/s/ Edward Harding
Edward “Ned” Harding

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PRINCIPAL STOCKHOLDERS:

DBRA, Limited Partnership, a California limited partnership

By: /s/ Dean A. Stoecker
    Dean A. Stoecker, General Partner

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PRINCIPAL STOCKHOLDERS:

/s/ Olivia Duane Adams
Olivia Duane Adams

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PRINCIPAL STOCKHOLDERS:

Thomson Reuters Organization LLC, a Florida limited liability company (formerly Thomson Reuters Organization Corp.)

By: /s/ John Bellizzi
    John Bellizzi, Vice President

Signature Page to Alteryx, Inc.
Second Amended and Restated Investors Rights Agreement
EXHIBIT A-1

PRINCIPAL STOCKHOLDERS

Edward “Ned” Harding
[Address]

Olivia Duane Adams
[Address]

DBRA, Limited Partnership
[Address]

Thomson Reuters Organization LLC
[Address]
FUNDS AFFILIATED WITH INSIGHT VENTURE MANAGEMENT

Insight Venture Partners VIII, L.P.
Insight Venture Partners (Cayman) VIII, L.P.
Insight Venture Partners VIII (Co-Investors), L.P.
Insight Venture Partners (Delaware) VIII, L.P.
Insight Venture Partners Ccoinvestment Fund III, L.P.
Insight Venture Partners Ccoinvestment Fund (Delaware) III, L.P.
Iconiq Strategic Partners II, L.P.

Iconiq Strategic Partners II-B, L.P.
SCHEDULE 1
NOTICE AND WAIVER/ELECTION OF
RIGHT OF FIRST REFUSAL

I do hereby waive or exercise, as indicated below, my rights of first refusal under the Second Amended and Restated Investors’ Rights Agreement dated as of September ____, 2015 (the “Agreement”):

1. Waiver of [_____] days’ notice period in which to exercise right of first refusal: (please check only one)
   (   ) WAIVE in full, on behalf of all Holders, the [_____] -day notice period provided to exercise my right of first refusal granted under the Agreement.
   (   ) DO NOT WAIVE the notice period described above.

2. Issuance and Sale of New Securities: (please check only one)
   (   ) WAIVE in full the right of first refusal granted under the Agreement with respect to the issuance of the New Securities.
   (   ) ELECT TO PARTICIPATE in $_________ (please provide amount) in New Securities proposed to be issued by Alteryx, Inc., a Delaware corporation, representing LESS than my pro rata portion of the aggregate of $[_____] in New Securities being offered in the financing.
   (   ) ELECT TO PARTICIPATE in $_________ in New Securities proposed to be issued by Alteryx, Inc., a Delaware corporation, representing my FULL pro rata portion of the aggregate of $[_____] in New Securities being offered in the financing.
   (   ) ELECT TO PARTICIPATE in my full pro rata portion of the aggregate of $[_____] in New Securities being made available in the financing AND, to the extent available, the greater of (x) an additional $_________ (please provide amount) or (y) my pro rata portion of any remaining investment amount available in the event other Significant Stockholders do not exercise their full rights of first refusal with respect to the $[_____] in New Securities being offered in the financing.

Date: ____________________________________________

(   ) ________________________________
   (Print investor name)

(   ) ________________________________
   (Signature)

(   ) ________________________________
   (Print name of signatory, if signing for an entity)

(   ) ________________________________
   (Print title of signatory, if signing for an entity)
This is neither a commitment to purchase nor a commitment to issue the New Securities described above. Such issuance can only be made by way of definitive documentation related to such issuance. Alteryx, Inc. will supply you with such definitive documentation upon request or if you indicate that you would like to exercise your first offer rights in whole or in part.
AGREEMENT TO WAIVE CERTAIN RIGHTS UNDER AND AMEND THE SECOND AMENDED AND RESTATED INVESTORS’ RIGHTS AGREEMENT

This Agreement to Waive Certain Rights Under and Amend the Second Amended and Restated Investors’ Rights Agreement (this “Waiver and Amendment Agreement”) is entered into as of August 21, 2017 by the undersigned parties to that certain Second Amended and Restated Investors’ Rights Agreement, dated as of September 24, 2015 (the “Rights Agreement”), by and among Alteryx, Inc., a Delaware corporation (the “Company”), the Investors and the Principal Stockholders. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Rights Agreement.

RECITALS

A. WHEREAS, the Company is planning an underwritten public offering of the Company’s Class A common stock (the “Public Offering”) pursuant to a Registration Statement on Form S-1 to be filed with the Securities and Exchange Commission on or around September 5, 2017, as may be amended.

B. WHEREAS, in connection with the Public Offering, and as an inducement for the Company and Goldman Sachs & Co. LLC and J.P. Morgan Securities LLC, as the representatives of the several underwriters that are underwriting the Public Offering (the “Representatives”), to continue their efforts in connection with the Public Offering, the undersigned Significant Stockholders shall enter into this Waiver and Amendment Agreement.

C. WHEREAS, the Company’s Board of Directors has determined it is in the best interests of the Company and its stockholders for the Significant Stockholders to amend and waive certain of the provisions in the Rights Agreement with respect to registration rights and to amend certain other provisions in the Rights Agreement.

D. WHEREAS, the undersigned Significant Stockholders desire to waive, on behalf of themselves and all other Significant Stockholders, all registration rights with respect to the Public Offering, including, without limitation, the registration rights provided in Section 2.2 of the Rights Agreement, and any related notice rights, and to amend the Rights Agreement all as set forth below.

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the undersigned hereby agree as follows:

1. Incorporation of Recitals. Each of the above recitals is incorporated herein by reference.

2. Amendment to Section 2.14 and Section 5.1 of the Rights Agreement.

   2.1 Section 2.14 of the Rights Agreement is hereby amended and restated in its entirety to state the following:
2.14 Termination of Registration Rights. The right of any Holder to request registration or inclusion in any registration pursuant to Section 2.1, 2.2, or 2.3 shall terminate on the earlier of (a) March 29, 2022 and (b) such time as all of such Holder’s Registrable Securities could be sold without any restriction on volume or manner of sale in any three-month period under Rule 144 or any successor.

2.2 Section 5.1 of the Rights Agreement is hereby amended and restated in its entirety to state the following:

5.1 Amendment. Except as expressly provided herein, neither this Agreement nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Agreement and signed by each of (a) the Company, (b) the holders of a majority of the Registrable Securities then outstanding and held by the Investors who continue to have rights to request registration or inclusion in any registration pursuant to Section 2.1, 2.2 or 2.3, and (c) the holders of a majority of the Registrable Securities then outstanding and held by the Principal Stockholders who are still providing services to the Company as a director, officer or employee, provided, that no amendment or waiver of this Agreement that by its terms treats any Principal Stockholder adversely and in a manner different from the manner in which such amendment or waiver treats any other Principal Stockholder shall be effective without the prior written consent of the adversely and differently treated Principal Stockholder and provided, further, that no amendment or waiver of this Agreement that by its terms treats any Investor adversely and in a manner different from the manner in which such amendment or waiver treats any other party hereto shall be effective without the prior written consent of such Investor. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any holder of Registrable Securities then outstanding as of the date of such amendment, termination or waiver that did not consent in writing to such amendment, termination, or waiver. Any such amendment, waiver, discharge or termination effected in accordance with this paragraph shall be binding upon each Holder and each Principal Stockholder. The Principal Stockholders holding a majority of the Registrable Securities then outstanding and held by the Principal Stockholders who are still providing services to the Company as a director, officer or employee shall have the right and power to diminish or eliminate all rights of Principal Stockholders under this Agreement.

3. Waiver of Certain Registration Rights. The undersigned parties hereby waive on behalf of themselves and all other Significant Stockholders, all registration rights with respect to the Public Offering, including, without limitation, the registration rights provided in Section 2.2 of the Rights Agreement, and any related notice rights.

4. Full Force and Effect. Except as expressly modified herein, the Rights Agreement shall remain in full force and effect.

5. Applicability of Waiver. The undersigned parties understand and acknowledge that by executing this Waiver and Amendment Agreement, the waivers set forth in Section 3 herein shall be effective and binding on the undersigned parties, each holder of any Registrable Securities, each future holder of all such Registrable Securities, and the Company.
6. **Assignability of Waiver**. The waiver set forth in Section 3 herein is assignable by the Company and is expressly for the benefit of the Representatives. The undersigned understands that the Company and the Representatives are relying upon this Waiver and Amendment Agreement.

7. **Waiver Expiration**. The waivers set forth in Section 3 herein shall expire upon the earliest to occur, if any, of (i) the date the Company advises the Representatives, in writing, prior to the execution of an underwriting agreement (the "[Underwriting Agreement](#)") providing for the Public Offering, that it has determined not to proceed with the Public Offering, (ii) the date of the termination of the Underwriting Agreement if prior to the closing of the Public Offering or (iii) September 20, 2017 if the Underwriting Agreement has not been executed and delivered by the Company by such date.

8. **Governing Law**. This Waiver and Amendment Agreement shall be governed in all respects by the internal laws of the State of Delaware as applied to agreements entered into among Delaware residents to be performed entirely within Delaware, without regard to principles of conflicts of law.

9. **Counterparts**. This Waiver and Amendment Agreement may be executed in counterparts, delivered by facsimile or portable document format (.pdf or similar format), each of which will constitute an original and all of which together will constitute one agreement.

10. **Miscellaneous**. Except as expressly set forth herein, this Waiver and Amendment Agreement shall not apply to any other provisions of the Rights Agreement.

[Signature Pages to Follow]
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

COMPANY:

ALTERYX, INC.

By: /s/ Dean Stoecker
    Dean Stoecker, Chief Executive Officer

Address: 3345 Michelson Drive, Suite 400
         Irvine, California 92612

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:

By: /s/ Edward “Ned” Harding

Edward “Ned” Harding

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:

By: /s/ Olivia Duane Adams

Olivia Duane Adams

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:

DBRA, Limited Partnership, a California limited partnership

By: /s/ Dean A. Stoecker

Dean A. Stoecker, General Partner

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:

Thomson Reuters U.S. LLC (successor-in-interest to Thomson Reuters Organization LLC)

By:  /s/ John Bellizzi
     John Bellizzi, Vice President

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:

SAPPHIRE VENTURES FUND I, L.P.

By: SAPPHIRE VENTURES (GPE) I, LLC, Its General Partner

By: /s/ Nino Marakovic
Name: Nino Marakovic
Title: Managing Member

By: SAPPHIRE VENTURES (GPE) I, LLC, Its General Partner

By: /s/ R. Douglas Higgins
Name: R. Douglas Higgins
Title: Managing Member

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:

INSIGHT VENTURE PARTNERS VIII, L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Eric Goldstein

Name: Eric Goldstein

Title: Attorney-in-Fact

Address: 1114 Avenue of the Americas
         New York, NY 10036
         Attn: Blair Flicker

INSIGHT VENTURE PARTNERS (CAYMAN) VIII, L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Eric Goldstein

Name: Eric Goldstein

Title: Attorney-in-Fact

Address: 1114 Avenue of the Americas
         New York, NY 10036
         Attn: Blair Flicker

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:

INSIGHT VENTURE PARTNERS VIII (CO-INVESTORS), L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Eric Goldstein

Name: Eric Goldstein

Title: Attorney-in-Fact

Address: 1114 Avenue of the Americas
          New York, NY 10036
          Attn: Blair Flicker

INSIGHT VENTURE PARTNERS (DELAWARE) VIII, L.P.

By: Insight Venture Associates VIII, L.P., its general partner

By: Insight Venture Associates VIII, Ltd., its general partner

By: /s/ Eric Goldstein

Name: Eric Goldstein

Title: Attorney-in-Fact

Address: 1114 Avenue of the Americas
          New York, NY 10036
          Attn: Blair Flicker

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
SIGNIFICANT STOCKHOLDER:

INSIGHT VENTURE PARTNERS COINVESTMENT FUND III, L.P.

By: Insight Venture Associates Coinvestment III, L.P., its general partner

By: Insight Venture Associates Coinvestment III, Ltd., its general partner

By: /s/ Eric Goldstein
Name: Eric Goldstein
Title: Attorney-in-Fact
Address: 1114 Avenue of the Americas
         New York, NY 10036
         Attn: Blair Flicker

INSIGHT VENTURE PARTNERS COINVESTMENT FUND (DELAWARE) III, L.P.

By: Insight Venture Associates Coinvestment III, L.P., its general partner

By: Insight Venture Associates Coinvestment III, Ltd., its general partner

By: /s/ Eric Goldstein
Name: Eric Goldstein
Title: Attorney-in-Fact
Address: 1114 Avenue of the Americas
         New York, NY 10036
         Attn: Blair Flicker

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
The parties are signing this Waiver and Amendment Agreement as of the date stated in the introductory clause.

SIGNIFICANT STOCKHOLDER:
ICONIQ STRATEGIC PARTNERS II, L.P.
By: ICONIQ Strategic Partners II GP, L.P., its General Partner
By: ICONIQ Strategic Partners II TT GP, Ltd., its General Partner
By: /s/ Gregory S. Stranger
Name: Gregory S. Stranger
Title: General Partner

ICONIQ STRATEGIC PARTNERS II-B, L.P.
By: ICONIQ Strategic Partners II GP, L.P., its General Partner
By: ICONIQ Strategic Partners II TT GP, Ltd., its General Partner
By: /s/ Gregory S. Stranger
Name: Gregory S. Stranger
Title: General Partner

ICONIQ STRATEGIC PARTNERS II CO-INVEST, L.P. AX SERIES,
a Delaware series limited partnership
By: ICONIQ Strategic Partners II GP, L.P., its General Partner
By: ICONIQ Strategic Partners II TT GP, Ltd., its General Partner
By: /s/ Gregory S. Stranger
Name: Gregory S. Stranger
Title: General Partner

SIGNATURE PAGE TO WAIVER AND AMENDMENT AGREEMENT
Ladies and Gentlemen:

At your request, we have examined the Registration Statement on Form S-1 (the “Registration Statement”) filed by Alteryx, Inc., a Delaware corporation (the “Company”), with the Securities and Exchange Commission (the “Commission”) on September 5, 2017, in connection with the registration under the Securities Act of 1933, as amended (the “Securities Act”), of an aggregate of 9,200,000 shares (the “Stock”) of the Company’s Class A Common Stock, $0.0001 par value per share (the “Class A Common Stock”), which number of shares includes the issuance and sale of up to 1,000,000 shares of Class A Common Stock by the Company and the sale of up to 8,200,000 shares of Class A Common Stock held or to be held by certain selling stockholders of the Company (the “Selling Stockholders”) upon conversion of the Company’s Class B common stock (the “Selling Stockholder Shares”).

In rendering this opinion, we have examined such matters of fact as we have deemed necessary in order to render the opinion set forth herein, which included examination of the following:

1. The Company’s Restated Certificate of Incorporation, filed with and certified by the Delaware Secretary of State on March 29, 2017 (the “Restated Certificate”).

2. The Company’s Restated Bylaws, as amended to date, certified to us as of the date hereof by an officer of the Company as being complete and in full force and effect as of the date hereof (the “Restated Bylaws”).

3. The Registration Statement, together with the Exhibits filed as a part thereof or incorporated therein by reference.

4. The prospectus prepared in connection with the Registration Statement (the “Prospectus”).

5. The minutes of meetings and actions by written consent of the Company’s Board of Directors (the “Board”) and stockholders (the “Stockholders”) at which, or pursuant to which, the Restated Certificate and Restated Bylaws were approved.

6. The minutes of meetings and actions by written consent of the Board and Stockholders at which, or pursuant to which, the issuance of the Selling Stockholder Shares were approved and the sale and issuance of the Stock and related matters were approved.
The stock records of the Company that the Company has provided to us (consisting of a certificate from the Company’s transfer agent, American Stock Transfer & Trust Company, LLC, dated September 1, 2017, verifying the number of the Company’s issued and outstanding shares of capital stock as of September 1, 2017, and a statement prepared by the Company as to the number of issued and outstanding options, restricted stock units and any additional shares of capital stock reserved for future issuance in connection with the Company’s 2017 Employee Stock Purchase Plan, Amended and Restated 2013 Stock Plan, and 2017 Equity Incentive Plan as of September 1, 2017).

A Certificate of Good Standing issued by the Secretary of State of the State of Delaware dated September 1, 2017, stating that the Company was qualified to do business and was in good standing under the laws of the State of Delaware as of such date (the “Certificate of Good Standing”).

An opinion certificate addressed to us and dated of even date herewith executed by the Company containing certain factual representations (the “Opinion Certificate”).

The underwriting agreement to be entered into by and among the Company and the several underwriters named in Schedule I thereto.

The agreements under which the Selling Stockholders acquired or will acquire the shares of Class A Common Stock to be sold by them as described in the Registration Statement.

The custody agreements, payment instructions, powers of attorney and contingent exercise notices signed by the Selling Stockholders in connection with the sale of Stock described in the Registration Statement.

In our examination of documents for purposes of this opinion, we have assumed, and express no opinion as to, the genuineness of all signatures on original documents, the authenticity and completeness of all documents submitted to us as originals, the conformity to originals and completeness of all documents submitted to us as copies, the legal capacity of all persons or entities executing the same (other than the Company), the lack of any undisclosed termination, modification, waiver or amendment to any document reviewed by us.

The Company’s capital stock is uncertificated. We assume that the issued Class A Common Stock will not be reissued by the Company in uncertificated form until any previously issued stock certificate representing such issued Class A Common Stock have been surrendered to the Company in accordance with Section 158 of the Delaware General Corporation Law and that the Company will properly register the transfer of the Class A Common Stock to the purchasers of such Stock on the Company’s record of uncertificated securities.

We render this opinion only with respect to, and express no opinion herein concerning the application or effect of the laws of any jurisdiction other than, the existing laws of the United States of America and the State of California and of the existing Delaware General Corporation Law and reported judicial decisions relating thereto.

With respect to our opinion expressed in paragraph (1) below as to the valid existence and good standing of the Company under the laws of the State of Delaware, we have relied solely upon the Certificate of Good Standing and representations made to us by the Company in the Opinion Certificate.
In connection with our opinion expressed in paragraph (2) below, we have assumed that, at or prior to the time of the delivery of any shares of Stock, the Registration Statement will have been declared effective under the Securities Act, that the registration will apply to such shares of Stock and will not have been modified or rescinded and that there will not have occurred any change in law affecting the validity of the issuance of such shares of Stock.

This opinion is based upon the customary practice of lawyers who regularly give, and lawyers who regularly advise opinion recipients regarding, opinions of the kind set forth in this opinion letter, including customary practice as described in bar association reports.

Based upon the foregoing, we are of the following opinion:

(1) the Company is a corporation validly existing, in good standing, under the laws of the State of Delaware;

(2) the up to 1,000,000 shares of Class A Common Stock to be issued and sold by the Company, when issued, sold and delivered in the manner and for the consideration stated in the Registration Statement and the Prospectus and in accordance with the resolutions adopted by the Board and to be adopted by the Pricing Committee of the Board, will be validly issued, fully paid and nonassessable; and

(3) the up to 8,200,000 outstanding Selling Stockholder Shares to be sold by the Selling Stockholders are validly issued, fully paid and nonassessable.

We consent to the use of this opinion as an exhibit to the Registration Statement and further consent to all references to us, if any, in the Registration Statement, the Prospectus constituting a part thereof and any amendments thereto.

This opinion is intended solely for use in connection with issuance and sale of shares of Stock subject to the Registration Statement and is not to be relied upon for any other purpose. This opinion is rendered as of the date first written above and is based solely on our understanding of facts in existence as of such date after the aforementioned examination. In rendering the opinions above, we are opining only as to the specific legal issues expressly set forth therein, and no opinion shall be inferred as to any other matter or matters. We assume no obligation to advise you of any fact, circumstance, event or change in the law or the facts that may hereafter be brought to our attention whether or not such occurrence would affect or modify any of the opinions expressed herein.

Very truly yours,

FENWICK & WEST LLP

By: /s/ Michael A. Brown

Michael A. Brown, a Partner
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-1 of Alteryx, Inc. of our report dated February 24, 2017, except for the effects of the reverse stock split described in note 18 to the consolidated financial statements, as to which the date is March 10, 2017 relating to the financial statements of Alteryx, Inc., which appears in such Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Los Angeles, California
September 5, 2017
Alteryx, Inc. has requested that International Data Corporation ("IDC") execute this letter in connection with a proposed public offering of the Company's securities (the "Offering"). In connection with the Offering, the Company will be filing a registration statement on Form S-1 (the "Registration Statement") with the Securities and Exchange Commission. In response to such request, please be advised as follows:


2. IDC consents to the use by the Company of the research data substantially in the form furnished hereto as Exhibit A, which will be included as part of the Registration Statement. In granting such consent, IDC represents that, to its knowledge, the statements made in such research data are accurate and fairly present the matters referred to therein.

Sincerely,

International Data Corporation

By: /s/ Stephanie Geary

Name: Stephanie Geary

Title: Senior Inquiry Analyst, Content Permissions, IDC

Date: Aug 18, 2017
Exhibit A

"According to IDC, the worldwide market for big data and analytics software represented approximately $49 billion in 2016 and is expected to grow to approximately $81 billion in 2021. Within the broader big data and analytics software market, our solutions currently address the business intelligence and analytic tools, analytic data integration and spatial information analysis markets, which collectively represented approximately $19 billion in 2016 and are expected to grow to approximately $29 billion in 2021."

"According to a separate IDC study that we commissioned, an estimated 21 million spreadsheet users worldwide will work on advanced data preparation and analytics in 2016."

"In the same study, IDC estimated that over 80% of spreadsheet users are using manual copy and paste methods to acquire data. The IDC study also estimated that in the United States alone, there is a cost to companies of approximately $60 billion per year associated with time spent by data workers repeating processes when data sources are updated."

"The amount of data and diversity of its type, format, and source location are rapidly increasing. Based on the IDC Data Age 2025 white paper, sponsored by Seagate and published in April 2017, IDC estimates that the global datasphere will grow to 163 trillion gigabytes by 2025."
Alteryx, Inc. (the “Company”) has requested that Harvard Business School Publishing (“HBR”) execute this letter in connection with a proposed public offering of the Company’s securities (the “Offering”). In connection with the Offering, the Company will be filing a registration statement on Form S-1 (the “Registration Statement”) with the Securities and Exchange Commission. In response to such request, please be advised as follows:


2. HBR consents to the use by the Company of the research data substantially in the form furnished hereto as Exhibit A, which will be included as part of the Registration Statement. In granting such consent, HBR represents that, to its knowledge, the statements made in such research data are accurate and fairly present the matters referred to therein.

Sincerely,

Harvard Business School Publishing

By: /s/ Alex Clemente
Name: Alex Clemente
Title: Managing Director
Date: 8/10/2017
Exhibit A

“For example, a 2015 Harvard Business Review study that we sponsored found that 64% of organizations use five or more sources of data for analytical purposes.”