Table of Contents

As filed with the Securities and Exchange Commission on June 15, 2015.

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM S-1

REGISTRATION STATEMENT

UNDER THE SECURITIES ACT OF 1933

OOMA, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	7372	06-1713274
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

1880 Embarcadero Road
Palo Alto, CA 94303
(650) 566-6600
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Eric B. Stang
President and Chief Executive Officer
Ooma, Inc.
1880 Embarcadero Road
Palo Alto, CA 94303
(650) 566-6600
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent of Service)

Copies to:

Stephen J. Venuto, Esq. **Christopher J. Austin, Esq.** **Andrew D. Thorpe, Esq.** **Joseph Z. Perkins, Esq.** **Orrick, Herrington & Sutcliffe LLP** **1000 Marsh Road** **Menlo Park, CA 94025** **(650) 614-7400**	**Spencer D. Jackson, Esq.** **Vice President and General Counsel** **Ooma, Inc.** **1880 Embarcadero Road** **Palo Alto, CA 94303** **(650) 566-6600**	**Andrew S. Williamson, Esq.** **Charles S. Kim, Esq.** **David G. Peinsipp, Esq.** **Cooley LLP** **101 California Street, 5th Floor** **San Francisco, CA 94111** **(415) 693-2000**

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, 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, please 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, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

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

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount Of Registration Fee
Common Stock, par value $0.0001 per share	$86,250,000	$10,023.00

(1) Includes shares of Common Stock issuable upon exercise of the underwriters' option to purchase additional shares.
(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

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 which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended 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.

Table of Contents

The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 15, 2015

Preliminary Prospectus

Shares

Common Stock

This is the initial public offering of shares of common stock of Ooma, Inc. Prior to this offering, there has been no public market for our common stock. The initial public offering price of our common stock is expected to be between $ and $ per share.

We are applying to list our common stock on the New York Stock Exchange under the symbol "OOMA."

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

The underwriters have an option to purchase a maximum of additional shares of common stock from us at the initial public offering price less the underwriting discount, within 30 days from the date of this prospectus.

Investing in our common stock involves a high degree of risk. See "Risk Factors" beginning on page 14.

	Price to Public	Underwriting Discounts and Commissions(1)	Proceeds to Ooma
Per Share	$	$	$
Total	$	$	$

(1) See "Underwriting" beginning on page 154 for additional information regarding underwriting compensation.

Delivery of the shares of common stock will be made on or about , 2015.

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.

Credit Suisse **BofA Merrill Lynch**

JMP Securities

William Blair **Wunderlich**

The date of this prospectus is , 2015

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS

You should rely only on the information contained in this prospectus or contained in any free writing prospectus filed with the Securities and Exchange Commission. Neither we nor the underwriters have authorized anyone to provide you with additional information or information different from that contained in this prospectus or in any free writing prospectus filed with the Securities and Exchange Commission. We are offering to sell, and seeking offers to buy, our common stock only in jurisdictions where offers and sales are permitted. 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 our common stock.

Through and including , 2015 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Neither we nor any of 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 U.S. Persons outside the U.S. who obtain this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside of the U.S.

PROSPECTUS SUMMARY

This summary highlights selected information that is presented in greater detail elsewhere in this prospectus. This summary does not contain all of the information that you should consider before investing in our common stock. You should read this entire prospectus carefully, including the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus, before deciding whether to purchase shares of our common stock. Unless the context otherwise requires, the terms "Ooma," the "company," "we," "us," and "our" in this prospectus refer to Ooma, Inc. and its consolidated subsidiary, and this "offering" refers to the offering contemplated in this prospectus.

Overview

Ooma is a leading provider of innovative communications solutions and other connected services to small business, home and mobile users. Our unique hybrid SaaS platform, consisting of our proprietary cloud, on-premise appliances, mobile applications and end-point devices, provides the connectivity and functionality that power our solutions. Our communications solutions deliver our proprietary PureVoice HD voice quality, advanced features and integration with mobile devices at extremely competitive pricing and value. Our platform helps create smart workplaces and homes by providing value-added communications and other connected services and by integrating end-point devices to enable the Internet of Things. Our platform and solutions have the power to provide communications, productivity, automation, monitoring, safety, security and networking infrastructure applications to our users.

We drive the adoption of our platform by providing communications solutions to the large and growing markets for small business, home and mobile users and then accelerate growth by offering new and innovative connected services to our user base. Our small business and home customers adopt our platform by making a one-time purchase of one of our on-premise appliances, connecting the appliance to the internet, and activating subscription services, for which they primarily pay on a monthly basis. We believe we have achieved high levels of customer retention and loyalty by delivering exceptional quality and customer satisfaction.

- ***Small business communications solutions.*** The readers of *PC Magazine* selected Ooma's small business solution as the best internet phone service for small businesses two years in a row in *PC Magazine's Business Choice Awards (2014 and 2015)*. Ooma's unique platform for small business, called Ooma Office, delivers a low-cost, complete business communications solution with rich, enterprise-grade functionality and mobile integration to small businesses, defined as businesses that have fewer than 20 employees, which we believe have traditionally been underserved.
- ***Home communications solutions.*** For four years in a row from 2011 to 2014, the readers of the leading U.S. consumer research publication have ranked Ooma as the number one home phone service for overall satisfaction and value. Our home communications appliance, called Ooma Telo, is a complete home communications solution with proprietary HD voice quality and premium features, many of which are unique to Ooma. Additionally, our full-featured mobile app allows our customers to make calls, manage their accounts and access our platform for other services while on the go.
- ***Mobile communications applications.*** Our mobile applications are available to customers who have purchased Ooma Office or Ooma Telo, as well as any other consumers with a Wi-Fi or cellular data connected mobile device. For mobile-only customers, we provide free domestic calling and messaging, and low rates for international calling through our Talkatone mobile app, available on both iOS and Android. According to data available from App Annie, a provider of mobile app market data, out of over one million apps available as of December 31, 2014, in each of Google Play and the Apple App Store, our Talkatone app was ranked in the top 100 and top 300, respectively.

Our services run on our unique platform consisting of four proprietary elements:

- ***Multi-tenant cloud service.*** Our cloud provides a high-quality, secure, managed and reliable connection, integrating every element of our platform.
- ***Custom on-premise appliances.*** Our on-premise appliances incorporate both a custom-designed, Linux-based computer and a high-speed network router with several key features, including wireless connectivity to end-point devices and custom firmware and software applications that are remotely upgradable and extensible to new services.
- ***Mobile applications.*** Our mobile applications enable customers to access our product features on their mobile devices from anywhere they have a Wi-Fi or cellular data connection.
- ***End-point devices.*** Our end-point devices, such as our Linx, HD2 Handset, Ooma Headset and Wireless + Bluetooth adapter, enable additional functionality and services.

We currently offer our solutions in the U.S. and Canadian markets. We believe our differentiated platform and our long-term customer relationships uniquely position us to add new connected services, and exploit adjacent markets, all without significant capital investment or high customer acquisition costs to drive their adoption. We offer and are developing connected services for the following applications:

- ***Productivity.*** We offer a small business productivity service, called "Business Promoter," which provides lead generation services to small businesses using proprietary techniques. In the future, we expect to launch additional connected services to enhance productivity for small businesses.
- ***Automation, monitoring, safety and security.*** Our platform creates an ecosystem for connected services by integrating with other automation solutions. For example, we have integrated Ooma Telo with products from Nest Labs, Inc., a Google company specializing in home monitoring and control. We are currently developing additional connected services for small businesses and homes to enable the Internet of Things, including a home monitoring solution using proprietary sensors.
- ***Networking infrastructure.*** Our on-premise appliances include a high-speed router that has the capacity to provide networking infrastructure solutions. In the future, we expect to launch connected services with applications for networking infrastructure for small businesses and homes.

We have experienced significant revenue and user growth in recent periods, growing our "core users" from approximately 174,000 as of January 31, 2011 to approximately 678,000 as of April 30, 2015, representing a compound annual growth rate of approximately 38%. We define core users as the number of home user accounts, office user extensions, and standalone Business Promoter accounts, which means Business Promoter users who do not subscribe to any other services from us. We believe we have one of the lowest customer churn rates in the industry, with an average monthly core user churn rate of 0.55% for the 12-month period ending on April 30, 2015. Additionally, we had approximately 1.5 million and 1.6 million Talkatone monthly active users as of January 31, 2015 and April 30, 2015, respectively. We have a predictable revenue model with growth in recurring revenue, with total revenue of $39.2 million, $53.7 million and $72.2 million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively. Our total revenue for the three months ended April 30, 2014 and 2015 was $16.3 million and $19.9 million, respectively. Subscription and services revenue, which includes the recurring portion of our total revenue, has increased as a percentage of our total revenue over the last four years, from approximately 30% in fiscal 2011 to 75% in fiscal 2015. It has also increased as a percentage of our total revenue from 67% for the three months ended April 30, 2014 to 78% for the three months ended April 30, 2015. We have continued to make significant investments in research and development, brand marketing and channel development, incurring net losses of $(3.7) million, $(2.0) million and $(6.4) million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, and a net loss of $(3.9) million for the three months ended April 30, 2015. In addition, we had net income of $0.5 million for the three months ended April 30, 2014. Therefore, our Adjusted EBITDA was $(2.2) million, $(0.4) million and $(3.5) million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, and $1.0 million and $(1.9) million for the three months ended April 30, 2014 and 2015, respectively. See footnote (3) in "Selected Consolidated Financial Data" for a description of how we define

Adjusted EBITDA, why we believe it is useful to investors, and a reconciliation to our net loss, which is our most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles, or GAAP.

Industry Background

Overall Industry Trends

Several key trends are driving changes within the small business, home and mobile communications markets. Consumers in all three markets are demanding higher quality and performance from products and services, but at a lower cost. The rapid proliferation of ubiquitous connectivity, connected devices, cloud computing, big data, and the widespread availability of broadband internet, have been coupled with a steady decline in component and computing costs. The convergence of these powerful technologies at a lower cost is leading the market toward a more integrated and connected network of devices enabling smart workplaces, smart homes, remote access and automation and a host of potential products and services. As companies and consumers embrace the Internet of Things, we believe the market for connected services and products will expand rapidly.

The Small Business Market

Small businesses struggle to compete with larger enterprises that leverage their size to cover the high costs of communications and other connected services. While small businesses seek top-quality communications services and high-end productivity solutions, such services are seldom tailored to the unique needs and price sensitivities of small businesses, resulting in an underserved small business community.

Small businesses have traditionally had only three choices when deciding on their communications infrastructure: traditional landline solutions, PBX solutions and internet-based solutions. Each of these choices presents challenges, such as high cost and limited functionality for traditional landlines and PBX solutions and inconsistent quality and complexity for internet-based solutions.

The Home Market

The market for consumers of communications and other connected services in the home shows a shift from traditional home telephone lines to internet-based service providers. We believe many consumers, particularly families with children in the household, desire home telephone services, but are frustrated with current offerings due to high costs and lack of value-added functionality. These frustrations have caused a shift in the market from traditional landline services to internet-based solutions. However, many internet-based solutions present challenges, such as limited features, bundled phone service by cable companies with poor customer service or poor voice quality due to the inability to effectively cope with internet bottlenecks.

Consumers are adopting new technologies in the home, including new connected devices enabling the Internet of Things. Current product offerings, including many of the single-use end-point devices, are difficult to network together and do not effectively integrate communications services into a complete solution. The market has failed to provide an affordable solution that facilitates easy adoption and seamless integration of the home telephone, home connectivity and mobile offerings, leaving consumers with sub-optimal options.

The Mobile Communications Applications Market

Due to the limited functionality and high cost of traditional cellular service plans, consumers with mobile devices are increasingly relying on a variety of apps to provide calling, messaging, and other communications and connectivity solutions. The competition in this space is fragmented across a number of companies, and consumers face limitations with many of the apps currently on the market, including limited feature sets and restrictions on calls.

Our Opportunity

We believe there is a significant opportunity to gain market share in the small business, home and mobile applications markets due to the following factors:

- Ooma Office solves many of the frustrations that small businesses encounter with other communications services by offering affordable communications solutions with an extensive feature set tailored to small businesses.
- Our home communications solution features high-quality voice communications at a low cost, consisting of the initial cost of the on-premise appliance and then only modest applicable monthly taxes and fees. Additionally, we offer a suite of advanced features through our Ooma Premier service.
- The number of users adopting our mobile communications applications is growing rapidly as we prove we can deliver high-quality voice solutions coupled with useful features and services at a low cost to the end user.
- As we expand the number of customers subscribing to our office, home, or mobile communications solutions, we believe we will be able to leverage our existing strong customer relationships and customer loyalty to increase revenue by providing an expanded set of features and services, including productivity, automation, monitoring, safety, security, and networking infrastructure applications.
- The opportunities for us to expand into additional geographic areas provide the potential to significantly increase our customer base and source of revenue.

Our Competitive Strengths

We believe the following strengths position us well to capitalize on the expected growth in our target markets:

- ***Unique hybrid SaaS connectivity platform.*** We have invested significant resources in creating and maintaining our unique hybrid SaaS connectivity platform that is scalable and extensible to new services. We built our platform from the ground up to be powerful, secure, always-connected, and to enable us to remotely monitor and configure our products and services. We believe our platform positions us to add new connected services and exploit adjacent markets, all without significant additional capital investment or high customer acquisition costs.
- ***Better products and services.*** Our products and services provide complete, easy-to-use solutions for voice communications, with differentiated features and seamless integration with mobile devices. Our products are easy to install, use and support, and take just minutes to activate. Our patent-pending PureVoice HD technology provides our proprietary HD voice quality, even when our customers encounter poor internet performance from their internet service providers. We believe our communications solutions are the first step in providing additional connected services to our users, which we expect to increase the growth of our recurring revenue stream.
- ***Compelling value proposition.*** We believe we provide a unique combination of quality, services and affordability that is unmatched by our competitors. As of January 31, 2015, we estimate we have saved our small business and home customers an aggregate of approximately $700 million since our inception.
- ***Top ranked customer satisfaction and strong brand loyalty.*** Our compelling value proposition has been validated by our customers. The readers of the leading U.S. consumer research publication have ranked Ooma as the number one home phone service for overall satisfaction and value for four years in a row from 2011 to 2014, and readers of *PC Magazine* have ranked Ooma Office as the number one internet phone service for small businesses in 2014 and 2015. We believe that our high level of customer satisfaction enables us to grow our recurring revenue stream by marketing additional connected services to a customer base that already trusts us and values the services we provide.

- ***Integrated multi-channel marketing and sales strategy.*** We utilize an effective, integrated marketing and sales strategy to maximize reach, increase brand awareness and grow our user base. Our retail, online and direct channels are fully integrated and complement each other, and they are supported by a combination of television, print and online advertising that builds brand awareness among small business, home and mobile customers. We maintain strong retail channel relationships with leading online and traditional retailers in the U.S. and Canada, including national retailers such as Amazon.com, Costco.com and Best Buy. We believe our integrated sales strategy enables us to effectively grow our sales at a relatively low cost of customer acquisition.
- ***Experienced senior management team.*** Our executive management team has a strong track record of success across a broad range of disciplines in high-growth companies, such as Apple, Cisco, Gigamon, Intuit and Lexar, with deep experience building both consumer and enterprise businesses.

Our Growth Strategy

Our objective is to enable smarter and more affordable communications solutions and other connected services through the use of our platform. The following are the key elements of our growth strategy:

- ***Continue to expand our user base for communications solutions.*** We believe that the adoption of internet-based communications services will continue to grow rapidly for the foreseeable future and our communications solutions provide a compelling option to those users. Accordingly, we intend to continue investing in our sales and marketing capabilities, and to execute our integrated multi-channel sales strategy to acquire new users and significantly increase our market share.
- ***Sell existing users additional services.*** As customers experience the benefits of our communications solutions, we intend to focus on increasing their spending with us by selling current customers additional premium communications services, as well as other connected services we develop and offer in the future.
- ***Develop new connected services.*** We are continuing to introduce new connected services focused on productivity, automation, monitoring, safety, security and networking infrastructure applications. We also intend to cultivate new relationships with other technology companies, in addition to Nest, to enhance the value of our connected services.
- ***Expand globally.*** To date, our focus has been on the U.S. and Canadian markets. We believe there is a significant opportunity for our communications and other connected services to disrupt incumbent communications providers internationally.
- ***Opportunistically pursue strategic acquisitions.*** We intend to actively and selectively explore acquisition opportunities of companies and technologies to expand the functionality of our solutions, provide access to new customers or markets, or both.

Risks Associated with Our Business

Our business is subject to many risks and uncertainties, as more fully described under “Risk Factors” and elsewhere in this prospectus. For example, you should be aware of the following before investing in our common stock:

- If we are unable to attract new customers on a cost-effective basis, our business will be materially and adversely affected.
- Our customers may terminate their subscriptions for our service at any time without penalty, and increased customer turnover, or costs we incur to retain our customers and encourage them to add users and purchase additional services, could materially and adversely affect our financial performance.

- We face intense competition and aggressive business tactics in our markets by our competitors and may lack sufficient financial or other resources to compete successfully.
- We rely significantly on retailers and reseller partnerships to sell our products; our failure to effectively develop, manage, and maintain our retail sales and reseller partnership channels could materially and adversely affect our revenue.
- We depend on four vendors to manufacture the on-premise appliances and end-point devices we sell, and any delay or interruption in manufacturing, configuring and delivering by these third parties would result in delayed or reduced shipments to our customers and may harm our business.
- Interruptions in our services could harm our reputation, result in significant costs to us and impair our ability to sell our services.
- To deliver our services, we rely on third parties for our network connectivity and co-location facilities for certain features in our services and for certain elements of providing our services.
- We rely on third parties for some of our software development, quality assurance and operations.
- We rely on third parties to provide the majority of our customer service and support representatives.
- Our limited operating history makes it difficult to evaluate our current business and future prospects, which may increase the risk of investing in our stock.
- We have identified a material weakness in our internal control over financial reporting as of January 31, 2013, 2014 and 2015, and if we fail to develop and maintain an effective system of internal control over financial reporting, we may be unable to accurately report our financial results in a timely manner.
- We have incurred significant losses and negative cash flows in the past and anticipate continuing to incur losses and negative cash flows for the foreseeable future, and we may therefore not be able to achieve or sustain profitability in the future.
- Our insiders, including Worldview Technology Partners and its affiliates, will continue to hold approximately % of our stock after this offering, and will continue to have substantial control over our corporate matters.

Corporate Information

We were incorporated in 2003 as a Delaware corporation. Our headquarters are located at 1880 Embarcadero Road, Palo Alto, CA 94303, and our telephone number is (650) 566-6600. Our corporate website address is www.ooma.com. The information contained on our website is not incorporated by reference into this prospectus, and you should not consider any information contained on, or that can be accessed through, our website as part of this prospectus or in deciding whether to purchase our common stock. We have included our website address only as an inactive textual reference and do not intend it to be an active link to our website.

Implications of Being an Emerging Growth Company

The Jumpstart Our Business Startups Act, or the JOBS Act, was enacted in April 2012 with the intention of encouraging capital formation in the U.S. and reducing the regulatory burden on newly public companies that qualify as “emerging growth companies.” We are an emerging growth company within the meaning of the JOBS Act. As an emerging growth company, we may take advantage of certain exemptions from various public reporting requirements, including the requirement that our internal control over financial reporting be audited by our independent registered public accounting firm pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, certain requirements related to the disclosure of executive compensation in this prospectus and in our periodic

reports and proxy statements and the requirement that we hold a nonbinding advisory vote on executive compensation and any golden parachute payments. We may take advantage of these exemptions until we are no longer an emerging growth company.

We will remain an emerging growth company until the earliest to occur of (i) the last day of the fiscal year in which we have more than $1.0 billion in annual revenue; (ii) the date we qualify as a "large accelerated filer," with at least $700 million of equity securities held by non-affiliates; (iii) the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; and (iv) the last day of the fiscal year ending after the fifth anniversary of the completion of this offering.

This prospectus includes statistical, market and industry data and forecasts we obtained from publicly available information and independent industry publications and reports we believe to be reliable sources. These publicly available industry publications and reports generally state that they obtain their information from sources they believe to be reliable, but they do not guarantee the accuracy or completeness of the information. Certain estimates and forecasts involve uncertainties and risks and are subject to change based on various factors, including those discussed under the headings "Special Note Regarding Forward-Looking Statements" and "Risk Factors" in this prospectus.

The last day of our fiscal year is January 31, and we refer to our fiscal year ended January 31, 2013 as fiscal 2013, our fiscal year ended January 31, 2014 as fiscal 2014, our fiscal year ended January 31, 2015 as fiscal 2015 and our fiscal year ending January 31, 2016 as fiscal 2016. All other references to years are references to calendar years.

"Ooma," "Ooma Telo," "Instant Second Line" and "The smart phone for your home" are our registered trademarks in the U.S. and, in some cases, in certain other countries. Our unregistered trademarks and service marks in the U.S. include: "Ooma Office," "PureVoice," "Talkatone," "The smart phone for your business" and "The smart phone for your home or business." This prospectus also contains trademarks, service marks and trade names of other companies. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references do not constitute a waiver of any rights that might be associated with the respective trademarks, service marks or trade names.

The Offering

The following information assumes that the underwriters do not exercise their option to purchase additional shares in the offering. See "Underwriting."

Common stock offered by us	shares
Common stock to be outstanding after the offering	shares
Option to purchase additional shares of common stock from us	The underwriters have an option to purchase a maximum of additional shares of common stock from us. The underwriters can exercise this option at any time within 30 days from the date of this prospectus.
Use of proceeds	We intend to use the net proceeds from this offering primarily for general corporate purposes, including working capital, sales and marketing activities, general and administrative matters, capital expenditures and further development of our solutions. We will also use a portion of the net proceeds to repay outstanding borrowings under our credit facilities and we may use a portion to acquire other businesses, products or technologies. However, we do not have agreements or commitments for any specific acquisitions at this time. See "Use of Proceeds" for a more complete description.
Listing	We are applying to list our common stock on the New York Stock Exchange under the symbol "OOMA."
Material U.S. federal income tax considerations for non-U.S. holders	For a discussion of the material U.S. federal income tax considerations that may be relevant to prospective investors who are non-U.S. holders, please see "Material U.S. Federal Income Tax Considerations for Non-U.S. Holders."
Risk factors	Investing in our common stock involves a high degree of risk. You should carefully read and consider the information set forth under "Risk Factors" and all other information in this prospectus before investing in our common stock.

We refer to our Series Alpha, Series Alpha-1 and Series Beta convertible preferred stock collectively as our "convertible preferred stock" in this prospectus.

Except as otherwise indicated, all information in this prospectus is based upon shares of our common stock (including 847,160 unvested shares of restricted common stock subject to our repurchase right) outstanding as of April 30, 2015, and excludes:

- 3,922,041 shares of our common stock issuable upon exercise of stock options outstanding as of April 30, 2015, having a weighted-average exercise price of $2.04 per share;
- shares of our common stock issuable upon exercise of stock options granted after April 30, 2015, having a weighted-average exercise price of $ per share;
- shares of common stock reserved for future grant or issuance under our 2015 Equity Incentive Plan, or 2015 Plan (which includes 116,134 shares of our common stock as of April 30, 2015 reserved for future grant under our 2005 Stock Plan, or 2005 Plan, that will be added to the shares reserved for future issuance under our 2015 Plan upon effectiveness of that plan if the shares are not issued or subject to outstanding grants under the 2005 Plan at that time), which will become effective in connection with this offering and contains provisions that automatically increase its share reserve each year, as more fully described in "Executive Compensation – Employee Benefit Plans;"
- shares of common stock reserved for future issuance under our 2015 Employee Stock Purchase Plan, which will become effective in connection with this offering and contains provisions that automatically increase its share reserve each year, as more fully described in "Executive Compensation – Employee Benefit Plans;"
- 176,005 shares of our common stock issuable upon the exercise of outstanding warrants to purchase our common stock outstanding as of April 30, 2015, having a weighted-average exercise price of $3.10 per share;
- 174,651 shares of our common stock issuable upon the exercise of outstanding warrants to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share;
- 68,802 shares of our common stock issuable upon the exercise of outstanding warrants to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share, which will either terminate upon the closing of this offering, or will be exercised prior thereto; and
- 140,575 shares of our common stock, on an as-converted basis, issuable upon the exercise of an outstanding warrant to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share, which may be exercised or settled in cash, net of the aggregate exercise price, upon the closing of this offering.

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

- the automatic conversion immediately prior to or upon the completion of this offering of all of our outstanding shares of convertible preferred stock into an aggregate of shares of common stock, including the automatic conversion of all outstanding shares of our Series Alpha and Series Alpha-1 convertible preferred stock into 16,707,522 shares of common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into shares of common stock based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus;
- the automatic conversion of warrants to purchase an aggregate of 174,651 shares of convertible preferred stock into warrants to purchase an equivalent number of shares of common stock immediately prior to the closing of this offering;
- no exercise or termination of outstanding stock options or warrants after April 30, 2015, except for (i) the termination or net exercise of warrants to purchase 68,802 shares of our Series Alpha convertible preferred stock and (ii) the exercise or cash settlement, net of the aggregate exercise price, of a warrant to purchase 140,575 shares of our Series Alpha convertible preferred stock upon the closing of this offering (and in each case, if exercised, the automatic conversion of such shares of convertible preferred stock into an equivalent number of shares of common stock);
- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws immediately prior to the closing of this offering; and
- no exercise by the underwriters of their option to purchase additional shares of common stock from us in this offering.

Summary Consolidated Financial Data

The following tables summarize our historical consolidated financial data and should be read together with our consolidated financial statements, the notes to our consolidated financial statements and the sections titled “Selected Consolidated Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained elsewhere in this prospectus.

We derived the summary consolidated statements of operations data for the fiscal years ended January 31, 2013, 2014 and 2015 and summary consolidated balance sheet for the fiscal years ended January 31, 2014 and 2015 from our audited consolidated financial statements included elsewhere in this prospectus. We have derived the unaudited consolidated statements of operations data for the first three months of fiscal 2015 and fiscal 2016 and the unaudited consolidated balance sheet data as of April 30, 2015 from our unaudited consolidated financial statements included elsewhere in this prospectus. We have prepared the unaudited financial information on a basis consistent with our audited consolidated financial statements and have included, in our opinion, all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of the results to be expected in any future period, and our interim results are not necessarily indicative of the results to be expected for the full fiscal year.

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
	(In thousands, except share and per share data)				
Consolidated Statements of Operations Data:					
Revenue:					
Subscription and services	$24,107	$35,377	$53,828	$ 10,886	$ 15,576
Product and other	15,126	18,288	18,373	5,413	4,276
Total revenue	39,233	53,665	72,201	16,299	19,852
Cost of revenue:					
Subscription and services	13,899	15,894	18,284	3,817	5,624
Product and other	11,590	15,573	18,440	4,775	4,207
Total cost of revenue(1)	25,489	31,467	36,724	8,592	9,831
Gross profit	13,744	22,198	35,477	7,707	10,021
Operating expenses:					
Sales and marketing(1)	7,471	13,192	22,276	3,730	5,895
Research and development(1)	7,023	7,888	12,290	2,301	4,097
General and administrative(1)	2,508	2,573	6,650	930	2,961
Total operating expenses	17,002	23,653	41,216	6,961	12,953
Operating (loss) income	(3,258)	(1,455)	(5,739)	746	(2,932)
Interest expense, net	(550)	(269)	(323)	(53)	(285)
Change in fair value of convertible preferred stock warrants	153	(250)	(795)	(184)	(716)
Other expense, net	(8)	(26)	(55)	(10)	(2)
(Loss) income before income tax benefit	(3,663)	(2,000)	(6,912)	499	(3,935)
Income tax benefit	—	—	502	—	—
Net (loss) income	(3,663)	(2,000)	(6,410)	499	(3,935)
Less: Undistributed earnings to participating securities holders	—	—	—	(499)	—
Net loss attributable to common stockholders	$ (3,663)	$ (2,000)	$ (6,410)	$ —	$ (3,935)

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
	(In thousands, except share and per share data)				
Net loss per share attributable to common stockholders(2):					
Basic and diluted	$ (1.77)	$ (0.59)	$ (1.40)	$ —	$ (0.76)
Weighted-average common shares outstanding:					
Basic and diluted	2,071,914	3,377,692	4,568,483	4,018,563	5,182,483
Pro forma net loss per share attributable to common stockholders(2):					
Basic and diluted			$		$
As adjusted(3)					
Pro forma weighted average shares outstanding(2):					
Basic and diluted					
As adjusted(3)					
Other Financial Data:					
Adjusted EBITDA(4)	$ (2,241)	$ (445)	$ (3,455)	$ 1,001	$ (1,885)

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

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
Total cost of revenue	$ 11	$ 7	$ 36	$ 4	$ 58
Sales and marketing	1	6	41	5	56
Research and development	50	26	169	15	217
General and administrative	111	33	180	17	220
Total	$173	$ 72	$426	$ 41	$ 551

(2) See Note 14 of the notes to our consolidated financial statements for a description of the method used to compute basic and diluted net (loss) income per share attributable to common stockholders and pro forma net loss per share attributable to common stockholders.

(3) Pro forma as adjusted net loss per share attributable to common stockholders gives effect to (i) the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of shares of our common stock; (ii) the automatic conversion of all outstanding convertible preferred stock warrants into warrants to purchase shares of our common stock; (iii) the application of $ million of the estimated net proceeds from the sale of common stock by us in this offering to cash settle a warrant to purchase 140,575 shares of convertible preferred stock; (iv) the net exercise of warrants to purchase 68,802 shares of convertible preferred stock, that will be converted into shares of our common stock; and (v) the application of $ million of the estimated net proceeds from the sale of common stock by us in this offering to repay the outstanding amounts under our existing loans with Silicon Valley Bank, or SVB, as if the offering and those transactions had occurred on February 1, 2014. The pro forma as adjusted net loss per share attributable to common stockholders is computed by dividing pro forma as adjusted net loss attributable to common stockholders by pro forma as adjusted weighted-average shares outstanding. Pro forma as adjusted net loss attributable to common stockholders is computed by decreasing pro forma net loss attributable to common stockholders by $ of interest expense that would not be incurred if the offering had occurred on February 1, 2014 and the existing loans with SVB of $ were repaid as of that date. Pro forma as adjusted weighted-average shares outstanding is computed by increasing the pro forma weighted-average shares outstanding by only the minimum number of shares required for repayment of the existing loans with SVB or shares. The number of incremental shares is computed assuming the shares are offered at $ per share, which is the midpoint of the estimated offering price range set forth on the cover of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(4) See footnote (4) in "Selected Consolidated Financial Data" for a description of how we define Adjusted EBITDA, a non-GAAP financial measure, why we believe that it is useful to investors, and a reconciliation to our net (loss) income, which is our most directly comparable financial measure calculated in accordance with GAAP.

	As of April 30, 2015		
	Actual	Pro Forma(5)	Pro Forma As Adjusted(6)
		(In thousands)	
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 13,635	$ 12,209	
Working capital	(5,822)	(5,822)	
Total assets	34,805	34,079	
Convertible preferred stock warrant liability, current and long-term	1,933	—	
Debt obligations, current and long-term	11,481	11,481	
Deferred revenue, current and long-term	12,300	12,300	
Total liabilities	44,221	42,288	
Convertible preferred stock	38,637	—	
Stockholders' deficit	$(48,053)	$	

(5) The pro forma column reflects the following, effective upon the closing of this offering: (i) the automatic conversion of all outstanding shares of our Series Alpha and Series Alpha-1 convertible preferred stock into 16,707,522 shares of our common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into shares of our common stock based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus; (ii) the reclassification of our convertible preferred stock warrant liability related to warrants to purchase 174,651 shares of our convertible preferred stock that will convert into warrants to purchase common stock to additional paid-in capital, as if such conversion, effectiveness and reclassification had occurred on February 1, 2015; (iii) the net exercise of warrants to purchase 68,802 shares of our convertible preferred stock that will be converted to shares of our common stock; and the termination of the associated preferred stock warrant liability and the reclassification of the associated convertible preferred stock liability to additional paid-in capital, as if such effectiveness and reclassification had occurred on February 1, 2015; and (iv) the derecognition of our convertible preferred stock warrant liability related to a warrant to purchase 140,575 shares of our convertible preferred stock that may be exercised or cash settled upon the closing of this offering with the application of $ million of the estimated net proceeds from the sale of common stock by us in this offering to cash settle that warrant, as if those transactions had occurred on February 1, 2015.

(6) The pro forma as adjusted column gives effect to the pro forma adjustments set forth in footnote 5 above and further reflects: (i) the sale by us of shares of common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of estimated offering price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us and (ii) the application of $ million of net proceeds from the sale of common stock by us in this offering to repay the outstanding amounts under existing loans with Silicon Valley Bank (assuming such repayment had occurred on February 1, 2015).

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors and all other information contained in this prospectus, including our consolidated financial statements and the related notes, before making a decision to invest in our common stock. The risks and uncertainties described below are not the only ones we face and include risks we consider material of which we are currently aware. If any of the following risks materialize, our business, financial condition, results of operations and prospects could be materially harmed. In that event, the trading price of our common stock could decline, and you could lose all or part of your investment.

Risks Related to Our Business

If we are unable to attract new users of our services on a cost-effective basis, our business will be materially and adversely affected.

In order to grow our business, we must continue to attract new users on a cost-effective basis. We use and periodically adjust the mix of advertising and marketing programs to promote our services. Significant increases in the pricing of one or more of our advertising channels could increase our advertising costs or may cause us to choose less expensive and perhaps less effective channels to promote our services. As we add to or change the mix of our advertising and marketing strategies, we may need to expand into channels with significantly higher costs than our current programs, which could materially and adversely affect our results of operations. We will incur advertising and marketing expenses in advance of when we anticipate recognizing any revenue generated by such expenses, and we may fail to experience an increase in revenue or brand awareness as a result of such expenditures. We have made in the past, and may make in the future, significant expenditures and investments in new advertising campaigns, and we cannot assure you that any such investments will lead to the cost-effective acquisition of additional customers. New users are drawn to our products and services by rankings circulated by organizations such as Amazon.com, Apple and Google app stores and highly regarded publications such as *PC Magazine*. If we are unable to maintain effective advertising programs and garner favorable rankings, our ability to attract new customers could be materially and adversely affected, our advertising and marketing expenses could increase substantially, and our results of operations may suffer.

We market our products and services principally to small businesses and households. Many of these consumers tend to be less technically knowledgeable and may be resistant to new technologies such as our cloud-based communications solutions and our connected services. Because our potential customers need to connect additional hardware at their location and take other technical steps not required for the use of traditional communications services such as telephone, fax and e-mail, these consumers may be reluctant to use our service. These customers may also lack sufficient resources, financial or otherwise, to invest in learning about our services, and therefore may be unwilling to adopt them. If these consumers choose not to adopt our services, our ability to grow our business will be limited.

Our customers may terminate their subscriptions for our service at any time without penalty, and increased customer turnover, or costs we incur to retain our customers and encourage them to add users and, in the future, to purchase additional functionalities and premium service editions, could materially and adversely affect our financial performance.

Our customers generally do not have long-term contracts with us, and they may terminate their subscription for our service at any time without penalty or early termination charges. We cannot accurately predict the rate of customer terminations or average monthly service cancellations or failures to renew, which we refer to as churn. Our Ooma Office customers may choose to reduce the number of lines or remove some of the solutions to which they subscribe. Additionally, our Ooma Telo customers subscribing to Premium Services have no obligation to renew their subscriptions for such services and may elect to terminate their subscription for any number of reasons, including changes in financial or employment status, perceived reduction in quality or value, and other unique and personal reasons.

We may not be able to predict the renewal rates for our customers. In addition, small business customers generally pay more for their subscriptions than home or mobile customers, so any increased churn in small business customers could materially and adversely affect our financial performance and user churn, resulting in a significant impact on our results of operations, and an increase in the cost we incur in our efforts to retain our customers and encourage them to upgrade their services and increase their number of users. Our core user churn rate could increase in the future if customers are not satisfied with our service, the value proposition of our services or our ability to otherwise meet their needs and expectations. Churn and reductions in the number of users for whom a small business customer subscribes may also increase due to factors beyond our control. Because of churn and reductions in the number of users for whom a customer subscribes, we have to acquire new customers, or acquire new users within our existing customer base, on an ongoing basis simply to maintain our existing level of customers and revenue. If a significant number of customers terminate, reduce or fail to renew their subscriptions, we may need to incur significantly higher marketing expenditures than we currently anticipate in order to increase the number of new customers or to sell existing customers additional services, and such additional marketing expenditures could harm our business and results of operations. Different factors may affect the churn of business, home, and mobile customers, and Talkatone customers differently. As a result, our business is susceptible to a broad array of market forces, and any of our efforts to mitigate risk of customer churn due to one factor may divert management's time and focus away from efforts to mitigate risk of customer churn due to other factors. This broad-based susceptibility to churn could materially and adversely affect our financial performance.

Our future success also depends in part on our ability to sell additional subscriptions and additional functionalities to our current customers. This may require increasingly sophisticated and more costly sales efforts and a longer sales cycle. Any increase in the costs necessary to upgrade, expand and retain existing customers could materially and adversely affect our financial performance. If our efforts to convince customers to add users and, in the future, to purchase additional functionalities are not successful, our business may suffer. In addition, such increased costs could cause us to increase our subscription rates, which could increase our turnover rate.

We face intense competition in our markets by our competitors and may lack sufficient financial or other resources to compete successfully.

The cloud-based communications and connected services industries are highly competitive. We face continued intense competition from (i) established communications providers, such as AT&T Inc., Comcast Corporation and Verizon Communications Inc. in the U.S., and Rogers Communications Inc. and others in Canada; (ii) other communications companies such as 8x8, Inc., magicJack VocalTec Ltd., RingCentral, Inc. and Vonage Holdings Corp.; (iii) companies such as Broadsoft, Inc. and Microsoft Corporation (that generally license their software) and their resellers; (iv) traditional on-premise, hardware communications providers, such as Avaya Inc., Cisco Systems, Inc., ShoreTel, Inc. and their resellers; (v) mobile communications app companies providing "over-the-top" solutions, such as LINE Corporation, Pinger, Inc., Viber Media S.à.r.l. and WhatsApp Inc.; and (vi) other large internet companies, such as Google Inc. All of these companies currently or may in the future host their solutions through the cloud. In addition, as we expand our connected services, we face competition from lead-generation and internet search engine optimization companies and home automation companies.

Aggressive business tactics by our competitors may reduce our revenue.

Increased competition may result in aggressive business tactics by our competitors, including:

- selling at a discount or loss;
- offering products similar to our platform and solutions on a bundled basis at no charge;
- announcing competing products combined with extensive marketing efforts;
- providing financial incentives to consumers; and
- asserting intellectual property rights irrespective of the validity of the claims.

Our retail partners may offer the products and services of competing companies, which would adversely affect our business. Competition from other companies may also adversely affect our negotiations with service providers and suppliers, including, in some cases, requiring us to lower our prices. We may not be able to compete successfully with the offerings and sales tactics of other companies, which could result in the loss of customers and, as a result, our revenue and profitability could be adversely affected.

Mergers or other strategic transactions involving our competitors could weaken our competitive position, which could adversely affect our ability to compete effectively and harm our results of operations; additionally, mergers or other strategic transactions we engage in may not be successful.

We believe that some of our existing competitors may consolidate or be acquired. In addition, some of our competitors may enter into new alliances with each other or may establish or strengthen cooperative relationships with systems integrators, third-party consulting firms or other parties. Any such consolidation, acquisition, alliance or cooperative relationship could adversely affect our ability to compete effectively and lead to pricing pressure and our loss of market share, and could result in a competitor with greater financial, technical, marketing, service and other resources, all of which could harm our business, results of operations and financial condition.

In the past we have decided, and in the future may decide, to enter into mergers or other strategic transactions in which we acquire other companies. We cannot guarantee we will be able to successfully integrate the teams, assets, or business of these target companies into our business, that we will be able to fully recover the costs of such transactions or that we will be successful in leveraging such strategic transactions into increased business for our products.

We rely significantly on retailers and reseller partnerships to sell our products; our failure to effectively develop, manage, and maintain our retail sales and reseller partnership channels could materially and adversely affect our revenue.

We currently sell our Ooma Telo and Ooma Office products through a combination of direct sales, leading retailers such as Amazon.com, Costco.com, Best Buy, Fry’s Electronics, Future Shop and Walmart, and our reseller partnership with Vivint Inc., and a significant portion of our product sales are made through our retail and reseller partnership channels. Similarly, to date, the vast majority of our Business Promoter accounts are obtained through a limited number of reseller partnerships. In addition, our Talkatone division relies significantly on the Apple and Google app stores for distribution. Our future success depends on our continued ability to establish and maintain a network of productive retailers, to maintain and expand our reseller partnership arrangements, and to maintain the ability of Talkatone to be distributed through the app stores and increase Talkatone’s visibility therein. We expect that we will need to maintain and expand our retail channel and reseller partnership sales and Talkatone’s distribution and visibility in the app stores as we seek to expand our customer base. We generally do not have long-term contracts with our retailers, distributors and reseller partners, and we have in the past and may in the future experience a loss of or reduction in sales through any of these third parties, which could materially reduce our revenue. In addition, if Apple or Google determine that Talkatone is non-compliant with their app store vendor policies, they may revoke our rights to sell Talkatone through their app store at any time. Our competitors may in some cases be effective in causing our current and potential retailers, and reseller partners to favor their services or prevent or reduce sales of our services. If we fail to maintain relationships with current retailers and reseller partners, fail to develop relationships with new retailers and reseller partners in new markets or expand the number of retailers and reseller partners in existing markets, or if we fail to manage, train, or provide appropriate incentives to our existing retailers and reseller partners, or if they are not successful in their sales efforts, sales of our products and services may decrease and our results of operations would suffer.

We depend on four vendors to manufacture the on-premise appliances and end-point devices we sell, and any delay or interruption in manufacturing, configuring and delivering by these third parties would result in delayed or reduced shipments to our customers and may harm our business.

We primarily rely on Mitac Computing Technology Corporation and Kentec Technology (SUZHOU) Co., Ltd. for production of our on-premise appliances and primarily on Hualin Precision Technology Co., Ltd and VTech Telecommunication Ltd. for production of our end-point devices we sell to our customers. We currently do not have long-term contracts with these vendors. As a result, these third parties are not obligated to provide products to or perform services for us for any specific period, in any specific quantities or at any specific price, except as may be provided in a particular purchase order. If these third parties are unable to deliver on-premise appliances or end-point devices of acceptable quality or in a timely manner, our ability to bring services to market, the reliability of our services and our reputation could suffer. We expect that it could take several months to effectively transition to new third-party manufacturers or fulfillment agents. Additionally, several components used in our on-premise appliances and end point devices are “single sourced” and any interruption in the suppliers of such components could cause our business to suffer as we identify alternative sources of components. Due to the recent West Coast port strikes, we experienced delayed shipments of our products from our manufacturers. Future repetition of such delays could negatively affect our ability to deliver product to our customers in a timely manner and may harm our business and hinder our growth.

To deliver our services, we rely on third parties for our network connectivity and co-location facilities for certain features in our services and for certain elements of providing our services.

We currently use the infrastructure of third-party service providers for hosting, internet access and other services that are vital to our service offering. Equinix, Inc. provides data center facilities; Internap, Zao and NTT Inc. provide backbone internet access; and Bandwidth.com, Onvoy, Level 3, Broadvox and EarthLink provide origination services. We also rely on third-party services for our SMS and speech-to-text services which are sole-sourced. Intrado is our sole provider of 911 services. We expect that we will continue to rely heavily on third-party network service providers to provide these services for the foreseeable future. If any of these network service providers stop providing us with access to their infrastructure, fail to provide these services to us on a cost-effective basis, cease operations, or otherwise terminate these services, the delay caused by qualifying and switching to another third-party network service provider, if one is available, could have a material adverse effect on our business and results of operations.

We may be required to transfer our servers to new data center facilities if we are unable to renew our leases on acceptable terms, if at all, or the owners of the facilities decide to close their facilities, and we may incur significant costs and possible service interruption in connection with doing so. In addition, any financial difficulties, such as bankruptcy or foreclosure, faced by our third-party data center operators or any of the service providers with which we or they contract, may have negative effects on our business, the nature and extent of which are difficult to predict. Additionally, if our data centers are unable to keep up with our increasing needs for capacity, our ability to grow our business could be materially and adversely impacted.

If problems occur with any of these third-party network or service providers, it may cause errors or reduced quality in our services, and we could encounter difficulty identifying the source of the problem. The occurrence of errors or reduced quality in our service, whether caused by our systems or a third-party network or service provider, may result in the loss of our existing customers, delay or loss of market acceptance of our services, termination of our relationships and agreements with our resellers or liability for failure to meet service level agreements, and may seriously harm our business and results of operations.

We rely on purchased or leased hardware and software licensed from third parties in order to offer our service. In some cases, we integrate third-party licensed software components into our platform. This hardware and software may not continue to be available at reasonable prices or on commercially reasonable terms, or at all. Any loss of the right to use any of this hardware or software could significantly increase our expenses and

otherwise result in delays in the provisioning of our service until equivalent technology is either developed by us, or, if available, is identified, obtained and integrated. Any errors or defects in third-party hardware or software could result in errors or a failure of our service which could harm our business.

We also contract with third parties to provide enhanced 911, or E-911, services, including assistance in routing emergency calls and terminating E-911 calls. Our providers operate a national call center that is available 24 hours a day, seven days a week, to receive certain emergency calls and maintain public service answering point, or PSAP, databases for the purpose of deploying and operating E-911 services. On mobile devices, we generally rely on the underlying cellular or wireless carrier to provide E-911 services. Any failure to perform, including interruptions in service, by our vendors, could cause failures in our customers' access to E-911 services and expose us to significant liability and damage our reputation.

Interruptions in our services could harm our reputation, result in significant costs to us and impair our ability to sell our services.

Because our technology platform is complex, incorporates a variety of new computer hardware, and the platform continues to evolve, our services may have errors or defects that are identified after customers begin using such services, which could result in unanticipated service interruptions. Although we test our services to detect and correct errors and defects before their initial release and before we make updates or other changes to such services, we have occasionally experienced significant service interruptions as a result of undetected errors or defects and may experience future interruptions of service if we fail to detect and correct errors and defects. For example, in April and May 2015 while working to upgrade our network, we encountered unexpected problems with the communications between our data centers, as well as certain server capacity issues, which led to multiple intermittent service outages, some of which lasted for up to approximately eight hours for some of our customers. While we have identified root causes of these service outages, and in each case were able to restore service to all of the affected customers, we continue to take corrective actions to address these root causes. We were able to correct such root causes without incurring material expenses, and we do not expect the outages in April and May to materially affect our results of operations. However, the costs incurred in correcting root causes for future service outages may be substantial and these and other related consequences could negatively impact our results of operations.

We currently serve our customers from two data center hosting facilities located in Northern California, where we lease space from Equinix, Inc. The second data center in Northern California was added in early 2015, and while we believe that such second data center and certain new procedures we have adopted will enable us to restore services quickly in the event of a service outage, these new procedures and our second data center, by themselves, will not prevent future outages. Any damage to, or failure of, these facilities, the communications network providers with whom we or they contract or with the systems by which our communications providers allocate capacity among their customers, including us, could result in interruptions in our service. Additionally, in connection with the expansion or consolidation of our existing data center facilities, we may move or transfer our data and our customers' data to other data centers. Despite precautions we take during this process, any unsuccessful data transfers may impair or cause disruptions in the delivery of our service.

Despite precautions taken at our hosting facilities, the occurrence of a natural disaster or an act of terrorism or other unanticipated problems at these facilities could result in lengthy interruptions in our service. Even with the disaster recovery arrangements that we have in place, our service could be interrupted.

Any defects in, or unavailability of, the components of our platform that cause interruptions of our services could, among other things:

- cause a reduction in revenue or a delay in market acceptance of our services;
- require us to issue refunds to our customers or expose us to claims for damages;

- cause us to lose existing customers and make it more difficult to attract new customers;
- divert our development resources or require us to make extensive changes to our software, which would increase our expenses and slow innovation;
- increase our technical support costs; and
- harm our reputation and brand.

We rely on third parties for some of our software development, quality assurance and operations.

We currently depend on various third parties for some of our software development efforts, quality assurance and operations. Specifically, we outsource some of our software development and design, quality assurance and operations activities to third-party contractors that have employees and consultants located in Canada, India, China, New Zealand, Russia and Ukraine. Our dependence on third-party contractors creates a number of risks, in particular, the risk that we may not maintain control or effective management with respect to these business operations.

Our agreements with these third-party contractors are either not terminable by them (other than at the end of the term or upon an uncured breach by us) or require at least 30 days' prior written notice of termination. If we experience problems with our third-party contractors, the costs charged by our third-party contractors increase or our agreements with our third-party contractors are terminated, we may not be able to develop new solutions, enhance or operate existing solutions or provide customer support in an alternate manner that is equally or more efficient and cost-effective.

We anticipate we will continue to depend on these and other third-party relationships in order to grow our business for the foreseeable future. If we are unsuccessful in maintaining existing and, if needed, establishing new relationships with third parties, our ability to efficiently operate existing services or develop new services and provide adequate customer support could be impaired, and as a result, our competitive position or our results of operations could suffer.

We rely on third parties to provide the majority of our customer service and support representatives. If these third parties do not provide our customers with reliable, high-quality service, our reputation will be harmed, and we may lose customers.

We offer customer support through both our online account management website and our toll-free customer support number. Our customer support is currently provided via a third-party provider located in the Philippines, as well as our employees in the U.S. We currently offer support almost exclusively in English. Our third-party providers generally provide customer service and support to our customers without identifying themselves as independent parties. The ability to support our customers may be disrupted by natural disasters, inclement weather conditions, civil unrest, strikes, acts of terrorism and other adverse events in the Philippines. Furthermore, as we expand our operations internationally, we may need to make significant expenditures and investments in our customer service and support to adequately address the complex needs of international customers, such as support in multiple foreign languages.

If any of these third parties do not provide reliable, high-quality service, our reputation and our business will be harmed and we may be exposed to significant liability. In addition, a significant service outage may cause a high volume of customer support inquiries, and our third-party customer service call center might be unable to respond to a significant spike in customer support inquiries in a timely manner. In addition, industry consolidation among providers of services to us may impact our ability to obtain these services or increase our costs for these services.

Our limited operating history makes it difficult to evaluate our current business and future prospects, which may increase the risk of investing in our stock.

Although we were incorporated in 2003, we did not formally introduce Ooma Telo until 2009 or Ooma Office until 2013. In addition, we acquired our Business Promoter business in 2012 and our Talkatone business in 2014. Our limited operating history limits our ability to plan for and model future growth. We have encountered and expect to continue encountering risks and uncertainties frequently experienced by growing companies in rapidly changing markets. If our assumptions regarding these uncertainties are incorrect or change in reaction to changes in our markets, or if we do not manage or address these risks successfully, our results of operations could differ materially from our expectations, and our business could suffer. Any success we may experience in the future will depend, in large part, on our ability to, among other things:

- retain and expand our customer base;
- increase revenue from existing customers as they add users and, in the future, purchase additional functionalities and premium service subscriptions;
- successfully acquire customers on a cost-effective basis;
- improve the performance and capabilities of our services, applications, and hardware through research and development;
- successfully expand our business domestically and internationally;
- successfully compete in our markets;
- continue to innovate and expand our service offerings;
- continue our relationships with strategic partners like Nest Labs, Inc. and reseller partners like Vivint, Inc.;
- continue our relationships with our current retail partners and develop relationships with additional retail partners;
- continue our relationships with our digital marketing agency partners, advertising agencies and digital advertising networks;
- continue our relationships with third-party vendors that enable our solutions;
- successfully protect our intellectual property and defend against intellectual property infringement claims;
- generate leads and convert potential customers into paying customers;
- maintain and enhance our third-party data center hosting facilities to minimize interruptions in the use of our services;
- determine appropriate prices for the marketplace; and
- hire, integrate and retain professional and technical talent.

We have incurred significant losses and negative cash flows in the past and anticipate continuing to incur losses and negative cash flows for the foreseeable future, and we may therefore not be able to achieve or sustain profitability in the future.

We have incurred substantial net losses since our inception, including net losses of approximately $(3.7) million, $(2.0) million and $(6.4) million for fiscal 2013, fiscal 2014 and fiscal 2015, respectively, and a net loss of $(3.9) million for the three months ended April 30, 2015. We had an accumulated deficit of $(54.7) million as of April 30, 2015. We have spent considerable amounts of time and money since inception to develop new communications solutions and connected services. Additionally, we have incurred substantial losses and expended significant resources to market, promote, develop and sell our products and solutions. We also expect to continue investing for future growth, including for advertising, customer acquisition, technology infrastructure, storage capacity, services development and international expansion. In addition, as a public company, we will incur significant additional accounting, legal and other expenses.

As a result of our increased expenditures, we will have negative operating cash flows for the foreseeable future and will have to generate and sustain increased revenue to achieve future profitability. Achieving profitability will require us to increase revenue, manage our cost structure and avoid significant liabilities. Revenue growth may slow, revenue may decline or we may incur significant losses in the future for a number of possible reasons, including general macroeconomic conditions, increasing competition (including competitive pricing pressures), a decrease in the growth of the markets in which we compete or failure for any reason to continue capitalizing on growth opportunities. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays, service delivery and quality problems and other unknown factors that may result in losses in future periods. If these losses exceed our expectations or our revenue growth expectations are not met in future periods, our financial performance will be harmed and our stock price could be volatile or decline.

Our business could suffer if we cannot obtain or retain direct inward dialing numbers, or DIDs, are prohibited from obtaining local or toll-free numbers, or are limited to distributing local or toll-free numbers to only certain customers.

Our future success depends on our ability to procure large quantities of local and toll-free DIDs in the U.S. and foreign countries in desirable locations at a reasonable cost and without restrictions. Our ability to procure and distribute DIDs depends on factors outside of our control, such as applicable regulations, the practices of the communications carriers that provide DIDs, the cost of these DIDs, and the level of demand for new DIDs. Due to their limited availability, there are certain popular area code prefixes we generally cannot obtain. Our inability to acquire DIDs for our operations would make our services less attractive to potential customers in the affected local geographic areas. In addition, future growth in our customer base, together with growth in the customer bases of other providers of internet-based business communications, has increased, which increases our dependence on needing sufficiently large quantities of DIDs.

If we are unable to effectively process local number and toll-free number portability provisioning in a timely manner, our growth may be negatively affected.

We support local number and toll-free number portability, which allows our customers to transfer to us and thereby retain their existing phone numbers when subscribing to our small business, home, and mobile services. Transferring numbers can be a manual process that can take up to 15 business days or longer to complete. A new customer of our services must maintain both our service and the customer's existing phone service during the number transferring process. Any delay we experience in transferring these numbers typically results from the fact that we depend on third-party carriers to transfer these numbers, a process we do not control, and these third-party carriers may refuse or substantially delay the transfer of these numbers to us. Local number portability is considered an important feature by many potential customers, and if we fail to reduce any related delays, we may experience increased difficulty in acquiring new customers. Moreover, the FCC requires us to comply with specified number porting timeframes when customers leave our service for the services of another provider. In Canada, the Canadian Radio-television and Telecommunications Commission, or CRTC, has imposed a similar number portability requirement on service providers like us. If we, or our third-party carriers, are unable to process number portability requests within the requisite timeframes, we could be subject to fines and penalties. Additionally, in the U.S., both customers and carriers may seek relief from the relevant state public utility commission, the FCC, or in state or federal court for violation of local number portability requirements.

If small businesses opt to perform advertising tasks on their own, demand for our lead-generation services would decrease, thereby negatively affecting our revenue.

Large internet marketing providers such as Google, Yahoo! and Microsoft offer online advertising products to small businesses through self-service platforms. As small businesses become more familiar with such platforms, they may increasingly choose to actively manage their own internet presence and their demand for the lead-generation services may decrease. We cannot predict the evolving experiences and preferences of small

businesses and cannot assure you that we can develop our lead generation business, or develop similar new services, in a manner that will suit their needs and expectations faster or more effectively than our competitors, or at all. If we are not able to do so, our results of operations would suffer.

Our access to the majority of our lead-generation customers is currently through a limited number of digital agencies, which creates a significant risk that we could lose a majority of our lead generation service customers due to factors beyond our control.

We currently contract with five digital agencies to provide our lead-generation services as a component of their service to third parties who we include as our core users. If our relationship with these digital agencies degrades, they could elect not to use our lead-generation service, which would lead to the loss of a portion of our lead generation business revenue as well as a number of our core users. Also, for reasons beyond our control, the digital agencies we work with may lose their business relationships with third parties who purchase lead generation services for their customers, causing the digital agency to terminate its business relationship with us and the loss of such lead generation business revenue. Prior to February 2015, we contracted with three digital agencies to provide our lead generation service to third parties. In February 2015, one of them unexpectedly lost a key business relationship, which led that digital agency to terminate its business relationship with us, which in turn caused us to lose a few thousand of our core users. This concentration of our access to lead generation customers creates volatility in the churn of our core users, which risk will remain unless and until we significantly grow the number of digital agencies we contract with, and/or increase the number of small businesses that obtain lead generation services directly from us.

If we fail to continue developing our brand or our reputation is harmed, our business may suffer.

We believe that continuing to strengthen our current brand will be critical to achieving widespread acceptance of our services and will require continued focus on active marketing efforts. The demand for and cost of online and traditional advertising have been increasing and may continue to increase. Accordingly, we may need to increase our investment in, and devote greater resources to, advertising, marketing, and other efforts to create and maintain brand loyalty among users. Brand promotion activities may not yield increased revenue, and even if they do, any increased revenue may not offset the expenses incurred in building our brands. If we fail to promote and maintain our brand, or if we incur substantial expense in an unsuccessful attempt to promote and maintain our brands, our business could be materially and adversely affected.

Our services, as well as those of our competitors, are regularly reviewed and commented upon by online and social media sources, as well as computer and other business publications. Negative reviews, or reviews in which our competitors' products and services are rated more highly than our solutions, could negatively affect our brand and reputation. From time to time, our customers have expressed dissatisfaction with our services, including dissatisfaction with our customer support, our billing policies and the way our services operate. If we do not handle customer complaints effectively, our brand and reputation may suffer, we may lose our customers' confidence, and they may choose to terminate, reduce or not to renew their subscriptions. In addition, many of our customers participate in social media and online blogs about internet-based services, including our services, and our success depends in part on our ability to minimize negative and generate positive customer feedback through such online channels where existing and potential customers seek and share information. If actions we take or changes we make to our services upset these customers, their blogging could negatively affect our brand and reputation. Complaints or negative publicity about our services or customer service could materially and adversely impact our ability to attract and retain customers and our business, financial condition and results of operations.

A security breach could delay or interrupt service to our customers, compromise the integrity of our systems or data that we collect, result in the loss of our intellectual property or confidential information, harm our reputation, or subject us to significant liability.

Our operations depend on our ability to protect our network from interruption or damage resulting from unauthorized access or entry, computer viruses or malware or other events beyond our control. In the past, we

may have been subject to undetected distributed denial-of-service, or DDOS, cyberattacks by hackers intent on bringing down our services, and we may be subject to DDOS and other forms of cyberattacks in the future. We cannot assure you that our backup systems, regular data backups, physical, technological and organizational security protocols and measures and other procedures that are currently in place, or that may be in place in the future, will be adequate to prevent unauthorized access to our systems, significant damage, system interruption, degradation or failure, or data loss or to respond to a cyberattack once launched. Additionally, hackers may attempt to directly gain access to a customer's on-premise appliance, which may delay or interrupt services, or may subject our customers to further security risks, including in relation to any connected household devices a customer might have now or in the future, such as Nest devices or other household sensors, or to our network more generally. Also, our services are web-based, and the amount of data we store for our users on our servers has been increasing as our business has grown. Despite the implementation of security measures, our infrastructure may be vulnerable to hackers, computer viruses, worms, other malicious software programs or similar disruptive problems caused by our customers, employees, consultants or other internet users who attempt to invade public and private data networks. In some cases we do not have in place disaster recovery facilities for certain ancillary services, such as email delivery of messages. Currently, nearly all of our customers authorize us to bill their credit or debit card accounts directly for all transaction fees that we charge. We rely on encryption and authentication technology to ensure secure transmission of confidential information, including customer credit and debit card numbers. Despite our efforts to encrypt and secure customer payment card information, hackers with sufficiently sophisticated technology or methods may still be able to infiltrate our systems to gain unauthorized access to payment card information. Further, advances in computer capabilities, new discoveries in the field of cryptography or other developments may result in a compromise or breach of the technology we use to protect transaction data.

Additionally, third parties may attempt to fraudulently induce domestic and international employees, consultants or customers into disclosing sensitive information, such as user names, passwords or customer proprietary network information, or CPNI, or other information in order to gain access to our customers' data or to our data. CPNI includes information such as the phone numbers called by a customer, the frequency, duration, and timing of such calls, and any services purchased by the customer, such as call waiting, call forwarding and caller ID, in addition to other information that may appear on a customer's bill. Third parties may also attempt to fraudulently induce employees, consultants or customers into disclosing sensitive information regarding our intellectual property and other confidential business information, or our information technology systems. In addition, because the techniques used to obtain unauthorized access, or to sabotage systems, change frequently and generally are not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Any system failure or security breach that causes interruptions or data loss in our operations or in the computer systems of our customers or leads to the misappropriation of our or our customers' confidential or personal information, or CPNI, could result in significant liability to us. Such failure or breach could cause our service to be perceived as not being secure, subject us to regulatory requirements such as FCC notification, result in significant monetary costs, such as fines, legal fees and expenditures to improve and enhance our security measures, cause considerable harm to us and our reputation (including requiring notification to customers, regulators or the media) and deter current and potential customers from using our services. Additionally, we could incur significant costs, both monetary and with respect to management's time and attention, to investigate and remediate a data security breach. Because our onboarding and billing functions are conducted through a single data center, any security breach in that data center may cause an interruption in our business operations. Any of these events could have a material adverse effect on our business, results of operations and financial condition.

Failures in internet infrastructure or interference with broadband access could cause current or potential customers to believe that our systems are unreliable, leading our current customers to switch to our competitors or potential customers to avoid using our services.

Many of our services depend on our customers' broadband access to the internet, usually provided through a cable or digital subscriber line, or DSL, connection. In addition, users who access our services and applications

through mobile devices, such as smartphones and tablets, must have a high-speed connection, such as Wi-Fi, 3G, 4G or LTE, to use our services and applications. Currently, this access is provided by companies that have significant and increasing market power in the broadband and internet access marketplace, including incumbent phone companies, cable companies and wireless companies. Increasing numbers of users and increasing bandwidth requirements may degrade the performance of internet and mobile infrastructure, resulting in outages or deteriorations in connectivity and negatively impacting the quality with which we can deliver our solutions. As our customer base grows and their usage of communications capacity increases, we will be required to make additional investments in network capacity to maintain adequate data transmission speeds, the availability of which may be limited, or the cost of which may be on terms unacceptable to us. If adequate capacity is not available to us as our customers' usage increases, our network may be unable to achieve or maintain sufficiently high data transmission capacity, reliability or performance. Furthermore, as the rate of adopting new technologies increases, the networks on which our services and applications rely may not be able to sufficiently adapt to the increased demand for these services, including ours. In the past, we have experienced disruptions to our service. For example, in August 2011, we experienced an outage for approximately three hours, and in April and May 2015, we experienced multiple intermittent service outages that lasted for up to eight hours for some of our customers. Frequent or persistent interruptions could cause current or potential users to believe that our systems or services are unreliable, leading them to switch to our competitors or to avoid our services, and could permanently harm our reputation and brands. Because some of our services rely on integration between features that use both wired and wireless infrastructures, any of the aforementioned problems with either wired or wireless infrastructure may result in the inability of customers to take advantage of our integrated services and therefore may decrease the attractiveness of our collective services to current and potential customers.

The success of our business relies on customers' continued and unimpeded access to broadband service. Providers of broadband services may be able to block our services or charge their customers more for using our services, which could adversely affect our revenue and growth.

Some of the providers of broadband internet access and high-speed mobile access, such as AT&T and Verizon, offer products and services that directly compete with our own offerings, which can potentially give such providers a competitive advantage. For example, these providers may market and sell a bundle of services to our current and potential customers that includes services directly competitive to ours, and our current and potential customers may prefer these bundled offerings. Some providers of broadband access, including providers outside of the U.S., may take measures that affect their customers' ability to use our service, such as degrading the quality of the data packets we transmit over their lines, giving those packets low priority, giving other packets higher priority than ours, blocking our packets entirely or attempting to charge their customers more for also using our services. While actions like these by U.S. providers would violate the net neutrality rules recently adopted by the FCC and described below, most foreign countries have not adopted formal net neutrality or open internet rules, and there continues to be some uncertainty regarding whether the net neutrality rules will be upheld by courts or modified by legislative action.

On March 12, 2015 the FCC released new network neutrality and open internet rules that it had adopted on February 26, 2015. In that order, the FCC reclassified broadband Internet access services as a telecommunications service subject to some elements of common carrier regulation, including the obligation to provide service on just and reasonable terms, requirements related to customer privacy and requirements for accessibility for people with disabilities. The order also prohibits blocking or discriminating against lawful services and applications and prohibits "paid prioritization," or providing faster speeds or other benefits in return for compensation. The order does not go into effect until June 12, 2015 and is the subject of pending appeals by several parties. The net neutrality rules could affect the market for broadband internet access service in a way that impacts our business, for example by increasing the cost of broadband internet service and thereby depressing demand for our services or by increasing the costs of services we purchase.

Our quarterly and annual results of operations have fluctuated in the past and may continue to do so in the future. As a result, we may fail to meet or to exceed the expectations of research analysts or investors, which could cause our stock price to fluctuate.

Our quarterly and annual results of operations have varied historically from period to period, and we expect that they will continue to fluctuate due to a variety of factors, many of which are outside of our control, including:

- our ability to retain existing customers and attract new customers;
- our ability to sell premium solutions to our existing customers;
- our ability to introduce new solutions;
- the actions of our competitors, including pricing changes or the introduction of new solutions;
- our ability to effectively manage our growth;
- our ability to successfully penetrate the communications and connected services markets for small businesses, home, and mobile;
- the number of monthly and annual subscriptions at any given time;
- the timing, cost and effectiveness of our advertising and marketing efforts;
- the timing, operating cost and capital expenditures related to the operation, maintenance, and expansion of our business;
- the timing of our decisions with regard to product resource allocation;
- seasonality of consumers' purchasing patterns;
- service outages or security breaches and any related impact on our reputation;
- our ability to accurately forecast revenue and appropriately plan our expenses;
- costs associated with defending and resolving intellectual property infringement and other claims;
- changes in tax laws, regulations, or accounting rules;
- the timing and cost of developing or acquiring technologies, services or businesses and our ability to successfully manage any such acquisitions; and
- the impact of worldwide economic, industry, and market conditions.

Any one of the factors above, or the cumulative effect of some or all of the factors referred to above, may result in significant fluctuations in our quarterly and annual results of operations. This variability and unpredictability could result in our failure to meet our internal operating plan or the expectations of securities analysts or investors for any period, which could cause our stock price to decline. In addition, a significant percentage of our operating expenses is fixed in nature and is based on forecasted revenue trends. Accordingly, in the event of revenue shortfalls, we may not be able to mitigate the negative impact on net income (loss) and margins in the short term. If we fail to meet or exceed the expectations of research analysts or investors, the market price of our shares could fall substantially and we could face costly lawsuits, including securities class-action suits.

We may require additional capital to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances. If capital is not available to us or only under unfavorable terms, our business, results of operations and financial condition may be adversely affected.

We intend to continue making expenditures and investments to support the growth of our business and may require additional capital to pursue our business objectives and respond to business opportunities, challenges or unforeseen circumstances, including the need to develop new solutions or enhance our existing solutions, enhance our operating infrastructure, and acquire complementary businesses and technologies. Accordingly, we may need to engage in equity or debt financings to secure additional funds. However, additional funds may not be available

when we need them on terms acceptable to us, or at all. Our credit agreements with Silicon Valley Bank include restrictive covenants and any debt financing we secure in the future could involve further restrictive covenants, which may make it more difficult for us to obtain additional capital and to pursue business opportunities.

In addition, volatility in the credit markets may have an adverse effect on our ability to obtain debt financing. If we raise additional funds through further issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our common stock. If we are unable to obtain adequate financing or financing on terms satisfactory to us, our ability to continue pursuing our business objectives and to respond to business opportunities, challenges or unforeseen circumstances could be significantly limited, and our business, results of operations, financial condition and prospects could be materially and adversely affected.

We face a risk of non-compliance with certain covenants in our loan agreements with Silicon Valley Bank. If we are unable to meet the financial or other covenants under the agreements or to negotiate future waivers or amendments of the covenants, we could be in default under the agreements.

We have credit agreements with Silicon Valley Bank, or SVB, consisting of (i) a credit facility comprised of a $4.0 million senior secured term loan facility and a $12.0 million senior secured revolving facility, and (ii) a mezzanine facility comprised of a $5.0 million subordinated secured term loan facility and a conditional subordinated secured term loan facility of up to an aggregate of $5.0 million. As of April 30, 2015, we had an aggregate of approximately $10.7 million in outstanding borrowings including accrued interest under these agreements. Our credit agreements with SVB contain customary negative covenants that limit our ability to, among other things, incur additional indebtedness, grant liens, make investments, repurchase stock, pay dividends, transfer assets and merge or consolidate. The SVB facilities are secured by substantially all of our assets, though certain intellectual property collateral may be released if an initial public offering has occurred and no event of default under the SVB credit agreements exists. The SVB credit agreements also contain customary affirmative covenants, including requirements to, among other things, maintain minimum cash balances tied to the maximum commitment amounts outstanding under the SVB credit agreements following any initial public offering, and deliver audited financial statements. Upon the occurrence and during the continuation of an event of default, amounts due under the loan agreement may be accelerated by SVB. If we are unable to meet the financial or other covenants under the credit agreements or negotiate future waivers or amendments of such covenants, an event of default could occur under the credit agreements. Upon the occurrence and during the continuance of an event of default under the credit agreements, SVB has available a range of remedies customary in these circumstances, including declaring all outstanding debt, together with accrued and unpaid interest thereon, to be due and payable, foreclosing on the assets securing the loan agreement and/or ceasing to provide additional credit, which could have a material adverse effect on us. We were in compliance with all of the covenants as of April 30, 2015.

Growth may place significant demands on our management and our infrastructure.

We have recently experienced substantial growth in our business, including an increase in the number of customers we consider to be our core users. This growth has placed and may continue to place significant demands on our management and our operational and financial infrastructure. As our operations grow in size, scope and complexity, we will need to increase our sales and marketing efforts and add additional sales and marketing personnel worldwide and to improve and upgrade our systems and infrastructure to attract, service, and retain an increasing number of users. For example, we expect the volume of simultaneous calls to increase significantly as our user base grows. Our network hardware and software may not be able to accommodate this additional simultaneous call volume. The expansion of our systems and infrastructure will require us to commit substantial financial, operational and technical resources in advance of an increase in the volume of business, with no assurance that the volume of business will increase. Any such additional capital investments will increase our cost base. Continued growth could also strain our ability to maintain reliable service levels for our users, develop and improve our operational, financial and management controls, enhance our reporting systems

and procedures and recruit, train, and retain highly skilled personnel. If we fail to achieve the necessary level of efficiency in our organization as we grow, our business, results of operations, and financial condition could be materially and adversely affected.

Shifts in trends or the emergence of new technologies may render our solutions obsolete or require us to expend significant resources to develop, license, or acquire new services or applications on a timely and cost-effective basis in order to remain competitive.

The cloud-based communications and connected services industries are emerging markets characterized by rapid changes in customer requirements, frequent introductions of new and enhanced services, and continuing and rapid technological advancement. We cannot predict the effect of technological changes on our business. To compete successfully in these emerging markets, we must anticipate and adapt to technological changes and evolving industry standards and continue to design, develop, manufacture and sell new and enhanced services that provide increasingly higher levels of performance and reliability at lower cost. For the fiscal year ended January 31, 2015 and for the three months ended April 30, 2015, we derived approximately 83% and 79%, respectively, of our revenue from Ooma Telo, and we expect Ooma Telo will continue to account for a majority of our revenue for the foreseeable future. However, our future success will also depend on our ability to introduce and sell new services, features and functionality that enhance or are beyond the voice, fax, text and connected services we currently offer, as well as to improve usability and support and increase customer satisfaction. Our failure to develop solutions that satisfy customer preferences in a timely and cost-effective manner may harm our ability to renew our subscriptions with existing customers and to create or increase demand for our services and may materially and adversely impact our results of operations.

The introduction of new services by competitors or the development of entirely new technologies to replace existing offerings could make our solutions obsolete or adversely affect our business and results of operations. Announcements of future releases and new services and technologies by our competitors or by us could cause customers to defer purchases of our existing services, which also could have a material adverse effect on our business, financial condition or results of operations. We may experience difficulties with software development, operations, design or marketing that could delay or prevent our development, introduction or implementation of new or enhanced services and applications. We have in the past experienced delays in the planned release dates of new features and upgrades, and have discovered defects in new services and applications after their introduction. We cannot assure you that new features or upgrades will be released according to schedule, or that, when released, they will not contain defects. Either of these situations could result in adverse publicity, loss of revenue, delay in market acceptance or claims by customers brought against us, all of which could harm our reputation, business, results of operations, and financial condition. Moreover, the development of new or enhanced services or applications may require substantial investment, and we must continue to invest a significant amount of resources in our research and development efforts to develop these services and applications to remain competitive. We do not know whether these investments will be successful. If customers do not widely adopt any new or enhanced services and applications, we may not be able to realize a return on our investment. If we are unable to develop, license or acquire new or enhanced services and applications on a timely and cost-effective basis, or if such new or enhanced services and applications do not achieve market acceptance, our business, financial condition and results of operations may be materially and adversely affected.

Our success depends on the public acceptance of our connected services and applications.

Our future growth depends on our ability to significantly increase revenue generated from our communications solutions and other connected services that integrate voice communications technology with other functions, such as business promotion, automation, security and others. The markets for cloud-based communications and connected services are evolving rapidly and are characterized by an increasing number of market entrants. As is typical of a rapidly evolving industry, the demand for, and market acceptance of, these applications is uncertain. If the markets for cloud-based communications solutions or for other connected services fail to develop, develop more slowly than we anticipate or develop in a manner different than we expect, our services could fail to achieve market acceptance, which in turn could materially and adversely affect our business.

Our future growth in the small business market depends on the continued use of voice communications by businesses, as compared to e-mail and other data-based methods. A decline in the overall rate of voice communications by businesses would harm our business. Furthermore, our continued growth depends on future demand for and adoption of internet voice communications systems and services and on future demand for connected communications services. Although the number of broadband subscribers worldwide has grown significantly in recent years, only a small percentage of businesses have adopted internet voice communications services to date. For demand and adoption of internet voice communications services by businesses to increase, internet voice communications networks must improve the quality of their service for real-time communications by managing the effects of and reducing packet loss, packet delay, and packet jitter, as well as unreliable bandwidth, so that high-quality service can be consistently provided. Additionally, the cost and feature benefits of internet voice communications must be sufficient to cause customers to switch from traditional phone service providers. We must devote substantial resources to educate potential customers about the benefits of internet voice communications solutions, in general, and of our services in particular. If any or all of these factors fail to occur, our business may be materially and adversely affected.

Our Ooma Telo product and services are being sold to individuals and families. With the growth in cellular and other mobile technologies, many consumers have chosen to eliminate altogether their home telephone service. Our ability to continue growing our user base depends on our ability to convince our customers and potential customers that our service is sufficiently useful and cost-effective, such that it makes sense to maintain or reestablish home telephone services with us. Our growth could slow and our financial condition could be adversely affected if the trend of eliminating home telephone service continues or accelerates.

Our mobile platform, available to any consumer with a Wi-Fi or cellular data connected mobile device, operates in a market that is fragmented and difficult to get noticed by consumers. Many of our competitors in this market have been able to establish a significant user base and reputation in the market, which may make it more difficult for our products to be adopted. Furthermore, as new mobile devices are released, we may encounter difficulties supporting these devices and services, and we may need to devote significant resources to the creation, support, and maintenance of our mobile applications. Additionally, our competitors may allocate additional resources to marketing and promotion of their products, making it even more difficult to be noticed. It is also unclear how the adoption of “over-the-top” based communications will continue to grow. If the number of consumers using “over-the-top” based communications stagnates or declines, such movement may result in an intensified competition for consumers in this space.

Accusations of infringement of third-party intellectual property rights could materially and adversely affect our business.

There has been substantial litigation in the areas in which we operate regarding intellectual property rights. In the past, we have been sued by third parties claiming infringement of their intellectual property rights and we may be sued for infringement from time to time in the future. In the past, we have settled infringement litigation brought against us; however, we cannot assure you that we will be able to settle any future claims or, if we are able to settle any such claims, that the settlement will be on terms favorable to us. Our broad range of technology may increase the likelihood that third parties will claim that we infringe their intellectual property rights.

We have in the past received, and may in the future receive, notices of claims of infringement, misappropriation or misuse of other parties’ proprietary rights. For example, on April 17, 2015, plaintiff UrgenSync, LLC filed a complaint in the U.S. District Court for the Eastern District of Texas against us and other companies in the business of providing internet-based communications services, alleging infringement of U.S. Patent No. 8,295,802. The complaint seeks unspecified monetary damages, costs, attorneys’ fees and other appropriate relief. Based upon our preliminary investigation, we do not believe that our products infringe any valid or enforceable claim of the aforementioned patent and we plan to contest the claim vigorously. Notwithstanding their merits, accusations and lawsuits like these often require significant time and expense to defend, may negatively affect customer relationships, may divert management’s attention away from other

aspects of our operations and, upon resolution, may have a material adverse effect on our business, results of operations, financial condition and cash flows.

Certain technology necessary for us to provide our services may, in fact, be patented by other parties either now or in the future. If such technology were validly patented by another person, we would have to negotiate a license for the use of that technology. We may not be able to negotiate such a license at a price that is acceptable to us or at all. The existence of such a patent, or our inability to negotiate a license for any such technology on acceptable terms, could force us to cease using the technology and cease offering products and services incorporating the technology, which could materially and adversely affect our business and results of operations.

If we were found to be infringing on the intellectual property rights of any third party, we could be subject to liability for such infringement, which could be material. We could also be prohibited from using or selling certain products or services, prohibited from using certain processes, or required to redesign certain products or services, each of which could have a material adverse effect on our business and results of operations.

These and other outcomes may:

- result in the loss of a substantial number of existing customers or prohibit the acquisition of new customers;
- cause us to pay license fees for intellectual property we are deemed to have infringed;
- cause us to incur costs and devote valuable technical resources to redesigning our services;
- cause our cost of goods sold to increase;
- cause us to accelerate expenditures to preserve existing revenue;
- cause existing or new vendors to require prepayments or letters of credit;
- materially and adversely affect our brand in the marketplace and cause a substantial loss of goodwill;
- cause us to change our business methods or services;
- require us to cease certain business operations or offering certain products, services or features; and
- lead to our bankruptcy or liquidation.

Our limited ability to protect our intellectual property rights could materially and adversely affect our business.

We rely, in part, on patent, trademark, copyright and trade secret law to protect our intellectual property in the U.S. and abroad. We cannot assure you that the particular forms of intellectual property protection we seek, including business decisions about when to file patents and when to maintain trade secrets, will be adequate to protect our business. We seek to protect our technology, software, documentation and other information under trade secret and copyright law, which afford only limited protection. For example, we typically enter into confidentiality agreements with our employees, consultants, third-party contractors, customers and vendors in an effort to control access to use and distribution of our technology, software, documentation and other information. These agreements may not effectively prevent unauthorized use or disclosure of confidential information and may not provide an adequate remedy in the event of such unauthorized use or disclosure, and it may be possible for a third party to legally reverse engineer, copy or otherwise obtain and use our technology without authorization. In addition, improper disclosure of trade secret information by our current or former employees, consultants, third-party contractors, customers or vendors to the public or others who could make use of the trade secret information would likely preclude that information from being protected as a trade secret.

We also rely, in part, on patent law to protect our intellectual property in the U.S. and internationally. Our intellectual property portfolio includes four issued U.S. patents, which we expect to expire between December

2028 and February 2032. We also have eleven patent applications pending for examination in the U.S. and two patent applications pending for examination in foreign jurisdictions, all of which are related to U.S. applications. We cannot predict whether such pending patent applications will result in issued patents or whether any issued patents will effectively protect our intellectual property. Even if a pending patent application results in an issued patent, the patent may be circumvented or its validity may be challenged in various proceedings in U.S. District Court, before the U.S. Patent and Trademark Office or before their foreign equivalents, such as reexamination, which may require legal representation and involve substantial costs and diversion of management time and resources. In addition, we cannot assure you that every significant feature of our solutions is protected by our patents, or that we will mark our products with any or all patents they embody. As a result, we may be prevented from seeking damages in whole or in part for infringement of our patents.

The unlicensed use of our brand, including domain names, by third parties could harm our reputation, cause confusion among our customers and impair our ability to market our products and services. To that end, we have registered numerous trademarks and service marks, have applied for registration of additional trademarks and service marks and have acquired a number of domain names in and outside the U.S. to establish and protect our brand names as part of our intellectual property strategy. If our applications receive objections or are successfully opposed by third parties, it will be difficult for us to prevent third parties from using our brand without our permission. Moreover, successful opposition to our applications might encourage third parties to make additional oppositions or commence trademark infringement proceedings against us, which could be costly and time consuming to defend against. There have been in the past, and may be in the future, instances where third parties have used our trade names, or have adopted confusingly similar trade names to ours. We have been successful in asserting our rights in our trade names and causing such third parties to cease such use, but we may not be successful in the future. If we are not successful in protecting our trademarks, our trademark rights may be diluted and subject to challenge or invalidation, which could materially and adversely affect our brand.

Despite our efforts to implement our intellectual property strategy, we may not be able to protect or enforce our proprietary rights in the U.S. or internationally (where effective intellectual property protection may be unavailable or limited). For example, we have entered into agreements containing confidentiality and invention assignment provisions in connection with the outsourcing of certain software development, quality assurance and development activities to third-party contractors located in Canada, India, New Zealand, Russia and Ukraine. We have also entered into an agreement containing a confidentiality provision with a third-party contractor located in the Philippines, where we have outsourced a significant portion of our customer support function. We cannot assure you that agreements with these third-party contractors or their agreements with their employees and contractors will adequately protect our proprietary rights in the applicable jurisdictions and foreign countries, as their respective laws may not protect proprietary rights to the same extent as the laws of the U.S. In addition, our competitors may independently develop technologies similar or superior to our technology, duplicate our technology in a manner that does not infringe our intellectual property rights or design around any of our patents. Furthermore, detecting and policing unauthorized use of our intellectual property is difficult and resource-intensive. Moreover, litigation may be necessary in the future to enforce our intellectual property rights, to determine the validity and scope of the proprietary rights of others, or to defend against claims of infringement or invalidity. Such litigation, whether successful or not, could result in substantial costs and diversion of management time and resources and could have a material adverse effect on our business, financial condition and results of operations.

We license technology from third parties we do not control and cannot be assured of retaining such licenses.

We rely upon certain technology, including hardware and software, licensed from third parties. There can be no assurance that the technology licensed by us will continue to provide competitive features and functionality or that the licenses for technology currently utilized by us or other technology which we may seek to license in the future, will be available to us on commercially reasonable terms or at all. The loss of, or inability to maintain, existing licenses could result in shipment delays or reductions until equivalent technology or suitable alternative

products are developed, identified, licensed and integrated, and could harm our business. These licenses are typically offered on standard commercial terms made generally available by the companies providing the licenses. The cost and terms of these licenses individually are not material to our business.

If we experience excessive fraudulent activity or cannot meet evolving credit card association merchant standards, we could incur substantial costs and lose the right to accept credit cards for payment, which could cause our customer base to decline significantly.

Nearly all of our customers authorize us to bill their credit card accounts directly for service fees that we charge. If people pay for our services with stolen credit cards, we could incur substantial third-party vendor costs for which we may not be reimbursed. Further, our customers provide us with credit card billing information online or over the phone, and we do not review the physical credit cards used in these transactions, which increases our risk of exposure to fraudulent activity. We also incur charges, which we refer to as chargebacks, from the credit card companies' claims that the customer did not authorize the credit card transaction to purchase our service, something we have experienced in the past. If the number of unauthorized credit card transactions becomes excessive, we could be assessed substantial fines for excess chargebacks and we could lose the right to accept credit cards for payment. We have also been affected by the credit card breaches at various retail stores, which have caused millions of consumers to cancel credit cards as a result of the breach. We have found that some consumers do not renew their services after a card cancellation, which can have a material negative impact on our revenue. In addition, credit card issuers may change merchant standards, including data protection and documentation standards, required to utilize their services from time to time. If we fail to maintain compliance with current merchant standards, such as Payment Card Industry Data Security Standard, or PCI, or fail to meet new standards, the credit card associations could fine us or terminate their agreements with us, and we would be unable to accept credit cards as payment for our services. Our services may also be subject to fraudulent usage, including but not limited to revenue share fraud, domestic traffic pumping, subscription fraud, premium text message scams, and other fraudulent schemes. Although our customers are required to set passwords and Personal Identification Numbers, or PINs, to protect their accounts and may configure in which destinations international calling is enabled from their extensions, third parties may be able to access and use their accounts through fraudulent means. In addition, third parties may have attempted in the past, and may attempt in the future, to fraudulently induce domestic and international employees or consultants into disclosing customer credentials and other account information. Communications fraud can result in unauthorized access to customer accounts and customer data, unauthorized use of customers' services, and charges to customers for fraudulent usage and expenses we must pay to carriers. We may be required to pay for these charges and expenses with no reimbursement from the customer, and our reputation may be harmed if our services are subject to fraudulent usage. Although we implement multiple fraud prevention and detection controls, we cannot assure you that these controls will be adequate to protect against fraud. Substantial losses due to fraud or our inability to accept credit card payments, which could cause our paid customer base to significantly decrease, could have a material adverse effect on our results of operations, financial condition and ability to grow our business.

Potential problems with our information systems could interfere with our business and operations.

We rely on our information systems and those of third parties for processing customer orders, distribution of our services, billing our customers, processing credit card transactions, customer relationship management, supporting financial planning and analysis, accounting functions and financial statement preparation and otherwise running our business. Information systems may experience interruptions, including interruptions of related services from third-party providers, which may be beyond our control. Such business interruptions could cause us to fail to meet customer requirements. All information systems, both internal and external, are potentially vulnerable to damage or interruption from a variety of sources, including without limitation, computer viruses, security breaches, energy blackouts, natural disasters, terrorism, war, telecommunication failures and employee or other theft, as well as third-party provider failures. Any disruption in our information systems and those of the third parties upon which we rely could have a significant impact on our business.

We may implement enhanced information systems in the future to meet the demands resulting from our growth and to provide additional capabilities and functionality. The implementation of new systems and enhancements is frequently disruptive to the underlying business of an enterprise, and can be time-consuming and expensive, increase management responsibilities and divert management attention. Any disruptions relating to our systems enhancements or any problems with the implementation, particularly any disruptions impacting our operations or our ability to accurately report our financial performance on a timely basis during the implementation period, could materially and adversely affect our business. Even if we do not encounter these material and adverse effects, the implementation of these enhancements may be much more costly than we anticipated. If we are unable to successfully implement the information systems enhancements as planned, our financial position, results of operations and cash flows could be negatively impacted.

Our use of open source technology could impose limitations on our ability to commercialize our services.

We use open source software in our platform on which our services operate. There is a risk that the owners of the copyrights in such software may claim that such licenses impose unanticipated conditions or restrictions on our ability to market or provide our services. If such owners prevail in such claim, we could be required to make the source code for our proprietary software (which contains our valuable trade secrets) generally available to third parties, including competitors, at no cost, to seek licenses from third parties in order to continue offering our services, to re-engineer our technology, or to discontinue offering our services in the event re-engineering cannot be accomplished on a timely basis or at all, any of which could cause us to discontinue our services, harm our reputation, result in customer losses or claims, increase our costs or otherwise materially and adversely affect our business and results of operations. If a copyright holder of such open source software were to allege we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our solutions that contained the open source software and required to comply with the foregoing conditions, which could disrupt the distribution and sale of some of our solutions.

We depend largely on the continued services of our senior management and other key employees, the loss of any of whom could adversely affect our business, results of operations and financial condition.

Our future performance depends on the continued services and contributions of our senior management and other key employees to execute on our business plan, and to identify and pursue opportunities and services innovations. The loss of services of senior management or other key employees could significantly delay or prevent the achievement of our development and strategic objectives. In particular, we depend to a considerable degree on the vision, skills, experience and effort of our Chief Executive Officer, Eric B. Stang. All of our executive officers and senior management may terminate employment with us at any time with no advance notice. The replacement of any of these senior management personnel would likely involve significant time and costs, and such loss could significantly delay or prevent the achievement of our business objectives. Many members of our senior management have been our employees for many years and therefore have significant experience and understanding of our business that would be difficult to replace. In addition, certain members of our senior management team, including our general counsel, who joined us in December of 2013, and our chief financial officer, who joined us in December of 2014, have worked together for only a relatively short period of time and it may be difficult to evaluate their effectiveness, on an individual or collective basis, and ability to address future challenges to our business. Our inability to attract and retain the necessary personnel could adversely affect our business, financial condition or results of business. We do not maintain key person insurance for any of our personnel.

If we are unable to hire, retain and motivate qualified personnel, our business will suffer.

Our future success depends, in part, on our continued ability to attract and retain highly skilled personnel. We believe there is, and will continue to be, intense competition for highly skilled technical and other personnel with experience in our industry in the San Francisco Bay Area, where our headquarters is located, and in other

locations where we may maintain offices in the future. We must provide competitive compensation packages and a high-quality work environment to hire, retain and motivate employees. If we are unable to retain and motivate our existing employees or attract qualified personnel to fill key positions, we may be unable to manage our business effectively, including the development, marketing and sale of existing and new services, which could have a material adverse effect on our business, financial condition, and results of operations. To the extent we hire personnel from competitors, we may be subject to allegations such personnel have been improperly solicited or divulged proprietary or other confidential information.

We may expand through acquisitions of, or investments in, other companies, each of which may divert our management's attention, result in additional dilution to our stockholders, increase expenses, disrupt our operations and harm our results of operations.

Our business strategy may, from time to time, include acquiring or investing in complementary services, technologies or businesses. We cannot assure you we will successfully identify suitable acquisition candidates, integrate or manage disparate technologies, lines of business, personnel and corporate cultures, realize our business strategy or the expected return on our investment, or manage a geographically dispersed company. Any such acquisition or investment could materially and adversely affect our results of operations. Acquisitions and other strategic investments involve significant risks and uncertainties, including:

- the potential failure to achieve the expected benefits of the combination or acquisition;
- unanticipated costs and liabilities;
- difficulties in integrating new products and services, software, businesses, operations and technology infrastructure in an efficient and effective manner;
- difficulties in maintaining customer relations;
- the potential loss of key employees of the acquired businesses;
- the diversion of the attention of our senior management from the operation of our daily business;
- the potential adverse effect on our cash position to the extent that we use cash for the purchase price;
- the potential significant increase of our interest expense, leverage, and debt service requirements if we incur additional debt to pay for an acquisition;
- the potential issuance of securities that would dilute our stockholders' percentage ownership;
- the potential to incur large and immediate write-offs and restructuring and other related expenses; and
- the inability to maintain uniform standards, controls, policies and procedures.

Any acquisition or investment could expose us to unknown liabilities. Moreover, we cannot assure you that we will realize the anticipated benefits of any acquisition or investment. In addition, our inability to successfully operate and integrate newly acquired businesses appropriately, effectively, and in a timely manner could impair our ability to take advantage of future growth opportunities and other advances in technology, as well as on our revenue, gross margins and expenses.

Additionally, we have recently acquired companies which form the basis for our Business Promoter and Talkatone solutions. We are still going through the process of integrating the employee bases and technologies acquired from those companies, and cannot assure you we will be able to effectively integrate those assets with our resources; we may not be able to realize the potential growth and gain we anticipated at the time of acquisition.

We may expand our international operations, which may expose us to significant risks.

To date, we have not generated significant revenue from outside of the U.S. and Canada, but we expect to grow our international revenue in the future. The future success of our business will depend, in part, on our ability to expand our operations and customer base worldwide. Operating in international markets requires significant resources and management attention and will subject us to regulatory, economic and political risks different from those in the U.S. Because of our limited experience with international operations and developing and managing sales and distribution channels in international markets, our international expansion efforts may not be successful. In addition, we will face risks in doing business internationally that could materially and adversely affect our business, including:

- our ability to comply with differing technical and environmental standards, data privacy and telecommunications regulations, and certification requirements outside the U.S.;
- difficulties and costs associated with staffing and managing foreign operations;
- potentially greater difficulty collecting accounts receivable and longer payment cycles;
- the need to adapt and localize our services for specific countries;
- the need to offer customer care in various native languages;
- reliance on third parties over which we have limited control, including international resellers, for marketing and reselling our services;
- availability of reliable broadband connectivity and wide area networks in targeted areas for expansion;
- lower levels of adoption of credit or debit card usage for internet related purchases by foreign customers and compliance with various foreign regulations related to credit or debit card processing and data privacy requirements;
- difficulties in understanding and complying with local laws, regulations, and customs in foreign jurisdictions;
- export controls and trade and economic sanctions administered by the Department of Commerce Bureau of Industry and Security and the Treasury Department’s Office of Foreign Assets Control;
- tariffs and other non-tariff barriers, such as quotas and local content rules;
- compliance with various anti-bribery and anti-corruption laws such as the U.S. Foreign Corrupt Practices Act of 1977, as amended, or the FCPA;
- limited protection for intellectual property rights in some countries;
- adverse tax consequences;
- fluctuations in currency exchange rates, which could increase the price of our services outside of the U.S., increase the expenses of our international operations, including expenses related to foreign contractors, and expose us to foreign currency exchange rate risk;
- exchange control regulations, which might restrict or prohibit our conversion of other currencies into U.S. Dollars;
- restrictions on the transfer of funds;
- deterioration of political relations between the U.S. and other countries; and
- political or social unrest or economic instability in a specific country or region, which could have an adverse impact on our third-party software development and quality assurance operations there.

Our failure to manage any of these risks successfully could harm our future international operations and our overall business.

We may not be able to manage our inventory levels effectively, which may lead to excess inventory or inventory obsolescence that would force us to incur inventory write-downs.

Our vendor-supplied on-premise appliances and end-point devices have lead times of up to 32 weeks for delivery and are built to satisfy our demand forecasts that are necessarily imprecise. It is likely that from time to time we will have either excess or insufficient product inventory. In addition, because we rely on third-party vendors for the supply of our devices, our inventory levels are subject to the conditions regarding the timing of purchase orders and delivery dates not within our control. Excess inventory levels would subject us to the risk of inventory obsolescence, while insufficient levels of inventory may negatively affect relations with customers. For instance, our customers rely upon our ability to meet committed delivery dates, and any disruption in the supply of our services could result in loss of customers or harm to our ability to attract new customers. Retailers may elect to return any unsold inventory without any penalty, which could result in a write down for excess inventory. Any of these factors could have a material adverse effect on our business, financial condition or results of operations.

Our corporate headquarters, both of our data centers and co-location facilities and our third-party customer service and support facility are located near known earthquake fault zones, and the occurrence of an earthquake, tsunami or other catastrophic disaster could damage our facilities or the facilities of our contractors, which could cause us to curtail our operations. Increased energy costs, power outages and limited availability of electrical resources may adversely affect our operating results.

Our corporate headquarters, both of our data centers and our customer service call center for Ooma office are located in northern California, our other customer service call center operated by our contractor is located in the Philippines, and our contract manufacturer facilities are located near the coast in China. All of these locations are on the Pacific Rim near known earthquake fault zones and, therefore, are vulnerable to damage from earthquakes and tsunamis. Additionally, our China facility and our sole third-party customer service and support facility in the Philippines are located in areas subject to typhoons. We and our contractors are also vulnerable to other types of disasters, such as power loss, fire, floods, pandemics, cyber-attack, war, political unrest and terrorist attacks and similar events that are beyond our control. If any disasters were to occur, our ability to operate our business could be seriously impaired, and we may endure system interruptions, reputational harm, loss of intellectual property, delays in our services development, lengthy interruptions in our services, breaches of data security and loss of critical data, all of which could harm our future results of operations. In addition, we do not carry earthquake insurance and we may not have adequate insurance to cover our losses resulting from other disasters or other similar significant business interruptions. Any significant losses not recoverable under our insurance policies could seriously impair our business and financial condition.

Changes in effective tax rates, or adverse outcomes resulting from examination of our income or other tax returns, could adversely affect our results of operations and financial condition.

Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expiration of, or lapses in, the research and development tax credit laws;
- expiration or non-utilization of net operating loss carryforwards;
- tax effects of share-based compensation;
- certain non-deductible expenses as a result of acquisitions;
- expansion into new jurisdictions;
- potential challenges to and costs related to implementation and ongoing operation of our intercompany arrangements; and
- changes in tax laws and regulations and accounting principles, or interpretations or applications thereof.

Any changes in our effective tax rate could adversely affect our results of operations.

We may be unable to use some or all of our net operating loss carryforwards, which could materially and adversely affect our reported financial condition and results of operations.

As of January 31, 2015, we had federal and state net operating loss carryforwards, or NOLs, of $56.2 million and $56.1 million, respectively, available to offset future taxable income, due to prior period losses, each of which, if not utilized, will begin to expire in 2029, however, California research and development tax credits can be carried forward indefinitely. We also have federal research and development tax credit carryforwards that will begin to expire in 2029. Realization of these net operating loss and research tax credit carryforwards depends on future income, and there is a risk that our existing carryforwards could expire unused and be unavailable to offset future income tax liabilities, which could materially and adversely affect our results of operations.

Under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, our ability to utilize net operating loss carryforwards or other tax attributes, such as research tax credits, in any taxable year may be limited if we experience an "ownership change." 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. Similar rules may apply under state tax laws. We completed a Section 382 analysis through January 31, 2015 and determined that an ownership change, as defined under Section 382 of the Internal Revenue Code, occurred in prior years. Based on the analysis, we determined that we had undergone three ownership changes. The first and second ownership changes occurred in April 2005 and the third change occurred in February 2009. NOLs presented account for any limited and potential lost attributes due to the ownership changes and their respective expiration dates. The NOLs in the second table of Note 10 of the notes to our consolidated financial statements reflect the available NOLs we expect to use.

No deferred tax assets have been recognized on our balance sheet related to these NOLs, as they are fully reserved by a valuation allowance. If we have previously had, or have in the future, one or more Section 382 "ownership changes," including in connection with our initial public offering or this offering, or if we do not generate sufficient taxable income, we may not be able to utilize a material portion of our NOLs, even if we achieve profitability. If we are limited in our ability to use our NOLs in future years in which we have taxable income, we will pay more taxes than if we were able to fully utilize our NOLs. This could materially and adversely affect our results of operations.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, our business could fail to grow at similar rates, if at all.

Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. The estimates and forecasts in this prospectus relating to the size and expected growth of our market, including our estimated annual recurring revenue based on various assumptions, may prove to be inaccurate. Even if the market in which we compete meets the size estimates and growth forecasted in this prospectus, our business could fail to grow at similar rates, if at all.

Risks Related to Federal, State and International Regulation

Our services are subject to regulation and future legislative or regulatory actions could adversely affect our business and expose us to liability.

Federal Regulation

Our business is regulated by the Federal Communications Commission, or FCC. As a communications services provider, we are subject to FCC regulations relating to privacy, disability access, porting of numbers,

Federal Universal Service Fund, or USF, contributions, E-911, and other matters. If we do not comply with FCC rules and regulations, we could be subject to FCC enforcement actions, fines, loss of licenses, and possibly restrictions on our ability to operate or offer certain of our services. Any enforcement action by the FCC, which may include a public process, would hurt our reputation in the industry, possibly impair our ability to sell our services to customers and could have a materially adverse impact on our revenue.

If the FCC classifies interconnected VoIP service as a telecommunications service subject to common carrier regulation, we could be subject to additional regulation under federal and state telecommunications laws. Compliance with such laws could increase our cost of doing business.

State Regulation

We are also subject to state consumer protection laws, as well as U.S. state, municipal and local sales, use, excise, utility user and ad valorem taxes, fees or surcharges. The imposition of such regulatory obligations or the imposition of additional taxes on our services could increase our cost of doing business and limit our growth.

International Regulation

As we expand internationally, we may be subject to telecommunications, consumer protection, data privacy and other laws and regulations in the foreign countries where we offer our services. For example, we are a provider of internet voice telecommunications services in Canada. As a provider of internet voice communications services, we are subject to regulation in Canada by the CRTC. We are also subject to Canadian federal privacy laws and provincial consumer protection legislation.

In addition, our international operations are potentially subject to country-specific governmental regulation and related actions that may increase our cost or impact our product and service offerings or prevent us from offering or providing our products and services in certain countries. Certain of our services may be used by customers located in countries where VoIP and other forms of IP communications may be illegal or require special licensing. In countries where local laws and regulations prohibit (or come to prohibit) the use of our products, users may continue to use our products and services, which could subject us to costly penalties or governmental action adverse to our business and damaging to our brand and reputation, our international expansion efforts, or our business and operating results.

The FCC continues to consider additional 911 requirements, including requiring us to deploy an E-911 service that automatically determines the location of our customers. The adoption of such requirements could increase our costs that could make our service more expensive, decrease our profit margins, or both.

The FCC is actively considering additional 911 requirements for interconnected VoIP providers, non-interconnected VoIP providers and texting providers. The outcome of the FCC's proceedings cannot be determined at this time and we may or may not be able to comply with any such obligations that may be adopted. At present, we have no means to automatically identify the physical location of our customers on the internet. Changes to the FCC's VoIP E-911 rules may adversely affect our ability to deliver our service to new and existing customers in all geographic regions or to nomadic customers who move to a location where emergency calling services compliant with the FCC's mandates are unavailable. Our compliance with the FCC's VoIP E-911 order and related costs puts us at a competitive disadvantage to VoIP service providers who are either not subject to the requirements or have chosen not to comply with the FCC's mandates. We cannot guarantee emergency calling service consistent with the VoIP E-911 order will be available to all of our customers, especially those accessing our services on a mobile device or from outside of the U.S. The FCC's current VoIP E-911 order or follow-on orders or clarifications, the impact on our customers due to service price increases or other factors could have a material adverse effect on our business, financial condition or operating results.

The FCC order reforming the system of payments between regulated carriers we partner with to interface with the public switched telephone network, or PSTN, could increase our costs of providing service, which could result in increased rates for service, making our offerings less competitive than others in the marketplace, or reduce our profitability.

In 2011, the FCC reformed the system under which regulated providers of telecommunications services compensate each other for various types of traffic, including VoIP traffic that terminates on the PSTN and applied new call signaling requirements to VoIP and other service providers. The FCC's rules concerning charges for transmission of VoIP traffic could result in an increased cost to terminate the traffic, could reduce the availability of services or increase the price of services from our underlying providers, or could otherwise impact the wholesale telecommunications market in a way that adversely impacts our business. To the extent that we transmit traffic not subject to a specific intercarrier compensation arrangement and another provider were to assert that the traffic we exchange with them is subject to higher levels of compensation than what we, or the third parties terminating our traffic to the PSTN, pay today (if any), our termination costs could increase.

If we cannot comply with the FCC's rules imposing call signaling requirements on VoIP providers like us, we may be subject to fines, cease and desist orders, or other penalties.

The FCC order reforming the system of compensation for various types of traffic also included rules to address calls for which identifying information is missing or masked in ways that impede billing for such traffic. The FCC's rules require, among other things, interconnected VoIP providers like us, who originate interstate or intrastate traffic destined for the PSTN, to transmit the telephone number associated with the calling party to the next provider in the call path. Intermediate providers must pass unaltered calling party number or charge number signaling information they receive from other providers to subsequent providers in the call path. To the extent that we pass traffic that does not have appropriate calling party number or charge number information, we could be subject to fines, cease and desist orders, or other penalties.

We may not be able to comply with FCC rules governing completion of calls to rural areas and related reporting requirements.

On November 8, 2013, the FCC issued a Report and Order and Further Notice of Proposed Rulemaking adopting rules to address problems with rural call completion and proposing additional requirements. The new rules apply to interconnected VoIP providers like us. The Commission imposed recording, retention, and reporting requirements to increase its ability to monitor and redress rural call completion problems. These new rules also support the Commission's efforts to enforce restrictions on blocking, choking, reducing, or restricting calls. Under the rules, a covered provider must record and retain, for at least six months, information about calls attempts to rural areas and must report that data to the FCC on a quarterly basis. If we cannot comply with these rules, we could be subject to investigation and enforcement action and could be exposed to substantial liability. In addition, complying with these rules may increase our cost of doing business and may also increase the cost of services we purchase from our underlying telecommunications providers. The FCC also has increased enforcement activity related to completion of calls to rural customers, and we could be subject to substantial fines and to conduct requirements that could increase our costs if we are the subject of an enforcement proceeding and cannot demonstrate calls from our customers to rural customers are completed at a satisfactory rate.

The FCC has continued to increase regulation of interconnected VoIP services and may at any time determine certain VoIP services are telecommunications services subject to traditional common carrier regulation.

The FCC is considering, in various proceedings, issues arising from the transition from traditional copper networks to IP networks. It has, among other things, launched a series of trials and experiments designed to gather data about this transition, and to support the FCC's effort to ensure public safety, enable universal access, and protect consumers and competition. The FCC is also considering whether interconnected VoIP services

should be treated as telecommunications services, which could subject interconnected VoIP services to additional common carrier regulation. The FCC's efforts may result in additional regulation of IP network and service providers, which may negatively affect our business.

The FCC adopted rules concerning disabilities access requirements that may expand disabilities access requirements to additional services we offer.

In October 2010, the Twenty-First Century Communications and Video Accessibility Act, or the CVAA, was signed into law. The CVAA and the FCC's implementing rules imposes disability access, recordkeeping, certification, and other compliance obligations on interconnected VoIP providers and on providers of other Advanced Communications services, including non-interconnected VoIP and electronic messaging services. In addition, the CVAA and the FCC's implementing rules include complaint filing procedures to address accessibility complaints. These new obligations could increase our expenses, which would have an adverse effect on our operating results. Failure to comply with these obligations could expose us to FCC enforcement actions and liability.

Reform of federal and state Universal Service Fund programs could increase the cost of our service to our customers, diminishing or eliminating our pricing advantage.

The FCC and a number of states are considering reform or other modifications to Universal Service Fund programs. The way we calculate our contribution may change if the FCC or certain states engage in reform or adopt other modifications. In April 2012, the FCC released a Further Notice of Proposed Rulemaking to consider reforms to the manner in which companies, like us, contribute to the federal Universal Service Fund program, and in August 2014, the FCC ordered the Federal-State Joint Board on Universal Service to make a recommendation on how to reform the universal service contribution rules by April 7, 2015, although the recommendation has not been released as of the date hereof. In addition, the FCC is considering whether non-interconnected VoIP providers, texting providers, and broadband providers, among others, should contribute to the USF. We cannot predict the outcome of this proceeding nor its impact on our business at this time.

Should the FCC or certain states adopt new contribution mechanisms or otherwise modify contribution obligations that increase our contribution burden, we will either need to raise the amount we currently collect from our customers to cover this obligation or absorb the costs, which would reduce our profit margins. Furthermore, the FCC has ruled that states can require us to contribute to state Universal Service Fund programs. A number of states already require us to contribute, while others are actively considering extending their programs to include the services we provide. We currently pass through Universal Service Fund contributions to our customers which may result in our services becoming less competitive as compared to those provided by others.

Our products must comply with industry standards, FCC regulations, state, local, country-specific and international regulations, and changes may require us to modify existing products and/or services.

In addition to reliability and quality standards, the market acceptance of telephony over broadband IP networks is dependent upon the adoption of industry standards so that products from multiple manufacturers are able to communicate with each other. Our unique hybrid SaaS connectivity platform relies on communication standards such as SIP, SRTP and network standards such as TCP/IP and UDP to interoperate with other vendors' equipment. There is currently a lack of agreement among industry leaders about which standard should be used for a particular application and about the definition of the standards themselves. These standards, as well as audio and video compression standards, continue to evolve. We also must comply with certain rules and regulations of the FCC regarding electromagnetic radiation and safety standards established by Underwriters Laboratories, as well as similar regulations and standards applicable in other countries. Standards are frequently modified or replaced. As standards evolve, we may be required to modify our existing products or develop and support new versions of our products. We must comply with certain federal, state and local requirements regarding how we

interact with our customers, including marketing practices, consumer protection, privacy, and billing issues, the provision of 9-1-1 emergency service and the quality of service we provide to our customers. The failure of our products and services to comply, or delays in compliance, with various existing and evolving standards could delay or interrupt volume production of our VoIP telephony products, subject us to fines or other imposed penalties, or harm the perception and adoption rates of our service, any of which would have a material adverse effect on our business, financial condition or operating results.

Failure to comply with communications and telemarketing laws could result in significant fines or place significant restrictions on our business.

We rely on a variety of marketing techniques, including telemarketing and email marketing campaigns. We also record certain telephone calls between our customers or potential customers and our sales and service representatives for training and quality assurance purposes. These activities are subject to a variety of state and federal laws such as the Telephone Consumer Protection Act of 1991 (also known as the Federal Do-Not-Call law, or the TCPA), the Telemarketing Sales Rule, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003 (also known as the CAN-SPAM Act) and various U.S. state laws regarding telemarketing and telephone call recording. These laws are subject to varying interpretations by courts and governmental authorities and often require subjective interpretation, making it difficult to predict their application and therefore making our compliance efforts more challenging. We cannot be certain our efforts to comply with these laws, rules and regulations will be successful, or, if they are successful, that the cost of such compliance will not be material to our business. Changes to these or similar laws, or to their application or interpretation, or new laws, rules and regulations governing our communication and marketing activities could adversely affect our business. In the event that any of these laws, rules or regulations significantly restricts our business, we may not be able to develop adequate alternative communication and marketing strategies. Further, non-compliance with these laws, rules and regulations carries significant financial penalties and the risk of class action litigation, which would adversely affect our financial performance and significantly harm our reputation and our business.

We process, store, and use personal information and other data, which subjects us and our customers to a variety of evolving governmental regulation, industry standards and self-regulatory schemes, contractual obligations, and other legal obligations related to privacy, which may increase our costs, decrease adoption and use of our products and services, and expose us to liability.

There are a number of U.S. federal, state and local, and foreign laws and regulations, as well as contractual obligations and industry standards, that provide for certain obligations and restrictions with respect to data privacy and security, and the collection, storage, retention, protection, use, processing, transmission, sharing, disclosure, and protection of personal information and other customer data. The scope of these obligations and restrictions is changing, subject to differing interpretations, and may be inconsistent among countries or conflict with other rules, and their status remains uncertain. Within the European Union, or EU, strict laws already apply in connection with the collection, storage, retention, protection, use, processing, transmission, sharing, disclosure, and protection of personal information and other customer data. The EU model has been replicated in many jurisdictions outside the U.S., including Asia-Pacific Economic Cooperation countries. Regulators have the power to impose significant fines on non-compliant organizations. As internet commerce, communication technologies and the Internet of Things continue to evolve, increasing online service providers' and network users' capacity to collect, store, retain, protect, use, process and transmit large volumes of personal information, increasingly restrictive regulation by federal, state or foreign agencies becomes more likely. For example, a variety of regulations that would increase restrictions on online service providers in the area of data privacy are currently being proposed, both in the U.S. and in other jurisdictions, and we believe that the adoption of increasingly restrictive regulation in the field of data privacy and security is likely. In Canada, new anti-spam legislation prescribing certain rules regarding the use of electronic messages for commercial purposes took effect on July 1, 2014. This new law also contains provisions that took effect in January 2015, which impose certain restrictions on a service provider's ability to electronically automatically update or change software used in a customer's service without the customer's consent. Penalties for non-compliance with the new Canadian anti-

spam legislation are considerable, including administrative monetary penalties of up to $10 million and a private right of action. Obligations and restrictions imposed by current and future applicable laws, regulations, contracts and industry standards may affect our ability to provide all the current features of our small business, home and mobile products and services and our customers' ability to use our products and services, and could require us to modify the features and functionality of our products and services. Such obligations and restrictions may limit our ability to collect, store, process, use, transmit and share data, and to allow our customers to collect, store, retain, protect, use, process, transmit, share and disclose data with others through our products and services. Compliance with such obligations and restrictions could increase the cost of our operations. Failure to comply with obligations and restrictions related to data privacy and security could subject us to lawsuits, fines, criminal penalties, statutory damages, consent decrees, injunctions, adverse publicity and other losses that could harm our business.

Our customers can use our services to store contact and other personal or identifying information, and to process, transmit, receive, store and retrieve a variety of communications and messages, including, for our Ooma Office customers, information about their own customers and other contacts. In addition, customers may use our services to transmit and store protected health information, or PHI, that is protected under the Health Insurance Portability and Accountability Act, or HIPAA. Noncompliance with laws and regulations relating to privacy such as HIPAA, as amended, and the HIPAA regulations, may lead to significant fines, penalties or liabilities. Our actual compliance, our customers' perception of our compliance, costs of compliance with such regulations and customer concerns regarding their own compliance obligations (whether factual or in error) may limit the use and adoption of our service and reduce overall demand. Furthermore, privacy concerns, including the inability or impracticality of providing advance notice to customers of privacy issues related to the use of our services, may cause our customers' customers to resist providing the personal data necessary to allow our customers to use our services effectively. Even the perception of privacy concerns, whether or not valid, may inhibit market adoption of our service in certain industries.

In addition to government activity, privacy advocacy groups and industry groups have adopted and are considering the adoption of various self-regulatory standards and codes of conduct that may place additional burdens on us and our customers, which may further reduce demand for our services and harm our business.

While we try to comply with all applicable data protection laws, regulations, standards, and codes of conduct, as well as our own posted privacy policies and contractual commitments to the extent possible, any failure by us to protect our users' privacy and data, including as a result of our systems being compromised by hacking or other malicious or surreptitious activity, could result in a loss of user confidence in our services and ultimately in a loss of users, which could materially and adversely affect our business. Our customers may also accidentally disclose their passwords, store them on a mobile device that is lost or stolen, or otherwise fall prey to attacks outside our system, creating the perception that our systems are not secure against third-party access. Additionally, our third-party contractors in the Philippines, India, Canada, New Zealand, Russia, and China may have access to customer data. If these or other third-party vendors violate applicable laws or our policies, such violations may also put our customers' information at risk and could in turn have a material and adverse effect on our business.

Use or delivery of our services may become subject to new or increased regulatory requirements, taxes or fees.

The increasing growth and popularity of internet voice communications heighten the risk that governments will regulate or impose new or increased fees or taxes on internet voice communications services. To the extent the use of our services continues to grow, regulators may be more likely to seek to regulate or impose new or additional taxes, surcharges or fees on our services. Similarly, advances in technology, such as improvements in locating the geographic origin of internet voice communications, could cause our services to become subject to additional regulations, fees or taxes, or could require us to invest in or develop new technologies, which may be costly. In addition, as we continue to expand our user base and offer more services, we may become subject to new regulations, taxes, surcharges or fees. Increased regulatory requirements, taxes, surcharges or fees on internet voice communications services, which could be assessed by governments retroactively or prospectively,

would substantially increase our costs, and, as a result, our business would suffer. In addition, the tax status of our services could subject us to conflicting taxation requirements and complexity with regard to the collection and remittance of applicable taxes. Any such additional taxes could harm our results of operations.

We are subject to anti-corruption and anti-money laundering laws with respect to our operations and non-compliance with such laws can subject us to criminal and/or civil liability and harm our business.

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, and possibly other anti-bribery and anti-money laundering laws in countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees and third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. We use third-party representatives for product testing, customs, export, and import matters outside of the U.S. In addition, as we increase our international sales and business, we may engage with business partners and third party intermediaries to sell our products and services abroad and to obtain necessary permits, licenses, and other regulatory approvals. 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. 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.

Noncompliance with anti-corruption and anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and/or debarment from contracting with certain persons, the loss of export privileges, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal litigation, our business, results of operations and financial condition could be materially harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources, significant defense costs and other professional fees. Enforcement actions and sanctions could further harm our business, results of operations, and financial condition.

We are subject to governmental export and import controls, economic embargoes and trade sanctions that could impair our ability to expand our business to, and compete in, international markets and could subject us to liability if we are not in compliance with applicable laws.

Our products and services are subject to export and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls. Exports of our products and services must be made in compliance with these laws and regulations. Obtaining the necessary authorizations, including any required license, for a particular sale may be time-consuming, is not guaranteed and may result in the delay or loss of sales opportunities. If we fail to comply with these laws and regulations, we and certain of our employees could be subject to substantial civil or criminal penalties, including the possible loss of export or import privileges, fines which may be imposed on us and responsible employees or managers, and, in extreme cases, the incarceration of responsible employees or managers.

Moreover, U.S. export control laws and economic sanctions programs generally prohibit the export of certain products and services to countries, governments and persons subject to U.S. economic embargoes and trade sanctions unless a license, approval, or other authorization is obtained from the U.S. Government. Obtaining such licenses and authorizations may be time-consuming and is not guaranteed. Any violations of such economic embargoes and trade sanctions regulations could have negative consequences, including government investigations, penalties and reputational harm.

In addition, any changes in our products or services, or changes in applicable export, import, embargo and trade sanctions regulations, may create delays in the introduction and sale of our products and services in international markets or, in some cases, prevent the export or import of our products and services to certain countries, governments, or persons altogether. Any change in export, import, embargo, or trade sanctions regulations, shift in the enforcement or scope of existing regulations, or change in the countries, governments, persons or technologies targeted by such regulations, could also result in decreased use of our products and services, or in our decreased ability to export or sell our products and services to existing or potential customers with international operations. Any decreased use of our products and services or limitation on our ability to export or sell our products and services would likely adversely affect our business.

We may be subject to liabilities on past services for taxes, surcharges and fees.

We collect and remit state or municipal sales, use, excise, utility user and ad valorem taxes, fees, or surcharges on the charges to our customers for our services or goods in only those jurisdictions where we believe we have a legal obligation to do so or for business reasons to reduce risk. In addition, we have historically substantially complied with the collection of certain California sales/use taxes and financial contributions to the California 9-1-1 system (the Emergency Telephone Users Surcharge) and federal USF. With limited exception, we believe we are generally not subject to taxes, fees, or surcharges imposed by other state and municipal jurisdictions or that such taxes, fees, or surcharges do not apply to our service. There is uncertainty as to what constitutes sufficient “in state presence” for a state to levy taxes, fees and surcharges for sales made over the internet. Therefore, taxing authorities may challenge our position and may decide to audit our business and operations with respect to sales, use, telecommunications and other taxes, which could result in increased tax liabilities for us or our customers, which could materially and adversely affect our results of operations and our relationships with our customers.

Finally, the application of other indirect taxes (such as sales and use tax, value added tax, or VAT, goods and services tax, business tax, and gross receipt tax) to e-commerce businesses, such as ours, is a complex and evolving area. In November 2007, the U.S. federal government enacted legislation extending the moratorium on states and other local authorities imposing access or discriminatory taxes on the internet through November 2014. This moratorium does not prohibit federal, state, or local authorities from collecting taxes on our income or from collecting taxes due under existing tax rules. The application of existing, new, or future laws, whether in the U.S. or internationally, could have adverse effects on our business, prospects, and results of operations. There have been, and will continue to be, substantial ongoing costs associated with complying with the various indirect tax requirements in the numerous markets in which we conduct or will conduct business.

Risks Related to Being a Public Company

We have identified a material weakness in our internal control over financial reporting as of January 31, 2013, 2014 and 2015. If we fail to develop and maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results in a timely manner, which may adversely affect investor confidence in our company.

We will be 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 as of January 31, 2017. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting.

In connection with our financial statement close process for fiscal 2013, fiscal 2014 and fiscal 2015, we identified a material weakness in the design and operating effectiveness of our internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, that creates a reasonable possibility a material misstatement of a company’s annual or interim financial statements will not be prevented or detected on a timely basis.

The material weakness we identified resulted from a lack of sufficient number of qualified personnel within our accounting function who possessed an appropriate level of expertise to effectively perform the following functions:

- identify, select and apply GAAP sufficiently to provide reasonable assurance that transactions were being appropriately recorded; and
- assess risk and design appropriate control activities over information technology systems and financial and reporting processes necessary to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.

We are taking numerous steps we believe will address the underlying causes of the material weakness described above, primarily through the hiring of additional accounting and finance personnel with technical accounting and financial reporting experience, development and implementation of policies, and improved processes and documented procedures. If we fail to effectively remediate deficiencies in our control environment or are unable to implement and maintain effective internal control over financial reporting to meet the demands that will be placed upon us as a public company, including the requirements of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, we may be unable to accurately report our financial results, or report them within the timeframes required by law or exchange regulations.

Even if we are able to report our financial statements accurately and in a timely manner, if we do not make all necessary improvements to address the material weakness, continued disclosure of a material weakness will be required in future filings with the SEC, which could cause our reputation to be harmed and our stock price to decline.

We have not performed an evaluation of our internal control over financial reporting, such as required by Section 404 of the Sarbanes-Oxley Act, nor have we engaged our independent registered public accounting firm to perform an audit of our internal control over financial reporting as of any balance sheet date or for any period reported in our financial statements. Had we performed such an evaluation or had our independent registered public accounting firm performed an audit of our internal control over financial reporting, control deficiencies, including material weaknesses and significant deficiencies, in addition to those discussed above, may have been identified. In addition, we are an “emerging growth company” as defined in the Jumpstart Our Business Startups Act, and as such we will elect to avail ourselves of the exemption from the requirement that our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act until we cease to be an “emerging growth company.”

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

As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, the listing requirements of the stock exchange on which our common stock is traded and other applicable securities rules and regulations. Compliance with these rules and regulations may increase 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 results of operations. 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 harm our business and results of operations. 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.

The expenses incurred by public companies for reporting and corporate governance purposes have increased dramatically over the past several years. We expect these rules and regulations to increase our legal and financial compliance costs substantially and to make some activities more time consuming and costly. We are unable currently to estimate these costs with any degree of certainty. As a public company we also expect it will be more expensive for us to obtain 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 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.

However, for as long as we remain an "emerging growth company" as defined in the JOBS Act, we will take advantage of certain exemptions from various reporting requirements applicable to other public companies that are not "emerging growth companies," including, but not limited to, exemption from the requirement 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. We will take advantage of these reporting exemptions until we are no longer an "emerging growth company."

We will cease to be an "emerging growth company" upon the earliest of (i) January 31, 2021, (ii) the last day of the first fiscal year in which our annual gross revenue exceeds $1.0 billion, (iii) the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt securities or (iv) as of the end of any fiscal year in which the market value of our common stock held by non-affiliates exceeded $700 million as of the end of the second quarter of that fiscal year.

As a result of filings required of a public company, our business and financial condition has become more visible, which we believe may result in more litigation, including by competitors and other third parties. If such claims are successful, our business and results of operations could be materially and adversely affected, 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 materially and adversely affect our business and results of operations.

Our actual operating results may differ significantly from our guidance.

From time to time, we plan to release guidance in our quarterly earnings conference calls, quarterly earnings releases, or otherwise, regarding our future performance that represents our management's estimates as of the date of release. This guidance, which will include forward-looking statements, will be based on projections prepared by our management. These projections will not be prepared with a view toward compliance with published guidelines of the American Institute of Certified Public Accountants, and neither our registered public accountants nor any other independent expert or outside party compiles or examines the projections. Accordingly, no such person will express any opinion or any other form of assurance with respect to the projections.

Projections are based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. We intend to state possible outcomes as high and low ranges which are intended to provide a sensitivity analysis as variables are changed but are not intended to imply that actual results could not fall outside of the suggested ranges. The principal reason that we release guidance is to provide a basis for our management to discuss our business outlook with analysts and investors. We do not accept any responsibility for any projections or reports published by any such third parties.

Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the guidance furnished by us will not materialize or will vary significantly from actual results.

Accordingly, our guidance is only an estimate of what management believes is realizable as of the date of release. Actual results may vary from our guidance and the variations may be material. In light of the foregoing, investors are urged not to rely upon our guidance in making an investment decision regarding our common stock.

Any failure to successfully implement our operating strategy or the occurrence of any of the events or circumstances set forth in this "Risk Factors" section in this prospectus could result in the actual operating results being different from our guidance, and the differences may be adverse and material.

Risks Related to Owning Our Common Stock and This Offering

Sales of a substantial number of shares of our common stock in the public market, or the perception these sales might occur, could cause our share price to decline.

Sales of a substantial number of shares of our common stock in the public market after this offering, or the perception these sales might occur, could cause the market price of our common stock to decline and could impair our ability to raise capital through the sale of additional equity securities. After this offering, we will have outstanding shares of our common stock, based on the number of shares outstanding as of .

All of the shares of our common stock sold in this offering will be freely tradable without restriction or further registration under the Securities Act of 1933, as amended, or the Securities Act, except for any shares held by our "affiliates" as defined in Rule 144 under the Securities Act. The remaining shares are currently restricted as a result of market stand-off agreements restricting their sale for 180 days after the date of this prospectus. In addition, substantially all of these shares are also subject to lock-up agreements with the underwriters. Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated may, in their sole discretion, permit our officers, directors, employees, and current security holders who are subject to lock-up agreements to sell shares prior to the expiration of the lock-up agreements.

Additionally, the shares of common stock subject to outstanding options under our equity incentive plans and the shares reserved for future issuance under our equity incentive plans will become eligible for sale in the public market in the future, subject to certain legal and contractual limitations.

After this offering, the holders of an aggregate of shares of our common stock as of , will have rights, subject to certain conditions, to require us to file registration statements covering their shares or to include their shares in registration statements we may file for ourselves or our stockholders. We also will register shares of common stock we may issue under our employee equity incentive plans. Once we register these shares, they will be able to be sold freely in the public market upon issuance, subject to existing market stand-off or lock-up agreements.

We cannot predict what effect, if any, market sales of securities held by our stockholders or the availability of these securities for future sale will have on the market price of our common stock. See "Underwriting" and "Shares Eligible for Future Sale" for a more detailed description of the restrictions on selling our securities after this offering.

We may also issue shares of our common stock or other securities from time to time as consideration for future acquisitions and investments. If any such acquisition or investment is significant, the number of shares of our common stock or the number or aggregate principal amount, as the case may be, of other securities we may issue may in turn be substantial. We may also grant registration rights covering those shares of our common stock or other securities in connection with any such acquisitions and investments.

Worldview Technology Partners and its affiliates own a significant portion of our stock and may limit your ability to influence corporate matters.

As of April 30, 2015, Worldview Technology Partners beneficially owned approximately 56.5% of our outstanding voting securities (assuming no conversion of preferred stock into common stock) and will beneficially own approximately % upon the completion of this offering. This significant concentration of share ownership may adversely affect the trading price for our common stock because investors often perceive disadvantages in owning stock in companies with controlling stockholders. Also, Worldview Technology Partners will be able to control our management and affairs and matters requiring stockholder approval, including the election of directors and the approval of significant corporate transactions, such as mergers, consolidations or the sale of substantially all of our assets. Consequently, this concentration of ownership may have the effect of delaying or preventing a change of control, including a merger, consolidation or other business combination involving us, or discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control, even if that change of control would benefit our other stockholders.

If securities analysts do not publish research or reports about our business or if they publish negative evaluations of our stock, the price of our stock could decline.

We expect that the trading price for our common stock will be affected by any research or reports that industry or financial analysts publish about us or our business. If one or more of the analysts who may elect to cover us downgrade their evaluations of our stock, the price of our stock could decline. If one or more of these analysts cease coverage of our company, our stock may lose visibility in the market, which in turn could cause its price to decline.

Our common stock could trade at prices below the initial public offering price.

There has not been a public trading market for shares of our common stock prior to this offering. An active trading market may not develop or be sustained after this offering. The initial public offering price for the shares of common stock sold in this offering will be determined by negotiations among us and representatives of the underwriters. This price may not be indicative of the price at which our common stock will trade after this offering, and our common stock could easily trade below the initial public offering price.

Our management has broad discretion in the use of the net proceeds from this offering and may not use the net proceeds effectively.

Our management will have broad discretion in the application of the net proceeds of this offering. We cannot specify with certainty the uses to which we will apply these net proceeds. The failure by our management to apply these funds effectively could adversely affect our ability to continue maintaining and expanding our business.

We have never paid cash dividends and do not anticipate paying any cash dividends on our common stock.

We do not anticipate paying any cash dividends on our common stock in the foreseeable future. If we do not pay cash dividends, you would receive a return on your investment in our common stock only if the market price of our common stock increases before you sell your shares. Furthermore, we are party to credit agreements with Silicon Valley Bank which contain negative covenants that limit our ability to pay dividends. See the section entitled “Liquidity and Capital Resources.”

Our charter documents and Delaware law could prevent a takeover that stockholders consider favorable and could also reduce the market price of our stock.

Our Amended and Restated Certificate of Incorporation and our Amended and Restated Bylaws will contain provisions that could delay or prevent a change in control of our company. These provisions could also make it more difficult for stockholders to elect directors and take other corporate actions. These provisions include:

- providing for a classified board of directors with staggered, three year terms;

- authorizing the issuance of "blank check" preferred stock that our board of directors could issue to increase the number of outstanding shares to discourage a takeover attempt;
- prohibiting cumulative voting in the election of directors;
- providing that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum;
- prohibiting stockholder action by written consent;
- limiting the persons who may call special meetings of stockholders; and
- requiring advance notification of stockholder nominations and proposals.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, the provisions of Section 203 of the Delaware General Corporate Law govern us. These provisions may prohibit large stockholders, in particular those owning 15% or more of our outstanding voting stock, from merging or combining with us for a certain period of time without the consent of our board of directors.

These and other provisions in our amended and restated certificate of incorporation and our bylaws and under Delaware law could discourage potential takeover attempts, reduce the price investors might be willing to pay in the future for shares of our common stock and result in the market price of our common stock being lower than it would be without these provisions. See the section entitled "Description of Capital Stock—Anti-Takeover Effects of Provisions of the Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws."

Our amended and restated certificate of incorporation to be in effect upon completion of this offering will provide that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our amended and restated certificate of incorporation to be in effect upon completion of this offering provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, any action asserting a claim against us arising pursuant to any provisions of the General Corporation Law of the State of Delaware, our amended and restated certificate of incorporation or our amended and restated bylaws to be in effect upon completion of this offering, or any action asserting a claim against us that is governed by the internal affairs doctrine. The 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 our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. If a court were to find the choice of forum provision contained in our amended and 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.

The market price of our common stock is likely to be volatile and could decline following this offering, resulting in a substantial loss of your investment.

The market price of our common stock could be subject to wide fluctuations in response to, among other things, the factors described in this "Risk Factors" section or otherwise, and other factors beyond our control, such as fluctuations in the valuations of companies perceived by investors to be comparable to us.

Furthermore, the stock markets have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market fluctuations,

as well as general economic, systemic, political and market conditions, such as recessions, interest rate changes or international currency fluctuations, may negatively affect the market price of our common stock.

Factors that could cause the market price of our common stock to fluctuate significantly include:

- our operating and financial performance and prospects and the performance of other similar companies;
- our quarterly or annual earnings or those of other companies in our industry;
- conditions that impact demand for our services;
- the public's reaction to our press releases, financial guidance, and other public announcements, and filings with the Securities and Exchange Commission, or SEC;
- changes in earnings estimates or recommendations by securities or research analysts who track our common stock;
- market and industry perception of our success, or lack thereof, in pursuing our growth strategy;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- changes in government and other regulations;
- changes in accounting standards, policies, guidance, interpretations or principles;
- arrival and departure of key personnel;
- the number of shares to be publicly traded after this offering;
- sales of common stock by us, our investors or members of our management team; and
- changes in general market, economic, and political conditions in the U.S. and global economies or financial markets, including those resulting from natural disasters, telecommunications failure, cyber-attack, civil unrest in various parts of the world, acts of war, terrorist attacks, or other catastrophic events.

In the past, many companies that have experienced volatility in the market price of their stock have become subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could harm our business.

Because the public offering price of our common stock will be substantially higher than the net tangible book value per share of our outstanding common stock following this offering, new investors will experience immediate and substantial dilution.

The public offering price of our common stock is substantially higher than the net tangible book value per share of our common stock immediately following this offering based on the total value of our tangible assets less our total liabilities. Therefore, if you purchase shares of our common stock in this offering, you will experience immediate dilution of approximately $ per share, the difference between the public offering price of $ per share and the net tangible book value per share of our common stock as of April 30, 2015, after giving effect to the issuance of shares of our common stock in this offering. See the section entitled "Dilution."

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our future financial performance, including trends in revenue, cost of revenue, operating expenses and income taxes;
- our estimates of the size of our market opportunity and forecasts of market growth;
- changes to our business resulting from increased competition or changes in market trends;
- our ability to develop, launch or acquire new products and services, improve our existing products and services and increase the value of our products and services;
- our ability to increase our revenue and our revenue growth rate;
- our ability to anticipate demand for our products;
- our ability to effectively manage our future growth;
- our ability to successfully maintain our relationships with our resellers;
- our ability to attract and retain customers, including our ability to maintain adequate customer care and manage increases in our churn rate;
- our ability to improve local number portability provisioning and obtain direct inward dialing numbers;
- our ability to maintain, protect and enhance our brand and intellectual property;
- government regulation, including compliance with regulatory requirements and changes in market rules, rates and tariffs;
- our ability to comply with the FCC’s regulations regarding E-911 services;
- increasing regulation of our services and the imposition of federal, state and municipal sales and use taxes, fees or surcharges on our services;
- the effects of industry trends on our results of operations;
- server or system failures that could affect the quality or disrupt the services we provide and our ability to maintain data security;
- our ability to borrow additional funds and access capital markets, as well as our ability to comply with the terms of our indebtedness and the possibility that we may incur additional indebtedness in the future;
- the differences between our services, including our emergency calling service, compared to traditional phone services;
- the sufficiency of our cash and cash equivalents and cash generated from operations to meet our working capital and capital expenditure requirements;
- our ability to successfully enter new markets and manage our international expansion;
- our ability to successfully identify, evaluate and consummate acquisitions; and
- our use of the net proceeds from this offering.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this prospectus.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described principally in the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. As a result, we cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make.

USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $ million, or approximately $ million if the underwriters exercise their option to purchase additional shares of our common stock in full, based upon the assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus), after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share would increase or decrease, as applicable, the net proceeds that we receive from this offering by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions. Each increase or decrease of 1,000,000 shares in the number of shares offered by us would increase or decrease, as applicable, the net proceeds that we receive from this offering by approximately $ million, assuming that the assumed initial public offering price of $ per share, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions.

We will have broad discretion over the use of the net proceeds in this offering. As of the date of this prospectus, we cannot specify all of the particular uses for the net proceeds from this offering. We currently will use the net proceeds to us from this offering primarily for general corporate purposes, including working capital, sales and marketing activities, general and administrative matters, capital expenditures and further development of our solutions.

We intend to invest the net proceeds in short- and intermediate-term interest-bearing obligations, investment-grade instruments, certificates of deposit or guaranteed obligations of the U.S. government, pending their use as described above. We cannot predict whether the invested proceeds will yield a favorable return.

Approximately $ of the net proceeds from this offering, based upon the assumed initial public offering price of $ per share (the midpoint of the price range set forth on the cover page of this prospectus), may be paid to the holder of a warrant exercisable for 140,575 shares of our Series Alpha convertible preferred stock, which may be exercised or settled in cash, net of the aggregate exercise price, upon the closing of this offering.

We will also use approximately $ of the net proceeds from this offering to repay the outstanding principal and accrued interest on our existing loans with Silicon Valley Bank (assuming such repayment takes place on , 2015). As of April 30, 2015, the outstanding aggregate balance of these loans and accrued interest was approximately $10.7 million. Such indebtedness is being used for general corporate purposes. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Silicon Valley Bank Credit Agreements” for a description of the current interest rates and maturity dates on our outstanding loans.

In addition, we may use a portion of the net proceeds from this offering to expand our current business through acquisitions or investments in other complementary strategic businesses, products or technologies. We have no commitments with respect to any acquisitions at this time.

Some of the other principal purposes of this offering are to create a public market for our common stock and increase our visibility in the marketplace. A public market for our common stock will facilitate future access to public equity markets and enhance our ability to use our common stock as a means of attracting and retaining key employees and as consideration for acquisitions.

DIVIDEND POLICY

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not anticipate paying any cash dividends for the foreseeable future. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, cash requirements, financial condition, contractual restrictions including compliance with covenants under our credit facilities and other factors that our board of directors may deem relevant. In addition, under the terms of our current credit facilities, we are prohibited from paying cash dividends without the prior consent of Silicon Valley Bank.

CAPITALIZATION

The following table sets forth our capitalization as of April 30, 2015:

- on an actual basis;
- on a pro forma basis to give effect to (i) the automatic conversion of all outstanding shares of our Series Alpha and Series Alpha -1 convertible preferred stock into 16,707,522 shares of our common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into shares of our common stock based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus; (ii) the reclassification of our convertible preferred stock warrant liability associated with warrants to purchase 174,651 shares of our convertible preferred stock to additional paid-in capital effective upon the closing of this offering; (iii) the net exercise of warrants to purchase 68,802 shares of our convertible preferred stock, and the termination of the associated preferred stock warrant liability and the reclassification of the associated preferred stock warrant liability to additional paid-in capital effective upon the closing of this offering; and (iv) the derecognition of our convertible preferred stock warrant liability related to a warrant to purchase 140,575 shares of our convertible preferred stock that may be exercised or cash settled upon the closing of this offering; and
- on a pro forma as adjusted basis to give effect to (i) the application of net proceeds from the sale of shares of common stock in this offering at an assumed public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus; and (ii) the application of outstanding amounts under our existing loans with Silicon Valley Bank (assuming such repayment had occurred on February 1, 2015)

You should read this table in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As of April 30, 2015		
	Actual	Pro Forma	Pro Forma, As Adjusted(1)(2)
	(In thousands, except share and per share data)		
Cash and cash equivalents	$ 13,635	$ 12,909	$
Debt	$ 11,481	$ 11,481	$
Convertible preferred stock warrant liability	1,933	—	
Convertible preferred stock, $0.0001 par value: 18,034,820 shares authorized, 17,190,468 issued and outstanding, actual; no shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	38,637	—	
Stockholders’ equity (deficit):			
Preferred stock, $0.0001 par value: no shares authorized, issued or outstanding, actual; shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	
Common stock, $0.0001 par value: 30,000,000 shares authorized, 5,300,354 shares issued and outstanding, actual; shares authorized, shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	1		
Additional paid-in capital	6,637		
Accumulated deficit	(54,691)	(54,691)	
Total stockholders’ equity (deficit)	(48,053)		
Total capitalization	$ 3,998	$	

(1) The terms of our Series Beta convertible preferred stock provide that the ratio at which each share of Series Beta convertible preferred stock will automatically convert into shares of our common stock upon completion of this offering is dependent upon the actual initial public offering price of our common stock to be determined at pricing. Based on the assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, the outstanding shares of our Series Beta convertible preferred stock would convert into an aggregate of shares of our common stock upon completion of this offering. Each $1.00 increase or decrease in the assumed initial public offering price of $ per share would increase or decrease, as applicable, the number of shares of our common stock issuable upon conversion of the outstanding shares of our Series Beta convertible preferred stock prior to or upon completion of this offering by approximately shares, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same.

(2) Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the amount of cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each increase or decrease of 1,000,000 shares in the number of shares offered by us would increase or decrease, as applicable, the amount of cash and cash equivalents, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $ million, assuming the assumed initial public offering price of $ per share, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The total number of shares of our common stock reflected in the discussion and table above is based upon shares of our common stock outstanding on a pro forma basis as of April 30, 2015, and excludes:

- 847,160 unvested shares of restricted common stock subject to our repurchase right;
- 3,922,041 shares of our common stock issuable upon exercise of stock options outstanding as of April 30, 2015, having a weighted-average exercise price of $2.04 per share;
- shares of our common stock issuable upon exercise of stock options granted after April 30, 2015, having a weighted-average exercise price of $ per share;
- shares of common stock reserved for future grant or issuance under our 2015 Equity Incentive Plan, or 2015 Plan (which includes 116,134 shares of our common stock as of April 30, 2015 reserved for future grant under our 2005 Plan that will be added to the shares reserved for future issuance under our 2015 Plan upon effectiveness of that plan if the shares are not issued or subject to outstanding grants under the 2005 Plan at that time), which will become effective in connection with this offering and contains provisions that automatically increase its share reserve each year, as more fully described in "Executive Compensation—Employee Benefit Plans;"
- shares of common stock reserved for future issuance under our 2015 Employee Stock Purchase Plan, which will become effective in connection with this offering and contains provisions that automatically increase its share reserve each year, as more fully described in "Executive Compensation—Employee Benefit Plans;"
- 176,005 shares of our common stock issuable upon the exercise of outstanding warrants to purchase our common stock outstanding as of April 30, 2015, having a weighted-average exercise price of $3.10 per share;
- 174,651 shares of our common stock issuable upon the exercise of outstanding warrants to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share;

- 68,802 shares of our common stock issuable upon the exercise of outstanding warrants to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share, which will either terminate upon the closing of this offering, or will be exercised prior thereto; and
- 140,575 shares of our common stock, on an as-converted basis, issuable upon the exercise of outstanding warrants to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share, which may be exercised or settled in cash, net of the aggregate exercise price, upon the closing of this offering.

DILUTION

If you invest in our common stock, your interest will be diluted to the extent of the difference between the public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock after this offering. Our historical net tangible book value as of April 30, 2015 was $(11.7) million, or $(2.21) per share of common stock. Our net tangible book value per share represents total tangible assets less total liabilities, divided by the number of shares of common stock outstanding as of April 30, 2015. Our pro forma net tangible book value at April 30, 2015, before giving effect to this offering, was $(10.5) million, or $(0.47) per share of our common stock. Our pro forma net tangible book value before the issuance of shares in this offering gives effect to the automatic conversion of our outstanding convertible preferred stock into our common stock immediately prior to the completion of this offering and the related reclassification of the convertible preferred stock warrant liability to additional paid-in capital immediately prior to the closing of this offering.

After giving effect to our sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of April 30, 2015 would have been $, or $ per share. This represents an immediate increase in net tangible book value of $ per share to our existing stockholders and an immediate dilution of $ per share to new investors purchasing shares of common stock in this offering. The following table illustrates this dilution on a per share basis:

Initial public offering price per share		$
Historical net tangible book value per share as of April 30, 2015	$(2.21)	
Pro forma increase in net tangible book value per share		
Pro forma net tangible book value per share as of April 30, 2015		
Increase in net tangible book value per share attributable to new investors purchasing shares in this offering		
Pro forma as adjusted net tangible book value per share after giving effect to this offering		
Dilution in pro forma net tangible book value per share to new investors in this offering		$

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, our pro forma as adjusted net tangible book value by approximately $ million, or approximately $ per share, and would increase or decrease, as applicable, dilution per share to new investors in this offering by $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase or decrease of 1,000,000 shares in the number of shares offered by us would increase or decrease, as applicable, our pro forma as adjusted net tangible book value by approximately $ million, or approximately $ per share, and would increase or decrease, as applicable, dilution per share to new investors in this offering by approximately $ per share, assuming an initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will be adjusted based on the actual public offering price and other terms of this offering determined at pricing. If the underwriters exercise their option to purchase additional shares in full, the pro forma as adjusted net tangible book value per share would be $ per share, and the dilution per share to new investors in this offering would be $ per share.

The following table summarizes the pro forma as adjusted basis described above, as of April 30, 2015, the differences between the existing stockholders and new investors with respect to the number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid or to be paid to us at an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders		%	$	%	$
New investors		%	$	%	$
Total		100.0%	$	100.0%	

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the total consideration paid to us by new investors and total consideration paid to us by all stockholders by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase or decrease of 1,000,000 shares in the number of shares offered by us would increase or decrease the total consideration paid to us by new investors and total consideration paid to us by all stockholders by $ million, assuming an initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The total number of shares of our common stock reflected in the discussion and table above is based upon shares of our common stock outstanding on a pro forma basis as of April 30, 2015, and excludes:

- 847,160 unvested shares of restricted common stock subject to our repurchase rights;
- 3,922,041 shares of our common stock issuable upon exercise of stock options outstanding as of April 30, 2015, having a weighted-average exercise price of $2.04 per share;
- shares of our common stock issuable upon exercise of stock options granted after April 30, 2015, having a weighted-average exercise price of $ per share;
- shares of common stock reserved for future grant or issuance under our 2015 Equity Incentive Plan, or 2015 Plan (which includes 116,134 shares of our common stock as of April 30, 2015 reserved for future grant under our 2005 Plan that will be added to the shares reserved for future issuance under our 2015 Plan upon effectiveness of that plan if the shares are not issued or subject to outstanding grants under the 2005 Plan at that time), which will become effective in connection with this offering and contains provisions that automatically increase its share reserve each year, as more fully described in “Executive Compensation—Employee Benefit Plans”;
- shares of common stock reserved for future issuance under our 2015 Employee Stock Purchase Plan, which will become effective in connection with this offering and contains provisions that automatically increase its share reserve each year, as more fully described in “Executive Compensation—Employee Benefit Plans”;
- 176,005 shares of our common stock issuable upon the exercise of outstanding warrants to purchase our common stock outstanding as of April 30, 2015, having a weighted-average exercise price of $3.10 per share;
- 174,651 shares of our common stock issuable upon the exercise of outstanding warrants to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share;

- 68,802 shares of our common stock issuable upon the exercise of outstanding warrants to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share, which will either terminate upon the closing of this offering, or will be exercised prior thereto; and
- 140,575 shares of our common stock, on an as-converted basis, issuable upon the exercise of an outstanding warrant to purchase Series Alpha convertible preferred stock outstanding as of April 30, 2015, having an exercise price of $2.35 per share, which may be exercised or settled in cash, net of the aggregate exercise price, upon the closing of this offering.

To the extent that any outstanding options are exercised, new options are issued under our stock-based compensation plans or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering.

SELECTED CONSOLIDATED FINANCIAL DATA

You should read the selected consolidated financial data set forth below in conjunction with our consolidated financial statements, the notes to our consolidated financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" contained elsewhere in this prospectus.

We derived the selected consolidated statements of operations data for the fiscal years ended January 31, 2013, 2014 and 2015 and summary consolidated balance sheet for the fiscal years ended January 31, 2014 and 2015 from our audited consolidated financial statements included elsewhere in this prospectus. We have derived the unaudited consolidated statements of operations data for the first three months of fiscal 2015 and fiscal 2016 and the unaudited consolidated balance sheet data as of April 30, 2015 from our unaudited consolidated financial statements included elsewhere in this prospectus. We have prepared the unaudited financial information on a basis consistent with our audited consolidated financial statements and have included, in our opinion, all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of the financial information set forth in those statements. Our historical results are not necessarily indicative of the results to be expected in any future period, and our interim results are not necessarily indicative of the results to be expected for the full fiscal year.

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
	(In thousands, except share and per share data)				
Consolidated Statements of Operations Data:					
Revenue:					
Subscription and services	$ 24,107	$ 35,377	$ 53,828	$ 10,886	$ 15,576
Product and other	15,126	18,288	18,373	5,413	4,276
Total revenue	39,233	53,665	72,201	16,299	19,852
Cost of revenue:					
Subscription and services	13,899	15,894	18,284	3,817	5,624
Product and other	11,590	15,573	18,440	4,775	4,207
Total cost of revenue(1)	25,489	31,467	36,724	8,592	9,831
Gross profit	13,744	22,198	35,477	7,707	10,021
Operating expenses:					
Sales and marketing(1)	7,471	13,192	22,276	3,730	5,895
Research and development(1)	7,023	7,888	12,290	2,301	4,097
General and administrative(1)	2,508	2,573	6,650	930	2,961
Total operating expenses	17,002	23,653	41,216	6,961	12,953
Operating (loss) income	(3,258)	(1,455)	(5,739)	746	(2,932)
Interest income (expense), net	(550)	(269)	(323)	(53)	(285)
Change in fair value of convertible preferred stock warrants	153	(250)	(795)	(184)	(716)
Other expense, net	(8)	(26)	(55)	(10)	(2)
(Loss) income before income tax benefit	(3,663)	(2,000)	(6,912)	499	(3,935)
Income tax benefit	—	—	502	—	—
Net (loss) income	(3,663)	(2,000)	(6,410)	499	(3,935)
Less: Undistributed earnings to participating securities holders	—	—	—	(499)	—
Net loss attributable to common stockholders	$ (3,663)	$ (2,000)	$ (6,410)	$ —	$ (3,935)
Net loss per share attributable to common stockholders(2):					
Basic and diluted	$ (1.77)	$ (0.59)	$ (1.40)	$ —	$ (0.76)
Weighted-average common shares outstanding:					
Basic and diluted	2,071,914	3,377,692	4,568,483	4,018,563	5,182,483
Pro forma net loss per share attributable to common stockholders(2):					
Basic and diluted			$		$

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
	(In thousands, except share and per share data)				
Pro forma weighted average shares outstanding(2):					
Basic and diluted					
Other Financial Data:					
Adjusted EBITDA(3):	$(2,241)	$(445)	$(3,455)	$ 1,001	$ (1,885)

(1) Stock-based compensation expense is included in our results of operations as follows (in thousands):

	Year Ended January 31,			Three months Ended	
	2013	2014	2015	April 30, 2014	April 30, 2015
Total cost of revenue	$ 11	$ 7	$ 36	$ 4	$ 58
Sales and marketing	1	6	41	5	56
Research and development	50	26	169	15	217
General and administrative	111	33	180	17	220
Total	$173	$ 72	$ 426	$ 41	$ 551

(2) See Note 14 of the notes to our consolidated financial statements for a description of the method used to compute basic and diluted net (loss) income per share attributable to common stockholders and proforma net loss per share attributable to common stockholders.

(3) We monitor Adjusted EBITDA (a non-GAAP financial measure) to manage our business, evaluate our performance and make planning decisions. Adjusted EBITDA represents net income (loss) before net interest (income) expense, income taxes, depreciation and amortization, stock-based compensation, change in the fair value of our convertible preferred stock warrants and change in fair value of our acquisition-related contingent consideration. We believe that Adjusted EBITDA is a useful supplemental financial measure to evaluate our operating performance across periods and against other companies that may have different capital structures or different stock-based compensation policies. Our Adjusted EBITDA may not be comparable to similarly titled measures of other companies because other companies may not calculate similarly titled measures in the same manner as we do. Adjusted EBITDA has important limitations as an analytical tool, and should not be considered in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- although depreciation and amortization are non-cash charges, the physical assets being depreciated and amortized may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect the potentially dilutive impact of stock-based compensation;
- Adjusted EBITDA does not reflect interest associated with debt used for corporate purposes that may represent a reduction in cash available to us; and
- other companies, including companies in our industry, may calculate Adjusted EBITDA differently, which reduces its usefulness as a comparative measure.

Because of these limitations, we consider, and you should consider, Adjusted EBITDA together with our GAAP-based financial performance measures. The following table provides a reconciliation of net (loss) income to Adjusted EBITDA for the periods indicated (in thousands):

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
Net (loss) income	$(3,663)	$(2,000)	$(6,410)	$ 499	$ (3,935)
Reconciling items:					
Interest expense and other income and expense, net	558	295	378	63	287
Depreciation and amortization	844	938	1,202	214	415
Income tax benefit	—	—	(502)	—	—
Stock-based compensation	173	72	426	41	551
Change in fair value of convertible preferred stock warrants	(153)	250	795	184	716
Change in fair value of acquisition-related contingent consideration	—	—	656	—	81
Adjusted EBITDA	$(2,241)	$ (445)	$(3,455)	$ 1,001	$ (1,885)

	As of January 31,		As of April 30,
	2014	2015	2015
		(In thousands)	
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 6,364	$ 9,133	$ 13,635
Working capital	(6,959)	(5,863)	(5,822)
Total assets	17,716	31,277	34,805
Convertible preferred stock warrant liability, current and long-term	361	1,217	1,933
Debt obligations, current and long-term	2,415	11,960	11,481
Deferred revenue, current and long-term	10,356	14,383	12,300
Total liabilities	24,034	42,785	44,221
Convertible preferred stock	33,541	33,637	38,637
Stockholders' deficit	(39,859)	(45,145)	(48,053)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes to those statements included elsewhere in this prospectus. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed under "Risk Factors" and elsewhere in this prospectus. The last day of our fiscal year is January 31, and we refer to our fiscal year ended January 31, 2013 as fiscal 2013, our fiscal year ended January 31, 2014 as fiscal 2014, our fiscal year ended January 31, 2015 as fiscal 2015, and our fiscal year ending January 31, 2016 as fiscal 2016. All other references to years are references to calendar years.

Overview

Ooma is a leading provider of innovative communications solutions and other connected services to small business, home, and mobile users. Our unique hybrid SaaS platform, consisting of our proprietary cloud, on-premise appliances, mobile applications, and end-point devices, provides the connectivity and functionality that power our solutions. Our communications solutions deliver our proprietary HD voice quality, advanced features, and integration with mobile devices, at extremely competitive pricing and value. Our platform helps create smart workplaces and homes by providing value-added communications and other connected services and by integrating end-point devices to enable the Internet of Things. Our platform and solutions have the power to provide communications, productivity, automation, monitoring, safety, security, and networking infrastructure applications to our users.

The following is a chronology of some of our significant corporate milestones:

- We were founded and commenced operations in late 2003 to provide innovative communications solutions and other connected services.
- We launched our first-generation home communications solution, the Ooma Hub, in the U.S. in 2007.
- In 2008, we began selling our products through retailers, such as Amazon.com, Best Buy and Costco.com.
- We launched our second-generation home communications solution, the Ooma Telo, in the U.S. in 2009.
- We expanded into Canada in 2011.
- We acquired the Business Promoter business in 2012 for a nominal amount, which provides lead generation services to small businesses.
- We launched Ooma Office in the U.S. in 2013 and in Canada in 2014.
- We entered into a reseller agreement with Vivint in December 2013.
- We acquired Talkatone, which is a mobile app that provides free domestic calling and messaging and low rates for international calling, in 2014.
- We announced our partnership with Nest Labs, Inc., a Google company, in January 2015.

We drive the adoption of our platform by providing communications solutions to the large and growing markets for small business, home, and mobile users and then accelerate growth by offering new and innovative connected services to our user base. Our small business and home customers adopt our platform by making a one-time purchase of one of our on-premise appliances, connecting the appliance to the internet and activating services, for which they primarily pay on a monthly basis. Our communications solutions are distinguished by the combination of our proprietary HD voice quality, exceptional value, an advanced feature set enhanced by a

number of end-point devices and integration with mobile devices. We believe we have achieved high levels of customer retention and loyalty by delivering exceptional quality and customer satisfaction.

We generate our subscription and services revenue by selling subscriptions and other services for our communications solutions, as well as other connected services. We have experienced significant revenue and user growth in recent periods, growing our core users from approximately 174,000 as of January 31, 2011 to approximately 678,000 as of April 30, 2015, representing a compound annual growth rate of approximately 38%. We define core users as the number of home user accounts, office user extensions and standalone Business Promoter accounts, which means Business Promoter users who do not subscribe to any other services from us. We derive our subscription and services revenue primarily from recurring monthly and annual payments related to our services, such as Ooma Office services, Ooma Basic and Premier, international calling plans and other subscriptions. Our subscription and services revenue also includes revenue generated from payments for qualified lead generation, pre-paid minutes for international calling and directory assistance, and the display of advertisements through our Talkatone mobile app. We believe that our recurring subscription and services revenue is reliable and predictable, and provides us with visibility into our near-term results. Our subscription and services revenue has increased as a percentage of our total revenue in recent periods, from 61% for fiscal 2013 to 75% for fiscal 2015. It also increased from 67% for the three months ended April 30, 2014 to 78% for the three months ended April 30, 2015. We expect our subscription and services revenue to continue increasing as a percentage of our total revenue for the foreseeable future as we continue to add new users, retain a high proportion of our existing user base and introduce subscriptions to new connected services.

We generate our product and other revenue from the sale of our on-premise appliances and our end-point devices, as well as from porting fees to enable customers to transfer their existing phone numbers to the Ooma service. Our product and other revenue has decreased as a percentage of our total revenue in recent periods, from 39% for fiscal 2013 to 25% for fiscal 2015. It also decreased from 33% for the three months ended April 30, 2014 to 22% for the three months ended April 30, 2015, which is a trend we expect to continue for the foreseeable future.

We believe that our integrated multi-channel sales and marketing strategy enables us to effectively grow our sales at a relatively low cost of customer acquisition. Our sales and marketing strategy utilizes multiple retail and online channels, our direct sales organization, and select reseller partners, such as Vivint. We support our retail, online and direct sales channels through a combination of television, print and online advertising that builds brand awareness amongst small business, home and mobile customers. We maintain retail channel relationships with online and traditional retailers in the U.S. and Canada, including national retailers such as Amazon.com, Best Buy, Costco.com, Future Shop and Walmart, and regional retailers such as Fry’s Electronics and PC Richard.

Our total revenue was $39.2 million, $53.7 million and $72.2 million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, and $16.3 million and $19.9 million for the three months ended April 30, 2014 and 2015, respectively. We have continued to make significant investments in research and development, brand marketing and channel development, incurring net losses of $(3.7) million, $(2.0) million and $(6.4) million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, and a net loss of $(3.9) million for the three months ended April 30, 2015. Over the past year, we have significantly increased our expenditures to support the development and expansion of our business, which has resulted in continuing losses. We plan to continue investing for future growth, including additional investment in sales and marketing and research and development, and as a result, we do not expect to be profitable in the near future. Our Adjusted EBITDA was $(2.2) million, $(0.4) million and $(3.5) million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively and $1.0 million and $(1.9) million for the three months ended April 30, 2014 and 2015, respectively. See footnote (3) in “Selected Consolidated Financial Data” for a description of how we define Adjusted EBITDA, why we believe that it is useful to investors and a reconciliation to our net loss.

Our Customer Economics

Our business focuses on acquiring and retaining our customers and encouraging our customers to purchase additional services. While we generally incur customer acquisition costs in advance of, or at the time of, the acquisition of a customer, we recognize subscription and services revenue ratably over the service period. As a result, a customer relationship is typically not profitable at the beginning of the service period, even though we expect it to generate value to us over the lifetime of that customer relationship.

We estimate that our payback period for each new customer is generally shorter than 18 months. We define the payback period as the amount of time it takes to earn sufficient margin from any new customer to offset our up-front customer acquisition costs.

In connection with our acquisition of new customers, we typically incur and recognize significant upfront costs, consisting primarily of sales and marketing costs. We separately recognize costs of subscription and services revenue, including our data center and communications costs, in the period in which they are incurred. When a customer purchases additional subscription-based services from us in subsequent periods, the value we realize from that customer increases because we generally do not incur significant incremental acquisition costs when we provide additional services to our existing customers.

Key Factors Affecting Our Performance

Our historical financial performance and key business metrics have been, and we expect that our financial performance and key business metrics in the future will be, primarily driven by the following factors.

- ***Core user growth.*** Our core user growth is a key indicator of our market penetration, the growth of our business and our anticipated future subscription and services revenue. Our core users have increased from approximately 174,000 as of January 31, 2011 to approximately 645,000 as of January 31, 2015, and 678,000 as of April 30, 2015.
- ***Low core user churn***. We believe that maintaining our current low core user churn is an important factor in our ability to continue to improve our financial performance and is a distinguishing advantage over many of our competitors. We focus on providing high-quality services and support to our users so that they are motivated to remain with us. Our core user churn rate is higher for Ooma Office customers than Ooma Telo customers, which is driven in part by the failure rate of small businesses. Accordingly, if sales of Ooma Office increase relative to sales of Ooma Telo, we expect that our overall core user churn rate will increase.
- ***Growth in additional services.*** We believe that there is a significant opportunity for us to increase the additional subscription services that our customers purchase from us. Customers who purchase additional subscription services from us generate more value to us over the life of our customer relationship. In order to drive adoption of additional subscription services, we will need to continually add valuable new features to our existing solutions and develop new connected services.
- ***Investing in growth.*** We intend to continue focusing on long-term revenue growth. We believe that our market opportunity is large and we intend to continue investing in sales and marketing to grow our user base. We also expect to continue investing in research and development to enhance our platform and develop additional connected services. We also may acquire complementary technologies or additional connected services. To support our expected growth and our operation as a public company, we intend to invest in other operational and administrative functions.

Key Business Metrics

We regularly review a number of metrics, including the following key business metrics, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions.

Core Users

We believe that the number of our core users is an indicator of our market penetration, the growth of our business and our anticipated future subscription and services revenue. We define our core users as the number of home user accounts, office user extensions and standalone Business Promoter accounts, which means Business Promoter users who do not subscribe to any other services from us. We believe that the relationship that we establish with our core users positions us to sell additional premium communications services and other new connected services to them. The increase in our core users was primarily due to the increases in our Ooma Telo customers, as well as our launch of Ooma Office.

	As of January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
Core Users	354,000	481,000	645,000	523,000	678,000

Annualized Exit Recurring Revenue

We believe that our annualized exit recurring revenue, or AERR, for our core users is an indicator of recurring subscription and services revenue for near-term future periods. We calculate our AERR as of the end of a quarter by dividing our recurring revenue (which is defined as total subscription and service revenue, excluding Talkatone revenue) for a quarter by the average of the number of core users at the beginning and end of that quarter, and annualize by multiplying by four. We then multiply that result by the number of core users at the end of the period to calculate AERR. We have generally experienced a year over year increase in AERR due to an increase in our recurring revenue per user and an increase in the number of core users.

	As of January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
			(In millions)		
Annualized Exit Recurring Revenue	$29.8	$42.3	$61.9	$45.4	$60.8

Annual Net Dollar Subscription Retention Rate

We believe that our annual net dollar subscription retention rate for our core users, or our annual net dollar retention rate, provides insight into our ability to retain and grow our subscription and services revenue, and is an indicator of the long-term value of our customer relationships and the stability of our revenue base. Our annual net dollar retention rate measures the percentage year-over-year change in our recurring revenue (which is defined as total subscription and service revenue, excluding Talkatone revenue) for the period per core user, which is then adjusted by factoring in the percentage of our core users we have retained during the same period. Our annual net dollar retention rate is affected by changes in average amounts that our core users pay to us, fluctuations in the number of our core users, and our core user churn rate. Annual Net Dollar Subscription Retention Rate has remained flat year over year as our churn rate has been relatively consistent and we have experienced steady growth in average recurring revenue per core user in the periods presented.

We calculate our annual net dollar subscription retention rate for our core users by multiplying:

(i) our year-over-year percentage change in annual recurring revenue per core user, which is calculated by:

- determining the annual recurring revenue per core user by dividing annual recurring revenue for the period ended by the number of core users at the end of that particular period; and
- calculating the year-over-year percentage change in annual recurring revenue per core user by dividing the current period recurring revenue per core user by the annual recurring revenue per core user for the same period in the prior year.

by:

(ii) our core user annual retention rate, which is calculated by:

- determining our core user churn, by identifying the number of paying core users who terminate service during a month, excluding infant churn, which we define as office

extensions and home users who terminate service prior to the end of the second full calendar month after their activation date;

- calculating our monthly churn rate by dividing our churn in a month by the number of core users at the beginning of that month; and
- calculating our annual retention rate as one minus the sum of our monthly churn rates for the preceding 12-month period.

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
Annual Net Dollar Subscription Retention Rate	102%	102%	102%	97%	97%

Adjusted EBITDA

We use Adjusted EBITDA to manage our business, evaluate our performance and make planning decisions. Adjusted EBITDA represents net income (loss) before interest (income) expense, net, income taxes, depreciation and amortization, stock-based compensation, change in the fair value of our convertible preferred stock warrants and change in fair value of our acquisition-related contingent consideration. See footnote (3) in "Selected Consolidated Financial Data" for a description of how we define Adjusted EBITDA, why we believe that it is useful to investors and a reconciliation to our net loss.

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
			(In thousands)		
Adjusted EBITDA	$(2,241)	$(445)	$(3,455)	$ 1,001	$ (1,885)

Components of Results of Operations

Revenue

We generate revenue primarily through the sale of subscriptions to our communications solutions and other connected services. We also generate revenue from the sale of our on-premise appliances and end-point devices that enable our solutions, as well as from porting fees to enable our customers to transfer their existing phone numbers to the Ooma service. See "Critical Accounting Policies—Revenue Recognition" below for a more detailed discussion of our revenue recognition policy.

Subscription and services revenue. Our subscription and services revenue consists primarily of fees we bill to our customers in connection with their subscriptions to our communications solutions. Our revenue varies based upon the services and features utilized by our core users. We derive subscription and services revenue primarily from recurring monthly payments related to service plans, such as Ooma Premier, Ooma Office, international calling plans, and other subscriptions, which we refer to as service subscription plans. Subscription and services revenue also includes revenue generated from payments for qualified lead generation, prepaid international and directory assistance calling and mobile advertising from customers who have subscribed for these services, which we refer to as usage-based subscriptions. We recognize revenue under service subscription plans on a straight-line basis over their contractual service term. We recognize revenue under usage-based subscriptions based on actual usage. We also earn revenue from the display of advertisements through our Talkatone mobile application, primarily based on advertisement impressions displayed. We generally recognize revenue from mobile advertising on a net basis, because we are not the primary obligor to advertisers. We expect our subscription and services revenue to generally increase as a percentage of total revenue, as we continue to grow our user base.

Product and other revenue. Our product and other revenue consists primarily of the sale of our on-premise appliances and end-point devices used in connection with our services and includes shipping and handling fees.

We also generate other revenue from porting fees we charge our customers to enable them to transfer their existing phone numbers to Ooma Office or Telo. We recognize product and other revenue when the product has been delivered to the customer. We expect our product and other revenue to remain relatively flat in absolute dollars, but to decrease as a percentage of total revenue, as we expect to continue to sell our on-premise appliances at an attractive price point to facilitate the adoption of our platform.

Cost of Revenue

Our cost of revenue consists of the cost of our subscription and services revenue and the cost of our product and other revenue.

Cost of subscription and services revenue. Our cost of subscription and services revenue primarily consists of payments we make for third-party network operations and telecommunications services, credit card processing fees, costs to maintain data centers, including co-location fees for the right to place our servers in data centers owned by third parties, depreciation of servers and equipment, along with related utilities and maintenance costs, personnel costs associated with customer care and network operations support, and allocated costs of facilities and information technology.

Cost of product and other revenue. Cost of product and other revenue is comprised primarily of the costs associated with the manufacturing of our on-premise appliances and end-point devices, as well as personnel costs for employees and contractors, costs related to porting our customers' phone numbers to our service, shipment of on-premise appliances and end-point devices, and allocated costs of facilities and information technology.

Gross Margin

Our gross margin consists of our subscription and services gross margin and our product and other gross margin.

Subscription and services gross margin. Subscription and services gross margin, which we define as subscription and services revenue minus cost of subscription and services revenue expressed as a percentage of subscription and services revenue, can fluctuate based on a number of factors, including the costs we pay to third-party telecommunications providers, the timing of capital expenditures and related depreciation charges and changes in headcount. We expect to continue investing in our network infrastructure and customer support function to support our growth and maintain quality of service and security. We expect our subscription and services gross margin to increase over the long term as users adopt additional connected services we introduce in the future, although our subscription and services gross margin may fluctuate from period to period depending on the interplay of all of these factors.

Product and other gross margin. Product and other gross margin, which we define as product and other revenue minus cost of product and other revenue expressed as a percentage of product and other revenue, can fluctuate based on a number of factors, including the number of our on-premise appliances and end-point devices we sell during a period, as compared to the cost to produce those units and the relatively fixed personnel costs for employees and contractors incurred during the period. We sell our on-premise appliances at an attractive price point to facilitate the adoption of our platform. We therefore expect our product and other gross margin to remain negligible to slightly negative for the foreseeable future.

Our subscription and services gross margin is significantly higher than our product and other gross margin. As a result, any significant change in the mix between subscription and services revenue and product and other revenue will cause our total gross margin to change. For example, in periods where we sell significantly more on-premise appliances than we forecasted, we would expect our total gross margin to decline.

Operating Expenses

We classify our operating expenses as sales and marketing expenses, research and development expenses, and general and administrative expenses.

Sales and marketing expenses. Our sales and marketing expenses are the largest component of our operating expenses and consist primarily of personnel costs for employees and contractors directly associated with our sales and marketing activities, internet, radio and billboard advertising fees, public relations expenses, commissions we pay to resellers and other third parties, trade show expenses, travel expenses, marketing and promotional activities and allocated costs of facilities and information technology. We expect our sales and marketing expenses to continue increasing in absolute dollars for the foreseeable future as we expand our sales and marketing efforts and continue to build our brand. However, we expect our sales and marketing expenses to decrease as a percentage of our total revenue over the long term, although our sales and marketing expenses may fluctuate as a percentage of our total revenue from period to period depending on the timing of these expenses.

In fiscal 2015, we increased our sales and marketing expenditures associated with our Ooma Office appliance and services as a percentage of our total sales and marketing expenditures. Our average blended sales and marketing expenditures to attract a new customer increased as we focused on acquiring new Ooma Office customers, which in turn caused an increase in our sales and marketing expenses as a percentage of our product and other revenue. We expect that this increase in sales and marketing expenditures will result in growth of our recurring subscription and services revenue attributable to our Ooma Office service.

Research and development expenses. Our research and development efforts are focused on developing new and expanded features for our services and improvements to our platform and backend architecture. Our research and development expenses consist primarily of personnel costs for employees and contractors and allocated costs of facilities and information technology, software tools, and product certification. We expense research and development costs as incurred. We believe that continued investment in our products and services is important for our future growth, and as a result, we expect our research and development expenses to continue increasing in absolute dollars for the foreseeable future. However, we expect our research and development expenses to decrease as a percentage of our total revenue over the long term, although our research and development expenses may fluctuate as a percentage of our total revenue from period to period depending on the timing of these expenses.

General and administrative expenses. Our general and administrative expenses consist primarily of personnel costs for employees engaged in administrative activities to support the day-to-day operations of our business. Other significant components of our general and administrative expenses include professional service fees, legal fees and allocated costs of facilities and information technology. Following the completion of this offering, we expect to incur additional expenses as a result of operating as a public company, including costs to comply with the rules and regulations applicable to companies listed on a national securities exchange, costs related to compliance and reporting obligations pursuant to the rules and regulations of the SEC, and increased expenses for insurance, investor relations, and professional services. As a result, we expect our general and administrative expenses to continue increasing in absolute dollars for the foreseeable future. However, we expect our general and administrative expenses to decrease as a percentage of our total revenue over the long term, although our general and administrative expenses may fluctuate as a percentage of our total revenue from period to period depending on the timing of these expenses.

Consolidated Results of Operations

The following table sets forth selected consolidated statements of operations for each of the periods indicated:

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
	(In thousands, except share and per share data)				
Consolidated statements of operations data:					
Revenue:					
Subscription and services	$ 24,107	$ 35,377	$ 53,828	$ 10,886	$ 15,576
Product and other	15,126	18,288	18,373	5,413	4,276
Total revenue	39,233	53,665	72,201	16,299	19,852
Cost of revenue:					
Subscription and services	13,899	15,894	18,284	3,817	5,624
Product and other	11,590	15,573	18,440	4,775	4,207
Total cost of revenue	25,489	31,467	36,724	8,592	9,831
Gross profit	13,744	22,198	35,477	7,707	10,021
Operating expenses:					
Sales and marketing	7,471	13,192	22,276	3,730	5,895
Research and development	7,023	7,888	12,290	2,301	4,097
General and administrative	2,508	2,573	6,650	930	2,961
Total operating expenses	17,002	23,653	41,216	6,961	12,953
Operating (loss) income	(3,258)	(1,455)	(5,739)	746	(2,932)
Interest expense, net	(550)	(269)	(323)	(53)	(285)
Change in fair value of convertible preferred stock warrants	153	(250)	(795)	(184)	(716)
Other expense, net	(8)	(26)	(55)	(10)	(2)
(Loss) income before income tax benefit	(3,663)	(2,000)	(6,912)	499	(3,935)
Income tax benefit	—	—	502	—	—
Net (loss) income	(3,663)	(2,000)	(6,410)	499	(3,935)
Less: Undistributed earnings to participating securities holders	—	—	—	(499)	—
Net loss attributable to common stockholders	$ (3,663)	$ (2,000)	$ (6,410)	$ —	$ (3,935)
Net loss per share attributable to common stockholders, basic and diluted:	$ (1.77)	$ (0.59)	$ (1.40)	$ —	$ (0.76)
Weighted-average number of common shares outstanding used to compute net loss of per share, basic and diluted:	2,071,914	3,377,692	4,568,483	4,018,563	5,182,483

The following table sets forth selected consolidated statements of operations, expressed as a percentage of total revenue, for each of the periods indicated:

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
Consolidated statement of operations data:					
Revenue:					
Subscription and services	61%	66%	75%	67%	78%
Product and other	39	34	25	33	22
Total revenue	100	100	100	100	100
Cost of revenue:					
Subscription and services	35	30	25	23	28
Product and other	30	29	26	30	21
Total cost of revenue	65	59	51	53	49
Gross profit	35	41	49	47	51
Operating expenses:					
Sales and marketing	19	25	31	23	30
Research and development	18	14	17	14	21
General and administrative	6	5	9	6	15
Total operating expenses	43	44	57	43	66
Operating (loss) income	(8)	(3)	(8)	4	(15)
Interest expense, net	(1)	(1)	—	—	(1)
Change in fair value of convertible preferred stock warrants	—	—	(2)	(1)	(4)
Other expense, net	—	—	—	—	—
(Loss) income before income tax benefit	(9)	(4)	(10)	3	(20)
Income tax benefit	—	—	1	—	—
Net (loss) income	(9)%	(4)%	(9)%	3%	(20)%

Consolidated Statement of Operations:

Comparison of the Three Months Ended April 30, 2014 and 2015

Revenue

	Three months Ended April 30,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Subscription and services	$10,886	$15,576	$ 4,690	43%
Product and other	5,413	4,276	(1,137)	(21)%
	$16,299	$19,852	$ 3,553	22%

Our subscription and services revenue increased by $4.7 million, primarily due to growth in our subscriber base, which increased from approximately 523,000 core users as of April 30, 2014 to approximately 678,000 core users as of April 30, 2015. In addition to the increase in our core users, our average quarterly subscription and services revenue per core user, excluding Talkatone, increased from $21.68 for the three months ended April 30, 2014 to $22.42 for the three months ended April 30, 2015.

Our product and other revenue decreased by $1.1 million due to a decrease in sales to one of our reseller partners and a decrease in the average sales price per unit. The sales to our reseller partners are typically large and the timing varies from quarter to quarter.

Cost of Revenue and Gross Margin

	Three months Ended April 30,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Subscription and services	$ 3,817	$ 5,624	$1,807	47%
Product and other	4,775	4,207	(568)	(12)%
Total cost of revenue	$ 8,592	$ 9,831	1,239	14%
Subscription and services gross profit	$ 7,069	$ 9,952	2,883	41%
Product and other gross profit	638	69	(569)	(89)%
Total gross profit	$ 7,707	$10,021	$2,314	30%
Subscription and services gross margin	65%	64%		(1)%
Product and other gross margin	12%	2%		(10)%
Total gross margin	47%	50%		3%

The increase in cost of subscription and services revenue of $1.8 million was primarily due to an increase in telecommunications provider and related fees of $0.7 million, an increase in personnel and consultant costs of $0.8 million and an increase in credit processing fees of $0.2 million.

The decrease of $0.6 million in cost of product and other revenue was primarily due to a decrease in units sold, which was driven by a decrease in sales to one of our reseller partners for the three months ended April 30, 2014 compared to the three months ended April 30, 2015.

Total gross profit increased by $2.3 million, from $7.7 million for the three months ended April 30, 2014 to $10.0 million for the three months ended April 30, 2015. This increase was due to an increase in subscription and services gross profit of $2.9 million, which was offset in part by a decrease in product and other gross profit of $0.6 million. Our total gross margin increased from 47% for the three months ended April 30, 2014 compared to 50% for the three months ended April 30, 2015, primarily due to an increase in our subscription and services as we provided additional higher margin services to our core users, as well as due to economies of scale.

Operating Expenses

	Three months ended April 30,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Sales and marketing expenses	$ 3,730	$ 5,895	$2,165	58%
Research and development expenses	2,301	4,097	1,796	78%
General and administrative expenses	930	2,961	2,031	218%
Total operating expenses	$ 6,961	$12,953	$5,992	86%

The $2.2 million increase in the sales and marketing expenses was primarily due to an increase in advertising and marketing expenses of $1.4 million as we expanded partner programs and lead generation activities, and an increase in personnel and consultant costs of $0.6 million, as we increased both sales headcount and consultants to support growth.

The $1.8 million increase in research and development expenses was primarily due to an increase in personnel and consultant costs of $1.4 million, an increase in facilities-related costs of $0.2 million and an increase in stock-based compensation of $0.2 million.

The $2.0 million increase in general and administrative expenses was primarily due to an increase in professional service fees of $0.9 million, an increase in personnel and consultant costs of $0.8 million and an increase in stock-based compensation of $0.2 million.

Other (Expense) Income, Net

	Three months Ended April 30,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Interest (expense) income, net	$ (53)	$ (285)	$(232)	N/M*
Change in fair value of convertible preferred stock warrants	(184)	(716)	(532)	N/M*
Other (expense) income	(10)	(2)	8	N/M*
Total other (expense), income net	$ (247)	$(1,003)	$(756)	N/M*

* Not meaningful

Interest expense is comprised primarily of interest related to outstanding debt during the period. The increase of $0.2 million for the three months ended April 30, 2015 compared to the three months ended April 30, 2014 was due to an increase in outstanding debt.

The change in fair value of the convertible preferred stock warrants of $0.5 million resulted from an increase in expense associated with the change in fair value of convertible preferred stock warrants, which resulted from a greater proportional increase in the fair value of the warrants period to period. We will continue to record adjustments to the fair value of these warrants until they are exercised, converted into warrants to purchase shares of common stock or expire, at which time we will no longer remeasure the fair value of these warrants at each balance sheet date. However, at the closing of this offering, we will reclassify the then-current aggregate fair value of these warrants from liabilities to additional paid-in capital, and we will cease to record any related fair value adjustments.

Comparison of Years Ended January 31, 2014 and 2015

Revenue

	Year Ended January 31,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Subscription and services	$ 35,377	$ 53,828	$18,451	52%
Product and other	18,288	18,373	85	— %
Total revenue	$ 53,665	$ 72,201	$18,536	35%

Our subscription and services revenue increased by $18.5 million, primarily due to growth in our subscriber base, which increased from approximately 481,000 core users as of January 31, 2014 to approximately 645,000 core users as of January 31, 2015. In addition to the increase in our core users, our average annual subscription and services revenue per core user, excluding revenue from Talkatone, increased from $84.76 in fiscal 2014 to $92.08 in fiscal 2015.

Our product and other revenue increased by $0.1 million due to increased sales of our on-premise appliances, end-point devices and porting fees to enable customers to transfer their existing phone numbers. During fiscal 2015, we had a 22% increase in the number of units sold, offset by a lower average price per unit sold during the period, as compared to fiscal 2014.

Cost of Revenue and Gross Margin

	Year Ended January 31,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Subscription and services	$ 15,894	$ 18,284	$ 2,390	15%
Product and other	15,573	18,440	2,867	18%
Total cost of revenue	$ 31,467	$ 36,724	$ 5,257	17%
Subscription and services gross profit	$ 19,483	$ 35,544	$16,061	82%
Product and other gross profit	2,715	(67)	(2,782)	(102)%
Total gross profit	$ 22,198	$ 35,447	$13,279	60%
Subscription and services gross margin	55%	66%		11%
Product and other gross margin	15%	— %		(15)%
Total gross margin	41%	49%		8%

The increase in cost of subscription and services revenue of $2.4 million was primarily the result of an increase in personnel and consulting costs of $1.3 million as we increased headcount to support our growth, an increase in telecommunications provider and other fees of $0.6 million, and an increase in credit card processing fees of $0.3 million.

The increase of $2.9 million in cost of product and other revenue was primarily due to a $1.4 million increase in the product cost of our on-premise appliances due to the increase in units sold, an increase in shipping costs of $0.4 million and an increase in personnel and consulting related costs by $0.3 million. In addition, the increase was due to an increase in scrap of obsolete inventory and internal usage of product by $0.3 million.

Total gross profit increased by $13.3 million in fiscal 2015 to $35.4 million from $22.2 million in fiscal 2014, primarily as a result of the increase in subscription and services revenue gross profit of $16.1 million, offset by a decline of $2.8 million in our product and other gross profit. Our total gross margin increased to 49% in fiscal 2015 as compared to 41% in fiscal 2014, primarily due to the increase in subscription and services as we offered additional higher margin services to our core users, as well as due to economies of scale.

Operating Expenses

	Year Ended January 31,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Sales and marketing expenses	$ 13,192	$ 22,276	$ 9,084	69%
Research and development expenses	7,888	12,290	4,402	56%
General and administrative expenses	2,573	6,650	4,077	158%
Total operating expense	$ 23,653	$ 41,216	$17,563	74%

The increase in sales and marketing expenses was $9.1 million, primarily due to an increase in advertising and marketing expenses of $6.9 million, as we expanded customer and partner programs and lead generation activities, an increase in personnel costs of $1.5 million as we increased sales headcount to support growth, and an increase in consulting costs of $0.4 million to supplement our sales and marketing team. The increase was also attributable to an increase in facilities-related costs of $0.1 million and increased travel costs of $0.1 million.

The $4.4 million increase in research and development expenses was primarily due to an increase in personnel related-costs of $1.7 million due to an increased headcount, an increase in consulting costs by $1.6 million, an increase in facilities-related costs of $0.5 million and an increase in stock-based compensation of $0.2 million.

General and administrative expenses increased by $4.1 million in fiscal 2015 compared to fiscal 2014, primarily due to an increase in personnel related costs of $1.9 million due to the increase in headcount, an increase in professional services fees of $1.4 million to supplement our legal, finance and human resources organizations to support our growth, an increase in stock-based compensation of $0.2 million and an increase in the amortization of intangibles of $0.2 million due to our acquisition of Talkatone during fiscal 2015.

Other (Expense) Income, Net

	Year Ended January 31,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Income (expense), net	$ (269)	$ (323)	$ (54)	N/M*
Change in fair value of convertible preferred stock warrants	(250)	(795)	(545)	N/M*
Other expense, net	(26)	(55)	(29)	N/M*
Total other (expense), income net	$ (545)	$ (1,173)	$(628)	N/M*

* Not meaningful

Interest expense is comprised primarily of interest expense associated with debt outstanding during the periods. The increase of $0.1 million from fiscal 2014 to fiscal 2015 was due to additional interest expense incurred during fiscal 2015 as a result of the increase in our outstanding debt.

The change in fair value of the convertible preferred stock warrants of $0.5 million resulted from an increase in expense associated with the change in fair value of convertible preferred stock warrants, which resulted from a greater proportional increase in the fair value of the warrants period over period. We will continue to record adjustments to the fair value of these warrants until they are exercised, converted into warrants to purchase shares of common stock or expire, at which time we will no longer remeasure the fair value of these warrants at each balance sheet date. However, at the closing of this offering, we will reclassify the then-current aggregate fair value of these warrants from liabilities to additional paid-in capital and we will cease to record any related fair value adjustments.

Income Tax Benefit

	Years Ended January 31,		Change	
	2014	2015	$	%
	(Dollars in thousands)			
Income tax benefit	—	$ 502	502	N/M*

In May 2014, we acquired Talkatone, Inc., or Talkatone, a privately held voice over Internet protocol (VoIP) company that develops and markets a smart device application. We recorded a tax benefit of $0.5 million arising from the release of deferred tax valuation allowances subsequent to the acquisition of Talkatone. The release of the valuation allowances was triggered by the recognition of $0.5 million of long term net deferred tax liabilities that were primarily related to the acquired intangible assets and R&D credits recorded upon the acquisition of Talkatone.

Comparison of Years Ended January 31, 2013 and 2014

Revenue

	Year Ended January 31,		Change	
	2013	2014	$	%
	(Dollars in thousands)			
Subscription and services	$ 24,107	$ 35,377	$11,270	47%
Product and other	15,126	18,288	3,162	21%
Total revenue	$ 39,233	$ 53,665	$14,432	37%

Our subscription and services revenue increased by $11.3 million, primarily due to growth in our subscriber base, including following the launch of Ooma Office in the second quarter of fiscal 2014. Our core users increased from approximately 354,000 as of January 31, 2013 to approximately 481,000 as of January 31, 2014. In addition to the increase in our core users, our average annual subscription and services revenue per core user increased from $78.09 in fiscal 2013 to $84.76 in fiscal 2014.

Our product and other revenue increased by $3.2 million due to increased sales of our on-premise appliances, end-point devices and porting fees to enable customers to transfer their existing phone numbers. During fiscal 2014, we had a 33% increase in the number of units sold, offset by a lower average price per unit sold during the period, as compared to fiscal 2013.

Cost of Revenue and Gross Margin

	Year Ended January 31,		Change	
	2013	2014	$	%
	(Dollars in thousands)			
Subscription and services	$13,899	$15,894	$1,995	14%
Product and other	11,590	15,573	3,983	34%
Total cost of revenue	$25,489	$31,467	$5,978	23%
Subscription and services gross profit	$10,208	$19,483	$9,275	91%
Product and other gross profit	3,536	2,715	(821)	(23)%
Total gross profit	$13,744	$22,198	$8,454	62%
Subscription and services gross margin	42%	55%		13%
Product and other gross margin	23%	15%		(8)%
Total gross margin	35%	41%		6%

The increase in cost of subscription and services revenue of $2.0 million was primarily the result of an increase in telecommunications provider and other fees of $1.2 million, credit card processing fees of $0.5 million, and an increase in personnel and consulting costs of $0.3 million as we increased headcount to support our growth. The increase of $4.0 million in the cost of product and other revenue was primarily due to a $3.3 million increase in the product cost of our on-premise appliances due to the increase in units sold, as well as an increase in shipping costs of $0.2 million.

Total gross profit increased by $8.5 million in the year ended January 31, 2014 to $22.2 million from $13.7 million in the year ended January 31, 2013, primarily as a result of the increase in subscription and services revenue gross profit of $9.3 million, partially offset by a decline of $0.8 million in our product and other gross profit. Our total gross margin increased to 41% in fiscal 2014 as compared to 35% in fiscal 2013, primarily due to the increased percentage of our total revenue attributable to subscription and services, which had a gross margin of 55% during fiscal 2014, as compared to our product and other gross margin of 15%.

Operating Expenses

	Year Ended January 31,		Change	
	2013	2014	$	%
	(Dollars in thousands)			
Sales and marketing expenses	$ 7,471	$ 13,192	$5,721	77%
Research and development expenses	7,023	7,888	865	12%
General and administrative expenses	2,508	2,573	65	3%
Total operating expense	$ 17,002	$ 23,653	$6,651	39%

The increase in sales and marketing expenses was $5.7 million, primarily due to an increase in advertising and marketing expense of $5.2 million, as we expanded customer and partner programs and lead generation activities, as well as an increase in personnel costs of $0.4 million as we increased sales headcount to support growth, partially offset by decrease of $0.3 million in trade show and marketing development expenses.

The $0.9 million increase in research and development expenses was primarily due to a $0.7 million increase in salary and related costs due to growth in the number of employees in research and development functions. Research and development expense also increased by $0.3 million for outside consulting costs related to support for our growing organization.

General and administrative expenses increased by $65,000 in fiscal 2014 compared to fiscal 2013, primarily due to an increase in professional services fees of $136,000, to supplement our legal, finance and human resources organizations to support our growth, offset by a decrease in stock-based compensation expense of $78,000.

Other (Expense) Income, Net

	Year Ended January 31,		Change	
	2013	2014	$	%
	(Dollars in thousands)			
Income (expense), net	$ (550)	$ (269)	$ 281	N/M*
Change in fair value of convertible preferred stock warrants	153	(250)	(403)	N/M*
Other expense, net	(8)	(26)	(18)	N/M*
Total other (expense), income net	$ (405)	$ (545)	$(140)	N/M*

* Not meaningful

Interest expense is comprised primarily of interest expense associated with debt outstanding during the periods. The decrease of $0.3 million from fiscal 2013 to fiscal 2014 was due to additional interest expense incurred during fiscal 2013 as a result of the repayment of our outstanding debt and the final early termination payments due under our credit facility with MMV Finance Inc., which we replaced with a debt facility with Silicon Valley Bank in April 2012.

The change in fair value of the convertible preferred stock warrants of $0.4 million resulted from the difference in decrease in fair value of preferred warrants of $0.1 million in fiscal 2013 and increase in fair value of preferred warrants of $0.3 million in fiscal 2014. We will continue to record adjustments to the fair value of these warrants until they are exercised, converted in warrants to purchase shares of common stock or expire, at which time we will no longer remeasure the fair value of these warrants at each balance sheet date. However, at the closing of this offering, we will reclassify the then-current aggregate fair value of these warrants from liabilities to additional paid-in capital and we will cease to record any related fair value adjustments.

Quarterly Results of Operations

The following table sets forth our unaudited consolidated statement of operations data for each of the nine quarters in the period ended April 30, 2015. The unaudited consolidated statement of operations data set forth below have been prepared on the same basis as our audited 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 such data. Our historical results are not necessarily indicative of the results that may be expected in the future. You should read this unaudited consolidated statement of operations data in conjunction with our consolidated financial statements and the related notes included elsewhere in this prospectus.

	Quarter Ended								
	April 30, 2013	July 31, 2013	Oct 31, 2013	Jan 31, 2014	April 30, 2014	July 31, 2014	Oct 31, 2014	Jan 31, 2015	April 30, 2015
	(in thousands)								
Consolidated Statement of Operations Data:									
Revenue:									
Subscription and services	$ 7,731	$ 8,333	$ 9,205	$10,108	$10,886	$12,702	$14,316	$15,924	$15,576
Product and other	4,237	4,409	4,646	4,996	5,413	3,999	3,971	4,990	4,276
Total revenue	11,968	12,742	13,851	15,104	16,299	16,701	18,287	20,914	19,852
Cost of revenue:									
Subscription and services	4,073	3,766	3,945	4,110	3,817	4,405	4,830	5,232	5,624
Product and other	3,268	3,727	3,862	4,716	4,775	3,770	4,065	5,830	4,207
Total cost of revenue	7,341	7,493	7,807	8,826	8,592	8,175	8,895	11,062	9,831
Gross profit	4,627	5,249	6,044	6,278	7,707	8,526	9,392	9,852	10,021
Operating expenses:									
Sales and marketing	2,112	3,058	3,738	4,284	3,730	5,830	5,958	6,758	5,895
Research and development	1,793	1,963	2,090	2,042	2,301	2,930	3,365	3,694	4,097
General and administrative	591	646	636	700	930	1,288	1,565	2,867	2,961
Total operating expenses	4,496	5,667	6,464	7,026	6,961	10,048	10,888	13,319	12,953
Operating income (loss)	131	(418)	(420)	(748)	746	(1,522)	(1,496)	(3,467)	(2,932)
Interest (expense) income, net	(76)	(71)	(65)	(57)	(53)	(51)	(61)	(158)	(285)
Change in fair value of warrants	2	2	(141)	(113)	(184)	(31)	(151)	(429)	(716)
Other (expense) income	(5)	(8)	(7)	(6)	(10)	1	(11)	(35)	(2)
Income (loss) before income tax benefit	52	(495)	(633)	(924)	499	(1,603)	(1,719)	(4,089)	(3,935)
Income tax benefit	—	—	—	—	—	502	—	—	—
Net Income (loss)	$ 52	$ (495)	$ (633)	$ (924)	$ 499	$ (1,101)	$ (1,719)	$ (4,089)	$ (3,935)

The following table presents our unaudited consolidated statement of operations data for each of the nine quarters in the period ended April 30, 2015 as a percentage of our total revenue:

	April 30, 2013	July 31, 2013	Oct 31, 2013	Jan 31, 2014	April 30, 2014	July 31, 2014	Oct 31, 2014	Jan 31, 2015	April 30, 2015
Revenue									
Subscription and services	65%	65%	66%	67%	67%	76%	78%	76%	78%
Product and other	35	35	34	33	33	24	22	24	22
Total revenue	100	100	100	100	100	100	100	100	100
Total cost of revenue	61	59	56	58	53	49	48	53	49
Gross margin	39	41	44	42	47	51	52	47	51
Operating expenses:									
Sales and marketing	18	24	27	28	23	35	33	32	30
Research and development	15	15	15	14	14	18	18	18	21
General and administrative	5	5	5	5	6	8	9	14	15
Total operating expenses	38	44	47	47	43	61	60	64	66
Operating income (loss)	1	(3)	(3)	(5)	4	(10)	(8)	(17)	(15)
Interest (expense) income, net	—	—	—	—	—	—	—	(1)	(1)
Change in fair value of warrants	—	—	(1)	(1)	(1)	—	(1)	(2)	(4)
Other (expense) income	—	—	—	—	—	—	—	—	—
Income (loss) before income tax benefit	1	(3)	(4)	(6)	3	(10)	(9)	(20)	(20)
Income tax benefit	—	—	—	—	—	3%	—	—	—
Net income (loss)	1%	(3)%	(4)%	(6)%	3%	(7)%	(9)%	(20)%	(20)%

Quarterly Trends

Revenue

Our quarterly total revenue increased sequentially in all quarters presented except for the first quarter of fiscal 2016, as our core users continued to increase. Our total revenue decreased during the first quarter of fiscal 2016 because in February 2015, one of the three digital agencies we contract with lost a key business relationship, which led that digital agency to terminate its business relationship with us and the loss of such lead generation business revenue. Product revenue also decreased due to a decrease in sales of our product to one of our reseller partners. Our subscription and service revenue has grown quarter-over-quarter, primarily due to an increase in core users, which include home user accounts, office user extensions and standalone Business Promoter accounts. Additionally, compared to prior quarterly periods in fiscal 2014, our subscription and service revenue increased starting in the second quarter of fiscal 2015 due to our acquisition of Talkatone in May 2014. During the first and fourth quarters of fiscal 2015, we experienced an increase in purchases by one of our reseller partners, which is the primary driver for the increase in product revenue quarter-over-quarter. During the second and third quarters of fiscal 2015, we experienced a decrease in product revenue because we transitioned from an older to a newer version of Telo and also due to a decrease in purchases by one of our reseller partners, which resulted in a decrease in product revenue quarter-over-quarter. We believe that comparisons of our quarterly year-over-year product revenue are more meaningful than comparisons of our quarterly sequential product revenue due to factors such as seasonality and the timing of product purchases by our reseller partners. Except for the fourth quarter of fiscal 2015, product revenue as a percentage of total revenue has declined, as continued growth in our subscriber base has the effect of increasing subscription and service revenue as a percentage of total revenue.

Gross Profit and Gross Margin

Our gross profit has increased quarter-over-quarter in absolute dollars and our gross margin has ranged from 39% to 52% during the periods presented. The fourth quarter of fiscal 2015 was impacted by an increase in period costs due to higher personnel costs and freight charges as well as due to sales of our product at lower margins to one of our reseller partners.

Operating Expenses

Operating expenses are primarily driven by headcount and headcount-related expenses, including stock-based compensation expenses, and by sales and marketing initiatives. Quarterly operating expenses in absolute dollars generally increased sequentially for all the periods presented, except for the first quarters of fiscal 2015 and fiscal 2016, due to reduced tradeshow costs. The quarterly increase in operating expenses is primarily due to an increase in headcount and marketing and advertising expenses from our efforts to increase sales of our products and services.

Our sales and marketing expenses in absolute dollars continued to increase due to the increase in the advertising and tradeshow related expenses. We experienced some seasonality in the sales and marketing costs, which is dependent on the timing of the tradeshows in which we participate.

Our research and development expenses in absolute dollars increased consistently quarter-over-quarter, except for the fourth quarter of fiscal 2014, which remained relatively flat. The quarterly increases were due to an increase in headcount and consultant-related expenses. We experienced a significant increase in the expenses starting the second quarter of fiscal 2015 due to our acquisition of Talkatone in May 2014.

Our general and administrative expenses in absolute dollars have increased primarily due to an increase in headcount and an increase in professional services incurred in connection with our growth.

Liquidity and Capital Resources

Since our inception, we have financed our operations primarily through cash generated from operations, private placements of our convertible preferred stock, and to a lesser extent from borrowings under credit facilities. As of April 30, 2015, we had cash and cash equivalents of $13.6 million. In April 2015, we raised $5.0 million in proceeds, net of issuance costs, from the sale of 482,946 shares of our Series Beta preferred stock. The proceeds from the sale of our Series Beta preferred stock are expected to be used for working capital. Our principal use of cash is to fund our operations to support our growth.

We believe that our existing cash and cash equivalents and funds available for borrowing under our credit facilities will be sufficient to meet our cash needs for at least the next 12 months. Our future capital requirements will depend on many factors, including our growth rate, our needs for increased data center capacity to support our expanding customer base, the timing and extent of our sales and marketing and research and development expenditures, and the continuing market acceptance of our solutions. In the event that we need to borrow funds or issue additional equity, we cannot assure you that any such additional financing will be available on terms acceptable to us, if at all. If we are unable to raise additional capital when we need it, it would harm our business, results of operations and financial condition.

Silicon Valley Bank Credit Agreements

In April 2012, we entered into a Loan and Security Agreement with Silicon Valley Bank, or SVB, as lender, comprised of a $4.0 million senior secured term loan facility. This original loan agreement was amended and restated in December 2012, and further amended in July 2014 and January 2015, such that the credit facility with SVB was expanded to an aggregate principal amount of $16.0 million comprised of (i) a $4.0 million senior secured term loan facility, and (ii) a $12.0 million senior secured revolving facility. The senior term facility has a

floating per annum interest rate that is 2.50% above the prime rate and such interest is payable monthly. The senior revolving facility has a floating per annum interest rate that is 2.75% above the prime rate and is also payable monthly. The outstanding principal under the senior term facility is being amortized through monthly repayments and is to be repaid in full by September 2015. The senior revolving facility matures in full in July 2016. As of April 30, 2015, the outstanding principal balance under the senior term facility and the senior revolving facility was $0.6 million and $5.0 million, respectively. As of April 30, 2015, we had borrowing capacity of $7.0 million available on our senior revolving facility.

In January 2015, we entered into a Mezzanine Loan and Security Agreement, or mezzanine facility, which is comprised of (i) a $5.0 million conditional subordinated secured term loan facility, and (ii) an additional conditional subordinated secured loan facility of up to an aggregate of $5.0 million to be drawn down in $1.0 million increments. The mezzanine facility currently matures in full in January 2018, but the maturity will be extended to 30 months after the final draw on the conditional term facility (if such date is after January 2018), which is not to be later than July 2018. The interest rate on advances under the mezzanine facility is 11% per annum and is to be paid monthly. As of April 30, 2015, the outstanding principal balance under the mezzanine facility was $5.0 million and we had an additional $5.0 million of borrowing capacity available for draw downs.

Our credit agreements with SVB contain customary negative covenants that limit our ability to, among other things, incur additional indebtedness, grant liens, make investments, repurchase stock, pay dividends, transfer assets and merge or consolidate. The SVB facilities are secured by substantially all of our assets, though certain intellectual property collateral may be released if an initial public offering has occurred and no event of default under the SVB credit agreements exists. The SVB credit agreements also contain affirmative covenants, including requirements to, among other things, maintain a minimum number of subscribers, maintain minimum cash balances tied to the maximum commitment amounts outstanding under the SVB credit agreements following any initial public offering, and deliver audited financial statements. We were in compliance with the debt covenants as of April 30, 2015.

Historical Cash Flows

The following table summarizes our cash flows:

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
			(In thousands)		
Consolidated cash flow data:					
Net cash (used in) provided by operating activities	$(323)	$ 2,222	$(4,067)	$ (79)	$ 1,371
Net cash used in investing activities	(696)	(898)	(1,858)	(237)	(408)
Net cash provided by (used in) financing activities	959	(1,264)	8,694	(249)	3,539
Net (decrease) increase in cash and cash equivalents	$ (60)	$ 60	$ 2,769	$ (565)	$ 4,502

Operating Activities

We have historically used cash in operating activities due to our net losses, offset by changes in our operating assets and liabilities, particularly from accounts receivable, accounts payable and accrued expenses, adjusted for non-cash expense items such as depreciation and amortization, and stock-based compensation expense.

For the three months ended April 30, 2015, our operating activities provided cash of $1.4 million. The cash provided by operating activities primarily resulted from an increase in accounts payable and accrued expenses of $2.5 million, a decrease in accounts receivable of $1.9 million, a decrease in inventory and deferred cost of sales

of $1.1 million, and non-cash items totaling $1.8 million including $0.5 million of stock-based compensation, $0.4 million of depreciation and amortization and $0.7 million due to change in the value of preferred stock warrant liability. The cash provided was partially offset by a decrease in deferred revenue of $2.1 million and our net loss of $3.9 million.

For the three months ended April 30, 2014, we used approximately $0.1 million of cash in operating activities. The cash used in operating activities resulted primarily from increases in accounts receivable of $1.5 million and $0.6 million of prepaid expenses and other assets, offset by an increase of $0.7 million in accounts payable and accrued expenses and an increase in deferred revenue of $0.2 million. The cash used in operating activities was also offset in part due to net income of $0.5 million and non-cash items such as depreciation and amortization of $0.2 million and change in fair value of warrant liability of $0.2 million.

In fiscal 2015, we used approximately $4.1 million of cash in operating activities. The cash used in operating activities primarily resulted from a net loss of $6.4 million, increased by changes in our operating assets and liabilities, including an increase in inventory of $3.2 million, and increase in accounts receivable of $2.1 million, offset by increase of $4.0 million in deferred revenue and $1.4 million in accounts payable and accrued expenses and long-term liabilities. The cash used in operating activities was reduced in part by non-cash items including $1.2 million in depreciation and amortization expense and $0.4 million in stock-based compensation expense. The increases in net loss, accounts receivable, inventory and depreciation and amortization expense reflect the additional investments necessary to support the growing requirements of our sales and marketing, research and development, data center, and customer support operations functions.

In fiscal 2014, operating activities provided $2.2 million in cash. This cash resulted primarily from a net loss of $2.0 million, offset by changes in our operating assets and liabilities, including an increase in our inventory of $1.0 million and an increase in our accounts receivable of $0.6 million, offset by an increase in our accounts payable and accrued expenses of $2.9 million and deferred revenue of $1.9 million. The cash used in operating activities was offset in part by non-cash items such as depreciation and amortization of $0.9 million and stock-based compensation of $0.1 million. The increases in net loss, accounts receivable, inventory and depreciation and amortization expense reflect the additional investments necessary to support the growing requirements of our sales and marketing, research and development, data center, and customer support operations functions.

For fiscal 2013, cash used in operating activities was approximately $0.3 million. The cash used in operating activities resulted primarily from a net loss of $3.7 million offset by changes in our operating assets and liabilities, including an increase in inventory of $1.6 million, offset by a decrease in our accounts receivable of $1.2 million and an increase in accounts payable and accrued expenses of $2.4 million and an increase in deferred revenue of $0.3 million. the cash used in operating activities was also offset in part by non-cash items such as deprecation and amortization of $0.8 million and stock-based compensation of $0.2 million.

Investing Activities

Our investing activities include business acquisitions and capital expenditures for property and equipment purchases. Our capital expenditures have primarily been for general business purposes, including leasehold improvements as we have expanded our office space to accommodate our growth in headcount, computer equipment used internally, and expansion of our network operations centers.

For the three months ended April 30, 2015, we used $0.4 million in investing activities primarily for the purchase of property and equipment.

For the three months ended April 30, 2014, we used $0.2 million for the purchase of property and equipment.

In fiscal 2015, we used approximately $1.9 million of cash in investing activities, including $1.2 million for the purchase of property and equipment and $0.7 million in connection with a business acquisition.

For fiscal 2013 and fiscal 2014, we used approximately $0.7 million and $0.9 million in investing activities, primarily for the purchase of property and equipment.

Financing Activities

Cash generated by financing activities includes proceeds from borrowings under our credit facilities, proceeds from our issuance of common stock following employee stock option exercises and issuance of preferred stock. Cash used in financing activities includes repayment of debt under our credit facility and payment of acquisition related earn-out.

For the three months ended April 30, 2015, we generated $3.5 million from financing activities primarily from the issuance of Series Beta preferred stock of $5.0 million, net of issuance costs, offset by $0.5 million in repayment of debt and capital leases, $0.5 million payment of acquisition-related earn-out and payment of $0.5 million in deferred offering costs.

For the three months ended April 30, 2014, we used $0.2 million in financing activities primarily due to the repayment of $0.3 million of debt offset by proceeds of $0.1 million from the exercise of preferred stock warrants.

During fiscal 2015, we had net proceeds of $8.7 million from financing activities, primarily due to $9.9 million from borrowings under our credit facility and $0.3 million from our issuance of common stock in connection with employee stock option exercises, offset by $1.5 million in repayment of debt and capital leases, and payment of $0.1 million in deferred offering costs.

During fiscal 2014, we used approximately $1.3 million of cash in financing activities, primarily due to our repayment of outstanding debt.

During fiscal 2013, we generated approximately $1.0 million of cash from financing activities, primarily due to new borrowings of $4.0 million under a new credit facility with Silicon Valley Bank that we entered into in April 2012, offset by our repayment of $3.1 million of outstanding debt.

Contractual Obligations

Set forth below is information concerning our contractual commitments and obligations as of January 31, 2015:

	Total	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years
			(In thousands)		
Debt obligations	$12,356	$ 1,724	$10,632	$ —	$ —
Operating lease obligations	$ 4,177	1,490	2,687	—	—
Total	$16,533	$ 3,214	$13,319	$ —	$ —

The contractual commitment amounts in the table above are associated with enforceable and legally binding agreements. Obligations under contracts that we can cancel without a significant penalty are not included in the table above.

Off-Balance Sheet Arrangements

We do not have any relationships with unconsolidated entities or financial partnerships, including entities such as structured finance or special purpose entities that were established for the purpose of facilitating off-balance sheet arrangements.

Internal Control Over Financial Reporting

Prior to this offering, we were a private company with limited accounting personnel and other resources with which to address our internal control over financial reporting. Our independent registered public accounting firm has not conducted an audit of our internal control over financial reporting. However, in connection with our financial statement close process for fiscal 2013, fiscal 2014 and fiscal 2015, we identified a material weakness in the design and operating effectiveness of our internal control over financial reporting, as defined in the standards established by the U.S. Public Company Accounting Oversight Board. A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

The material weakness we identified resulted from a lack of sufficient number of qualified personnel within our accounting function who possessed an appropriate level of expertise to effectively perform the following functions:

- identify, select and apply GAAP sufficiently to provide reasonable assurance that transactions were being appropriately recorded; and
- assess risk and design appropriate control activities over information technology systems and financial and reporting processes necessary to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements.

We have taken a number of steps to remediate this material weakness and have hired a number of individuals, including additional certified public accountants, with appropriate knowledge and capacity to fulfill our obligations to comply with the accounting and reporting requirements applicable to public companies. These key hires include a new chief financial officer, a general counsel, a vice president worldwide controller, a director of SEC and SOX and a director of accounting.

In addition, we also hired a number of other accounting personnel to help strengthen our finance organization. We reorganized the roles and responsibilities within our accounting and finance team.

The additional resources added to the finance function (i) allow separate preparation and review of reconciliations and other account analysis and (ii) enable us to develop a more structured close process, including enhancing our existing policies and procedures, to improve the completeness, timeliness and accuracy of our financial reporting.

While we believe our efforts will be successful, we cannot assure you that our remediation efforts will be sufficient to remediate the identified deficiencies and prevent further internal control deficiencies

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. U.S. GAAP requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, cash flows and related disclosures of contingent assets and liabilities. We base our estimates on historical experience and on various other assumptions we believe to be reasonable under the circumstances. Actual results may differ from these estimates. Our future consolidated financial statements will be affected to the extent that our actual results materially differ from these estimates. Our most critical accounting policies are summarized below. See Note 2 to our consolidated financial statements for a description of our other significant accounting policies.

Revenue Recognition

We derive revenue from two sources: (1) subscription and services revenue, which is generated from the sale of subscription plans and other services; and (2) product and other revenue. Products and services are sold directly to end-customers via our website and through distributors and retailers.

We recognize revenue when the following criteria are met:

- Persuasive evidence of an arrangement exists.
- Delivery has occurred.
- Collection of the fees is reasonably assured.
- The fee is fixed or determinable.

Subscription and Services Revenue

We generate subscription and services revenue by selling subscriptions for communications solutions, as well as other connected services. Subscription revenue is derived primarily from recurring monthly and annual payments related to service plans such as Ooma Office, Ooma Basic and Premier, international calling plans, and other subscriptions. Subscription revenue is recognized on a straight-line basis over the applicable contractual service term. Subscription and services revenue also includes revenue generated from payments for qualified lead generation, prepaid international and directory assistance, which are recognized based on actual usage. We also earn revenue from the display of advertisements through our Talkatone mobile application, primarily based on advertisement impressions displayed. We recognize revenue from mobile advertising on a net basis, because we are not the primary obligor to advertisers.

Deferred revenue primarily consists of billings or payments received in advance of meeting revenue recognition criteria. Our telephony services are sold as monthly or annual subscriptions, payable in advance. We recognize deferred telephony services revenue on a ratable basis over the term of the contract as the services are provided. For all arrangements, any revenue that has been deferred and is expected to be recognized beyond one year is classified as long-term deferred revenue in our consolidated balance sheets.

Product and Other Revenue

We generate product revenue from the sale of on-premise appliances and end-point devices, including shipping and handling fees. We generate other revenue from porting fees to enable customers to transfer their existing phone numbers. Product and other revenue for direct end-customers is billed to our customer’s credit card at the time an online order is submitted by the customer via our website and is recognized when the product has been shipped to the customer. We also generate product revenue from sales through distributors, retailers and resellers, or our channel partners, which are based on written purchase authorizations. Our distribution agreements with our channel partners typically contain clauses for price protection and rights of return, which results in prices for these transactions not being fixed or determinable, and increases the difficulty of estimating returns from our channel partners. Accordingly we record shipments to our channel partners, where the right of return exists, as deferred revenue and we defer recognition of revenue on these sales until the title transfers to the end-customer. We assess the ability to collect from our channel partners based on a number of factors, including credit worthiness and payment history of the channel partner. We record revenue net of any sales-related taxes that are billed to our customers.

Substantially all of our arrangements are multiple-element arrangements, which consist of an on-premise appliance and communication services. The arrangement may also contain a bundled end-point device and a subscription plan for communication services. Monthly communication services and end-point devices purchased after the original multi-element arrangement are optional purchases that are accounted for as separate arrangements and are not considered a deliverable in the sale of the on-premise appliance.

We have determined that each unit of accounting has stand-alone value and account for each separately. We allocate revenue to each unit of accounting based on an estimated selling price at the inception of the arrangement. The total arrangement consideration is allocated to each separate unit of accounting using the relative selling price of each unit.

We determine the estimated selling price for each deliverable using vendor-specific objective evidence, or VSOE, of selling price or third-party evidence, or TPE, of selling price, if it exists. If neither VSOE nor TPE of selling price exists for a deliverable, we use the best estimate of selling price, or BESP, of each deliverable in its allocation of arrangement consideration. Revenue allocated to each deliverable, limited to the amount not contingent on future performance, is then recognized when the basic revenue recognition criteria are met for the respective deliverable.

We determine VSOE of selling price for telephony services and end point devices based on historical standalone sales to customers. In determining VSOE of selling price, we require that a substantial majority of the selling prices for a product or service fall within a reasonably narrow pricing range of the median selling price. We do not have VSOE or TPE for our on-premise appliances and we estimate BESP by considering company-specific factors such as pricing strategies, direct product and other costs, and bundling and discounting practices.

We record reductions to revenue for estimated sales returns from end users and customer credits at the time the related revenue is recognized. Sales returns and customer credits are estimated based on historical experience, current trends and expectations regarding future experience. We monitor the accuracy of our sales reserve estimates by reviewing actual returns and credits and adjusts them for future expectations to determine the adequacy of current reserve needs. If actual future returns and credits differ from past experience, additional reserves may be required.

Inventories

Inventories, which consist of raw materials and finished goods, are stated at the lower of cost to purchase or the market value of such inventory. Cost is determined on a first-in, first-out basis.

We regularly review inventory quantities in consideration of actual loss experiences, projected future demand, and remaining shelf life to record a provision for excess and obsolete inventory when appropriate. Inventory write downs are recorded for excess and obsolete inventory. We periodically assess the recoverability of all inventory to determine whether write downs for impairment are required. We evaluate the projected future demand as compared to the remaining shelf life and other obsolescence and excess criteria in assessing the recoverability of our inventory. In determining the adequacy of reserves, we analyze the following, among other things:

- current inventory quantity on hand;
- product acceptance in the marketplace;
- customer demand;
- historical sales;
- forecast sales;
- product obsolescence; and
- technological innovations.

Any inventory write downs are recorded in cost of goods sold within the consolidated statement of operations during the period in which such write-downs are determined as necessary by management.

If actual future demand or market conditions are less favorable than those projected by management, additional inventory write-downs may be required. Inventory consists of finished goods and consignment raw materials. We recorded inventory write downs of $48,000, $0.1 million, $0.3 million, $5,000 and $0.1 million for fiscal 2013, fiscal 2014, fiscal 2015 and for the three months ended April 30, 2014 and 2015, respectively.

Stock-Based Compensation

We account for stock-based compensation arrangements with employees in accordance with ASC 718, Compensation—Stock Compensation. ASC 718 requires the recognition of compensation expense, using a fair value-based method, for costs related to all stock-based payments including stock options.

Our determination of the fair value of stock options on the date of grant utilizes the Black-Scholes option-pricing model, and is impacted by the common stock price as well as changes in assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to, expected term that options will remain outstanding, expected common stock price volatility over the term of the option awards, risk-free interest rates and expected dividends.

The fair value is recognized over the period during which an optionee is required to provide services in exchange for the option award, known as the requisite service period (usually the vesting period) on a straight-line basis. Stock-based compensation expense recognized at fair value includes the impact of estimated forfeitures. We estimate future forfeitures at the date of grant and revise the estimates, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Equity instruments issued to non-employees are recorded at their fair value on the measurement date and are subject to periodic adjustments as the underlying equity instruments vest. The fair value of options granted to consultants is expensed when vested. The non-employee stock-based compensation expense was not material for all periods presented.

Estimating the fair value of equity-settled awards as of the grant date using valuation models, such as the Black-Scholes option pricing model, is affected by assumptions regarding a number of complex variables. Changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation expense is recognized. These inputs are subjective and generally require significant analysis and judgment to develop. We estimated the fair value of stock-based awards granted using the following valuation assumptions:

	Year Ended January 31,			Three months Ended	
	2013	2014	2015	April 30, 2014	April 30, 2015
Expected term (in years)	3.9-6.1	5.1-6.3	5.4-6.3	5.5-6.1	5.9-6.1
Volatility	71%-75%	77%-79%	69%-81%	78%-81%	61%-62%
Risk-free interest rate	0.6%-1.4%	0.8%-2.2%	1.5%-2.0%	1.8%-2.0%	1.6%-1.8%
Expected dividend yield	—	—	—	—	—

Risk-Free Interest Rate

Risk-free interest rate represents the implied yield in effect at the time of option grant based on U.S. Treasury zero-coupon issues with remaining terms equivalent to the expected term of the option grants.

Expected Volatility

As we do not have historical volatility data for our common stock, an approximation was calculated based on the historical volatility of publicly traded comparable companies.

Expected Term

The expected term of stock options represents the weighted-average period that the stock options are expected to remain outstanding. We have opted to use the ‘‘simplified method’’ for estimating the expected term of the options, whereby the expected term equals the arithmetic average of the vesting term and the original contractual term of the option.

Dividends

We have no history of granting dividends and there currently are no anticipated dividend declarations in the foreseeable future. As such, we use an expected dividend yield of zero in the Black-Scholes option-pricing model.

Forfeitures

We have estimated pre-vesting option forfeitures at the time of grant based on our historical option forfeitures and revise, if necessary, in subsequent periods if actual forfeitures differ from those estimates. Stock-based compensation expense is recorded only for those awards that are expected to vest.

We recorded the following stock-based compensation expense (in thousands):

	Year Ended January 31,			Three months Ended	
	2013	2014	2015	April 30, 2014	April 30, 2015
Cost of revenue	$ 11	$ 7	$ 36	$ 4	$ 58
Sales and marketing	1	6	41	5	56
Research and development	50	26	169	15	217
General and administrative	111	33	180	17	220
Total	$173	$ 72	$426	$ 41	$ 551

As of April 30, 2015, we had approximately $5.7 million of total unrecognized compensation expense, net of related forfeiture estimates, which we expect to recognize over a weighted-average period of approximately 3.0 years.

The intrinsic value of all outstanding options as of April 30, 2015 was $21.3 million based on the estimated fair value of our common stock of $7.48 per share.

Historical Option Grants

We granted stock options with the following exercise prices between November 1, 2013 and April 30, 2015:

Option Grant Dates	Number of Shares Underlying Options	Exercise Price Per Share	Estimated Fair Value of Common Stock Per Share Used to Determine Stock-Based Compensation Expense
November 8, 2013	10,500	$ 0.11	$ 0.53
December 17, 2013	317,166	$ 0.11	$ 0.53
March 5, 2014	33,500	$ 0.97	$ 1.03
April 23, 2014	87,000	$ 0.97	$ 1.75
July 30, 2014	312,500	$ 1.87	$ 2.01
October 9, 2014	138,000	$ 2.01	$ 2.01
December 23, 2014	361,050	$ 3.02	$ 3.92
January 6, 2015	1,738,160	$ 3.02	$ 4.16
January 24, 2015	10,000	$ 3.02	$ 4.47
February 22, 2015	137,000	$ 4.59	$ 5.30
March 30, 2015	24,000	$ 4.59	$ 6.47

Common Stock Valuations

Our board of directors determined the fair value of the common stock underlying our stock options. The board of directors intended the granted options to be exercisable at a price per share not less than the per share fair value of our common stock underlying those options on each grant date. In connection with the preparation of our financial statements for the fiscal years ended January 31, 2014 and 2015, and the three months ended April 30, 2015, we estimated the fair value of our common stock for financial reporting purposes in light of our improving financial performance. As a result, we determined that, solely for financial reporting purposes, the fair value of our common stock was higher than the fair market values determined in good faith using the most recent

third-party valuations received by our board of directors for each of the option grant dates from November 8, 2013 through March 30, 2015.

In some cases, we also considered the amount of time between the valuation date and the grant date to determine whether to use the latest common stock valuation or a straight-line calculation between the two valuation dates. This determination included an evaluation of whether the subsequent valuation indicated that any significant change in valuation had occurred between the previous valuation date and the grant date.

The common stock valuations were determined in accordance with the guidelines outlined in the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*. The assumptions we use in the valuation model are based on future expectations combined with management judgment. Our board of directors is comprised of a majority of non-employee directors who we believe have the relevant experience and expertise to determine a fair value of our common stock on each respective grant date. In the absence of a public trading market for our common stock, our board of directors, with input from management, exercised significant judgment and considered numerous objective and subjective factors to determine the common stock's fair value as of the date of each option grant, including the following factors:

- valuations performed by an unrelated third-party specialist;
- the prices, rights, preferences and privileges of our preferred stock relative to the common stock;
- our operating and financial performance;
- current business conditions and projections;
- the market performance of comparable publicly traded companies;
- our history and the introduction of new products and services;
- our stage of development;
- the hiring of key personnel;
- the likelihood of achieving a liquidity event for the shares of common stock underlying these stock options, such as an initial public offering or sale of the company, given prevailing market conditions;
- any adjustment necessary to recognize a lack of marketability for our common stock; and
- U.S. and global capital market conditions.

At each grant date the board of directors reviewed any recent events and their potential impact on the estimated fair value per share of the common stock. For grants of stock awards made on dates for which there was no valuation performed by an independent valuation specialist, our board of directors determined the fair value of our common stock on the date of grant based upon the immediately preceding valuation and other pertinent information available to it at the time of grant.

Estimates of the fair value of our common stock are set forth below as of the indicated dates:

Valuation Date	Estimate of Fair Value Per Common Share
December 31, 2012	$ 0.11
October 31, 2013	$ 0.53
March 1, 2014	$ 0.97
May 1, 2014	$ 1.87
August 1, 2014	$ 2.01
October 31, 2014	$ 3.02
January 31, 2015	$ 4.59
April 30, 2015	$ 7.48

Our common stock valuation models have historically utilized a market approach, which bases the valuation of our common stock on multiples of revenue, operating income, net income and similar metrics of publicly traded companies we believe are similar to us in terms of size, product market, liquidity, financial leverage, revenue, profitability, growth and other factors. We also examine transactions in the same or similar assets at the measurement date. These transactions can include venture investments in private firms, or stock market trading prices of similar publicly traded companies.

We also allocate value to each class of stock using an Option Pricing Model, or OPM, and Probability Weighted Expected Return Method, or PWERM. The OPM treats common stock and convertible preferred stock as call options on an enterprise value, with exercise prices based on the liquidation preference of our convertible preferred stock. The common stock is modeled as a call option with a claim on the enterprise at an exercise price equal to the remaining value immediately after our convertible preferred stock is liquidated. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise. This method is particularly useful when discrete future outcomes can be predicted at a relatively high confidence level with a probability distribution. Discrete future outcomes considered under the PWERM include an initial public offering, or IPO, as well as non-IPO market based outcomes. Determining the fair value of the enterprise using the PWERM requires us to develop assumptions and estimates for both the probability of an IPO liquidity event and non-IPO outcomes, as well as the values we expect those outcomes could yield. We apply significant judgment in developing these assumptions and estimates, primarily based upon the enterprise value we determined using the market approach, our knowledge of the business and our reasonable expectations of discrete outcomes occurring.

Over time, as certainty developed regarding possible discrete events, including an IPO, we expanded the methodology we used from a market only approach to include a PWERM. We used a market approach through the valuations as of March 1, 2014, and have included PWERM since the valuations as of May 1, 2014.

In determining the estimated fair value of our common stock, our board of directors also considered the fact that our stockholders could not freely trade our common stock in the public markets. Accordingly, we applied discounts to reflect the lack of marketability of our common stock based on the expected time to liquidity. The estimated fair value of our common stock at each grant date reflected a non-marketability discount partially based on the anticipated likelihood and timing of a future liquidity event.

The key subjective factors and assumptions used in our valuations primarily consisted of: (i) the selection of the appropriate market comparable transactions, (ii) the selection of the appropriate comparable publicly traded companies, (iii) the financial forecasts utilized to determine future cash balances and necessary capital requirements, (iv) the probability and timing of the various possible liquidity events, (v) the estimated weighted-average cost of capital and (vi) the discount for lack of marketability of our common stock.

Following the closing of this offering, the fair value of our common stock will be determined based on the closing price of our common stock on the grant date.

Income Taxes

We account for income taxes in accordance with ASC Topic 740, *Income Taxes*, under which deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss and tax credit carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized. As of April 30, 2015, we have recorded a full valuation allowance against our deferred tax assets.

We use a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. A tax position is recognized when it

is more likely than not that the tax position will be sustained upon examination, including resolution of any related appeals or litigation processes. A tax position that meets the more-likely-than-not recognition threshold is measured at the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement with a taxing authority. The standard also provides guidance on derecognition of tax benefits, classification on the balance sheet, interest and penalties, accounting in interim periods, disclosure and transition.

In September 2013, the U.S. Treasury Department and the Internal Revenue Service, or IRS, issued final tangible property regulations, providing comprehensive guidance on the tax treatment of costs incurred to acquire, repair or improve tangible property. The final regulations are generally effective for taxable years beginning on or after January 1, 2014. In January 2014, the IRS issued procedural guidance pursuant to which taxpayers will be granted automatic consent to change their tax accounting methods to comply with the final regulations. There are no significant changes to our tax accounting with respect to this guidance.

Recent Accounting Pronouncements

Upon the filing of our initial registration statement, we do not intend to utilize the extended transition period provided in Securities Act Section 7(a)(2)(B) as allowed by Section 107(b)(1) of the JOBS Act for the adoption of new or revised accounting standards as applicable to emerging growth companies. As a result of the election, we will comply with new or revised accounting standards on the relevant dates on which adoption of such standards is required for non-emerging growth companies. Section 107 of the JOBS Act provides that our decision to opt out of the extended transition period for complying with new or revised accounting standards is irrevocable.

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), which supersedes the revenue recognition requirements in ASC 605, *Revenue Recognition*. This ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The ASU's effective date will be the first quarter of fiscal year 2018 using one of two retrospective application methods. Early adoption is not permitted. We have not yet selected a transition method and are currently evaluating the impact of our pending adoption of ASU 2014-09 on our consolidated financial statements and disclosures.

In August 2014, the FASB issued ASU No. 2014-15, *Disclosure of Uncertainties About an Entity's Ability to Continue as a Going Concern*. The new standard provides guidance around management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted. The adoption of this standard is not expected to have a material impact on our consolidated financial statements.

Quantitative and Qualitative Disclosures About Market Risk

We had cash and cash equivalents of $6.4 million, $9.1 million and $13.6 million as of January 31, 2014, January 31, 2015 and April 30, 2015, respectively. We hold our cash and cash equivalents for working capital purposes. Our cash and cash equivalents are held in cash and short-term money market funds. Due to the short-term nature of these instruments, we believe that we do not have any material exposure to changes in the fair value of our investment portfolio as a result of changes in interest rates. Declines in interest rates, however, would reduce our future interest income. During fiscal 2014, 2015 and the three months ended April 30, 2015, the effect of a hypothetical 10% increase or decrease in overall interest rates would not have had a material impact on our interest income. In addition, as of April 30, 2015, we had approximately $10.7 million in short and long-term debt including accrued interest with variable interest rate components. A hypothetical 10% increase or decrease would not have had a material impact on our interest expense.

To date, all of our revenue has been denominated in U.S. and Canadian dollars. Some of our revenue is subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the Canadian dollar. Additionally, fluctuations in foreign currency exchange rates may cause us to recognize transaction gains and losses in our statements of operations. To date, foreign currency transaction realized gains and losses have not been material to our consolidated financial statements, and we have not engaged in any foreign currency hedging transactions. As our international operations grow, we will continue to reassess our approach to managing the risks relating to fluctuations in currency rates.

We do not believe that inflation and change in prices had a significant impact on our results of operations for any periods presented in our consolidated financial statements.

BUSINESS

Overview

Ooma is a leading provider of innovative communications solutions and other connected services to small business, home, and mobile users. Our unique hybrid SaaS platform, consisting of our proprietary cloud, on-premise appliances, mobile applications, and end-point devices, provides the connectivity and functionality that power our solutions. Our communications solutions deliver our proprietary PureVoice HD voice quality, advanced features, and integration with mobile devices, at extremely competitive pricing and value. Our platform helps create smart workplaces and homes by providing value-added communications and other connected services and by integrating end-point devices to enable the Internet of Things. Our platform and solutions have the power to provide communications, productivity, automation, monitoring, safety, security, and networking infrastructure applications to our users.

We drive the adoption of our platform by providing communications solutions to the large and growing markets for small business, home, and mobile users and then accelerate growth by offering new and innovative connected services to our user base. Our small business and home customers adopt our platform by making a one-time purchase of one of our on-premise appliances, connecting the appliance to the internet, and activating subscription services, for which they primarily pay on a monthly basis. Our communications solutions are distinguished by the combination of our proprietary PureVoice HD voice quality, exceptional value, an advanced feature set enhanced by a number of end-point devices, and integration with mobile devices. We believe we have achieved high levels of customer retention and loyalty by delivering exceptional quality and customer satisfaction.

- ***Small business communications solutions.*** In 2014, our first full year serving small businesses, and 2015 the readers of *PC Magazine* selected Ooma's small business solution as the best internet phone service for small businesses in *PC Magazine's Business Choice Awards (2014 and 2015)*. With 9.6 out of 10 respondents willing to recommend us, we received the survey's top Net Promoter Score of 85%, which indicates high customer loyalty. Net Promoter Score is a widely used index ranging from negative 100% to positive 100% that measures the likelihood that a customer would recommend a product to a friend or colleague. Ooma's unique platform for small business, called Ooma Office, delivers a low-cost, complete business communications solution with rich, enterprise grade functionality and mobile integration to small businesses which we believe have traditionally been underserved. Ooma Office customers pay monthly fees for the services they choose to receive. Unlike most competing solutions, Ooma Office does not require an IT specialist for installation, maintenance or upgrades, allows customers to use their existing analog phones, selected IP phones and mobile devices, and does not require expensive IP cabling on premises. Ooma Office addresses the needs of today's small businesses by providing features typically available only to larger businesses, by enabling mobile workforce solutions, and by dramatically reducing their costs.
- ***Home communications solutions.*** For four years in a row from 2011 to 2014, the readers of the leading U.S. consumer research publication have ranked Ooma as the number one home phone service for overall satisfaction and value. Ooma Telo is a complete home communications solution with HD voice quality and premium features, many of which are unique to Ooma. Additionally, our full-featured mobile app allows our customers to make calls, manage their accounts, and access our platform for other services while on the go. Ooma Telo customers receive free domestic calling, only paying applicable taxes and fees (which typically range from approximately $3.75 to approximately $7.00 per month, depending on the jurisdiction, excluding some of our early customers who pay no taxes or fees), and can subscribe to our premium features and services.
- ***Mobile communications applications.*** Our mobile platform is available to customers who have purchased Ooma Office or Ooma Telo, as well as any other consumers with a Wi-Fi or cellular data connected mobile device. For mobile-only customers, we provide free domestic calling and messaging, and low rates for international calling through our Talkatone mobile app, available on both iOS and Android. According to data available from App Annie, a provider of mobile app market data, out of over one million apps available as of December 31, 2014, in each of Google Play and the Apple App Store, our Talkatone app was ranked in the top 100 and top 300, respectively. The Talkatone app utilizes the cloud

portion of our platform to provide high-quality voice calling and messaging anywhere a mobile user has access to a Wi-Fi or cellular data connection. We generate revenue from our Talkatone app through mobile advertisements, which can be targeted effectively to our approximately 1.5 million monthly active users (by geography, demographics, context and use), and through the sale of credits for extended calling and other subscription-based services. The Talkatone app also provides an additional pipeline to customers to whom we can cross-sell our small business and home solutions.

Our services run on our unique platform consisting of four proprietary elements: our multi-tenant cloud service, custom on-premise appliance, mobile applications, and end-point devices. Ooma's cloud provides a high-quality, secure, managed, and reliable connection integrating every element of our platform. Our on-premise appliances incorporate both a custom-designed, Linux-based computer and a high speed network router, with several key features, including wireless connectivity to end-point devices and custom firmware and software applications that are remotely upgradable and extensible to new services. Our mobile applications enable customers to access our product features from anywhere, and our end-point devices enable additional functionality and services. Our platform powers all aspects of our business, not only providing the infrastructure for the communications portion of our business, but also enabling a number of other current and future valuable productivity, automation, monitoring, safety, security, and networking infrastructure applications.

We currently offer our solutions in the U.S. and Canadian markets. We believe that our differentiated platform and our long-term customer relationships uniquely position us to add new connected services and exploit adjacent markets, all without significant capital investment or high customer acquisition costs to drive their adoption. We offer and are developing connected services for the following applications:

- ***Productivity.*** We offer a small business productivity service, called "Business Promoter", which provides lead generation services to small businesses using proprietary techniques that leverage local, mobile and social media technologies to enable small businesses to be found, to engage with new prospects, and to receive telephone calls from qualified customer leads. In the future, we expect to launch additional connected services to enhance productivity for small businesses.
- ***Automation, monitoring, safety, and security.*** Our platform enables an ecosystem for connected services by integrating with other automation solutions. For example, we have integrated Ooma Telo with products from Nest Labs, Inc., a Google company specializing in home monitoring and control. By combining Ooma's communications intelligence with Nest's functions, we enable innovative and valuable features. For example, if the Nest Protect device detects smoke or carbon monoxide when the user is away from home, we provide the ability for the user, through the user's mobile device, to connect with emergency services from the user's home phone number and address. This allows users to immediately speak with the correct emergency services personnel, saving valuable time. We are currently developing additional connected services for small businesses and homes to enable the Internet of Things, including a home monitoring solution using proprietary sensors.
- ***Networking infrastructure.*** Our on-premise appliances include a high-speed router that has the capacity to provide networking infrastructure solutions. In the future, we expect to launch connected services with applications for networking infrastructure for small businesses and homes.

We believe that our platform is particularly well-suited to enable the delivery of connected services because it is always on, monitored and interactive. We expect the adoption of our connected services to support the continued growth of our recurring revenue stream.

We have experienced significant revenue and user growth in recent periods, growing our "core users" from approximately 174,000 as of January 31, 2011 to approximately 678,000 as of April 30, 2015, representing a compound annual growth rate of approximately 38%. We define core users as the number of home user accounts, office user extensions, and standalone Business Promoter accounts. We believe that we have one of the lowest customer churn rates in the industry, with an average monthly core user churn rate of 0.55% for the 12-month period ending on April 30, 2015. Additionally, we had approximately 1.5 million and 1.6 million Talkatone

monthly active users as of January 31, 2015 and April 30, 2015, respectively. We have a predictable revenue model with growth in recurring revenue, with total revenue of $39.2 million, $53.7 million and $72.2 million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively. Our total revenue for the three months ended April 30, 2014 and 2015 was $16.3 million and $19.9 million, respectively. Subscription and services revenue, which represents the recurring portion of our total revenue, has increased as a percentage of our total revenue over the last four years, from approximately 30% in fiscal 2011 to 75% in fiscal 2015. It has also increased as a percentage of our total revenue to 78% for the three months ended April 30, 2015 compared to 67% for the three months ended April 30, 2014. We have continued to make significant investments in research and development, brand marketing, and channel development, incurring net losses of $(3.7) million, $(2.0) million and $(6.4) million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, and net loss of $(3.9) million for the three months ended April 30, 2015. However, we had net income of $0.5 million for the three months ended April 30, 2014. Our Adjusted EBITDA was $(2.2) million, $(0.4) million, $(3.5) million in fiscal 2013, fiscal 2014 and fiscal 2015, respectively, and $1.0 million and $(1.9) million for the three months ended April 30, 2014 and 2015, respectively. See footnote (3) in “Selected Consolidated Financial Data” for a description of how we define Adjusted EBITDA, why we believe that it is useful to investors, and a reconciliation to our net loss, which is our most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles, or GAAP.

Industry Background

Overall Industry Trends

Several key trends are driving changes within the small business, home and mobile communications markets. Consumers in all three markets are demanding higher quality and performance from products and services, but at a lower cost. Both business owners and home consumers can benefit from solutions that combine the power of cloud services, on-premise appliances and the flexibility of mobile solutions, for an integrated office/home and mobile communications experience with the ability to seamlessly integrate multiple end-point devices. Additionally, fundamental changes in how people live and work have led to a shift from an environment where employees worked at a single office during business hours, utilizing primarily desk phones, to a geographically dispersed environment with a remote and mobile workforce who are always online, utilizing multiple devices.

The rapid proliferation of ubiquitous connectivity, connected devices, cloud computing, big data, and the widespread availability of broadband internet, have been coupled with a steady decline in component and computing costs. The convergence of these powerful technologies at a lower cost is leading the market toward a more integrated and connected network of devices enabling a smart workplace, a smart home, remote access and automation, and a host of potential products and services. As companies and consumers embrace the Internet of Things, we believe that the market for connected services and products will expand rapidly.

The Small Business Market

The market for communications and other connected services for small businesses demonstrates a shift from traditional home telephone lines to internet-based service providers.

Based upon data obtained from the U.S. Census Bureau 2012 County Business Patterns Database (2014), we estimate that there are approximately 27.8 million small businesses with fewer than 20 employees in the U.S. In addition to these U.S. based small businesses, we estimate, based on Industry Canada’s *Key Small Business Statistics* report published in 2013 and on 2014 data from Industry Canada’s employment database, that there are approximately 3.7 million small businesses with fewer than 20 employees operating within Canada with similar needs and interests. According to data from the FCC’s *Local Telephone Competition: Status as of December 31, 2013* report published in 2014, which we refer to as the FCC data, there were approximately 58.0 million business telephone lines in the U.S. in 2013, of which approximately 82.3% were traditional landlines and the remaining 17.7% were internet-based solutions. According to the FCC data, the number of internet-based business lines in the U.S. has grown at a compound annual growth rate of 29.5% from 2010 to 2013. According to data from the CRTC’s *Communications Monitoring Report 2014: Telecommunications Sector* published in 2014, which we refer to as the CRTC data, there were approximately 5.7 million business telephone lines in

Canada in 2013, of which approximately 90.7% were traditional landlines and the remaining 9.3% were internet-based solutions. According to the CRTC data, the number of internet-based business lines in Canada has grown at a compound annual growth rate of 20.6% from 2010 to 2013. We believe that an even greater market opportunity in small business exists outside of North America.

Small businesses struggle to compete with larger enterprises that leverage their size to cover the high costs of communications and other connected services. While small businesses seek top-quality communications services and high-end productivity solutions, such services are seldom tailored to the unique needs and price sensitivities of small businesses, resulting in an underserved small business community.

Small businesses have traditionally had only three choices when deciding on their communications infrastructure: traditional landline solutions, PBX solutions and internet-based solutions. Each of these solutions presents their own challenges.

- The traditional landline offers a predictable experience to its users, but comes at a high cost and is limited in functionality and the potential to add new features.
- PBX solutions are even more expensive than traditional landlines and require experienced IT departments to install and manage, a luxury small businesses do not enjoy. Additionally, PBX solutions have a limited ability to implement new technology and features, such as mobile integration.
- Internet-based solutions, though a better value than PBX solutions, are often still expensive, suffer from inconsistent voice quality that depends on the quality of the underlying internet connection, and may require an IT professional to install, configure, and manage.

The Home Market

The market for consumers of communications and other connected services in the home shows a shift from traditional home telephone lines to internet-based service providers.

According to the IDC report, *U.S. Consumer Landline Voice Services 2014-2018 Forecast* (2014), there were an estimated 71.6 million residential telephone lines in the U.S. in 2014, of which approximately 46% were traditional landlines and the remaining 54% were internet-based solutions, including bundled solutions offered through cable providers and other internet service providers. While the overall number of home telephone lines has decreased, the number of residential internet-based lines in the U.S. has grown at a compound annual growth rate of 11.7% from 2010 to 2013, according to the FCC data. According to the CRTC data, there were approximately 11.2 million residential telephones lines in Canada in 2013, of which approximately 52% are traditional landlines and the remaining 48% use internet-based solutions. We estimate that the number of residential internet-based lines in Canada has grown at a compound annual growth rate of 8.4% from 2010 to 2013. Additionally, some consumers who had previously relied entirely on mobile solutions are now re-adopting home phones due to a variety of reasons, including poor reception in the home, convenience, providing a phone to everyone in the home, 911 emergency calling and more consistent call quality.

We believe that many consumers, particularly families with children in the household, desire home telephone services, but are frustrated with current offerings due to high costs and lack of value-added functionality. These frustrations have caused a shift in the market from traditional landline services to internet-based solutions, but consumers are encountering challenges with these new solutions.

- Cable companies bundle phone services with cable television and internet offerings, but these phone services have limited functionality and features and are provided by companies with historically low customer service ratings. Furthermore, these providers lack the incentive to innovate or expand phone services to their captive consumers.
- Stand-alone internet phone service providers deliver services at a discount to the offerings from the cable companies, but their services often have poor quality due to their inability to effectively cope with internet bottlenecks and may offer limited features.

Consumers are adopting new technologies in the home, including new connected devices enabling the Internet of Things. Current product offerings, including many of the single-use end-point devices, are difficult to network together and do not effectively integrate communications services into a complete solution. The market has failed to provide an affordable solution that facilitates easy adoption and seamless integration of the home telephone, home connectivity, and mobile offerings, leaving consumers with sub-optimal options.

The Mobile Communications Applications Market

Due to the high cost of traditional cellular service plans, and limited functionality, consumers with mobile devices are increasingly relying on a variety of apps to provide calling, messaging, and other communications and connectivity solutions. According to a report published by Infonetics Research, now a part of IHS Inc. (NYSE: IHS), entitled *VoLTE and OTT Mobile VOIP Services and Subsribers Annual Market Size and Forecast* (2014), there were estimated to be approximately 2.1 billion subscribers to "over-the-top" voice solutions on mobile devices worldwide at the end of 2014, and the number of subscribers is expected to grow at a rate of 22.7% in calendar year 2015. The competition in this space is fragmented across a number of companies and consumers face limitations with many of the apps currently on the market, including:

- Limited feature sets that may not include messaging or other services, resulting in consumers needing to utilize multiple apps; and
- Restricted calls only to other consumers who have installed the same app on their mobile device, leading to consumer frustration and dissatisfaction.

Our Opportunity

Opportunities in the small business market. Ooma Office solves many of the frustrations that small businesses encounter with other communications services by offering affordable communications solutions with an extensive feature set tailored to small businesses. If each of the estimated 27.8 million and 3.7 million small businesses with fewer than 20 employees in the U.S. and Canada, respectively were to adopt the Ooma Office solution, and assuming that the small businesses with one or more employees in the U.S. and Canada were to adopt our Business Promoter service, for an estimated blended average total monthly fee of $40 per subscriber, we estimate that our recurring annual revenue from small businesses in these markets would be approximately $15.1 billion.

Opportunities in the home market. Our home communications solution features high-quality voice communications at a low cost, consisting of the initial cost of the on-premise appliance and then only modest applicable monthly taxes and fees. Additionally, we offer a suite of advanced features, called Ooma Premier. If the estimated 71.6 million and 11.2 million home telephone lines in the U.S. and Canada, respectively, were to adopt our solution and subscribe to Ooma Premier and international and other calling services, with an estimated average total monthly fee of $14.00, we estimate that our annual recurring revenue would be approximately $13.9 billion. Additionally, according to an IDC report entitled *U.S. Residential Landline Displacement 2013-2017 Forecast* (2013), there were an estimated 53.7 million mobile-only consumers in 2014. We believe that these consumers have an incentive to adopt our solutions for our advanced product features and mobile integration.

Opportunities in the mobile communications applications market. The number of users adopting our mobile communications applications is growing rapidly as we prove that we can deliver high-quality voice solutions coupled with useful features and services at low cost to the end user. For our standalone Talkatone mobile app, our proprietary ad-delivering technology results in consistent revenue from advertisers vying to access our mobile customer base. According to Infonetics Research, at the end of 2014 there were estimated to be approximately 2.1 billion mobile "over the top" voice subscribers globally. If each of those users were to download and use the Talkatone app, with estimated annual advertising and usage revenue of approximately $2.74 per user, then our estimated aggregate recurring annual revenue attributable to standalone mobile applications would be approximately $5.8 billion.

Opportunities for additional services to small business and home markets; global expansion. Our solution disrupts other communications services by introducing low-cost, top-quality and feature-rich solutions that we believe are very attractive to small business and home users. We have a tremendously loyal customer base, primarily as the result of the value and quality of services we offer. As we expand the number of customers subscribing to our office, home, or mobile communications solutions, we believe that we will be able to leverage our existing strong customer relationships and customer loyalty to increase revenue by providing an expanded set of features and services, including productivity, automation, monitoring, safety, security, and networking infrastructure applications. The opportunities for us to expand into a geographically wider customer base, including areas like the United Kingdom, other European countries and Asia, provides the potential to significantly increase our customer base and source of revenue.

Our Competitive Strengths

We believe that the following strengths position us well to capitalize on the expected growth in our target markets:

- ***Unique hybrid SaaS connectivity platform.*** We have invested significant resources in creating and maintaining our unique hybrid SaaS connectivity platform that is scalable and extensible to new services. Significant elements of our platform are protected by four issued patents and twelve patent applications, creating a barrier to entry. We built our platform from the ground up to be powerful, secure, always-connected, and to enable us to remotely monitor and configure our products and services. Our development team continuously works to enhance our technology, develop new features, and build our leadership position in connected services. We can remotely add or update product features in real time, and support new end-point devices that we either develop ourselves or in partnership with others. Our platform was created to deliver high-quality voice communications solutions, and we believe that our platform positions us to add new connected services and exploit adjacent markets, all without significant additional capital investment or high customer acquisition costs.
- ***Better product and services.*** Our products and services provide complete, easy-to-use solutions for voice communications, with differentiated features such as blacklisting of unwanted callers, an instant second line, 911 alerts for homes, and integration with mobile devices. Our products are easy to install, use and support, and take just minutes to activate. We provide our proprietary HD voice quality with our patent pending PureVoice HD technology, which provides excellent voice quality and reliability, even when our customers encounter poor internet performance. Our small business and home communications solutions seamlessly integrate with mobile devices, enabling our customers to use our services anywhere they have a Wi-Fi or cellular data connection. Furthermore, our Talkatone app expands our user base to mobile-only users who desire free domestic calling and messaging, and low cost international calling. We believe that our communications solutions are the first step in providing additional connected services to our users, such as our Business Promoter service, which we expect to increase the growth of our recurring revenue stream.
- ***Compelling value proposition.*** We believe that we provide a unique combination of quality, services and affordability that is unmatched by our competitors. Our low service cost stems from low capital and maintenance costs, a competitive vendor base, and a high level of automation in running our network. We estimate that Ooma Office provides savings of at least $4,000 over a three-year period for a small business customer with one phone number, five user extensions, and three lines, compared to a typical monthly bill of $200. Similarly, we estimate that Ooma Telo provides savings of at least $1,000 to a home customer over a three year period, compared to the costs of a traditional landline. As of January 31, 2015, we estimate that we have saved our small business and home customers an aggregate of approximately $700 million since inception.
- ***Top ranked customer satisfaction and strong brand loyalty.*** Our compelling value proposition has been validated by our customers. The readers of the leading U.S. consumer research publication have ranked Ooma as the number one home phone service for overall satisfaction and value four years in a row from 2011 to 2014, and readers of *PC Magazine* have ranked Ooma Office as the number one internet phone service for small businesses two years in a row. We received a Net Promoter score of 85% in 2014, based

on a survey of customers taken by *PC Magazine*. That Net Promoter score places us at the top of the customer satisfaction ratings of the five communications companies included in the *PC Magazine* survey. Our strong brand loyalty is evidenced by our low average monthly core user churn rate of 0.55% for the 12-month period ending on April 30, 2015. We believe that our high level of customer satisfaction enables us to grow our recurring revenue stream by marketing additional connected services to a customer base that already trusts us and values the services we provide. In addition, our strong customer loyalty allows us to sell additional connected services at a low incremental cost.

- ***Integrated multi-channel marketing and sales strategy.*** We effectively utilize an integrated marketing and sales strategy to maximize reach, increase brand awareness and grow our user base. We drive our sales through multiple retail and online channels, our direct sales organization, and select reseller partners, such as Vivint. Our retail, online and direct channels are fully integrated and complement each other, and they are supported by a combination of television, print and online advertising that builds brand awareness amongst small business, home and mobile customers. Our marketing strategy seeks to maximize the synergies between the small business and home markets. For example, advertising for the Ooma Telo product also creates awareness and drives sales of the Ooma Office product. We maintain strong retail channel relationships with leading online and traditional retailers in the U.S. and Canada, including national retailers such as Amazon.com, Costco.com, Best Buy, and Future Shop, and regional retailers like Fry's Electronics and PC Richard. We believe that our integrated multi-channel sales strategy enables us to effectively grow our sales at a relatively low cost of customer acquisition.
- ***Experienced senior management team.*** Our executive management team has a strong track record of success across a broad range of disciplines in high-growth companies. Our senior executives have previously held senior positions at leading technology companies, such as Apple, Cisco, Gigamon, Intuit and Lexar, with deep experience building both consumer and enterprise businesses. We believe the strength of our management team is a key ingredient to our continued success and ability to execute our strategy.

Our Growth Strategy

Our objective is to enable smarter and more affordable communications solutions and other connected services through the use of our platform. We believe that our strong reputation for high-quality communications solutions and other connected services and customer loyalty are instrumental to achieving our objective. The following are the key elements of our growth strategy:

- ***Continue to expand our user base for communications solutions.*** Users are increasingly seeking cost-effective communications solutions with advanced features not provided by traditional communications companies. We believe that the adoption of internet-based communications services will continue to grow rapidly for the foreseeable future, and that our communications solutions provide a compelling option to those users. Accordingly, we intend to continue investing in our sales and marketing capabilities, and to execute our integrated multi-channel sales strategy to acquire new users and significantly increase our market share.
- ***Sell existing users additional premium and new connected services.*** As customers experience the benefits of our communications solutions, we intend to focus on increasing their spending with us, by selling current customers additional premium communications services and other new connected services. As of January 31, 2015, approximately one-third of our Ooma Telo customers subscribed to our Ooma Premier package. More broadly, in fiscal 2013, fiscal 2014, fiscal 2015 and in the first quarter of fiscal 2016 approximately 33%, 39%, 42% and 43% of our core users respectively, were premium users, which we define as a user who purchases a monthly subscription service or other optional services from us. We drive the adoption of premium subscription services through free trials and communications targeted to our user base.
- ***Develop new connected services.*** We are continuing to introduce new connected services focused on productivity, automation, monitoring, safety, security and networking infrastructure applications. We also

intend to cultivate new relationships with additional technology companies to enhance the value of our connected services. Because we are leveraging our connectivity platform and our loyal customer base, we believe that we can expand our recurring revenue stream from new connected services with relatively low incremental marketing costs.

- ***Expand globally.*** To date, our focus has been on the U.S. and Canadian markets. We believe that there is a significant opportunity for our communications and other connected services to disrupt incumbent communications providers internationally. We intend to increase our sales capabilities internationally by expanding our direct sales force over the long-term and collaborating with strategic partners worldwide to target selected international markets and grow our international customer base. We have identified at least 40 international markets where we can launch our solutions.
- ***Opportunistically pursue strategic acquisitions***. In addition to organically developing and strengthening our solution, we intend to actively and selectively explore acquisition opportunities of companies and technologies to expand the functionality of our solution, provide access to new customers or markets, or both. We added our Talkatone app and Business Promoter service through acquisitions, and we will continue to look for strategic opportunities to increase our reach and range of services.

Our Products and Services

Ooma Office for Small Businesses

Ooma Office is a fully-featured multi-user communications system for small businesses, providing everything needed to manage communications in and out of the office with a suite of powerful features at an affordable price.

Unlike pure cloud-based phone services that only work with IP phones, our unique hybrid SaaS platform allows for the use of standard analog phones and fax machines as well as select IP phones and internet fax. Ooma Office analog desktop extensions work wirelessly with no wiring infrastructure. This makes setup intuitive and easy enough for the user to install and manage without assistance from an IT professional.

Ooma Office consists of an on-premise appliance and an Ooma Linx end-point device, which wirelessly connects regular desktop telephones to the user's high-speed internet connection. The user can configure the system online, using the Ooma Office Manager web portal. Ooma Office provides features not typically available to small businesses, including a virtual receptionist, music-on-hold, ring groups, a conference bridge, internet and analog fax capability, and mobility features, such as voicemail forwarding to a designated e-mail address.

The Ooma Office Mobile HD app allows users to remotely access their business communications system to make, receive and transfer phone calls and utilize many of the other features, as if they were in the office. The app is compatible with any iOS or Android mobile device and transmits calls over a Wi-Fi or cellular data connection.

Ooma Office Mobile HD app

Ooma Office and Linx

Ooma Office customers can subscribe to the following calling plans to enhance their business:

- ***Local numbers.*** Ooma allows businesses to select up to 20 local phone numbers to establish points of presence within a geographic area or for direct inward dialing to users of the system. Ooma offers phone numbers in all states except Alaska and the Northwest Territories of Canada.
- ***Toll free numbers.*** Ooma toll-free numbers come with 500 minutes of inbound calling included each month. For businesses that expect a large number of toll-free calls, Ooma offers toll-free calling plans that include an additional 1,000 or 2,500 additional minutes each month at a low cost.
- ***Prepaid.*** Ooma Office customers can save on international calling with everyday low rates from Ooma. International calls are charged against a prepaid account, which is automatically refilled as the balance runs low.

Business Promoter

Business Promoter is a service that helps businesses generate new customer leads. Business Promoter optimizes a business's online presence, enabling potential customers to discover the business and engage with it without requiring time or expertise from the business. Business Promoter utilizes location, mobile and social technologies to generate customer leads by delivering phone calls from potential customers to a business. Ooma Office users can either sign-up for the Business Promoter service on a pay-per-lead basis, or subscribe to unlimited leads through a monthly plan. Under the pay-per-lead model, users pay a fixed price per lead that originates from a qualified phone call to the business.

Business Promoter also operates on a white-label basis for digital marketing agencies representing tens of thousands of business locations.

Ooma Telo for Home

Ooma Telo is a complete home communications solution designed to serve as the primary phone line in the home, delivering high-quality voice communications and unique and valuable features.

Users buy an Ooma Telo and plug it into a high-speed internet connection and standard home phone devices. Users have the option to transfer their existing phone number from their current provider for a one-time fee or to select a new number at no cost. We provide local phone numbers throughout the U.S. and Canada except in Alaska and the Northwest Territories of Canada. Once set up, users have access to free nationwide calling, international calling with low rates, and standard features such as voicemail, call waiting, caller ID, network address book, and 911 calling, with text alerts when 911 is dialed from the home. The base service is free, but users are required to pay applicable taxes and fees typically ranging from approximately $3.75 to $7.00 per month, depending on the jurisdiction. Based on a typical monthly phone bill of $40 for standard landline service, we estimate that users can save approximately $1,000 in three years by using an Ooma Telo.

The Ooma Mobile HD app allows Ooma Telo users to make and receive phone calls and access Ooma features and settings with any iOS or Android device over a Wi-Fi or cellular data connection. The Ooma Mobile HD app is free for Ooma Telo users and includes unlimited outbound calls within the U.S. (subject to normal residential usage limitations). Another advantage of the Ooma Mobile HD app is it enables users to make international calls on their mobile devices using Ooma's attractive international calling plan.

Ooma Mobile HD app

Ooma Telo

Ooma End-Point Devices

The Ooma Telo and the Ooma Office support a line of end-point devices to expand the capabilities of the system to serve the needs of an entire household.

HD2 Handset

Linx

Safety Phone

Wireless + Bluetooth Adapter

Headset

- The Ooma HD2 Handset is a sophisticated wireless handset with a color display that supports many enhanced Ooma features, including online contact list syncing, picture caller-ID, instant second line, voicemail screening, and musical ringtones.
- The Ooma Linx is a remote phone jack that can be plugged into any electrical socket to allow the user to connect a phone, fax machine, alarm panel, or anything that requires a phone line to the Ooma phone service, all completely wirelessly.
- The Ooma Safety Phone is a wireless, small form-factor, hands-free speakerphone that can be worn as a pendant. Two speed dial buttons can each be preset with up to three different numbers, including 911. The preset buttons can also be configured to trigger e-mails or SMS notification alerts when assistance is requested. The Safety Phone supports two-way voice communication and can also be used to answer phone calls.
- Ooma Wireless + Bluetooth Adapter adds Wi-Fi and Bluetooth capability to Ooma Telo. With this adapter, users can install the Ooma Telo device anywhere in the home within range of their wireless network instead of hardwiring the device to a modem or router. Bluetooth is used to pair Bluetooth-

enabled mobile phones to the Ooma Telo so that incoming calls on the user's mobile phone can ring on the user's home phones.

- The Ooma Headset is a lightweight, noise-canceling headset which leverages DECT technology to deliver excellent call quality and long battery life. The headset comes with a magnetic charging cradle, has a range of up to 500 feet outdoors, and can be worn in a variety of styles to support all day comfort. The Ooma Headset works with Ooma Telo and Ooma Office.

Ooma Premier Service for Telo

The Ooma Premier Service is a suite of over 25 advanced calling features that maximize the utility of the Ooma Telo on a monthly or annual subscription basis. The Ooma Premier Service helps our users enhance their privacy, stay connected on the go, better manage and access their voicemail, and expand calling options.

The most popular features of the Ooma Premier Service include:

- Blacklists that block over eight hundred and fifty thousand telemarketers, robocallers, and spammers, as well as a user-configurable list of unwanted callers.
- Instant Second Line that enables two household members to make calls simultaneously over the same phone number.
- Nest Product Integration that provides integration of our communications solution with the Nest Protect: Smoke + Carbon Monoxide alarm and Nest Learning Thermostat, enabling a variety of features and services, including remote emergency calling from a user's home number, event scheduling and alerts, and call forwarding based on occupancy sensors.
- Multi-Ring that enables calls to ring simultaneously on the home phone, cell phone, and Ooma Mobile application.
- Voicemail Monitoring that allows users to listen to and intercept calls as a voicemail message is being recorded.
- Voicemail Forwarding that provides users the option to listen to voicemail messages from their e-mail inbox or smartphone.
- Unlimited Free Mobile App Calling that allows users to make and receive unlimited phone calls within the U.S. from their mobile devices as if they were calling from their home number. The availability of unlimited phone calls within the U.S. is subject to normal residential usage limitations.

Other Premium Services

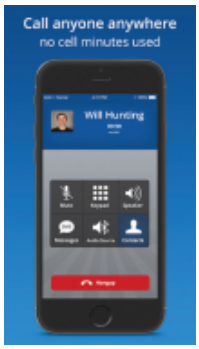
We offer other premium subscription services to our customers, independent of the Ooma Premier Service, including the following services.

- ***International calling plan.*** We offer an international calling plan that allows users to make unlimited calls to 61 countries around the world for a monthly or annual fee, or on a pre-paid basis. Calls can be made from the Ooma Telo, or from the Ooma Mobile HD app.
- ***Voicemail transcription service.*** Users can have their voicemail messages converted into text and have it sent to the user via e-mail so they can read the content of the voicemail.

Talkatone App

Our Talkatone mobile app is available to anyone with an iOS or Android mobile device. Users download the app from the Apple App Store or Google Play for free. Users select a phone number that they can use to make 60 minutes of free U.S. calls per month and unlimited texts using a Wi-Fi or cellular data connection. Advertising is displayed within the Talkatone mobile app and users can purchase premium services such as ad-free usage, additional calling minutes and international calling plans.

Talkatone App Calling



Talkatone App Texting

Customer Case Studies

Ooma Office Case Studies

- ***NY Studio***

  Founded in 2012, NY Studio LLC is a women's and children's apparel manufacturer. NY Studio LLC works with international clothing and accessory brands and maintains a highly trained staff of patternmakers, and production sewers. They maintained five phones lines to cover inbound and outbound calls and paid additional fees for a conference bridge and call forwarding. Five employees shared responsibility for answering all inbound calls prior to hiring a dedicated receptionist. When the receptionist was on break or out of the office, others would fill-in.

  NY Studio implemented Ooma Office with its virtual receptionist to quickly direct incoming calls to the proper extension, eliminating the need for a receptionist, freeing that person to work on other more mission critical projects. By eliminating the number of conventional lines coming into the business, Ooma Office dramatically reduced NY Studio phone bills saving over $1,000 a year. NY Studio takes advantage of the Ooma Office conference bridge for only $9.99 a month, and receives features such as call forwarding that are standard with Ooma office, eliminating extra costs.

- ***KITE Architects***

  KITE Architects has six employees, and daily responsibilities involving many out-of-office meetings at construction sites, and public meetings and hearings. Clients found it difficult to reach KITE employees at their desks, and while key personnel have mobile phones, their numbers were not widely published, which required multiple calls to reach them. Some employees work remotely and part-time, further making communication difficult. Additionally, the company faced wiring infrastructure obstacles in their new office space.

  KITE has increased its responsiveness to clients with the Ooma Office virtual receptionist, which quickly directs calls to phone extensions in and out of the office. Some employees choose to have desk phone extensions simultaneously ring on their mobile phones, while other remote employees use mobile extensions to ring their home office. The voicemail to e-mail feature helps personnel access and respond

to voicemail more quickly. These features allow KITE's clients to reach employees more quickly, increasing the company's responsiveness and productivity. Wireless desk phone extensions allow KITE greater flexibility in its new office, particularly in the conference room which lacks data or telephone wiring.

- ***AGA Displays and Fixtures***

  AGA Displays and Fixtures located in Torrance, California, designs and manufactures innovative, eye-catching point-of-purchase displays for well-known retail and consumer brands. AGA tried three different phone solutions prior to Ooma Office, but none provided the flexibility and functionality that was required for the business.

  AGA chose Ooma Office for its flexibility, easily managed features, and ability to project a more professional image to its customers. "We pride ourselves at being in the forefront of our industry, but when the first point of contact for a prospective customer is a loosely managed phone system with no flexibility, our identity can suffer. Communication is critical to the success of our operation and Ooma Office gives us peace of mind so we can focus on our products and customers," said Daniel Graves, Chief of Operations.

Telo Customer Testimonials

- ***Stan Bucher***

  "My wife and I just love our Ooma! There's nothing else quite as easy to install or use. It almost took me longer to open the box than it did to install the Ooma Telo. We had other services before and the comparison isn't even close. We're saving over $240 a year on phone service. Keep up the good work Ooma! We recommend it to all of our friends."

- ***Dawn Melvin***

  "I have always hated talking cell phone to cell phone. I could never depend on a good connection, no feedback, and I was inevitably saying, "can you hear me now?" So when a local Atlanta area, but nationally syndicated talk radio host (who is a consumer advocate) stated that he had Ooma for his home telephone service, I decided to look it up. I immediately went to BestBuy, purchased the system and have been telling family and friends about it everywhere I go. Not only do I not have to carry my cell phone up and down the stairs in my home, but I have excellent reception, love the fact that I get voicemail/answering machine service which alerts my cell phone when I get a message at home, but I also have call waiting, a message waiting indicator and I don't EVER have to pay a telephone bill ever again. The Ooma customer services person was awesome with helping answer any questions and helped me make sure I had it installed properly. A million thank yous!"

- ***Timothy Winslow***

  "I switched a few years back and it was nice to save the money, but it was just a phone line to me until one day I needed it for something special. I had to dial 911. The 911 service is something that scared me about IP phones. I was very happy with the results. I was connected to the correct 911 operator in my area, they had my address on their screen and help was dispatched in a very timely manner. My experience with this really made me thankful that I was not left out in the cold when the phone was needed most.

  Thank you for your great service. I have helped switch several people over. It's always a pleasure to recommend your product and using the phone!"

Sales and Marketing

Our sales and marketing objective is to grow and retain our customer base, and sell them additional premium services using an integrated and multi-channel marketing approach. We continually test and refine our marketing and sales tactics to drive sales at a low customer acquisition cost.

We use television and radio advertising to build awareness and interest for our products and services, which benefits both the Ooma Office and Ooma Telo solutions. We believe that television advertising provides an opportunity to build the Ooma brand cost-effectively, educate prospects on Ooma's unique combination of quality and value, and capture prospects' attention. Small businesses and consumers who see our television advertising are directed to our web site and to key retail partners. Radio is used in a highly targeted manner primarily to reach small business owners and decision makers as they commute to and from their workplace.

We use online marketing including search engine marketing, search engine optimization, display advertising, and social media to attract customers as they do online research for the products and services we offer. For those prospects who do not purchase immediately, we entice them to provide their e-mail address and/or phone number by offering helpful information, relevant case studies and demonstrative webinars to assist in making their purchase decision. We continue to reach out to our prospect leads over time using e-mail and telemarketing until they purchase or the lead is retired.

We actively mobilize our customers to spread word-of-mouth marketing by sharing Ooma news and information through social media and e-mail. We also encourage our customers to write product reviews on Amazon.com and other online retailer websites. We sell additional services to our existing customer base by offering free trials and promotional offers, as well as sending e-mail communications and leaving messages on their Ooma voicemail service.

Our small business and home products are sold through both direct channels and retail, with the direct channel as our primary distribution channel for small business and the retail channel as our primary distribution channel for home customers. Our direct sales force is focused on small business sales and includes highly trained sales representatives located in the U.S. responding to inbound telephone calls and sales leads generated through marketing activity and our website. We consider our retail presence a competitive advantage and we are continuing to add retailers who share our growth objectives. Our retail distribution includes national and regional consumer electronics, big box retailers, and leading online retailers, including Amazon.com, Best Buy, Costco.com, Future Shop and others. Additionally, we have a reseller partnership with Vivint, which resells our home communications solution under the Vivint brand name. Our Ooma Business Promoter service is sold directly to Ooma Office customers and through digital marketing agencies to businesses seeking to generate leads.

Customer Support

Our primary customer support objective is to delight our customers and educate them on the features and benefits of our products to optimize the overall user experience. In addition to providing support to our customers, we employ an active customer management strategy in which we drive incremental revenue through cross-selling of products and services. Our customer support teams also manage the porting process for our customers and our customer billing and payment activities.

We maintain two customer contact centers, one operated by us in Newark, California, which primarily houses our small business support for our Ooma Office customers, and one operated by our partner Telus in Manila, Philippines, which provides our customer support primarily for our Ooma Telo customers. In order to maximize customer convenience and ease of use, we utilize a variety of communication media to serve the needs of our customers including telephone, online chat, online tutorials, and e-mail.

Our Platform

Our unique hybrid SaaS platform consists of our proprietary cloud, on-premise appliances, mobile applications, and end-point devices. They work in concert to support our advanced features, high-quality, and the ability to offer customized connected services, which are vital to driving our high level of customer satisfaction and low customer churn.

We take an integrated approach to the development of our technology. Our extensive engineering resources span both hardware and software and our business scope encompasses the entire platform, giving us the ability to drive new integrated solutions for our customers. We believe our integrated engineering and business strategy is a significant competitive advantage and makes it feasible for us to leverage our platform to deliver a broad range of productivity, automation and infrastructure connected services.

The integrated approach to our technology allows us to operate at a reduced cost and provides competitive advantages:

- Because we designed our on-premise appliances and network elements to work in harmony, we are free to make optimizations that streamline and simplify the elements of the network.
- Our platform enables us to automatically select, on a call-by-call basis, between over a dozen call termination providers based on call cost and quality. Likewise, our platform allows us to shift our customer base among a several origination vendors. This, combined with our rapid growth creates a favorable environment to demand low costs from our vendors without sacrificing quality.
- The tight integration between our engineering and operations teams, combined with the functional nature of our on-premise appliances, facilitates our highly automated network operations, enabling us to efficiently scale our operations.

Cloud

Our multi-tenant cloud infrastructure provides a high-quality, secure, managed, and reliable suite of services integrating all elements of the platform. We have built a proprietary cloud in order to optimize quality of service, reliability and security, which are essential elements of our communications solutions. Our cloud simplifies the task of offering new services, and provides consistent performance and economies of scale for all of our connected services. Ooma's key cloud capabilities include: telecommunications, custom hosted services, interconnections to third party services (cloud-to-cloud), on-premise appliance management, remote diagnostics support, and billing.

We have engineered our cloud infrastructure to enable:

- Quality of Service through transcoding of data to/from our on-premise appliances, routing control, direct connection to internet transit providers, and strategic location of our data centers;
- Security through AES128-encrypted media and provisioning information and layered defenses against malicious cyber-threats; and
- Reliability through redundant data centers in San Jose, California and Sunnyvale, California.

On-Premise Appliances

Our purpose-built on-premise appliances are both a custom-designed, Linux-based computer and a high speed network router, with several key features, including wireless connectivity to end-point devices and custom firmware and software applications that are remotely upgradable and extensible to new services.

We harness the power of our on-premise appliances, operating in conjunction with our cloud, to deliver three core technology advantages:

- ***PureVoice HD technology for improved call quality.*** A common cause of customer churn for internet communications solutions is poor voice quality, which is primarily caused by packet loss or jitter from internet bottlenecks. Our PureVoice HD technology addresses these issues with the following elements:
  - — High-speed routing with hardware-based quality of service. Ooma's on-premise appliances include network ports for both the local area network, or LAN, and the wide area network, or WAN, with a dedicated routing engine connecting the two. The routing engine is capable of routing 100Mbits per second and prioritizes voice traffic over other traffic in the business or home.
  - — Advanced voice compression technology. The high processing power of our on-premise appliances makes it possible to employ an advanced voice compression technology that reduces the bandwidth required for carrying voice traffic over the customer's internet connection by over 70%, while providing greater error concealment than more commonly used voice compression technologies.
  - — Adaptive redundancy. Our cloud dynamically detects when packets are being lost or delayed and signals our on-premise appliances to send redundant data in succeeding packets. Our cloud then reassembles the packets it receives into the proper data stream in real time. The level of redundancy is dynamically determined based upon the quality of the customer's internet connection, which optimizes the balance of latency and quality. Ooma business, home and mobile users can maintain three times packet redundancy while consuming virtually the same bandwidth as competing systems that use less advanced voice compression technology.
  - — HD Voice. Our on-premise appliances double the sampling rate and sampling precision compared to a traditional voice call to capture a truer picture of the actual sound and provide a HD audio experience to the listener.
  - — Encrypted data transfer. Signaling between our on-premise appliance and our cloud is embedded in an encrypted virtual private network, or VPN, making it very difficult to illicitly monitor. Likewise, we employ secure real-time protocol, or SRTP, to encrypt the media associated with voice conversations to and from our on-premise appliances.

- ***Extensibility to new services.*** Our on-premise appliance incorporates extra processing power, networking capability and memory capacity to accommodate future services. We have also incorporated a USB port in the appliance for directly connecting other devices.
- ***Hub for the Internet of Things.*** Our on-premise appliance supports a wireless networking protocol to facilitate connectivity to other end-point devices and enable the Internet of Things.

Mobile Applications

We have made significant investments in developing mobile applications for the iOS and Android operating systems. As a result, nearly every connected service and feature we deploy enhances or can be enhanced through integration with our customer's mobile device. We are in the process of integrating our PureVoice HD technology into our Ooma Mobile HD app. We plan to continue enhancing our mobile apps to incorporate features related to our partners' services (such as Nest Labs, Inc.) and other connected services.

End-Point Devices

Ooma has developed a range of end-point devices that together create a full communications solution for our customers. We also enable several proprietary features through our end-point devices, such as picture caller ID and address book sync/dial by name using the Ooma HD2 Handset and pre-programmed sequential dialing by the Ooma Safety Phone.

Operations and Manufacturing

We deliver our services through two separate data centers located in San Jose and Sunnyvale, California, both hosted in facilities leased from Equinix, Inc. While our service operations are partially redundant, account provisioning and billing are operated out of the San Jose facility.

Our network operations and carrier operations teams are responsible for designing our core routing and switching infrastructure, managing growth and maintenance (including the introduction of new services) and orchestrating vendor relationships for hosted services, IP transit and carrier services and daily operation of our cloud and other services. The design of these services, and the tools for monitoring and managing them, are developed in combination with our engineering team.

We contract with manufacturers in China to produce our on-premise appliance and end-point devices. We configure and ship to our channel partners and end users through our internal manufacturing and logistics team based in Newark, California. Our internal logistics team also manages reverse logistics for channel and warranty returns and works closely with our engineering team to develop tooling and processes that bring new products into production.

Engineering, Research, and Development

We have invested great time and resources into developing our engineering, research, and development team, resulting in a group with diverse skills, ranging from hardware and radio frequency design to embedded software, network software, telecommunications, database architecture, operations support systems, billing, security, web design and mobile app development. The team develops all aspects of our platform, including our hosted services, on-premise appliance, mobile applications, end-point devices, interconnections to third party services and tools and utilities that facilitate customer provisioning, debugging, billing and reporting. Because our engineering, research, and development team manages all aspects of our solutions, we are able to offer an integrated solution that works seamlessly between software and hardware and to respond to customer feedback to add in additional features and services that works across the entire platform.

The engineering, research and development team consists of a core set of engineers located primarily in Palo Alto, California, augmented by contract development teams in Canada, India, Ukraine, Russia and New Zealand.

Our Competition

The market for communications solutions and other connected services for small business, home, and mobile users is complex, fragmented, and defined by constant shifts in technology and customer demands. We expect competition to continue increasing in the future. We believe that the defining factors driving competition in our market include:

- Quality and consistency of communications services;
- Lifetime value of initial investment and ongoing cost of services;
- Breadth of features and capabilities;
- System reliability, availability and performance;
- Speed and ease of activation, setup, and configuration;
- Ownership and control of the proprietary technology;
- Integration with multiple end-point devices and mobile solutions; and
- Customer satisfaction and brand loyalty.

We believe that we compete favorably on the basis of the factors listed above.

We face competition from a broad range of providers of communications solutions and other connected services for small business, home, and mobile users. Some of these competitors include:

- established communications providers, such as AT&T Inc., Comcast Corporation and Verizon Communications Inc. in the U.S., and Rogers Communications Inc. and others in Canada, that resell on-premise hardware, software and hosted solutions;
- other communications companies such as 8x8 Inc., magicJack VocalTec Ltd., RingCentral, Inc. and Vonage Holdings Corp.;
- companies such as Broadsoft, Inc. and Microsoft Corporation;
- traditional on-premise, hardware business communications providers such as Avaya Inc., Cisco Systems, Inc. and ShoreTel, Inc., any of which may now or in the future also host their solutions through the cloud, and their resellers;
- mobile communications app companies providing “over-the-top” solutions, such as LINE Corporation, Pinger, Inc., Viber Media S.à.r.l. and WhatsApp, Inc.; and
- other large internet companies, such as Google Inc., any of which might launch its own cloud-based business communications services or acquire other cloud-based business communications companies in the future.

Intellectual Property

Our success depends, in part, on our ability to protect our proprietary technology and other intellectual property rights. We rely on a combination of patents, trade secrets, copyrights and trademarks, as well as contractual protections to establish and protect our intellectual property rights. We require our employees, consultants and other third parties to enter into confidentiality and proprietary rights agreements, we control access to our software, documentation and other proprietary information, and our software is protected by U.S. and international copyright laws. For example, we require our employees and independent contractors involved

in the development of intellectual property on our behalf to enter into agreements acknowledging that all works or other intellectual property generated or conceived by them on our behalf belong to us, and assigning to us any rights, including intellectual property rights, that they may claim or otherwise have in those works or property, to the extent allowable under applicable law.

As of April 30, 2015, we had four issued patents, eleven patent applications pending for examination in the U.S., and two patent applications pending for examination in foreign jurisdictions, both of which are related to U.S. applications. Our issued patents will expire between 2028 and 2032. We cannot assure you whether any of our patent applications will result in the issuance of a patent or whether the examination process will require us to narrow our claims. Any issued patents may be contested, circumvented, found unenforceable or invalidated, and we may not be able to prevent third parties from infringing them. We are also a party to various license agreements with third parties who typically grant us the right to use certain third-party technology in conjunction with our products and services, or to integrate software into our products, including open source software and other software available on commercially reasonable terms.

Although we rely on laws respecting intellectual property rights, including patent, trade secret, copyright and trademark laws, as well as contractual protections to establish and protect our intellectual property rights, we believe the technological and creative skills of our personnel, the development of new features and functionality and frequent enhancements to our products and services are the primary methods of establishing and maintaining our technology leadership position.

Despite our efforts to protect our proprietary technology and our intellectual property rights, unauthorized parties may attempt to misappropriate our rights or to copy or obtain and use our proprietary technology to develop products and services with the same functionality as ours. Policing unauthorized use of our technology and intellectual property rights is difficult, and enforcing our intellectual property rights is expensive and uncertain.

Employees and Contractors

As of April 30, 2015, we had 116 full-time employees, all of whom were located in the U.S., including 50 in engineering and 17 in sales and marketing. None of our employees are either represented by a labor union or subject to a collective bargaining agreement. We have not experienced any work stoppages and we believe that our employee relations are good.

We also contract with third-party contractors whose employees or subcontractors' employees perform services for us. As of April 30, 2015, we had 287 of these third-party contractors, including 54 in engineering, 29 in sales and marketing, and 185 in customer support and service. As of such date, 142 are located in the U.S. and 145 internationally.

Facilities

Our corporate headquarters are located in Palo Alto, California and consist of approximately 18,000 square feet of office space pursuant to a lease agreement that expires November 30, 2017. We lease additional office space in Palo Alto consisting of approximately 2,379 square feet pursuant to a lease agreement that expires April 30, 2017 and a multi-use industrial space consisting of 7,076 square feet pursuant to a lease agreement that expires February 28, 2018. Outside of Palo Alto, we lease warehouse and office space totaling 16,200 square feet in Newark, California, and pursuant to co-location agreements, we lease space from third-party datacenter hosting facilities in San Jose and Sunnyvale, California and Ashburn, Virginia that support our cloud infrastructure. We believe that we will be able to obtain additional space at other locations at commercially reasonable terms to support our continuing expansion.

Litigation

On April 17, 2015, plaintiff UrgenSync, LLC filed a complaint in the U.S. District Court for the Eastern District of Texas against us and other companies in the business of providing internet-based communications services, alleging infringement of U.S. Patent No. 8,295,802. The complaint seeks unspecified monetary damages, costs, attorneys' fees and other appropriate relief. Based upon our preliminary investigation, we do not believe that our products infringe any valid or enforceable claim of the aforementioned patent and we plan to contest the claim vigorously. There are currently no other pending material actions, claims or other proceedings against us.

In addition to the matter described above, we may, from time to time, be a party to litigation and subject to claims incident to the ordinary course of business. The outcome of litigation and claims cannot be predicted with certainty, and the resolution of these matters could materially affect our future results of operations, cash flows and financial condition.

Regulatory Matters

Overview of Regulatory Environment

Traditional telephone service historically has been subject to extensive federal and state regulation, while Internet services generally have been subject to less regulation. Because some elements of VoIP resemble the services provided by traditional telephone companies and others resemble the services provided by internet service providers, the VoIP industry has not fit easily within the existing framework of telecommunications law and until recently has developed in an environment largely free from regulation.

The Federal Communications Commission, or FCC, the U.S. Congress and various regulatory bodies in the states and in foreign countries have begun to assert regulatory authority over VoIP providers and are continuing to evaluate how VoIP will be regulated in the future.

Federal Regulation

As a provider of internet communications services, we are subject to regulation in the U.S. by the FCC. Some of these regulatory obligations include contributing to the Federal Universal Service Fund, the Telecommunications Relay Service Fund and federal programs related to number administration; providing access to E-911 services; protecting customer information; and porting phone numbers upon a valid customer request.

Our services are also subject to a number of other FCC regulations. Among others, we must comply (in whole or in part) with:

- the Communications Assistance for Law Enforcement Act, or CALEA, which requires covered entities to assist law enforcement in undertaking electronic surveillance;
- requirements to provide E-911 to our customers;
- contributions to the USF, which requires that we pay a percentage of our interstate end-user telecommunications revenue to support certain federal programs;
- payment of annual FCC regulatory fees based on our interstate and international revenue;
- payment of Local Number Portability and North American Numbering Plan Administration fees;
- rules pertaining to access to our services by people with disabilities and contributions to the Telecommunications Relay Services fund;
- rules requiring reporting to the FCC of certain service outages;
- rules requiring notice to the FCC before discontinuing service; and

- FCC rules regarding CPNI and other proprietary information, which require, among other things, that we not use CPNI for marketing without customer approval, subject to certain exceptions, that we file annual reports regarding CPNI protections, and that we disclose breaches to law enforcement.

If we do not comply with any current or future rules or regulations that apply to our business, we could be subject to substantial fines and penalties, may have to restructure our service offerings, exit certain markets or raise the price of our services, any of which could ultimately harm our business and results of operations.

Regulatory Classification of VoIP Services

To date, the FCC has regulated certain VoIP services without concluding that these services are telecommunications services subject to the traditional common carrier regulation. In various proceedings the FCC has nonetheless imposed certain regulation obligations on interconnected VoIP and certain non-interconnected VoIP services. The FCC may continue to impose additional regulations on these services without resolving their regulatory classification. The FCC could also at any time determine that interconnected VoIP or non-interconnected VoIP services are telecommunications services and thus subject to traditional common carrier regulation. Additional regulation would impose compliance costs and could increase our risk of enforcement or other liability.

VoIP E-911 Matters

The FCC requires internet voice communications providers, such as our company, to provide E-911 service in all geographic areas covered by the traditional wire line E-911 network. Under the FCC's rules, Internet voice communications providers must transmit the caller's phone number and registered location information to the appropriate Public Safety Answering Point, or PSAP, for the caller's registered location.

In Canada, the CRTC, has imposed similar requirements for fixed/non-native internet voice communications related to the provision of E-911 services in all areas of Canada where the wireline incumbent carrier offers such 911 services. In the case of nomadic internet voice communications, service providers are required to ensure that 911 calls are routed to a call center which routes these calls to the appropriate PSAP based on information provided by the caller or, if the caller is unable to provide location information, based on the last registered address of the caller. The CRTC also mandates certain customer notification requirements pursuant to which new customers are required to be notified of 911 service limitations and to consent to the same before their service with us commences and we are required to provide annual update notifications to our customers of the 911 limitations of our service.

We provide E-911 service in compliance with the CRTC and the FCC's rules, as applicable, to substantially all of our customers' interconnected VoIP lines. Our mobile platform also allows users to make emergency 911 calls from their mobile devices using their home phone number and address. In some circumstances, 911 calls may be routed to a national emergency call center that routes the call to the appropriate PSAP.

On August 8, 2014, the FCC adopted an Order setting text-to-911 requirements. The Order requires all CMRS providers and all interconnected text messaging application providers to be able to deliver text messages to PSAPs, by December 31, 2014, and to begin sending text messages to a given PSAP within six months of a valid request. Compliance with this mandate and any additional 911 mandates placed on text messaging providers will impose costs on our business. If we fail to comply with these obligations, we may face significant enforcement liability or other liability risks.

In connection with the regulatory requirements that we provide E-911 to all of our interconnected VoIP customers, we must obtain from each customer, prior to the initiation of or changes to service, the physical locations at which the service will first be used for each VoIP line. For services that can be utilized from more than one physical location, we must provide customers one or more methods of updating their physical location

and in Canada, these customers must be able to update their location online. Because we do not validate the physical address at each location where the services may be used by our customers, and because customers may use the services in locations that differ from the registered location without providing us with the updated information, it is possible that E-911 calls may be routed to the wrong public safety answering point, or PSAP. We are also aware that certain customer registered addresses are incorrect, or may not have been updated. If E-911 calls are not routed to the correct PSAP, and if the delay results in serious injury or death, we could be sued and the damages substantial.

We could be subject to enforcement action by the FCC or the CRTC for our customer lines that do not have E-911 service. This enforcement action could result in significant monetary penalties and restrictions on our ability to offer services.

Customers may in the future attempt to hold us responsible for any loss, damage, personal injury, or death suffered as a result of delayed, misrouted or uncompleted emergency service calls. The New and Emerging Technologies 911 Improvement Act of 2008 provides that internet voice communications providers have the same protections from liability for the operation of 911 services as traditional wire-line and wireless providers. Limitations on liability for the provision of 911 services are normally governed by state law, and these limitations typically are not absolute. It is also unclear under the FCC's rules whether the limitations on liability would apply to those customer lines for which we do not provide E-911 service. In Canada, provincial consumer protection laws may constrain our ability to limit liability to our non-business customers for any liability caused due to the 911 shortfalls inherent in internet voice communications services.

State Regulation

The FCC has preempted much regulation of internet voice communications services. However, a number of states have ruled that non-nomadic internet voice communications services may or do fall within the definition of "telecommunications services" or are otherwise within state telecommunications regulatory jurisdiction and therefore those states assert that they have authority to regulate the service. No states currently require certification for nomadic internet voice communications service providers. Nevertheless, a number of states have imposed certain traditional telecommunications requirements on such services, including assessing state USF or other surcharge requirements, E-911 support and fees and other surcharges on nomadic VoIP providers. A number of states require us to contribute to state USF and E-911, and pay other surcharges, while others are actively considering extending their public policy programs to include the services we provide. We pass USF, E-911 fees and other surcharges through to our customers, which may result in our services becoming more expensive or require that we absorb these costs. We expect that state public utility commissions will continue their attempts to apply state telecommunications regulations to internet voice communications services like ours. If the FCC determines that VoIP services are telecommunications services, the risk of state regulation will increase significantly.

International Regulation

As we expand internationally, we will be subject to laws and regulations in the countries in which we offer our services. Regulatory treatment of internet communications services outside the U.S. varies from country to country, is often unclear, and may be more onerous than imposed on our services in the U.S. In Canada, our service is regulated by the CRTC, which, among other things, imposes requirements similar to the U.S. related to the provision of E-911 services in all areas of Canada where the traditional telephone carrier offers such 911 services. Our regulatory obligations in foreign jurisdictions could have a material adverse effect on our ability to expand internationally, and on the use of our services in international locations. See the section entitled "Risk Factors" for more information.

MANAGEMENT

The following table provides information regarding our executive officers and directors as of April 30, 2015:

Name	Age	Position
Executive Officers:		
Eric B. Stang	55	President, Chief Executive Officer and Chairman of the Board of Directors
Ravi Narula	45	Chief Financial Officer
James A. Gustke	53	Vice President of Marketing
Spencer D. Jackson	53	Vice President, General Counsel and Secretary
Other Key Employees:		
Jamie T. Buckley	56	Vice President of Customer Service
Tobin E. Farrand	54	Vice President of Engineering and Operations
Dennis C. Peng	42	Vice President of Product Management
Timothy J. Sullivan	59	Vice President of Sales
Non-Employee Directors:		
Alison Davis	53	Director(1)
Andrew H. Galligan	58	Director(1)(3)
Peter J. Goettner	51	Director(1)
Russell Mann	46	Director(2)
Sean N. Parker	35	Director
William D. Pearce	52	Director(2)(3)
James Wei	47	Director(2)(3)

(1) Member of Audit Committee
(2) Member of Compensation Committee
(3) Member of Nominating and Governance Committee

Executive Officers

Eric B. Stang has served as our President and Chief Executive Officer and as a member of our board of directors since January 2009 and as Chairman of our board of directors since December 2014. He is currently Chairman of the Board of Directors of Rambus Inc., a publicly traded technology licensing company, Chairman of the Board of Directors of Avalanche Technology, Inc., a privately held memory technology and enterprise solid-state storage developer, and a member of the Board of Directors of InvenSense Inc., a publicly traded motion sensing hardware and motion processing technology company. Mr. Stang was previously a director of Solta Medical, Inc., a publicly traded medical aesthetics company, from 2008 to 2014. From 2006 to 2008, Mr. Stang was President and Chief Executive Officer and a member of the board of directors of Reliant Technologies, a privately held developer of medical technologies for aesthetic applications. From 2001 to 2006, he was President and Chief Executive Officer of Lexar Media, Inc., a solid-state memory products company and currently a subsidiary of Micron Technology. Mr. Stang also served as Chairman of the Board of Directors of Lexar Media from 2004 to 2006. Mr. Stang holds an A.B. in Economics from Stanford University and an M.B.A from Harvard Business School.

Our board of directors believes that Mr. Stang is qualified to serve as a director because of his operational and historical expertise gained from serving as our President and Chief Executive Officer, his extensive public and private company board experience, and his experience as an executive in the technology industry. Our board of directors also believes that he brings continuity to the board of directors.

Ravi Narula has been our Chief Financial Officer since December 2014. Prior to joining us, he was the Chief Accounting Officer of Gigamon Inc., a network traffic management software provider company from April 2013 to November 2014, and he was Gigamon's Vice President and Corporate Controller from April 2012 to November 2014, and served as Interim Chief Financial Officer from May 2014 to July 2014. Prior to joining Gigamon, Mr. Narula served in various finance roles at BigBand Networks, Inc., a digital video networking company, from July 2005 to January 2012, including serving as its Chief Financial Officer from May 2010 to January 2012. Prior to joining BigBand, Mr. Narula served as the Director of Financial Governance at Borland Software Corporation, a software company and he was a Sr. Manager at Deloitte & Touche, an international accounting firm. Mr. Narula holds a Bachelor of Commerce degree from the University of Garhwal, India and is a licensed CPA in the state of California and in Canada.

James A. Gustke has served as our Vice President of Marketing since August 2010. Prior to joining us, he was an independent consultant from 2009 to 2010. From 2006 to 2008, Mr. Gustke served as Vice President of Marketing for Intuit Inc., a financial software company and from 2001 to 2006; Mr. Gustke worked at Lexar Media, where he was responsible for business unit management, global branding and product marketing. He also served as the founding Vice President of Marketing for Ofoto, an online photography service, which was acquired by Eastman Kodak in 2001. He joined America Online in 1996 as the marketing leader for GNN, the company's first internet service provider, and was previously a marketing manager at Polaroid. Mr. Gustke holds a B.S. in Business from Arizona State University.

Spencer D. Jackson has served as our Vice President and General Counsel since December 2013. He has also served as our Secretary since January 2014 and as Chief Executive Officer of Talkatone, LLC since May 2014. From March 2005 to December 2013, he was a corporate and intellectual property transactions attorney at Orrick, Herrington & Sutcliffe LLP, an international law firm, and also worked as an attorney for Intel Capital, the venture-investing arm of Intel Corporation, during 2010 while on a secondment from Orrick. Mr. Jackson holds a B.A. in Geophysics from the University of California, Berkeley, an M.S. in Geophysics from Stanford University, and a J.D. from the University of California, Berkeley School of Law. Mr. Jackson is admitted to practice law in the State of California and before the U.S. Patent and Trademark Office as a registered patent attorney.

Other Key Employees

Jamie T. Buckley has served as our Vice President of Customer Service since September 2010. From March 2007 to September 2010, Mr. Buckley was Vice President of Sales and Service at Nexxo Financial Corporation, a privately held financial services technology company. From June 2004 to May 2006, Mr. Buckley led the telesales division for Apple's Online Store, including the iPod and AppleCare product lines. Prior to Apple, he was the Senior Vice President of Sales and Service at Providian, a financial services company. Mr. Buckley attended Arapahoe College.

Tobin E. Farrand has served as our Vice President of Engineering and Operations since June 2006. Mr. Farrand has more than 25 years of experience creating innovative high-tech products and services. Prior to joining us, Mr. Farrand led development teams for Apple, Inc., The 3DO Company, a game technology licensing company, BroadLogic, a satellite networking company, and Digeo, Inc., a developer of cable set top boxes and services. Mr. Farrand holds a B.S. and an M.S. in Electrical Engineering from Stanford University.

Dennis C. Peng has served as our Vice President of Product Management since November 2005. Mr. Peng also serves as a member of our technical advisory board. Prior to joining us, he worked at Cisco Systems from 1995 to 2005, where he was honored with the title of Distinguished Support Engineer for his expertise in networking protocols, technical leadership, and ability to isolate and fix highly complex issues. Mr. Peng holds a B.S. and an M.S. in Electrical Engineering from Stanford University.

Timothy J. Sullivan has served as our Vice President of Sales since July 2010. Prior to joining us, Mr. Sullivan was Vice President of Sales and Marketing for Seagate's Branded Solutions Group from January

2007 to May 2008. Prior to Seagate, he was Executive Vice President for Lexar Media, a manufacturer of digital media products. He was Vice President of Sales and Marketing at TDK Electronic Corp. and he was the Vice President of Sales at Onechannel.net, an internet start-up focused on e-commerce metrics. Mr. Sullivan holds a B.A. in Public Relations from the University of Toledo.

Non-Employee Directors

Alison Davis has served on our board of directors since July 2014. Ms. Davis is an investor with the early stage investment firm Fifth Era, and previously served as Managing Partner of Belvedere Capital Partners, Inc., a private equity firm serving the financial services sector, from 2004 to 2010. Ms. Davis currently serves as a director of Diamond Foods, Inc., a publicly traded food company, Royal Bank of Scotland plc, a publicly traded international financial institution, Unisys Corporation, a publicly traded global information technology services and software company, and Fiserv, Inc., a publicly traded financial services technology company. She was formerly a director of LECG Corporation, a global services and consulting firm where she also served as chairperson of the board, from 2009 to 2011, Xoom Corporation, a digital money transfer company, from 2010 to 2014, City National Bank, a publicly-traded U.S. financial institution, from 2010 to 2011, First Data Corporation, a privately held global payment processing company, GameFly, Inc., a privately held video game subscription rental company, and SilkRoad technology, Inc., a privately held talent management solutions firm. From 2000 to 2003, Ms. Davis was the Chief Financial Officer of Barclays Global Investors, a publicly traded money management firm. She holds a B.A. Honours and an M.A. in Economics from Cambridge University (United Kingdom) and an M.B.A. from the Stanford Graduate School of Business.

Our board of directors believes that Ms. Davis is qualified to serve as a director because of her extensive corporate experience as an executive and strategy consultant. She also brings valuable expertise in corporate governance, accounting and financial reporting to our board of directors and audit committee.

Andrew H. Galligan has served on our board of directors since December 2014. Mr. Galligan is currently Vice President of Finance and Chief Financial Officer of Nevro Corp., a publicly traded medical devices company, where he has worked since May 2010. He served as our Vice President of Finance and Chief Financial Officer from February 2009 to May 2010, and as a consultant for our company from September 2010 to December 2014. From 2007 to 2008, Mr. Galligan served as Vice President of Finance and CFO of Reliant Technologies, Inc., a medical device company (later acquired by Solta Medical, Inc.) Mr. Galligan has also held the top financial executive position at several other medical device companies and began his career in various financial positions at KPMG and Raychem Corp. Mr. Galligan was previously a director of diaDexus, Inc., which develops and commercializes diagnostic products for cardiovascular diseases, from 2010 through 2015. Mr. Galligan received a B.B.S. in Business and Finance from Trinity College, Dublin University (Ireland) and is also a Fellow of the Institute of Chartered Accountants in Ireland.

Our board of directors believes that Mr. Galligan’s financial expertise, including his several years of experience as chief financial officer and financial consultant of publicly traded and privately held companies, brings financial and accounting knowledge to our board and qualifies him to serve as one of our directors.

Peter J. Goettner has served on our board of directors since March 2013. Mr. Goettner has been the General Partner of Worldview Technology Partners, Inc., a venture capital firm since June 2004. He has been the Chief Executive Officer of Table8, Inc., a privately held restaurant reservation service since January 2013. He also currently serves as a director of Table8, Inc., Visage Mobile, Inc., a privately held mobility management SaaS company, Delivery Agent, Inc., a privately held interactive commerce company, and Industree, Inc., a privately held early-stage software company. Mr. Goettner was previously Founder and Chief Executive Officer of DigitalThink, Inc., an enterprise e-learning solutions company for seven years. Mr. Goettner holds a B.S. in Computer Engineering from the University of Michigan and an M.B.A. from the Haas School of Business at the University of California, Berkeley.

Our board of directors believes that Mr. Goettner brings to our board of directors extensive experience in the technology industry and his service on a number of boards provides an important perspective on operations and corporate governance matters, and qualifies him to serve as one of our directors.

Russell Mann has served on our board of directors since September 2009. Mr. Mann is currently Chief Marketing Officer of Nintex USA LLC, a privately held workflow software and services company where he has worked since November 2014. He was previously Chairman and Chief Executive Officer of Covario, Inc., a privately held advertising technology and digital marketing agency from January 2006 to May 2014. Covario specialized in the online marketing of consumer electronics and financial services, and was acquired by Dentsu. Earlier, Mr. Mann was Senior Vice President of Strategy and Alliances at Peregrine Systems, Inc., an enterprise software firm acquired by Hewlett-Packard Company, and also Vice President and General Manager of the myFICO.com consumer business unit of FICO, a publicly traded credit scoring and fraud analytics company. Mr. Mann holds a B.A. in Asian Studies from Cornell University and an M.B.A. from Harvard Business School.

Our board of directors believes that Mr. Mann is qualified to serve as a member of our board of directors because of his extensive business experience, skills and acumen developed as a senior executive at large companies operating in the technology industry, as well as his experience serving as the chairman of a board of directors.

Sean N. Parker has served on our board of directors since April 2005. Mr. Parker has served as a Director of Spotify since 2009, as co-founder of Brigade Media, a soon-to-be released platform for civic engagement, since 2014, and as co-founder of Airtime Media, a social video company, since 2010. Previously, Mr. Parker was co-founder of Napster, co-founder of Plaxo, and founding President of Facebook. As a managing partner of Founders Fund, Mr. Parker oversaw a portfolio of over 100 companies and served on the board of various companies such as Spotify, Yammer, Causes and Gowalla.

Our board of directors believes that Mr. Parker is qualified to serve as a director because of his substantial professional experience in the technology industry, his experience as a venture capitalist investment professional, and the historical knowledge and continuity that he brings to the board of directors.

William D. Pearce has served on our board of directors since March 2013. He is currently Executive Chairman of the Board of Directors of RichRelevance, Inc., a privately held personalized shopping experience firm, a director of SpendGo, Inc., a privately held marketing solutions company for restaurants and retailers, a member of the Board of Trustees of David C. Cook, a non-profit publisher, and Marketing Faculty at the Haas School of Business at the University of California, Berkeley. From 2012 to 2014, Mr. Pearce was Partner and Marketing Practice Director at The Partnering Group, a privately held global consumer products and retail management consulting firm. From 2008 to 2011, he was Senior Vice President and Chief Marketing Officer at Del Monte Foods, Inc., a publicly-traded food production and distribution company. Mr. Pearce previously served as President and Chief Executive Officer of Foresight Medical Technology LLC, a privately held medical devices company, from 2007 to 2008, Chief Marketing Officer at Taco Bell Corp., a fast food restaurant company and subsidiary of the publicly traded firm Yum! Brands, Inc., from 2004 to 2007, and Vice President Marketing at Campbell Soup Company, a publicly traded food manufacturer, from 2003 to 2004. Mr. Pearce holds a B.A. in Economics from Syracuse University and an M.B.A. from the S.C. Johnson Graduate School of Management, Cornell University.

Our board of directors believes that Mr. Pearce is qualified to serve as a director based on his prior experience as an executive at several publicly-traded companies and his considerable experience as a board member of several privately-held companies.

James Wei has served on our board of directors since June 2009. He was our Chairman from 2009 to 2014 and he is currently our Lead Director. Mr. Wei has been a venture capitalist since 1991 and is currently a General

Partner at Worldview Technology Partners, a venture capital firm he co-founded in 1996. Previously, Mr. Wei was an investment manager at JAFCO from 1991 to 1996 and held engineering and marketing positions at Sony, a publicly traded consumer electronics company, and IBM, a publicly-traded information technology company during the 1980s. Mr. Wei currently serves as a member of the board of directors at CommVerge Solutions. He was previously a board member of Cogent Communications Inc, iWorld Networking, Movaz Networks, Tensilica Inc, 3ParData Inc., Caly Networks, Agile Storage, Force10, Stretch Inc., Miradia Inc., Luxim, and Mistletoe Technologies. Mr. Wei holds a B.S. in Engineering from the University of Waterloo, Canada.

Our board of directors believes that Mr. Wei's focus on communications, internet, networking and systems technology as a venture capitalist, as well as his several years of operating experience with a number of technology companies, bring valuable industry and operations knowledge to our board and qualifies him to serve as one of our directors.

There are no family relationships among any of our directors or executive officers.

Code of Ethics and Business Conduct

We have adopted a code of ethics and business conduct that will apply to all of our employees, officers and directors beginning on the effective date of this prospectus. Immediately prior to the effectiveness of this offering, the full text of our code of ethics and business conduct will be posted on the investor relations section of our website at www.ooma.com. We expect that any amendment to the code, or any waivers of its requirements, will be disclosed on our website to the extent required by the applicable rules and exchange requirements. The inclusion of our website in this prospectus does not include or incorporate by reference the information on our website into this prospectus.

Board of Directors

Our board of directors is currently comprised of eight members. Our amended and restated bylaws permit our board of directors to establish by resolution the authorized number of directors, and nine directors are currently authorized. Upon completion of this offering our board of directors will consist of eight members.

Voting Arrangements

The election of the members of our board of directors is currently governed by the fourth amended and restated voting agreement that we entered into with certain holders of our common stock and certain holders of our convertible preferred stock in April 2015, and the related provisions of our amended and restated certificate of incorporation. Pursuant to the voting agreement and these provisions, Messrs. Wei, Goettner, Galligan, Parker, Stang, Mann and Pearce, and Ms. Davis have been designated to serve on our board of directors.

- Messrs. Wei, Goettner and Parker were elected by the holders of our Series Alpha convertible preferred stock;
- Mr. Stang was elected by the holders of our common stock;
- Messrs. Mann and Pearce were elected by the holders of our common stock and convertible preferred stock, voting together as a single class; and
- Ms. Davis and Mr. Galligan were appointed to the board of directors by a majority of directors elected by the holders of our common stock and convertible preferred stock, voting together as a single class.

The holders of our common stock and convertible preferred stock who are parties to our voting agreement are obligated to vote for such designees indicated above. The provisions of this voting agreement will terminate upon the closing of this offering and our certificate of incorporation will be amended and restated, after which there will be no further contractual obligations or charter provisions regarding the election of our directors.

Our directors hold office until their successors have been elected and qualified or appointed, or the earlier of their death, resignation or removal.

Classified Board

In connection with the closing of this offering, we will file our amended and restated certificate of incorporation which will provide that our board of directors will be 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 of directors continuing for the remainder of their respective three-year terms. Upon the expiration of the term of a class of directors, a director in that class will be eligible to be elected for a new three-year term at the annual meeting of stockholders in the year in which their term expires. 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 our directors.

Our directors will be divided among the three classes as follows:

- the Class I directors will be , and their terms will expire at the annual meeting of stockholders to be held in 2016;
- the Class II directors will be , and their terms will expire at the annual meeting of stockholders to be held in 2017; and
- the Class III directors will be , and their terms will expire at the annual meeting of stockholders to be held in 2018.

In addition, our amended and restated bylaws and amended and restated certificate of incorporation will provide that (i) only the board of directors may fill vacancies on the board of directors until the next annual meeting of stockholders and (ii) the number of our directors shall be fixed from time to time by a resolution of the majority of our board of directors. 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.

This classification of the board of directors and the provisions described above may have the effect of delaying or preventing changes in our control or management. See “Description of Capital Stock—Anti-Takeover Effects of Provisions of the Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws.”

Role of the Board in Risk Oversight

One of the key functions of our board of directors is informed oversight of our risk management process. Our board of directors does not have a standing risk management committee, but rather administers this oversight function directly through the board of directors as a whole, as well as through its standing committees that address risks inherent in their respective areas of oversight. In particular, our board of directors is responsible for monitoring and assessing strategic risk exposure. Our audit committee is responsible for reviewing and discussing our major financial risk exposures and the steps our management has taken to monitor and control these exposures, including guidelines and policies with respect to risk assessment and risk management. Our audit committee also monitors compliance with legal and regulatory requirements, in addition to oversight of the performance of our external audit function. Our compensation committee reviews and discusses the risks arising from our compensation philosophy and practices applicable to all employees that are reasonably likely to have a materially adverse effect on us.

Director Independence

In connection with this offering, we intend to list our common stock on the New York Stock Exchange. Under the rules of the New York Stock Exchange, independent directors must comprise a majority of a listed company's board of directors within a specified period of time after completion of such company's initial public offering. In addition, the rules of the New York Stock Exchange require that, subject to specified exceptions, each member of a listed company's audit, compensation, and nominating committees be independent. Under the rules of the New York Stock Exchange, a director will only qualify as an "independent" director if, in the determination of that company's board of directors, that director 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 Rule10A-3, each member of the audit committee of a listed company may not, other than in his or her capacity as a member of such committee, the board of directors, or any other board committee: (i) accept, directly or indirectly, any consulting, advisory, or other compensatory fees 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. Based on information provided by each director concerning his or her background, employment, and affiliations, our board of directors has determined that Alison Davis, Andrew Galligan, Russell Mann, Sean Parker and William Pearce do not have a material relationship with us and that each of these directors is "independent" as that term is defined under the applicable rules and regulations of the SEC, and the listing standards of the New York Stock Exchange. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with us and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director, and the transactions involving them described in the section entitled "Certain Relationships and Related Party Transactions."

Committees of the Board of Directors

Our board of directors has established an audit committee, a compensation committee and a nominating and governance committee. The composition and responsibilities of each committee are described below. Immediately prior to the closing of this offering, copies of the charters for each committee will be available on the investor relations portion of our website at www.ooma.com. Members serve on these committees until their resignations, removal or until his or her successor has been duly appointed by our board of directors. The inclusion of our website in this prospectus does not include or incorporate by reference the information on our website into this prospectus.

Audit Committee

Our audit committee is comprised of Ms. Davis, and Messrs. Galligan and Goettner, with Ms. Davis serving as audit committee chairperson. Our board of directors has determined that Ms. Davis and Mr. Galligan meet the requirements for independence of audit committee members under the current listing standards of the New York Stock Exchange and SEC rules and regulations, including Rule 10A-3. Each member of our audit committee meets the financial literacy requirements of current New York Stock Exchange listing standards. We expect to satisfy the member independence requirements for the audit committee prior to the end of the transition period provided under current New York Stock Exchange listing standards and SEC rules and regulations for companies completing their initial public offering. In addition, our board of directors has also determined that Ms. Davis and Mr. Galligan are each an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K of the Securities Act.

Our audit committee will be responsible for, among other things:

- selecting a qualified firm to serve as independent registered public accounting firm to audit our financial statements;

- helping to ensure the independence and performance 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 the independent accountants, our interim and year-end operating results;
- establishing policies and procedures for the receipt and retention of accounting related complaints and concerns, including a confidential, anonymous mechanism for the submission of concerns by employees;
- periodically reviewing legal compliance matters, including securities trading policies, periodically reviewing significant accounting and other financial risks or exposures to our company;
- establishing policies for the hiring of employees and former employees of the independent registered public accounting firm;
- considering the adequacy of our internal accounting controls and audit procedures;
- reviewing our policies on risk assessment and risk management;
- approving all audit and non-audit services other than *de minimis* non-audit services, to be performed by the independent registered public accounting firm; and
- reviewing the audit committee report required by Securities and Exchange Commission rules to be included in our annual proxy statement.

Our audit committee will operate under a written charter, to be effective on the date of this offering, which satisfies the applicable rules of the SEC and the listing standards of the New York Stock Exchange, and which will be available on our website upon completion of this offering. All audit services to be provided to us and all permissible non-audit services, other than de minimis non-audit services, to be provided to us by our independent registered public accounting firm will be approved in advance by our audit committee.

Compensation Committee

Our compensation committee is comprised of Messrs. Wei, Mann and Pearce, with Mr. Wei serving as compensation committee chairperson. Our board of directors has determined that each member of the compensation committee is a non-employee director, as defined pursuant to Rule 16b-3 promulgated under the Exchange Act, and is an outside director, as defined pursuant to Section 162(m) of the Code. Our board has determined that Messrs. Mann and Pearce meet the requirements for independence under the listing standards of the New York Stock Exchange and SEC rules and regulations. We expect to satisfy the member independence requirements for the compensation committee prior to the end of the transition period provided under current New York Stock Exchange listing standards and SEC rules and regulations for companies completing their initial public offering. The purpose of our compensation committee is to discharge the responsibilities of our board of directors relating to compensation of our executive officers. Our compensation committee will be responsible for, among other things:

- reviewing, approving and determining, or making recommendations to our board of directors regarding, the compensation of our executive officers;
- administering our stock and equity incentive plans;
- reviewing and approving or making recommendations to our board of directors regarding incentive compensation and equity plans; and
- establishing and reviewing general policies relating to compensation and benefits of our employees.

Our compensation committee will operate under a written charter, to be effective on the date of this offering, which satisfies the applicable rules of the SEC and the listing standards of the New York Stock Exchange, and which will be available on our website upon completion of this offering.

Nominating and Governance Committee

Our nominating and governance committee comprises of Messrs. Pearce, Galligan and Wei, each of whom is a non-employee member of our board of directors, with Mr. Pearce serving as the nominating and governance committee chairperson. Our board of directors has determined that Messrs. Pearce and Galligan meet the requirements for independence under the listing standards of the New York Stock Exchange and SEC rules and regulations. We expect to satisfy the member independence requirements for the nominating and governance committee prior to the end of the transition period provided under current New York Stock Exchange listing standards and SEC rules and regulations for companies completing their initial public offering. Our nominating and governance committee will be responsible for, among other things:

- identifying, evaluating and selecting, or making recommendations to our board of directors regarding, nominees for election or our board of directors and its committees;
- considering and making recommendations to our board of directors regarding the composition of our board and directors and its committees;
- reviewing proposed waivers of the code of ethics and business conduct;
- reviewing, jointly with the compensation committee, succession planning for our chief executive officer and other executive officers and evaluating potential successors;
- reviewing and assessing the adequacy of our corporate governance guidelines and recommending any proposed changes to our board of directors;
- evaluating the performance of our board of directors and of individual directors and
- reviewing and, if appropriate, approving all transactions between our company or its subsidiaries and any related party (as described in Item 404 of Regulation S-K).

The nominating and governance committee will operate under a written charter, to be effective on the date of this offering, which satisfies the applicable listing requirements and rules of the New York Stock Exchange, and which will be available on our website upon completion of this offering.

Our board of directors may from time to time establish other committees.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee has at any time been one of our officers or employees. None of our executive officers currently serves, or during fiscal 2015 has served, as a member of the board of directors or compensation committee (or other board committee performing equivalent functions) of any entity that has one or more of its executive officers who served on our board of directors or our compensation committee during fiscal 2015.

Mr. James Wei, chairperson of our compensation committee, is affiliated with Worldview Technology Partners, and therefore may be deemed to beneficially own approximately 57.5% of our outstanding voting securities. Mr. Wei is a party to multiple agreements to which we were also a party, including an indemnification agreement, an amended and restated investor rights agreement, a voting agreement, and a right of first refusal and co-sale agreement. Please see “Certain Relationships and Related Party Transactions” for a discussion of these agreements.

Non-Employee Director Compensation

Historically, we have neither had a formal compensation policy for our non-employee directors, nor have we had a formal policy of reimbursing expenses incurred by our non-employee directors in connection with their board service. However, we have reimbursed our non-employee directors for travel, lodging and other reasonable expenses incurred in connection with their attendance at board of directors or committee meetings and occasionally granted stock options and restricted stock awards to our non-employee directors. Other than as

described below, we did not provide our non-employee directors, in their capacities as such, with any cash, equity or other compensation in fiscal 2015. Eric B. Stang, our President and Chief Executive Officer, received no compensation for his service as a director. Mr. Stang's compensation is discussed in the section titled "Executive Compensation."

The following table sets forth information regarding the compensation awarded, earned or paid for services rendered to us by our non-employee directors for fiscal 2015:

Name	Option Awards ($)(1)(2)	All Other Compensation ($)	Total ($)
Alison Davis	103,070	—	103,070
Andrew H. Galligan	191,855	22,000(3)	213,855
Peter J. Goettner	—	—	—
Russell Mann	69,549	—	69,549
Sean N. Parker	—	—	—
William D. Pearce	105,327	—	105,327
James Wei	—	—	—

(1) The amounts reported in this column represents the aggregate grant date fair value for financial statement reporting purposes of stock options granted in fiscal 2015 under our 2005 Plan, as determined in accordance with the Financial Accounting Standards Board Accounting Standards Codification Topic 718, of FASB ASC Topic 718. These amounts reflect our accounting expense for these stock options and do not represent the actual economic value that may be realized by the individuals. There can be no assurance that these amounts will ever be realized. For information on the assumptions used in valuing these awards, refer to Note 9 to the consolidated financial statements included at the end of this prospectus. As required by SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions.

(2) The number of outstanding stock options held by each non-employee director as of January 31, 2015 were: Ms. Davis (40,000); Mr. Galligan (338,200); Mr. Goettner (0); Mr. Mann (143,719); Mr. Parker (34,359); Mr. Pearce (108,885) and Mr. Wei (0).

(3) Consists of a consulting fee earned by Mr. Galligan before his election to the board of directors.

On the effective date of this offering, each non-employee member of our board of directors will receive a restricted stock unit award under our 2015 Equity Incentive Plan equal to $125,000 divided by the initial price per share at which our common stock is offered to the public in the offering. Each such restricted stock unit award shall vest on the date of our first annual meeting of our stockholders occurring after the offering is complete, subject to the director's continued service as a director through such date.

Following this offering, we will have a compensation policy applicable to our non-employee directors that is intended to compensate, incentivize, and retain them, consisting of the following:

Annual Cash Retainer. Each non-employee director will receive an annual cash retainer in the amount of $30,000 for service on our board of directors.

Initial Option Grant for Board Membership. Each person who becomes a non-employee member of our board of directors after the effectiveness of this offering will be granted on the date such non-employee director attends his or her first meeting of the board of directors an initial option under our 2015 Equity Incentive Plan to purchase that number of shares of our common stock equal to $250,000 divided by the average closing price of our common stock on The New York Stock Exchange over the 30 trading days preceding the grant date. This initial option will vest and become exercisable in monthly installments over the three years following the grant date, subject to the director's continued service through each vesting date. The per share exercise price for the initial option shall be equal to the fair market value for a share of our common stock on the grant date.

Annual Restricted Stock Unit Grant for Board Membership. Effective on the date of our annual meeting of stockholders each year after this offering, each non-employee director who is then serving as a non-employee member of our board of directors, and who has been serving on our board of directors for at least 6 months preceding such date, will be granted a restricted stock unit award equal to $125,000 divided by the average closing price of our common stock on The New York Stock Exchange over the 30 trading days preceding the grant date. This annual restricted stock unit award will vest on the date of our next annual meeting of stockholders, subject to the director's continued service through the vesting date.

Annual Cash Retainer for Lead Director/Chairman and Committee Service. In addition to the fees set forth above, our lead director/chairman of our board of directors, and each non-employee director who serves on one of the following committees of our board of directors (as a member or chairperson of each such committee), will be entitled to receive the following annual cash fees:

Lead Director/Non-employee Chairman
$15,000

	Audit Committee	Compensation Committee	Nominating and Governance Committee
Chairman	$ 20,000	$ 12,000	$ 8,000
Member	$ 10,000	$ 6,000	4,000

Further, non-employee directors are reimbursed for travel, lodging and other reasonable expenses incurred in connection with their attendance at board of directors or committee meetings.

EXECUTIVE COMPENSATION

Overview

As an emerging growth company, we have opted to comply with the executive compensation disclosure rules applicable to "smaller reporting companies," as such term is defined in the rules promulgated under the Securities Act.

Our named executive officers for fiscal 2015 were:

- Eric B. Stang, our President and Chief Executive Officer;
- Ravi Narula, our Chief Financial Officer; and
- James A. Gustke, our Vice President of Marketing.

Although not required, we have also included in this compensation disclosure Spencer D. Jackson, our Vice President and General Counsel. Therefore, for purposes of the disclosure set forth in this prospectus, we have included Mr. Jackson within the "named executive officer" group.

Summary Compensation Table

The following table provides information regarding the compensation awarded to, earned by, and paid to each of our named executive officers for fiscal 2015:

Name and Principal Position	Year	Salary ($)	Bonus ($)(1)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)(3)	Total ($)
Eric B. Stang, *President and Chief Executive Officer*	2015	384,167	400,000	1,101,643	—	13,468	1,899,278
Ravi Narula, *Chief Financial Officer*	2015	50,000	20,000	701,715	—	967	772,682
James A. Gustke, *Vice President of Marketing*	2015	215,000	55,000	260,915	50,000(4)	7,025	587,940
Spencer D. Jackson, *Vice President and General Counsel*	2015	200,000	45,000	—	—	3,047	248,047

(1) The amounts reported in this column represent bonus payments made to each of our named executive officers for 2014 performance.

(2) The amounts reported in this column reflect the aggregate grant date fair value for financial statement reporting purposes of stock options granted in fiscal 2015 as determined in accordance with the Financial Accounting Standards Board Accounting Standards Codification Topic 718, or FASB ASC Topic 718. These amounts reflect our accounting expense for these stock options and do not represent the actual economic value that may be realized by the individuals. There can be no assurance that these amounts will ever be realized. For information on the assumptions used in valuing these awards, refer to Note 9 to the consolidated financial statements included at the end of this prospectus. As required by SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions.

(3) This amount includes the dollar value of premiums we paid for term life insurance, matching contributions we made to our 401(k) plan, and health savings account contributions we made to Lumenos Health Savings Account, respectively, on behalf of the officers listed below as follows:

(i) Mr. Stang: $668, $7,800, and $5,000;

(ii) Mr. Narula: $134, $0, and $833;

(iii) Mr. Gustke: $590, $6,435, and $0; and

(iv) Mr. Jackson: $547, $0, and $2,500.

(4) This amount relates to performance based commissions earned under our sales commission arrangement established for Mr. Gustke. Pursuant to this arrangement, Mr. Gustke was eligible to earn commissions for each fiscal quarter based upon a target number of units sold to end users during each fiscal quarter, with the commission equaling $12,500 per quarter if the target is achieved.

Outstanding Equity Awards as of January 31, 2015

The following table provides information regarding the unexercised stock options and unvested restricted stock held by each of our named executive officers as of January 31, 2015:

		Option Awards			Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Option Exercise Price ($)(2)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)(3)	Market Value of Shares or Units of Stock That Have Not Vested ($)(4)
Eric B. Stang	1/6/2015	380,000(5)	$ 3.02	1/5/2025	—	—
	3/25/2012	—	—	—	114,835(6)	—
	10/11/2013	—	—	—	119,138(7)	—
Ravi Narula	12/23/2014	255,000(8)	$ 3.02	12/22/2024	—	—
James A. Gustke	1/6/2015	90,000(11)	$ 3.02	1/5/2025	—	—
	3/25/2012	—	—	—	18,888(12)	—
	3/22/2013	—	—	—	5,417(13)	—
	10/11/2013	—	—	—	29,937(14)	—
Spencer D. Jackson	12/17/2013	—	—	—	54,688(9)	—
	2/11/2013	—	—	—	54,688(10)	—

(1) All awards were granted under our 2005 Plan.

(2) This column represents the fair market value of a share of our common stock on the date of grant, as determined by our board of directors.

(3) Except as noted below, the shares in this column represent shares of restricted stock issued upon the early exercise of stock options, in each case that remained unvested as of January 31, 2015. We have a right to repurchase any unvested shares subject to each such award if the holder of the award ceases to provide services to us prior to the date on which all shares subject to the award have vested in accordance with the applicable vesting schedule described in the footnotes below.

(4) The market value of our common stock is based upon the assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus.

(5) This option vests in 24 equal monthly installments, with the first vesting date on February 1, 2016, subject to Mr. Stang's continuous service through each vesting date. In addition, effective June 9, 2015, if we terminate Mr. Stang's employment without "cause" or if Mr. Stang resigns for "good reason" (each as defined in Mr. Stang's change in control and severance agreement) (i) at any time other than during the period beginning 2 months prior to a change in control of the Company and ending 12 months after such change in control (the "Change in Control Period"), then any outstanding equity awards that would have vested, or could have vested based on the achievement of performance or other conditions, during the 12 month period following Mr. Stang's termination, will immediately vest, or (ii) during the Change in Control Period, then any outstanding equity awards will immediately vest 100% in full; provided, if any

successor to the Company in a change in control refuses to assume, substitute or otherwise continue any outstanding equity awards, the vesting of such awards shall accelerate 100% immediately prior to, and contingent upon, the change in control (the "Stang Acceleration").

(6) These restricted shares were part of an early exercised stock option grant covering 393,717 shares of our Common Stock that vested in 48 equal monthly installments, with the first vesting date on April 22, 2012, subject to Mr. Stang's continuous service through each vesting date. In addition, effective June 9, 2015, the Stang Acceleration will apply to these shares.

(7) These restricted shares were part of an early exercised stock option grant covering 178,706 shares of our Common Stock that vested in 24 equal monthly installments, with the first vesting date on June 1, 2014, subject to Mr. Stang's continuous service through each vesting date. In addition, the Stang Acceleration will apply to these shares.

(8) 1/4 of this option vests on December 1, 2015 and the remainder of the option vests in 48 equal monthly installments thereafter, subject to Mr. Narula's continuous service through each vesting date. 155,664 shares were exercisable as of January 31, 2015, notwithstanding the fact that such shares were not vested as of such date. In addition, effective June 9, 2015, if we terminate Mr. Narula's employment without "cause", or if Mr. Narula resigns for "good reason" (each as defined in Mr. Narula's change in control and severance agreement) at any time during the period beginning 2 months prior to a change in control of the Company and ending 12 months after such change in control, then any outstanding equity awards will immediately vest 100% in full; provided, if any successor to the Company in a change in control refuses to assume, substitute or otherwise continue any outstanding equity awards, the vesting of such awards shall accelerate 100% immediately prior to, and contingent upon, the change in control.

(9) These restricted shares were part of an early exercised stock option grant covering 75,000 shares of our Common Stock. 1/4 of the option vested on December 16, 2014 and the remainder of the option vests in 48 equal monthly installments thereafter, subject to Mr. Jackson's continuous service through each vesting date. In addition, effective, June 9, 2015, if we terminate the Mr. Jackson's employment without "cause", or if Mr. Jackson resigns for "good reason" (each as defined in Mr. Jackson's change in control and severance agreement) at any time during the period beginning 2 months prior to a change in control of the Company and ending 12 months after such change in control, then any outstanding equity awards will immediately vest 100% in full; provided, if any successor to the Company in a change in control refuses to assume, substitute or otherwise continue any outstanding equity awards, the vesting of such awards shall accelerate 100% immediately prior to, and contingent upon, the change in control (the "Jackson Acceleration").

(10) These shares were part of a restricted stock grant covering 75,000 shares of our Common Stock. 1/4 of the grant vested on December 16, 2014 and the remainder of the grant vests in 48 equal monthly installments thereafter, subject to Mr. Jackson's continuous service through each vesting date. In addition, effective June 9, 2015, the Jackson Acceleration will apply to these shares.

(11) This option vests in 24 equal monthly installments, with the first vesting date on February 1, 2016, subject to Mr. Gustke's continuous service through each vesting date. In addition, 100% of the then unvested shares will vest if, within 12 months following a change of control, Mr. Gustke's employment is terminated without cause or his duties, authority or responsibilities are materially reduced without his consent.

(12) These restricted shares were part of an early exercised stock option grant covering 64,758 shares of our Common Stock that vested in 48 equal monthly installments, with the first vesting date on April 22, 2012, subject to Mr. Gustke's continuous service through each vesting date.

(13) These restricted shares were part of an early exercised stock option grant covering 10,000 shares of our Common Stock that vested in 48 equal monthly installments, with the first vesting date on April 22, 2013, subject to Mr. Gustke's continuous service through each vesting date. In addition, 100% of the then unvested shares will vest if, within 12 months following a change of control, Mr. Gustke is terminated without cause or his duties, authority or responsibilities are materially reduced without his consent.

(14) These restricted shares were part of an early exercised stock option grant covering 44,905 shares of our Common Stock that vested in 24 equal monthly installments, with the first vesting date on June 1, 2014, subject to Mr. Gustke's continuous service through each vesting date. In addition, 100% of the then unvested shares will vest if, within 12 months following a change of control, Mr. Gustke is terminated without cause or his duties, authority or responsibilities are materially reduced without his consent.

Pension Benefits

None of our named executive officers participate in or have an account balance in any qualified or non-qualified defined benefit plan sponsored by us.

Nonqualified Deferred Compensation

We have not offered any nonqualified deferred compensation plans or arrangements or entered into any such arrangements with any of our named executive officers.

Executive Employment Arrangements

Each of our named executive officers is an at-will employee. Except as set forth below, we do not have any employment agreements or offer letters with our named executive officers.

James A. Gustke

We entered into an offer letter with James A. Gustke, our Vice President of Marketing, on July 30, 2010. Pursuant to the offer letter, Mr. Gustke's annual base salary is $200,000 and Mr. Gustke is eligible to earn an annual bonus of $50,000, subject to meeting certain specified performance goals, including the achievement of our annual financial plan. In addition, Mr. Gustke is eligible to earn a quarterly variable commission bonus of up to $12,500 based upon achievement of quarterly sales goals. Effective as of March 1, 2015, Mr. Gustke's base salary was increased to $222,000 and Mr. Gustke will be eligible to earn an annual bonus of $60,000 for fiscal 2016.

If within 12 months following a change of control (as defined in our 2005 Plan), Mr. Gustke is terminated without cause (as defined in our 2005 Plan) or his duties, authority or responsibilities are materially reduced without his consent, 100% of the unvested stock options granted to Mr. Gustke prior to the change of control will immediately vest.

Change in Control and Severance Agreements

In June 2015, our compensation committee approved new change in control and severance agreements, or CIC Severance Agreements, for Messrs. Stang, Narula and Jackson, the specific terms of which are discussed below. These CIC Severance Agreements superseded each named executive officer's outstanding employment agreement or offer letter, as applicable, and any other agreement or arrangement relating to severance benefits, including any applicable terms of their option agreements related to vesting acceleration or other similar severance-related terms.

Eric B. Stang

If we terminate Mr. Stang's employment without "cause" or if Mr. Stang resigns for "good reason" (each as defined in the CIC Severance Agreement) at any time other than during the period beginning 2 months prior to a change in control of the company and ending 12 months after such change in control (the "Change in Control Period"), then Mr. Stang will be entitled to receive the following:

- a lump sum payment equal to 12 months of base salary (or 24 months of base salary if such termination occurs during the period beginning 2 months prior to a change in control of the company and ending 12 month following such change in control (the "Change in Control Period"));
- a lump sum payment equal to 100% of his target bonus for the year of termination (or 200% if such termination occurs during the Change in Control Period), plus an additional pro-rata amount of his target bonus for the year of termination based on number of days employed during the year;
- a lump sum payment equal to the COBRA premiums that would be due for 12 months (or 24 months if such termination occurs during the Change in Control Period) based on the premium that would be due for the first month of COBRA coverage (regardless of whether Mr. Stang or his eligible dependents elect COBRA coverage); and

- vesting acceleration of any outstanding equity awards that would have vested, or could have vested based on the achievement of performance or other conditions, during the 12 month period following Mr. Stang's termination and, subject to Mr. Stang's consent, the extension of the post-termination exercise period of any stock options that are outstanding on the termination date of up to 12 months (or 100% acceleration and an extension of up to 2 years if such termination occurs during the Change in Control Period). Notwithstanding the foregoing, if any successor to the company in a change in control refuses to assume, substitute or otherwise continue any outstanding equity awards, the vesting of such awards shall accelerate 100% immediately prior to, and contingent upon, the change in control.

Ravi Narula and Spencer D. Jackson

If we terminate the employment of Mr. Narula or Mr. Jackson without cause (as defined in each Executive's CIC Severance Agreement) outside of the Change in Control Period, they will be entitled to receive the following:

- a lump sum payment equal to 9 months of base salary; and
- a lump sum payment equal to the COBRA premiums that would be due for 9 months based on the premium that would be due for the first month of COBRA coverage (regardless of whether the executive or his eligible dependents elects COBRA coverage).

If we terminate the employment of Mr. Narula or Mr. Jackson without cause, or they resign for good reason (as defined in each Executive's CIC Severance Agreement), during the Change in Control Period, they will be entitled to receive the following:

- a lump sum payment equal to 12 months of base salary;
- a lump sum payment equal to 100% of their target bonus for the year of termination, plus an additional pro-rata amount of his target bonus for the year of termination based on number of days employed during the year;
- a lump sum payment equal to the COBRA premiums that would be due for 12 months based on the premium that would be due for the first month of COBRA coverage (regardless of whether the executive or his eligible dependents elects COBRA coverage); and
- 100% vesting acceleration of outstanding equity awards. Notwithstanding the foregoing, if any successor to the company in a change in control refuses to assume, substitute or otherwise continue any outstanding equity awards, the vesting of such awards shall accelerate 100% immediately prior to, and contingent upon, the change in control.

The receipt of severance payments or benefits pursuant to the CIC Severance Agreements is subject to the executive signing a release of claims in our favor and complying with certain restrictive covenants set forth in the CIC Severance Agreement. Further, each CIC Severance Agreement contains a "better after-tax" provision, which provides that if any of the payments to the executive constitutes a parachute payment under Section 280G of the Code, the payments will either be (i) reduced or (ii) provided in full to the executive, whichever results in the executive receiving the greater amount after taking into consideration the payment of all taxes, including the excise tax under Section 4999 of the Code.

Employee Benefit Plans

2005 Stock Plan

Our board of directors adopted, and our stockholders approved, our 2005 Stock Plan, or the 2005 Plan, in April 2005. Our 2005 Plan was amended and restated on September 7, 2011, December 13, 2011, January 6, 2015, and May 14, 2015. Our 2005 Plan provides for the grant of incentive stock options to our employees (and employees of our subsidiaries), and for the grant of non-statutory stock options and stock purchase rights to our employees, directors and consultants (and employees and consultants of our subsidiaries). In June 2015, our 2005

Plan was amended and restated in the form of our 2015 Equity Incentive Plan described below. The terms of the 2005 Plan as described herein will continue to govern the terms and conditions of the outstanding awards previously granted thereunder.

Authorized shares. The maximum aggregate number of shares that may be issued under the 2005 Plan is 8,866,205 shares of our common stock. As of April 30, 2015, options to purchase 3,922,041 shares of our common stock were outstanding and 116,134 shares were available for future grants.

Plan administration. Our board, or a committee that it appoints, administers the 2005 Plan. The administrator has the power and authority to determine the terms of the awards, including eligibility, the exercise price, the number of shares, the vesting schedule and exercisability of awards and the form of consideration payable upon exercise. The administrator also has the power and authority to construe and interpret the terms of the 2005 Plan and awards granted pursuant to the 2005 Plan and to allow participants to satisfy their tax withholding obligations by electing to have us withhold shares to be issued upon exercise of an option or pursuant to a stock purchase right. In addition, the administrator has the authority to reduce the exercise price of options if the fair market value of such options has declined since the date such options were granted and initiate an option exchange program, whereby outstanding options are exchanged for options with a lower exercise price.

Stock options. With respect to all stock options granted under the 2005 Plan, the term of an option may not exceed 10 years from the grant date and the exercise price must generally be at least equal to the fair market value of our common stock on the grant date. However, with respect to incentive stock options, any participant who owns more than 10% of the total combined voting power of all classes of our outstanding stock as of the grant date, may not have a term in excess of 5 years and must have an exercise price of at least 110% of the fair market value on the grant date. The administrator determines all other terms of the options. Based on the terms of our standard form after a participant's termination of service, the participant may exercise his or her option, to the extent vested, generally for a period of 60 days, or 6 or 12 months in the case of termination due to disability or death, respectively, following such termination. However, in no event may an option be exercised later than the expiration of its term.

Stock purchase rights. Stock purchase rights are rights to purchase our common stock that either are fully vested at grant or that will vest in accordance with terms and conditions established by the administrator, in its sole discretion. The administrator will determine the number of shares that the participant may purchase, the price to be paid and the time in which the participant must accept the offer. The offer must be accepted by execution of a restricted stock purchase agreement in the form determined by the administrator. Once a stock purchase right is exercised, the participant has all the rights of a stockholder.

Transferability of awards. Unless otherwise determined by the administrator, the 2005 Plan generally does not allow for the sale or transfer of awards under the 2005 Plan other than by will or the laws of descent and distribution, and may be exercised during the lifetime of the participant only by such participant. Subject to compliance with all applicable laws, the administrator may in its discretion grant transferable non-statutory stock options and stock purchase rights in accordance with the terms set forth in the applicable award agreement

Certain adjustments. In the event of certain corporate events or changes in our capitalization made in our common stock, appropriate adjustments will be made in the number and class of shares that may be delivered under the 2005 Plan and/or the number, class and price of shares covered by each outstanding award.

Dissolution or liquidation. In the event of our dissolution or liquidation of the company, each option and stock purchase right will terminate immediately prior to the consummation of such action, unless otherwise determined by the administrator.

Corporate transaction. In the event of a corporate transaction (as defined in the 2005 Plan) or a change in control, all outstanding awards shall be assumed or an equivalent option or right shall be substituted by the

acquirer, unless the acquirer does not agree to assume the award or to substitute an equivalent option or right, in which case such award shall terminate upon the consummation of the transaction. If any stock option or stock purchase right, or any agreement applicable to any such award, provides for accelerated vesting in connection with any termination of service that occurs on or after the consummation of such change in control transaction, and the acquirer does not agree to assume the award, or to substitute an equivalent option or right for the award, then any acceleration of vesting that would otherwise occur upon such termination of service shall occur immediately prior to, and contingent upon, the consummation of such change in control transaction.

Plan amendment; termination. Our board of directors may at any time amend, alter, suspend or discontinue the 2005 Plan, provided such action does not materially and adversely affect the rights of any participant without his or her consent. Although our 2005 Plan will be amended and restated in the form of our 2015 Equity Incentive Plan immediately prior to, and contingent upon, the effectiveness of this offering; our 2005 Plan will continue to govern the terms and conditions of awards previously granted under the 2005 Plan.

Following the closing of our initial public offering, future awards will be made under our 2015 Plan.

2015 Equity Incentive Plan

In June 2015, our board of directors approved the amendment and restatement of our 2005 Plan in the form of our 2015 Equity Incentive Plan, or the 2015 Plan, effective immediately prior to, and contingent upon, the effectiveness of this offering. The 2015 Plan will provide for the grant of incentive stock options to our employees and any of our subsidiary corporations' employees, and for the grant of non-statutory stock options, stock appreciation rights, restricted stock, restricted stock units, performance units and performance shares to our employees, directors and consultants and our subsidiary corporations' employees and consultants.

The following summary of terms of the 2015 Plan is based on the terms of the 2015 Plan.

Authorized shares. The maximum aggregate number of shares that may be issued under the 2015 Plan is the number of shares equal to 10% of our outstanding shares of common stock at the time of the effectiveness of the offering (as determined on a fully diluted basis, including the shares reserved under our equity plans), plus any shares that, as of such time, were previously reserved but not issued pursuant to awards granted under our 2005 Plan and that are not subject to outstanding awards under our 2005 Plan, plus any shares subject to awards under the 2005 Plan that are returned to the plan on account of the expiration, cancellation or forfeiture of such award. In addition, the number of shares available for issuance under the 2015 Plan will be annually increased on the first day of each of our fiscal years beginning with fiscal 2017, by an amount equal to the lessor of:

- 5% of the outstanding shares of our common stock as of the last day of our immediately preceding fiscal year; and
- such other amount as our board of directors may determine.

If an award expires, is surrendered pursuant to an exchange program or becomes unexercisable without having been exercised in full, or, with respect to restricted stock, restricted stock units, performance units or performance shares, is forfeited to or repurchased by us at the original purchase price paid to us for such shares due to the failure to vest, the unpurchased shares (or for awards other than stock options or stock appreciation rights, the forfeited or repurchased shares) will become available for future grant or sale under the 2015 Plan. Shares used to pay the exercise price of an award or satisfy the tax withholding obligations related to an award will be available for future grant or sale under the 2015 Plan. In addition, to the extent that an award is paid out in cash rather than shares, such cash payment will not reduce the number of shares available for issuance under the 2015 Plan.

Plan administration. The 2015 Plan will be administered by our board of directors, which, at its discretion or as legally required, may delegate such administration to our compensation committee and/or one or more

additional committees. In the case of awards intended to qualify as "performance-based compensation" within the meaning of Code Section 162(m), the compensation committee will consist of two or more "outside directors" within the meaning of Code Section 162(m).

Subject to the provisions of our 2015 Plan, the administrator has the power to determine the terms of awards, including the recipients, the exercise price, if any, the number of shares subject to each award, the fair market value of a share of our common stock, the vesting schedule applicable to the awards, together with any vesting acceleration, and the form of consideration, if any, payable upon exercise of the award and the terms of the award agreement for use under the 2015 Plan. The administrator also has the authority, subject to the terms of the 2015 Plan, to amend existing awards, to prescribe rules and to construe and interpret the 2015 Plan and awards granted thereunder and to institute an exchange program by which outstanding awards may be surrendered in exchange for awards of the same type which may have a lower exercise price or different terms, awards of a different type and/or cash.

Stock options. The administrator may grant incentive and/or non-statutory stock options under our 2015 Plan; provided that incentive stock options may only be granted to employees. The exercise price of such options must generally equal at least the fair market value of our common stock on the date of grant. The term of an option may not exceed 10 years; provided, however, that an incentive stock option held by a participant who owns more than 10% of the total combined voting power of all classes of our stock, or of certain of our subsidiary corporations, may not have a term in excess of 5 years and must have an exercise price of at least 110% of the fair market value of our common stock on the grant date. The administrator will determine the methods of payment of the exercise price of an option, which may include cash, shares or other property acceptable to the administrator. Subject to the provisions of our 2015 Plan, the administrator determines the remaining terms of the options (e.g., vesting). After the termination of service of an employee, director or consultant, the participant may exercise his or her option, to the extent vested, for the period of time stated in his or her option agreement. Generally, if termination is due to death or disability, the option will remain exercisable for 12 months. In all other cases, the option will generally remain exercisable for 3 months following the termination of service. However, in no event may an option be exercised later than the expiration of its term.

Stock appreciation rights. Stock appreciation rights may be granted under our 2015 Plan. Stock appreciation rights allow the recipient to receive the appreciation in the fair market value of our common stock between the exercise date and the date of grant. Subject to the provisions of our 2015 Plan, the administrator determines the terms of stock appreciation rights, including when such rights vest and become exercisable and whether to settle such awards in cash or with shares of our common stock, or a combination thereof, except that the per share exercise price for the shares to be issued pursuant to the exercise of a stock appreciation right will be no less than 100% of the fair market value per share on the date of grant. The specific terms will be set forth in an award agreement.

Restricted stock. Restricted stock may be granted under our 2015 Plan. Restricted stock awards are grants of shares of our common stock that are subject to various restrictions, including restrictions on transferability and forfeiture provisions. Shares of restricted stock will vest and the restrictions on such shares will lapse, in accordance with terms and conditions established by the administrator. Such terms may include, among other things, vesting upon the achievement of specific performance goals determined by the administrator and/or continued service. The administrator, in its sole discretion, may accelerate the time at which any restrictions will lapse or be removed. Recipients of restricted stock awards generally will have voting and dividend rights with respect to such shares upon grant without regard to vesting, unless the administrator provides otherwise. Shares of restricted stock that do not vest for any reason will be subject to our right of repurchase or forfeited by the recipient and will revert to us. The specific terms will be set forth in an award agreement.

Restricted stock units. Restricted stock units may be granted under our 2015 Plan, and may include the right to dividend equivalents, as determined in the discretion of the administrator. Each restricted stock unit granted is a bookkeeping entry representing an amount equal to the fair market value of one share of our common stock.

The administrator determines the terms and conditions of restricted stock units, including the vesting criteria, which may include achievement of specified performance criteria and/or continued service, and the form and timing of payment. The administrator, in its sole discretion, may accelerate the time at which any restrictions will lapse or be removed. The administrator determines, in its sole discretion, whether an award will be settled in stock, cash or a combination of both. The specific terms will be set forth in an award agreement.

Performance units / performance shares. Performance units and performance shares may be granted under our 2015 Plan. Performance units and performance shares are awards that will result in a payment to a participant if performance goals established by the administrator are achieved and any other applicable vesting provisions are satisfied. The administrator will establish organizational or individual performance goals or other vesting criteria in its discretion, which, depending on the extent to which they are met, will determine the number and/or the value of performance units and performance shares to be paid out to participants. After the grant of a performance unit or performance share, the administrator, in its sole discretion, may reduce or waive any performance objectives or other vesting provisions for such performance units or performance shares. Performance units shall have an initial dollar value established by the administrator on or prior to the grant date. Performance shares shall have an initial value equal to the fair market value of our common stock on the grant date. The administrator, in its sole discretion, may pay earned performance units or performance shares in the form of cash, in shares or in some combination thereof. The specific terms will be set forth in an award agreement.

Non-transferability of awards. Unless the administrator provides otherwise, our 2015 Plan generally does not allow for the transfer of awards and only the recipient of an option or stock appreciation right may exercise such an award during his or her lifetime.

Certain adjustments. In the event of certain corporate events or changes in our capitalization, to prevent diminution or enlargement of the benefits or potential benefits available under the 2015 Plan, the administrator will make adjustments to one or more of the number, kind and class of securities that may be delivered under the 2015 Plan and/or the number, kind, class and price of securities covered by each outstanding award.

Liquidation or Dissolution. In the event of our proposed winding up, liquidation or dissolution, the administrator will notify participants as soon as practicable and all awards will terminate immediately prior to the consummation of such proposed transaction.

Merger or change in control. Our 2015 Plan provides that in the event of a sale of substantially all of our assets, merger or change in control, as defined under the 2015 Plan, each outstanding award will be treated as the administrator determines, including, but not limited to, providing for the assumption or substitution of the outstanding award, the cancellation of the outstanding award on such terms and conditions as it deems appropriate, including providing for the cancellation of such outstanding award for no consideration.

Amendment, termination. Our board of directors has the authority to amend, suspend or terminate the 2015 Plan provided such action does not impair the existing rights of any participant. Our 2015 Plan will automatically terminate in 2025, unless we terminate it sooner.

Executive Incentive Bonus Plan

Our Executive Incentive Bonus Plan, or the Bonus Plan, allows our compensation committee to provide cash incentive awards to selected employees, including our named executive officers, based upon performance goals established by our compensation committee.

Under the Bonus Plan, our compensation committee will determine the amount of the target award, the performance period and the performance goals to be applicable to any award. Performance goals that include our financial results may be determined in accordance with U.S. generally accepted accounting principles, or GAAP,

or such financial results may consist of non-GAAP financial measures, and any goals or actual results may be adjusted by our compensation committee for any reason, including without limitation, one-time items or unbudgeted or unexpected items, when determining whether the performance goals have been met. The performance goals may be on the basis of any factors our compensation committee determines relevant and may be adjusted on an individual, divisional, business unit or company-wide basis. The performance goals may differ from participant to participant and from award to award.

Our compensation committee, may, in its sole discretion and at any time, increase, reduce or eliminate an award otherwise payable to a participant with respect to any performance period.

Actual awards will be paid in cash only after they are earned, which usually requires continued employment through the date the bonus is paid.

Our board of directors or our compensation committee will have the authority to amend, alter, suspend or terminate the Bonus Plan, provided such action does not impair the existing rights of any participant with respect to any earned bonus.

2015 Employee Stock Purchase Plan

In June 2015, our board of directors approved our 2015 Employee Stock Purchase Plan (ESPP) effective immediately prior to, and contingent upon, the effectiveness of this offering.

The following summary of terms of the ESPP is based on the terms of the ESPP.

Authorized shares. The maximum aggregate number of shares that may be issued under the ESPP is the number of shares equal to 2% of our outstanding shares of common stock at the time of the effectiveness of the offering (as determined on a fully diluted basis, including the shares reserved under our equity plans). In addition, our ESPP provides for annual increases in the number of shares available for issuance under the ESPP on the first day of each fiscal year beginning in fiscal 2017, equal to the lesser of:

- 2% of the outstanding shares of our common stock on the last day of our immediately preceding fiscal year; or
- such other amount as may be determined by our board of directors.

Plan administration. The ESPP will be administered by our compensation committee. The administrator has authority to administer the ESPP, including but not limited to, full and exclusive authority to interpret the terms of the ESPP, determine eligibility to participate subject to the conditions of our ESPP as described below, and to establish procedures for plan administration necessary for the administration of the ESPP, including creating sub-plans.

Eligibility. Generally, all of our employees are eligible to participate if they are employed by us, or any participating subsidiary, for at least 20 hours per week and more than 5 months in any calendar year and they have completed 3 months of employment with the company. However, an employee may not be granted rights to purchase stock under the ESPP if such employee:

- immediately after the grant would own stock possessing 5% or more of the total combined voting power or value of all classes of our capital stock; or
- holds rights to purchase stock under the ESPP that would accrue at a rate that exceeds $25,000 worth of our stock for each calendar year in which the option is outstanding.

Offering Periods. Our ESPP is intended to qualify under Section 423 of the Code, and generally provides for 24-month offering periods. Each offering period includes consecutive purchase periods, each of which will

run for approximately 6 months. The offering periods are scheduled to start on the first trading day on or after March 15th and September 15th of each year, except for the first offering period, which will commence on the effective date of this offering and will end on the first trading day on or after September 15, 2017. The administrator may, in its discretion, modify the terms of future offering periods.

Payroll Deductions. Our ESPP permits participants to purchase common stock through payroll deductions of up to 15% of their eligible compensation, which includes a participant's regular and recurring straight time gross earnings, overtime and shift premium, but exclusive of non-cash benefits and other payments for incentive compensation, bonuses and other similar compensation. A participant may purchase a maximum of 12,500 shares during any purchase period.

Exercise of Purchase Right. Amounts deducted and accumulated by the participant are used to purchase shares of our common stock at the end of each purchase period. The purchase price of the shares will be 85% of the lower of the fair market value of our common stock on the first trading day of each offering period or on the exercise date. Participants may end their participation at any time during an offering period, and will be paid their accrued contributions that have not yet been used to purchase shares of our common stock. Participation ends automatically upon termination of employment with us.

Non-Transferability. A participant may not transfer rights granted under the ESPP other than by will, the laws of descent and distribution, or as otherwise provided under the ESPP.

Certain adjustments. In the event of certain corporate events or changes in our capitalization, to prevent dilution or enlargement of the benefits or potential benefits available under the ESPP, the administrator will make adjustments in such manner as it may deem equitable to the number, kind and class of securities, and the purchase price per share, covered by each outstanding purchase right under the ESPP, and the number, kind and class of securities that may be delivered under the ESPP, including during any applicable purchase period.

Dissolution or Liquidation. In the event of our proposed winding up, liquidation or dissolution, any offering period then in progress will be shortened by setting a new exercise date, and will terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the administrator.

Merger or Change in Control. In the event of our merger or change in control, as defined under the ESPP, a successor corporation may assume or substitute for each outstanding purchase right. If the successor corporation refuses to assume or substitute for the purchase right, the offering period then in progress will be shortened, and a new exercise date will be set. The administrator will notify each participant that the exercise date has been changed and that the participant's purchase right will be exercised automatically on the new exercise date unless prior to such date the participant has withdrawn from the offering period.

Amendment, Termination. Our ESPP will automatically terminate in 2025, unless we terminate it sooner. The administrator has the authority to amend, suspend or terminate our ESPP, except that, subject to certain exceptions described in our ESPP, no such action may adversely affect any outstanding rights to purchase stock under our ESPP.

401(k) Plan

We maintain a defined contribution retirement plan for our eligible U.S. employees. Participants may make pre-tax contributions to the plan from their eligible earnings, and we may make matching contributions and profit sharing contributions to eligible participants, in each case, up to the statutorily prescribed annual limits on contributions under the Internal Revenue Code. In 2014, the company, for the first time, provided a matching contribution equal to 50% of the first 6% of the participants' contributions to the 401(k) plan. Contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. The plan is intended to be qualified under Section 401(a) of the Internal

Revenue Code, and the plan's trust is intended to be tax exempt under Section 501(a) of the Internal Revenue Code. As a tax-qualified 401(k) plan, 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.

Limitation of Liability and Indemnification of Directors and Officers

Our amended and restated certificate of incorporation, which will become effective upon the closing of this offering, will contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for the following:

- any breach of their duty of loyalty to our company 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 Delaware General Corporation Law; or
- any transaction from which they derived an improper personal benefit.

Our amended and restated bylaws, which will become effective upon the closing of this offering, will provide that we shall indemnify, to the fullest extent permitted by law, any person who is or was a party or is threatened to be made a party to any action, suit or proceeding, by reason of the fact that he or she is or was one of our directors or officers or is or was serving at our request as a director or officer of another corporation, partnership, joint venture, trust or other enterprise. Our amended and restated bylaws will provide that we may indemnify to the fullest extent permitted by law any person who is or was a party or is threatened to be made a party to any action, suit or proceeding, by reason of the fact that he or she is or was one of our employees or agents or is or was serving at our request as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise. Our amended and restated bylaws will also provide that we must advance expenses incurred by or on behalf of a director or officer in advance of the final disposition of any action or proceeding, subject to very limited exceptions.

Prior to the closing of this offering, we intend to obtain insurance policies under which, subject to the limitations of the policies, coverage is provided to our directors and officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or officer, including claims relating to public securities matters, and to us with respect to payments that may be made by us to these officers and directors pursuant to our indemnification obligations or otherwise as a matter of law.

Prior to the closing of this offering, we intend to enter into indemnification agreements with each of our directors and executive officers that may be broader than the specific indemnification provisions contained in the Delaware General Corporation Law. These indemnification agreements may require us, among other things, to indemnify our directors and executive officers against liabilities that may arise by reason of their status or service. These indemnification agreements may also require us to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding. We believe that these agreements are necessary to attract and retain qualified individuals to serve as directors and executive officers.

The underwriting agreement provides for indemnification by the underwriters of us and our officers, directors and employees for certain liabilities arising under the Securities Act, or otherwise.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling our company pursuant to the foregoing provisions, 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 compensation arrangements, including employment, termination of employment and change in control arrangements, and indemnification arrangements, discussed, when required, in the sections titled "Management" and "Executive Compensation" and the registration rights described in the section titled "Description of Capital Stock—Registration Rights," the following is a description of each transaction since February 1, 2012 and each currently proposed transaction in which:

- we have been or are to be a participant;
- the amount involved exceeded or will exceed $120,000; and
- any of our directors, executive officers, or holders of more than 5% of any class of our voting securities, or any immediate family member of, or person sharing the household with, any of these persons, had or will have a direct or indirect material interest.

Series Beta Preferred Stock Financing

In April 2015, we sold an aggregate of 482,946 shares of our Series Beta convertible preferred stock at a purchase price of $10.6014 per share for an aggregate purchase price of approximately $5.0 million, net of issuance costs. In this transaction, entities affiliated with Worldview Technology Partners, our majority stockholder, and our directors, Peter J. Goettner and James Wei, purchased 191,629 shares of our Series Beta convertible preferred stock at an aggregate purchase price of approximately $2.0 million, entities affiliated with WI Harper Group, a 5% holder, purchased 20,268 shares of our Series Beta convertible preferred stock at an aggregate purchase price of approximately $0.2 million and an entity affiliated with one of our directors, Sean N. Parker, purchased 47,163 shares of our Series Beta convertible preferred stock at an aggregate purchase price of approximately $0.5 million.

All purchasers of our Series Beta convertible preferred stock are entitled to specified registration rights. For more information regarding these registration rights, see "Description of Capital Stock—Registration Rights."

Stock Transfer Agreements

In April 2014, Eric B. Stang, our President and Chief Executive Officer, transferred without consideration (i) 300,000 shares of common stock to The Stang Family 2014 Grantor Retained Annuity Trust, (ii) 10,000 shares of common stock to Adrienne T. Stang, (iii) 5,000 shares of common stock to Sarah E. Fisher and (iv) 5,000 shares of common stock to Michael L. Obermayr. We waived any and all rights of first refusal relating to such transfers.

Indemnification Agreements

We have entered into indemnification agreements with each of our directors and officers. The indemnification agreements and our certificate of incorporation and bylaws require us to indemnify our directors and officers to the fullest extent permitted by Delaware law. For more information regarding these indemnification agreements, see "Executive Compensation—Limitation of Liability and Indemnification of Directors and Officers."

Investors' Rights Agreement

In April 2015, we entered into a fourth amended and restated investors' rights agreement, which we refer to as our investors' rights agreement, with certain of our stockholders, including entities affiliated with Worldview Technology Partners, our majority stockholder, WI Harper Group, a 5% holder, and our directors, Peter J. Goettner, Sean N. Parker and James Wei. The investors' rights agreement, among other things:

- grants such stockholders certain registration rights with respect to certain shares of our common stock issued or issuable upon conversion of the shares of our convertible preferred stock or upon exercise of certain warrants. For a description of these registration rights, see "Description of Capital Stock—Registration Rights."

- obligates us to deliver periodic financial statements to certain stockholders who are parties to our investors' rights agreement, as amended, including entities affiliated with Worldview Technology Partners; and
- grants a preemptive right to participate in sales of our shares by us, subject to specified exceptions such as this offering, to certain stockholders, including entities affiliated with Worldview Technology Partners.

For more information regarding the registration rights provided in this agreement, see "Description of Capital Stock—Registration Rights." The provisions of this agreement related to delivery of financial statements and preemptive rights will terminate upon completion of this offering. This summary discusses certain material provisions of our investors' rights agreement and is qualified by the full text of our investors' rights agreement filed as an exhibit to the registration statement of which this prospectus is a part.

Voting Agreement

In April 2015, we entered into an amended and restated voting agreement with certain of our stockholders, including entities affiliated with Worldview Technology Partners, our majority stockholder, WI Harper Group, a 5% holder, and our directors, Peter J. Goettner, Sean N. Parker and James Wei. The voting agreement, among other things:

- for the voting of shares with respect to the composition of the board of directors; and
- for the voting of shares with respect to certain transactions approved by our board of directors and by the holders of a majority of our outstanding convertible preferred stock.

This agreement will terminate upon completion of this offering.

Right of First Refusal and Co-Sale Agreement

In June 2009, we entered into an amended and restated right of first refusal and co-sale agreement with certain of our stockholders, including entities affiliated with Worldview Technology Partners, our majority stockholder, WI Harper Group, a 5% holder, and our directors, Peter J. Goettner, Sean N. Parker and James Wei. The amended and restated right of first refusal and co-sale agreement, among other things, grants certain of our investors certain rights of first refusal and co-sale with respect to proposed transfers of our securities by certain stockholders.

This agreement will terminate upon completion of this offering.

Policies and Procedures for Related Party Transactions

Our nominating and governance committee charter will be effective on the date of this offering. The charter states that our nominating and governance committee is responsible for reviewing and approving in advance any related party transaction. All of our directors, officers and employees are required to report to the nominating and governance committee prior to entering into any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we are to be a participant, the amount involved exceeds $120,000 and a related person had or will have a direct or indirect material interest, including purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person.

We believe that we have executed all of the transactions set forth under the section entitled "Related Party Transactions" on terms no less favorable to us than we could have obtained from unaffiliated third parties. It is our intention to ensure that all future transactions between us and our officers, directors and principal stockholders and their affiliates, are approved by the nominating and governance committee of our board of directors, and are on terms no less favorable to us than those that we could obtain from unaffiliated third parties.

PRINCIPAL STOCKHOLDERS

The following table and footnotes set forth information with respect to the beneficial ownership of our common stock as of April 30, 2015, subject to certain assumptions set forth in the footnote and as adjusted to reflect the sale of the shares of common stock offered in the public offering under this prospectus for:

- each holder of 5% of more of the outstanding shares of our common stock;
- each of our named executive officers;
- each of our directors; and
- all of our executive officers and directors as a group.

In accordance with SEC rules, each listed person's beneficial ownership includes:

- all shares the investor actually owns beneficially or of record;
- all shares over which the investor has or shares voting or dispositive control (such as in the capacity as a general partner of an investment fund); and
- all shares the investor has the right to acquire beneficial ownership of within 60 days after April 30, 2015.

Our calculation of the percentage of beneficial ownership prior to this offering is based on shares of common stock outstanding as of April 30, 2015, assuming the automatic conversion of all outstanding shares of our convertible preferred stock into shares of common stock and shares outstanding, including the automatic conversion of all outstanding shares of our Series Alpha and Series Alpha-1 convertible preferred stock into 16,707,522 shares of common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into shares of common stock based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus. The percentage ownership information assumes no exercise of the underwriters' option to purchase additional shares.

Unless otherwise indicated, we believe, based on the information furnished to us, that the persons named in the table below have sole voting and investment power with respect to all securities that they beneficially own, subject to community property laws where applicable. Unless otherwise noted below, the business address of the stockholders listed below is the address of our principal executive office, 1880 Embarcadero Road, Palo Alto, California 94303.

Name and Address	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned	
		Before the Offering	After the Offering
5% Stockholders:			
Entities affiliated with Worldview Technology Partners(1)			
WI Harper INC Fund VI Ltd(2)			
Named Executive Officers and Directors:			
Eric B. Stang(3)	1,809,792		
Ravi Narula(4)	155,664	*	
Spencer D. Jackson(5)	146,000	*	
James A. Gustke	349,663		
Alison Davis(6)	80,000	*	
Andrew H. Galligan(7)	378,093		
Peter J. Goettner(8)	50,000	*	
Russell Mann(9)	121,844	*	
Sean N. Parker(10)			
William D. Pearce(11)	83,885	*	
James Wei(12)			
All executive officers and directors as a group (11 persons)			

* Represents beneficial ownership of less than 1% of the outstanding shares of our common stock.

(1) Consists of (i) shares held of record by Worldview Strategic Partners IV, L.P.; (ii) shares of record held by Worldview Technology International IV, L.P.; and (iii) shares of record held by Worldview Technology Partners IV, L.P. Worldview Capital IV, L.P. is the general partner of Worldview Technology Partners IV, L.P., Worldview Technology International IV, L.P., and Worldview Strategic Partners IV, L.P., and Worldview Equity I, L.L.C. is the general partner of Worldview Capital IV, L.P. (collectively referred to as the "Worldview Entities"). The members of Worldview Equity I, L.L.C. are James Wei, Mike Orsak and Susumu Tanaka, and they exercise shared voting and dispositive control over the shares held by the Worldview Entities. As a result, and by virtue of the relationships described in this footnote, each of the members of Worldview Equity I, L.L.C. may be deemed to share beneficial ownership of the shares held by the Worldview Entities. The address for each of the entities identified in this footnote is 101 S. Ellsworth Avenue, Suite 401, San Mateo, California 94401.

(2) WI Harper INC VI Management Limited, is the manager of WI Harper INC Fund VI Ltd. Peter Yeau-Hwan Liu and David Ying Zhang are the controlling shareholders of the manager, and accordingly, they exercise shared voting and dispositive power over the shares held by WI Harper INC Fund VI Ltd. As a result, and by virtue of the relationships described in this footnote, each of Peter Yeau-Hwan Liu and David Ying Zhang may be deemed to share beneficial ownership of the shares held by WI Harper INC Fund VI Ltd. The registered address of WI Harper INC Fund VI Ltd. is M&C Corporate Services Limited, PO Box 309GT, Ugland House, South Church Street, George Town, Grand Cayman, Cayman Islands.

(3) Consists of (i) 1,509,792 shares of restricted stock held by Mr. Stang, 1,322,765 of which are vested as of April 30, 2015 and 31,298 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 300,000 shares held by The Stang Family 2014 Grantor Retained Annuity Trust. Mr. Stang may be deemed to hold sole voting and dispositive power with respect to the shares held by The Stang Family 2014 Grantor Retained Annuity Trust.

(4) Consists of 155,664 shares issuable upon the exercise of stock options exercisable as of April 30, 2015, none of which are vested as of April 30, 2015 and none of which are scheduled to vest within 60 days after April 30, 2015.

(5) Consists of (i) 71,000 shares of restricted stock held by Mr. Jackson, 21,000 of which are vested as of April 30, 2015 and 3,125 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 75,000 shares of restricted stock held of record by Millennium Trust Company, LLC, Custodian FBO Spencer D Jackson Roth/IRA, 25,000 of which are vested as of April 30, 2015 and 3,125 of which are scheduled to vest within 60 days after April 30, 2015. Mr. Jackson holds voting and dispositive power with respect to the shares held of record by Millennium Trust Company, LLC, Custodian FBO Spencer D Jackson Roth/IRA.

(6) Consists of (i) 40,000 shares of restricted stock held by Ms. Davis, 15,000 of which are vested as of April 30, 2015 and 1,666 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 40,000 shares issuable upon the exercise of stock options exercisable as of April 30, 2015, none of which are vested as of April 30, 2015 and none of which are scheduled to vest within 60 days after April 30, 2015.

(7) Consists of (i) 39,893 shares of restricted stock held by Mr. Galligan, all of which are vested as of April 30, 2015; and (ii) 338,200 shares issuable upon the exercise of options exercisable as of April 30, 2015, 274,033 of which are vested as of April 30, 2015 and 2,917 of which are scheduled to vest within 60 days after April 30, 2015.

(8) Consists of 50,000 shares of restricted stock held by Mr. Goettner, 16,666 of which are vested as of April 30, 2015 and 2,084 of which are scheduled to vest within 60 days after April 30, 2015. Mr. Goettner's address is Worldview Technology Partners, 101 S. Ellsworth Avenue, Suite 401, San Mateo, California 94401.

(9) Consists of (i) 119,760 shares issuable upon the exercise of options exercisable as of April 30, 2015, 113,093 of which are vested as of April 30, 2015 and 417 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 2,084 issuable upon the exercise of options exercisable within 60 days after April 30, 2015, all of which are scheduled to vest within 60 days after April 30, 2015.

(10) Consists of (i) 7,500 shares held by Mr. Parker; (ii) 42,736 shares issuable upon conversion of shares of Series Alpha convertible preferred stock held by Mr. Parker; (iii) 34,359 shares issuable upon the exercise of options exercisable as of April 30, 2015, all of which are vested as of April 30, 2015; and (iv) 42,598 shares issuable upon conversion of shares of Series Alpha convertible preferred stock issuable upon exercise of warrants held by Mr. Parker; and (v) shares issuable upon conversion of shares of Series Beta convertible preferred stock held by SNP Ventures, LP.

(11) Consists of 83,885 shares issuable upon the exercise of options exercisable as of April 30, 2015, 68,260 of which are vested as of April 30, 2015 and 1,041 of which are scheduled to vest within 60 days after April 30, 2015.

(12) Consists of (i) shares beneficially owned by entities affiliated with Worldview Technology Partners, and (ii) 76,666 shares of restricted stock held by Mr. Wei, 25,554 of which are vested as of April 30, 2015 and 3,195 of which are scheduled to vest within 60 days after April 30, 2015. Mr. Wei's address is Worldview Technology Partners, 101 S. Ellsworth Avenue, Suite 401, San Mateo, California 94401.

DESCRIPTION OF CAPITAL STOCK

Description of Capital Stock

The following is a description of the material terms of our amended and restated certificate of incorporation and amended and restated bylaws as each will be in effect as of the completion of this offering, and of specific provisions of Delaware General Corporation Law, or DGCL. The following description is intended as a summary only. Copies of our amended and restated certificate of incorporation and amended and restated bylaws have been filed as exhibits to the registration statement of which this prospectus is a part.

General

Immediately following the closing of this offering, our authorized capital stock will consist of shares of common stock, $0.0001 par value per share, and shares of preferred stock, $0.0001 par value per share, all of which preferred stock will be undesignated. The following information reflects the filing of our amended and restated certificate of incorporation and the conversion of all outstanding shares of our preferred stock into shares of common stock immediately prior to the closing of this offering.

Upon the closing of this offering and based on shares of our common stock outstanding as of April 30, 2015, shares of our common stock will be outstanding, assuming the conversion of all outstanding shares of our convertible preferred stock into shares of our common stock immediately prior to the closing of this offering. As of April 30, 2015, we had 166 stockholders of record.

Common Stock

As of April 30, 2015, we had shares of common stock issued and outstanding assuming the conversion of all outstanding shares of our convertible preferred stock into shares of our common stock as if such conversion had occurred on April 30, 2015. The holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders. Cumulative voting for the election of directors is not provided for in our amended and restated certificate of incorporation, which means the holders of a majority of our shares of common stock can elect all of the directors then standing for election. Subject to preferences that may be applicable to any outstanding convertible preferred stock, holders of common stock are entitled to receive ratably such dividends as may be declared by the board of directors out of funds legally available for that purpose. See “Dividend Policy.” In the event of liquidation, dissolution or winding up of the company, the holders of our common stock are entitled to share ratably in all assets remaining after payment of liabilities, subject to the prior distribution rights of any outstanding convertible preferred stock. The common stock has no preemptive or conversion rights or other subscription rights. The outstanding shares of common stock are, and the shares of common stock to be issued upon completion of this offering will be, fully paid and non-assessable.

Preferred Stock

As of April 30, 2015 there were 17,190,468 shares of convertible preferred stock outstanding, which will automatically convert, upon completion of this offering, into shares of our common stock, including the automatic conversion of all outstanding shares of our Series Alpha and Series Alpha-1 convertible preferred stock into 16,707,522 shares of common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into shares of common stock based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus . After the closing of this offering, the board of directors will have the authority, without further action by the stockholders, to issue up to shares of preferred stock, $0.0001 par value per share, in one or more series. The board of directors will also have the authority to designate the rights, preferences, privileges and restrictions of each such series, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences, sinking fund terms and the number of shares constituting any series.

The issuance of preferred stock may have the effect of delaying, deferring or preventing a change in control of the company without further action by the stockholders. The issuance of convertible preferred stock with voting and conversion rights may also adversely affect the voting power of the holders of common stock and the likelihood that such holders will receive dividend payments and payments upon liquidation. In certain circumstances, an issuance of preferred stock could have the effect of decreasing the market price of the common stock. As of the closing of the offering, no shares of convertible preferred stock will be outstanding. We currently have no plans to issue any shares of convertible preferred stock.

Warrants

As of April 30, 2015, we had warrants outstanding to purchase up to 176,005 shares of our common stock, at exercise prices ranging from approximately $2.35 per share to $33.00 per share and warrants outstanding to purchase up to 384,028 shares of our Series Alpha convertible preferred stock at an exercise price of approximately $2.35 per share. Each outstanding warrant contains provisions for the adjustment of the exercise price and the number of shares issuable upon exercise in the event of stock dividends, stock splits, reorganizations and reclassifications, consolidations and the like. The shares issuable upon exercise of the outstanding warrants to purchase Series Alpha convertible preferred stock will convert into 384,028 shares of common stock if these warrants are exercised for cash, at an exercise price of approximately $2.35 per share, immediately prior to the closing of this offering. If such warrants are not exercised immediately prior to the closing of this offering, (i) the shares issuable upon exercise of warrants to purchase 174,651 shares of our Series Alpha convertible preferred stock will convert into 174,651 shares of common stock common stock; (ii) warrants to purchase 68,802 shares of our Series Alpha convertible preferred stock will terminate upon the closing of this offering; and (iii) a warrant to purchase 140,575 shares of our Series Alpha convertible preferred stock may be exercised or settled in cash, net of the aggregate exercise price, upon the closing of this offering.

Options

As of April 30, 2015, we had outstanding options to purchase 3,922,041 shares of our common stock under our 2005 Plan and 116,134 shares remained available for future awards.

Registration Rights

Following this offering's completion, the holders of an aggregate of shares of our common stock, or their permitted transferees, are entitled to rights with respect to the registration of these shares under the Securities Act. These rights are provided under the terms of an investors' rights agreement between us and the holders of these shares, and include demand registration rights, short-form registration rights and piggyback registration rights, as set forth below.

The registration rights terminate with respect to the registration rights of an individual holder on the earliest to occur of two years following the completion of this offering, the liquidation, dissolution or indefinite cessation of the business operations of our company, the closing of a deemed liquidation, dissolution or winding up of our company pursuant to our amended and restated certificate, or the execution by our company of a general assignment for the benefit of creditors or appointment of a receiver or trustee to take possession of our property and assets.

Demand Registration Rights

At any time after April 24, 2020, the holders of at least a majority of the common stock issued or issuable upon conversion of the convertible preferred stock may demand that we effect a registration under the Securities Act covering the public offering and sale of 20% or more, or a lesser percent if the anticipated offering price, net of underwriting discounts and commissions, would exceed $2,000,000, of such registrable securities held by such stockholders. Upon any such demand we must effect the registration of such registrable securities that have been requested to register together with all other registrable securities that we may have been requested to register by

other stockholders pursuant to the incidental registration rights described below. We are only obligated to effect two registrations in response to these demand registration rights.

Piggyback Registration Rights

In connection with this offering, certain holders were entitled to, and the necessary percentage of holders waived, their rights to notice of this offering and to include their shares of registrable securities in this offering. If we register any securities for public sale in another offering, including pursuant to any stockholder initiated demand registration, holders of such registrable securities will have the right to include their shares in the registration statement, subject to certain exceptions. The underwriters of any underwritten offering will have the right to limit the number registrable securities to be included in the registration statement, subject to certain restrictions.

Form S-3 Registration Rights

Following this offering, we may be obligated under our investors' rights agreement to effect a registration on Form S-3 under the Securities Act. At any time after we are qualified to file a registration statement on Form S-3, the holders of a majority of such registrable securities may request in writing that we effect a registration on Form S-3 if the proposed aggregate offering price of the shares to be registered by the holders requesting registration is at least $500,000, subject to certain exceptions.

Expenses of Registration

We will pay all registration expenses related to any demand, piggyback or Form S-3 registration, including reasonable fees and disbursements of one special counsel for the holders of such registrable securities, other than underwriting discounts and commissions (if any), which will be borne by the holders of such registrable securities.

Anti-Takeover Effects of Delaware Law and Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws

Our amended and restated certificate of incorporation and our amended and restated bylaws, which will be in effect upon the completion of this offering, will contain certain provisions that could have the effect of delaying, deterring or preventing another party from acquiring control of us. These provisions and certain provisions of Delaware law, which are summarized below, are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions 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 more favorable terms with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us.

Undesignated Preferred Stock

As discussed above, our board of directors will have the ability to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of us. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of our company.

Limits on Ability of Stockholders to Act by Written Consent or Call a Special Meeting

Our amended and restated certificate of incorporation will provide that our stockholders may not act by written consent, which may lengthen the amount of time required to take stockholder actions. As a result, a holder controlling a majority of our capital stock would not be able to amend our bylaws or remove directors without holding a meeting of our stockholders called in accordance with our bylaws.

In addition, our amended and restated bylaws will provide that special meetings of the stockholders may be called only by the chairperson of the board, the chief executive officer (or the president, in the absence of the chief

executive officer), or our board of directors. Stockholders may not call a special meeting, which may delay the ability of our stockholders to force consideration of a proposal or for holders controlling a majority of our capital stock to take any action, including the removal of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of our board of directors or a committee of our board of directors. These provisions may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed. These provisions may 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.

Board Classification

Upon the closing of the offering, our board of directors will be divided into three classes, one class of which is elected each year by our stockholders. The directors in each class will serve three-year terms. For more information on the classified board, see "Management—Board of Directors." A third party may be discouraged from making a tender offer or otherwise attempting to obtain control of us as it is it more difficult and time-consuming for stockholders to replace a majority of the directors on a classified board.

No Cumulative Voting

Our amended and restated certificate of incorporation and amended and restated bylaws will not provide for cumulative voting in the election of directors. Cumulative voting allows a stockholder to vote a portion or all of its shares for one or more candidates for seats on the board of directors. Without cumulative voting, a minority stockholder may not be able to gain as many seats on our board of directors as the stockholder would be able to gain if cumulative voting were permitted. The absence of cumulative voting makes it more difficult for a minority stockholder to gain a seat on our board of directors to influence our board's decision regarding a takeover.

Amendment of Charter and Bylaws Provisions

The amendment of the above provisions of our amended and restated certificate of incorporation will require approval by holders of at least two thirds of our outstanding capital stock entitled to vote generally in the election of directors. The amendment of certain provisions of our bylaws will also require approval by the holders of at least two thirds of our outstanding capital stock entitled to vote generally in the election of directors.

Delaware Anti-Takeover Statute

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

- prior to the date of the transaction, our board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, calculated as provided under Section 203; or
- at or subsequent to the date of the transaction, the business combination is approved by our board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale, or other transaction 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 anticipate that 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.

The provisions of Delaware law and the provisions of our amended and restated certificate of incorporation and amended and restated bylaws, as amended upon the completion of this offering, could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they might also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions might also have the effect of preventing changes in our management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders might otherwise deem to be in their best interests.

Choice of Forum

Our amended and restated certificate will provide 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 General Corporation Law of the State of Delaware, our amended and restated certificate of incorporation, or our amended and restated bylaws; or
- any action asserting a claim against us that is governed by the internal affairs doctrine.

The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any action, a court could find the choice of forum provisions contained in our certificate to be inapplicable or unenforceable in such action.

Transfer Agent and Registrar

Upon the completion of this offering, the transfer agent and registrar for our common stock will be ComputerShare Trust Company, N.A.

Listing

We are applying to list our common stock on the New York Stock Exchange under the trading symbol "OOMA."

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has not been any public market for our common stock, and we make no prediction as to the effect, if any, that market sales of shares of common stock or the availability of shares of common stock for sale will have on the market price of common stock prevailing from time to time. Nevertheless, sales of substantial amounts of common stock in the public market, or the perception that such sales could occur, could adversely affect the market price of common stock and could impair our future ability to raise capital through the sale of equity securities.

Based on the number of shares outstanding as of April 30, 2015, when this offering is complete, we will have an aggregate of shares of common stock outstanding.

Of the outstanding shares, all of the shares sold in this offering will be freely tradable. The remaining shares of common stock will be deemed "restricted securities" as defined in Rule 144. Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration under Rule 144 or Rule 701, promulgated under the Securities Act, which rules are summarized below.

As a result of the contractual restrictions described below and the provisions of Rules 144 and 701, the restricted shares will be available for sale in the public market as follows:

- no shares will be eligible for sale when this offering is complete; and
- shares will be eligible for sale upon the expiration of the lock-up agreements, described below, beginning 181 days after the date of this prospectus.

In addition, of the 3,922,041 shares of our common stock that were subject to stock options outstanding as of April 30, 2015, options to purchase shares of common stock were vested as of April 30, 2015 and will be eligible for sale 181 days following the date of this prospectus.

Lock-Up Agreements and Obligations

We, all of our directors, officers and substantially all of our securityholders have entered into lock-up agreements that generally provide that these holders will not offer, pledge, sell, agree to sell, directly or indirectly, or otherwise dispose of any shares of common stock or any securities convertible into or exchangeable for shares of common stock without the prior written consent of Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated for a period of 180 days from the date of this prospectus, subject to certain exceptions. These agreements, and the exceptions thereto, are described beginning on page 143 of this prospectus in the section titled "Underwriting."

In addition, each grant agreement under our 2005 Plan contains restrictions similar to those set forth in the lock-up agreements described above limiting the disposition of securities issuable pursuant to those plans for a period of 180 days following the date of this prospectus.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements for at least 90 days, 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 such 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 such person is entitled to sell such 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 agreements described above, within any three-month period beginning 90 days after the date of this prospectus, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares, assuming no exercise of the underwriters' option to purchase additional shares of common stock, immediately after this offering; or
- the average weekly trading volume of our common stock on the during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such 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, as presently in effect, generally allows a stockholder who purchased shares of our common 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. All holders of Rule 701 shares, however, are required to wait until 90 days after the date of this prospectus before selling such shares pursuant to Rule 701.

As of April 30, 2015, 3,514,631 shares of our outstanding common stock had been issued in reliance on Rule 701 as a result of exercises of stock options and stock awards. These shares will be eligible for resale in reliance on this rule upon expiration of the lock-up agreements described above.

Stock Options

We intend to file a registration statement on Form S-8 under the Securities Act covering all of the shares of our common stock subject to options outstanding or reserved for issuance under our stock plans, and shares of our common stock issued upon the exercise of options by employees. We expect to file this registration statement as soon as permitted under the Securities Act. Shares covered by this registration statement will be eligible for sale in the public market, upon the expiration or release from the terms of the lock-up agreements, and subject to vesting of such shares.

Registration Rights

When this offering is complete, the holders of an aggregate of shares of our common stock, or their transferees, will be entitled to rights with respect to the registration of their shares under the Securities Act. Registration 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 such registration. For a further description of these rights, see "Description of Capital Stock—Registration Rights."

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

This section summarizes certain material U.S. federal income tax considerations relating to the ownership and disposition of our common stock sold pursuant to this offering to a "non-U.S. holder" (as defined below). This summary does not provide a complete analysis of all potential tax considerations. The information provided below is based upon provisions of the Internal Revenue Code of 1986, as amended, or the Code, Treasury regulations promulgated thereunder, administrative rulings and judicial decisions currently in effect. These authorities may change at any time, possibly on a retroactive basis, or the Internal Revenue Service, or the IRS, might interpret the existing authorities differently. In either case, the tax considerations of owning or disposing of our common stock could differ from those described below. As a result, we cannot assure you that the U.S. federal income tax considerations described in this discussion will not be challenged by the IRS or will be sustained by a court if challenged by the IRS.

This summary does not address the tax considerations arising under the alternative minimum tax, the net investment income tax, the laws of any state, local or non-U.S. jurisdiction, or under U.S. federal gift and estate tax laws. In addition, this discussion does not address tax considerations applicable to an investor's particular circumstances or to investors that may be subject to special tax rules, 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;
- tax-exempt or governmental organizations or tax-qualified retirement plans;
- real estate investment trusts or regulated investment companies;
- controlled foreign corporations or passive foreign investment companies;
- persons who acquired our common stock pursuant to the exercise of an employee stock option or otherwise as compensation for services;
- dealers in securities or currencies;
- traders in securities who elect to use a mark-to-market method of accounting for their securities holdings;
- persons who own, or are deemed to own, more than 5% of our capital stock (except to the extent specifically set forth below);
- certain former citizens or long-term residents of the U.S.;
- 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 entity classified as a partnership for U.S. federal income tax purposes is a beneficial owner of our 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. Accordingly, this summary does not address U.S. federal income tax considerations applicable to partnerships that hold our common stock, and partners in such partnerships should consult their tax advisors.

INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE APPLICATION OF THE U.S. FEDERAL INCOME,

GIFT AND ESTATE TAX LAWS TO THEIR PARTICULAR SITUATIONS AND THE CONSEQUENCES OF FOREIGN, STATE OR LOCAL LAWS, AND TAX TREATIES.

Definition of Non-U.S. Holder

For purposes of this summary, a "non-U.S. holder" is any holder of our common stock, other than an entity taxable as a partnership for U.S. federal income tax purposes, that is not:

- an individual who is a citizen or resident of the U.S.;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, created or organized under the laws of the U.S., any state therein or the District of Columbia or otherwise treated as such for U.S. federal income tax purposes;
- a trust that (1) is subject to the primary supervision of a U.S. court and one or more U.S. persons have authority to control all substantial decisions of the trust or (2) 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. federal income tax regardless of source.

If you are a non-U.S. citizen who is an individual, you may, in many cases, be deemed to be a resident alien, as opposed to a nonresident alien, by virtue of being present in the U.S. 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. For these purposes, all the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year are counted. Resident aliens are 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, sale, exchange or other disposition of our common stock.

Distributions on Our Common Stock

We do not expect to declare or make any distributions on our common stock in the foreseeable future. If we do make any distributions on shares of our common stock, however, such distributions will constitute dividends for U.S. federal income tax purposes to the extent 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 shares of our common stock. Any remaining excess will be treated as gain realized on the sale or other disposition of our common stock. See "Sale of Common Stock."

Subject to the discussion below regarding the Foreign Account Tax Compliance Act, or FATCA, and backup withholding, any distribution made to a non-U.S. holder on our common stock that is not effectively connected with a non-U.S. holder's conduct of a trade or business in the U.S. will generally be subject to U.S. withholding tax at a 30% rate. The withholding tax might not apply, however, or might apply at a reduced rate, under the terms of an applicable income tax treaty between the U.S. and the non-U.S. holder's country of residence. You should consult your tax advisors regarding your 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 an IRS Form W-8BEN or W-8BEN-E (or any successor form to the IRS Form W-8BEN or 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. If you are eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty, you may obtain a refund or credit from the IRS of any excess amounts withheld by filing an appropriate claim for a refund with the IRS in a timely manner.

Distributions 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 U.S. 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 U.S., are not subject to such withholding tax. To obtain this exemption, a non-U.S. holder must provide us with an IRS Form W-8ECI properly certifying such exemption. Such effectively connected distributions, although not subject to U.S. withholding tax, are generally taxed at the same graduated rates applicable to U.S. persons, net of certain deductions and credits. In addition to the graduated tax described above, distributions 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 a branch profits tax equal to 30% of its effectively connected earnings and profits for the taxable year, as adjusted for certain items, although an applicable income tax treaty between the U.S. and the non-U.S. holder's country of residence might provide for a lower rate.

Sale of Common Stock

Subject to the discussion below regarding FATCA and backup withholding, non-U.S. holders will generally not be subject to U.S. federal income tax on any gains realized on the sale, exchange or other disposition of common stock unless:

- 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 U.S. and the non-U.S. holder's country of residence, is attributable to a permanent establishment (or, in the case of an individual, a fixed base) maintained by the non-U.S. holder in the U.S. (in which case the special rules described below apply);
- the non-U.S. holder is an individual who is present in the U.S. for 183 days or more in the taxable year of the sale, exchange or other disposition of our common stock, and certain other requirements are met (in which case the gain would be subject to a flat 30% tax, or such reduced rate as may be specified by an applicable income tax treaty, which may be offset by U.S. source capital losses, even though the individual is not considered a resident of the U.S.); or
- the rules of the Foreign Investment in Real Property Tax Act, or FIRPTA, treat the gain as effectively connected with a U.S. trade or business.

The FIRPTA rules may apply to a sale, exchange or other disposition of our common stock if we are at the time of the disposition, 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. In general, we would be a USRPHC if interests in U.S. real property comprised at least half of the value of our business assets. If we are or become a USRPHC, as long as our common stock is regularly traded on an established securities market, such common stock will be treated as U.S. real property interests subject to the FIRPTA rules only if a non-U.S. holder actually owns or constructively holds more than 5% of our outstanding common stock.

If any gain from the sale, exchange or other disposition of common stock, (1) is effectively connected with a U.S. trade or business conducted by a non-U.S. holder and (2) if required by an applicable income tax treaty between the U.S. and the non-U.S. holder's country of residence, is attributable to a permanent establishment (or, in the case of an individual, a fixed base) maintained by such non-U.S. holder in the U.S., then the gain generally will be subject to U.S. federal income tax at the same graduated rates applicable to U.S. persons, net of certain deductions and credits. If the non-U.S. holder is a corporation, under certain circumstances, that portion of its earnings and profits that is effectively connected with its U.S. trade or business, subject to certain adjustments, generally would be subject to a "branch profits tax." The branch profits tax is equal to 30% of its effectively connected earnings and profits for the taxable year, as adjusted for certain items, although an applicable income tax treaty between the U.S. and the non-U.S. holder's country of residence might provide for a lower rate.

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 cooperate with the reporting regime by failing to provide his taxpayer identification number to the payor, furnishing an incorrect identification number, failing to report interest or dividends on his U.S. tax returns, or failing to otherwise establish an exemption to these rules. The backup withholding rate is currently 28%. The backup withholding rules do not apply to payments to corporations, whether domestic or foreign, provided that they establish such exemption.

Payments to non-U.S. holders of dividends on 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. The certification procedures to claim treaty benefits described under "Distributions" above will generally satisfy the certification requirements necessary to avoid the backup withholding tax. 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.

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 from the IRS, provided that the required information is furnished to the IRS in a timely manner.

Foreign Account Tax Compliance Act, or FATCA

FATCA imposes a U.S. federal withholding tax of 30% on certain types of U.S. source "withholdable payments" (including dividends and the gross proceeds from the sale or other disposition of U.S. stock) to foreign financial institutions, which are broadly defined for this purpose, and other non-U.S. entities that fail to comply with certain certification and information reporting requirements regarding U.S. account holders or owners of such institutions or entities. The obligation to withhold under FATCA applies to any dividends on our common stock and is currently expected to apply to gross proceeds from the disposition of our common stock paid after December 31, 2016. An intergovernmental agreement between the U.S. and an applicable foreign country may modify the requirements described in this paragraph. Non-U.S. holders should consult their own tax advisors regarding the possible implications of FATCA on their investment in our common stock.

THE PRECEDING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY. IT IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE PARTICULAR U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAWS.

UNDERWRITING

Under the terms and subject to the conditions contained in an underwriting agreement dated , we have agreed to sell to the underwriters named below, for whom Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives, the following respective numbers of shares of common stock:

Underwriter	Number of Shares
Credit Suisse Securities (USA) LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
JMP Securities LLC	
William Blair & Company, L.L.C.	
Wunderlich Securities, Inc.	
Total	

The underwriting agreement provides that the underwriters are obligated to purchase all the shares of common stock in the offering if any are purchased, other than those shares covered by the option to purchase additional shares described below. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may be increased or the offering may be terminated.

We have granted to the underwriters a 30-day option to purchase on a pro rata basis up to additional shares at the initial public offering price less the underwriting discounts and commissions.

The underwriters propose to offer the shares of common stock initially at the public offering price on the cover page of this prospectus and to selling group members at that price less a selling concession of $ per share. After the initial public offering, the representatives may change the public offering price and concession to broker-dealers.

The following table summarizes the compensation we will pay:

	Per Share		Total	
	Without Option to Purchase Additional Shares	With Option to Purchase Additional Shares	Without Option to Purchase Additional Shares	With Option to Purchase Additional Shares
Underwriting discounts and commissions paid by us	$	$	$	$

We estimate that our total expenses for this offering, excluding the underwriting discounts and commissions, will be approximately $. We have also agreed to reimburse the underwriters for certain FINRA-related expenses incurred by them in connection with this offering in an amount up to $.

The representatives have informed us that the underwriters do not expect sales to accounts over which the underwriters have discretionary authority to exceed 5% of the shares of common stock being offered.

We have agreed that we will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, or file with the Securities and Exchange Commission a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, or publicly disclose the intention to make any offer, sale, pledge, disposition or filing, without the prior written consent of Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated and for a period of 180 days after the date of this prospectus except issuances pursuant to the exercise of employee stock options outstanding on the date hereof.

Our officers, directors and substantially all of our existing securityholders have agreed that they will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any shares of our common stock or securities convertible into or exchangeable or exercisable for any shares of our common stock, enter into a transaction that would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of our common stock, whether any of these transactions are to be settled by delivery of our common stock or other securities, in cash or otherwise, or publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated for a period of 180 days after the date of this prospectus, subject to limited exceptions.

The restrictions described in the immediately preceding paragraph shall not apply to:

- the shares of our common stock to be sold by us in this offering;
- transactions relating to shares of our common stock acquired in open market transactions after the completion of this offering; provided that no filing under the Exchange Act shall be required or shall be voluntarily made in connection with such open market transactions of our common stock during the 180 days after the date of this prospectus, or the restricted period;
- transfers of shares of our common stock or any security convertible into or exercisable or exchangeable for our common stock (i) to the spouse, domestic partner, parent, child or grandchild (each, an “immediate family member”) of the holder or to a trust formed for the benefit of the holder or an immediate family member, (ii) by bona fide gift, will or intestacy, (iii) if the holder is a corporation, partnership or other business entity (A) to another corporation, partnership or other business entity that controls, is controlled by or is under common control with the holder or (B) as part of a disposition, transfer or distribution without consideration by the holder to its equity holders or (iv) if the holder is a trust, to a trustor or beneficiary of the trust; provided that in the case of any transfer or distribution pursuant to this exception, (a) each donee, transferee or distributee shall sign and deliver a lock-up letter substantially in the form entered into by the holder and (b) no filing under the Exchange Act, shall be required or shall be voluntarily made during the restricted period;
- the receipt by the holders from us of shares of our common stock upon the exercise of an option or warrant or the vesting of restricted stock awards, insofar as such option, warrant or restricted stock award was outstanding prior to the date of this prospectus pursuant to an employee benefit plan or agreement disclosed in this prospectus, provided that (i) no public reports, including but not limited to filings under the Exchange Act, will be required to be filed or will be voluntarily made by the holder and (ii) such shares shall be subject to the lock-up obligations during the restricted period;
- the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of our common stock, provided that (i) such plan does not provide for the transfer of our common stock during the restricted period and (ii) no public disclosure of the entry into such trading plan shall be required or made voluntarily until after the restricted period;
- the transfer of shares of our common stock to us upon the exercise of an option or warrant or the vesting of restricted stock awards, solely in connection with the payment of taxes due with respect to the cashless exercise of an option, warrant or the vesting of restricted stock, insofar as such option, warrant or restricted stock award was outstanding prior to the date of this prospectus pursuant to an agreement or employee benefit plan disclosed in this prospectus, provided that no public reports or announcements, including but not limited to filings under the Exchange Act, will be required to be filed or will be voluntarily made by the holder;
- the transfer of shares of our common stock or any security convertible into or exercisable or exchangeable for our common stock that occurs by operation of law, such as pursuant to a qualified domestic order or in connection with a divorce settlement, provided that each such transferee shall sign and deliver a lock-up letter substantially in the same form as executed by the holder; and

- the transfer of shares of common stock or any security convertible into or exercisable or exchangeable for our common stock pursuant to a bona fide third party tender offer, merger, consolidation or other similar transaction made to all holders of our common stock involving a change of control of us, provided that until such tender offer, merger, consolidation or other such transaction is completed, the common stock owned by the holder shall otherwise remain subject to the restrictions contained in the lock-up agreements. For purposes of this exception, "change of control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), to a person or group of affiliated persons (other than the underwriters pursuant to this offering), of shares of our common stock if, after such transfer, such person or group of affiliated persons would hold at least a majority of the outstanding voting securities of us (or the surviving entity).

Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, in their sole discretion, may release shares of our common stock, or any security convertible into our common stock, in whole or in part at any time with or without notice. At least three business days before the release or waiver of any lock-up restriction on the transfer of such shares by any of our directors or officers, the representatives of the underwriters will notify us of the impending release or waiver and we will announce the impending release or waiver through a major news service at least two business days before the effective date, except where the release or waiver is effected solely to permit a transfer of securities that is not for consideration and where the transferee has agreed in writing to be bound by the same lock-up agreement terms in place for the transferor, to the extent and for the duration that such terms remain in effect at the time of the transfer.

We have agreed to indemnify the underwriters against liabilities under the Securities Act, or contribute to payments that the underwriters may be required to make in that respect.

We are applying to list the shares of common stock on the New York Stock Exchange under the symbol "OOMA."

In connection with the listing of the common stock on the New York Stock Exchange, the underwriters will undertake to sell round lots of 100 shares or more to a minimum of beneficial owners.

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives. In determining the initial public offering price, we and the representatives expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;
- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for our common shares, or that the shares will trade in the public market at or above the initial public offering price.

In connection with the offering the underwriters may engage in stabilizing transactions, over-allotment transactions, syndicate covering transactions, penalty bids and passive market making in accordance with Regulation M under the Exchange Act.

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

- Over-allotment involves sales by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of additional shares that they have the option to purchase. In a naked short position, the number of shares involved is greater than the number of additional shares that they have the option to purchase. The underwriters may close out any covered short position by either exercising their option to purchase additional shares and/or purchasing shares in the open market.
- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the 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 through their option. If the underwriters sell more shares than could be covered by the option to purchase additional shares, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.
- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.
- In passive market making, market makers in the common stock who are underwriters or prospective underwriters may, subject to limitations, make bids for or purchases of our common stock until the time, if any, at which a stabilizing bid is made.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result the price of our common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the New York Stock Exchange or otherwise and, if commenced, may be discontinued at any time.

A prospectus in electronic format may be made available on the web sites maintained by one or more of the underwriters, or selling group members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representatives may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. internet distributions will be allocated by the underwriters and selling group members that will make internet distributions on the same basis as other allocations.

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Selling Restrictions

General

Other than in the U.S., no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required.

The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

United Kingdom

This document is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or the Order, or (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, or each Relevant Member State, from and including the date on which the European Union Prospectus Directive , or the EU Prospectus Directive, was implemented in that Relevant Member State, or Relevant Implementation Date, an offer of securities described in this prospectus may not be made to the public in that Relevant Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the EU Prospectus Directive, except that, with effect from and including the Relevant Implementation Date, an offer of securities described in this prospectus may be made to the public in that Relevant Member State at any time:

- to any legal entity which is a qualified investor as defined under the EU Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Directive); or
- in any other circumstances falling within Article 3(2) of the EU Prospectus Directive, provided that no such offer of securities described in this prospectus shall result in a requirement for the publication by us of a prospectus pursuant to Article 3 of the EU Prospectus Directive.

For the purposes of this provision, the expression an "offer of securities to the public" in relation to any securities 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 the securities to be offered so as to enable an investor to decide to purchase or subscribe for the securities, as the same may be varied in that Member State by any measure implementing the EU Prospectus Directive in that Member State. The expression "EU Prospectus Directive" means Directive 2003/71/EC (and any amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Hong Kong

The shares may not be offered or sold by means of any document other than (i) in circumstances that 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 that 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), that is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted under the laws of Hong Kong) other than with respect to shares that 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.

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 that is (a) 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 (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and where each beneficiary of which is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that corporation or 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

This document, as well as any other material relating to the shares of our common stock, which are the subject of the offering contemplated by this prospectus, does not constitute an issue prospectus pursuant to Article 652a of the Swiss Code of Obligations. The shares will not be listed on the SIX Swiss Exchange and, therefore, the documents relating to the shares, including, but not limited to, this document, do not claim to comply with the disclosure standards of the listing rules of the SIX Swiss Exchange and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange.

The shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the shares with the intention to distribute them to the public. The investors will be individually approached by us from time to time.

Notice to Residents of Canada

The distribution of the shares in Canada is being made only in the provinces of Ontario, Quebec and Alberta on a private placement basis such that the shares may be sold only to purchasers resident in those provinces purchasing as principal that are both "accredited investors" as defined in National Instrument 45-106 *Prospectus and Registration Exemptions* and "permitted clients" as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations.* Any resale of the shares must be made in accordance with an exemption from the prospectus requirements and in compliance with the registration requirements of applicable securities laws.

Notice to Prospective Investors in the 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.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or ASIC, 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.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Orrick, Herrington & Sutcliffe LLP, Menlo Park, California. Certain legal matters in connection with this offering will be passed upon for the underwriters by Cooley LLP, San Francisco, California. Investment partnerships comprised of partners of Orrick, Herrington & Sutcliffe LLP, and one of the firm's partners, collectively, beneficially own less than 0.05% of the shares of our outstanding common stock as of April 30, 2015.

EXPERTS

The financial statements as of January 31, 2014 and 2015, and for each of the three years in the period ended January 31, 2015, included in this prospectus, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein. Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1, including exhibits and schedules filed with the registration statement, of which this prospectus is a part, under the Securities Act with respect to the shares of common stock we propose to sell in this offering. This prospectus does not contain all of the information set forth in the registration statement and exhibits and schedules to the registration statement. For further information with respect to our company and the shares of common stock to be sold in this offering, reference is made to the registration statement, including the exhibits and schedules thereto. Statements contained in this prospectus as to the contents of any contract or other document referred to in this prospectus are not necessarily complete. Copies of the registration statement, including the exhibits and schedules to the registration statement, may be examined without charge at the public reference room of the SEC, 100 F Street, N.E., Room 1580, Washington, DC 20549. Information about the operation of the public reference room may be obtained by calling the SEC at 1-800-SEC-0300. Copies of all or a portion of the registration statement can be obtained from the public reference room of the SEC upon payment of prescribed fees. Our SEC filings, including our registration statement, are also available to you, free of charge, on the SEC's website at http://www.sec.gov.

As a result of this offering, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with this law, will file periodic reports, proxy statements and other information with the SEC. These periodic reports, proxy statements and other SEC information will be available for inspection and copying at the SEC's public reference facilities and the website referred to above. We also maintain a website at http://www.ooma.com. The inclusion of our website in this prospectus does not include or incorporate by reference the information on our website into this prospectus. When this offering is complete, you may access our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC free of charge at our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our website is not part of this prospectus or the registration statement of which it forms a part.

OOMA, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Board of Directors
Ooma, Inc.
Palo Alto, California

We have audited the accompanying consolidated balance sheets of Ooma, Inc. and its subsidiary (the "Company") as of January 31, 2014 and 2015, and the related consolidated statements of operations, convertible preferred stock and stockholders' deficit, and cash flows for each of the three years in the period ended January 31, 2015. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits 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 consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of their internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Ooma, Inc. and its subsidiary as of January 31, 2014 and 2015, and the results of their operations and their cash flows for each of the three years in the period ended January 31, 2015, in conformity with accounting principles generally accepted in the United States of America.

/s/ Deloitte & Touche LLP

San Jose, California
April 17, 2015

OOMA, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share data)

	As of January 31,		April 30, 2015	Pro Forma Stockholders' Equity as of April 30, 2015
	2014	2015	(unaudited)	(unaudited)
Assets				
Current assets				
Cash and cash equivalents	$ 6,364	$ 9,133	$ 13,635	$ 12,909
Accounts receivable, net	1,698	4,394	2,467	2,467
Inventories	4,875	8,081	8,276	8,276
Deferred inventory costs	1,497	2,248	938	938
Prepaid expenses	436	648	517	517
Other current assets	693	297	384	384
Total current assets	15,563	24,801	26,217	25,491
Property and equipment, net	1,367	2,893	3,147	3,147
Intangible assets, net	90	1,278	1,178	1,178
Long-term deposits	696	695	695	695
Goodwill	—	1,117	1,117	1,117
Other assets	—	493	2,451	2,451
Total assets	$ 17,716	$ 31,277	$ 34,805	$ 34,079
Liabilities, convertible preferred stock, and stockholders' deficit				
Current liabilities				
Accounts payable	$ 5,244	$ 3,967	7,581	7,581
Accrued expenses	5,584	10,313	10,256	10,256
Short-term debt	1,401	1,562	1,215	1,215
Convertible preferred stock warrant liability	—	474	726	—
Deferred revenue	10,293	14,348	12,261	12,261
Total current liabilities	22,522	30,664	32,039	31,313
Long-term debt	1,014	10,398	10,266	10,266
Convertible preferred stock warrant liability—noncurrent	361	743	1,207	—
Other long-term liabilities	74	945	670	670
Deferred revenue—noncurrent	63	35	39	39
Total liabilities	24,034	42,785	44,221	42,288
Commitments and contingencies (Note 12)				
Series Alpha convertible preferred stock, $0.0001 par value, 16,250,000 shares authorized at January 31, 2014 and 2015, and 16,121,258 shares authorized at April 30, 2015 (unaudited); 15,696,415, 15,737,230, and 15,737,230 shares issued and outstanding at January 31, 2014, 2015, and April 30, 2015 (unaudited), respectively; (liquidation preference of $36,847 at January 31, 2014, and $36,943 at January 31, 2015 and April 30, 2015 (unaudited), respectively; no shares authorized and no shares issued and outstanding, pro forma (unaudited)	30,536	30,632	30,632	—
Series Alpha-1 convertible preferred stock, $0.0001 par value, 1,166,667 shares authorized at January 31, 2014 and January 31, 2015, and 970,292 shares authorized at April 30, 2015 (unaudited); 970,292 shares issued and outstanding at January 31, 2014, 2015, and April 30, 2015 (unaudited); (liquidation preference of $19,490 at January 31, 2014, 2015, and April 30, 2015 (unaudited); no shares authorized and no shares issued and outstanding, pro forma (unaudited)	3,005	3,005	3,005	—
Series Beta convertible preferred stock, $0.0001 par value, zero shares authorized at January 31, 2014 and 2015, and 943,270 shares authorized at April 30, 2015; zero shares issued and outstanding at January 31, 2014 and 2015, and 482,946 shares issued and outstanding at April 30, 2015 (unaudited); (liquidation preference of zero at January 31, 2014 and 2015, and $5,120 at April 30, 2015 (unaudited); no shares authorized and no shares issued and outstanding, pro forma (unaudited)	—	—	5,000	—
Stockholders' deficit				
Common stock, $0.0001 par value, 25,500,000, 26,000,000, and 30,000,000 shares authorized at January 31, 2014 and 2015, and April 30, 2015, respectively; 3,854,356, 5,030,135, and 5,300,354 shares issued and outstanding at January 31, 2014 and 2015, and April 30, 2015 (unaudited), respectively; 22,490,822 issued and outstanding, pro forma (unaudited)	—	1	1	2
Additional paid-in capital	4,487	5,610	6,637	46,480
Accumulated deficit	(44,346)	(50,756)	(54,691)	(54,691)
Total stockholders' deficit	(39,859)	(45,145)	(48,053)	(8,209)
Total liabilities, convertible preferred stock, and stockholders' deficit	$ 17,716	$ 31,277	$ 34,805	$ 34,079

See notes to consolidated financial statements.

OOMA, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands except per share data)

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
				(unaudited)	
Revenue:					
Subscription and services	$ 24,107	$ 35,377	$ 53,828	$ 10,886	$ 15,576
Product and other	15,126	18,288	18,373	5,413	4,276
Total revenue	39,233	53,665	72,201	16,299	19,852
Cost of revenue:					
Subscription and services	13,899	15,894	18,284	3,817	5,624
Product and other	11,590	15,573	18,440	4,775	4,207
Total cost of revenue	25,489	31,467	36,724	8,592	9,831
Gross profit	13,744	22,198	35,477	7,707	10,021
Operating expenses:					
Sales and marketing	7,471	13,192	22,276	3,730	5,895
Research and development	7,023	7,888	12,290	2,301	4,097
General and administrative	2,508	2,573	6,650	930	2,961
Total operating expenses	17,002	23,653	41,216	6,961	12,953
Operating (loss) income	(3,258)	(1,455)	(5,739)	746	(2,932)
Other (expense) income, net:					
Interest income (expense), net	(550)	(269)	(323)	(53)	(285)
Change in fair value of warrants	153	(250)	(795)	(184)	(716)
Other (expense) income	(8)	(26)	(55)	(10)	(2)
(Loss) income before income tax benefit	(3,663)	(2,000)	(6,912)	499	(3,935)
Income tax benefit	—	—	502	—	—
Net (loss) income	(3,663)	(2,000)	(6,410)	499	(3,935)
Less: Undistributed earnings to participating securities holders	—	—	—	(499)	—
Net loss attributable to common stockholders	$ (3,663)	$ (2,000)	$ (6,410)	$ —	$ (3,935)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.77)	$ (0.59)	$ (1.40)	$ —	$ (0.76)
Weighted-average shares used to compute net loss per share, basic and diluted	2,071,914	3,377,692	4,568,483	4,018,563	5,182,483
Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited)			$		$
Pro forma weighted-average shares used to compute net loss per share, basic and diluted (unaudited)					

See notes to consolidated financial statements.

OOMA, INC.
CONSOLIDATED STATEMENTS OF CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT
(Amounts in thousands, except share data)

	Series Alpha Convertible Preferred Stock		Series Alpha-1 Convertible Preferred Stock		Series Beta Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount			
BALANCE—January 31, 2012	15,696,415	$ 30,536	970,292	$ 3,005	—	$ —	1,302,398	$ —	$ 4,160	$ (38,683)	$ (34,523)
Issuance of common stock for stock option exercises	—	—	—	—	—	—	1,084,653	—	42	—	42
Vesting of early exercised stock options and restricted stock	—	—	—	—	—	—	577,195	—	9	—	9
Stock-based compensation	—	—	—	—	—	—	—	—	173	—	173
Net loss	—	—	—	—	—	—	—	—	—	(3,663)	(3,663)
BALANCE—January 31, 2013	15,696,415	30,536	970,292	3,005	—	—	2,964,246	—	4,384	(42,346)	(37,962)
Issuance of common stock for stock option exercises	—	—	—	—	—	—	108,456	—	6	—	6
Vesting of early exercised stock options and restricted stock	—	—	—	—	—	—	781,654	—	25	—	25
Stock-based compensation	—	—	—	—	—	—	—	—	72	—	72
Net loss	—	—	—	—	—	—	—	—	—	(2,000)	(2,000)
BALANCE—January 31, 2014	15,696,415	30,536	970,292	3,005	—	—	3,854,356	—	4,487	(44,346)	(39,859)
Issuance of common stock for stock option exercises	—	—	—	—	—	—	271,128	—	19	—	19
Issuance of preferred stock upon warrant exercise	40,815	96	—	—	—	—	—	—	—	—	—
Issuance of common stock upon warrant exercise	—	—	—	—	—	—	4,652	—	11	—	11
Issuance of common stock in conjunction with acquisition	—	—	—	—	—	—	180,494	—	338	—	338
Vesting of early exercised stock options and restricted stock	—	—	—	—	—	—	719,505	1	67	—	68
Issuance of common stock warrants in conjunction with debt	—	—	—	—	—	—	—	—	262	—	262
Stock-based compensation	—	—	—	—	—	—	—	—	426	—	426
Net loss	—	—	—	—	—	—	—	—	—	(6,410)	(6,410)
BALANCE—January 31, 2015	15,737,230	30,632	970,292	3,005	—	—	5,030,135	1	5,610	(50,756)	(45,145)
Issuance of common stock for stock option exercise (unaudited)	—	—	—	—	—	—	14,321	—	1	—	1
Issuance of common stock in conjunction with acquisition earnout (unaudited)	—	—	—	—	—	—	98,321	—	451	—	451
Issuance of Series Beta preferred stock, net (unaudited)	—	—	—	—	482,946	5,000	—	—	—	—	—
Vesting of early exercised stock options and restricted stock (unaudited)	—	—	—	—	—	—	157,577	—	24	—	24
Stock-based compensation (unaudited)	—	—	—	—	—	—	—	—	551	—	551
Net loss (unaudited)	—	—	—	—	—	—	—	—	—	(3,935)	(3,935)
BALANCE—April 30, 2015 (unaudited)	15,737,230	$ 30,632	970,292	$ 3,005	482,946	$ 5,000	5,300,354	$ 1	$ 6,637	$ (54,691)	$ (48,053)

See notes to consolidated financial statements.

OOMA, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands)

	Year Ended January 31,			Three Months Ended April 30,	
	2013	2014	2015	2014	2015
				(unaudited)	
Cash flows from operating activities:					
Net (loss) income	$(3,663)	$(2,000)	$(6,410)	$ 499	$ (3,935)
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:					
Stock-based compensation expense	173	72	426	41	551
Depreciation and amortization	700	787	896	203	316
Amortization of intangible assets	144	151	306	11	99
Deferred income taxes	—	—	(502)	—	—
Non-cash interest expense	113	65	57	15	44
Change in fair value of acquisition related contingent considerations	—	—	656	—	81
Change in fair value of warrant liability	(153)	250	795	184	716
Loss on disposal of equipment	—	47	—	—	—
Changes in operating assets and liabilities:					
Accounts receivable	1,195	(597)	(2,095)	(1,533)	1,927
Inventories	(1,622)	(991)	(3,206)	59	(195)
Deferred inventory costs	324	(156)	(751)	153	1,311
Prepaid expenses and other assets	(184)	(192)	331	(580)	43
Long term deposits	(109)	42	—	(5)	—
Accounts payable and accrued expenses	2,376	2,851	1,212	675	2,105
Other long term liabilities	47	19	204	17	392
Deferred revenue	336	1,874	4,014	182	(2,084)
Net cash (used in) provided by operating activities	(323)	2,222	(4,067)	(79)	1,371
Cash flows from investing activities:					
Purchases of property and equipment	(696)	(763)	(1,186)	(237)	(408)
Business acquisition, net of cash assumed	—	—	(672)	—	—
Purchases of software license, patents and intangibles	—	(135)	—	—	—
Net cash used in investing activities	(696)	(898)	(1,858)	(237)	(408)
Cash flows from financing activities:					
Proceeds from issuance of Series Beta preferred stock, net	—	—	—	—	5,000
Repayment of debt	(3,056)	(1,280)	(1,357)	(333)	(352)
Repayment of capital leases	(51)	(85)	(151)	(24)	(182)
Payment of acquisition related earn-out	—	—	—	—	(475)
Proceeds from issuance of debt, net	3,972	—	9,921	—	—
Proceeds from exercise of preferred stock warrants	—	—	96	96	—
Proceeds from exercise of common stock warrants	—	—	11	—	—
Proceeds from issuance of common stock	94	101	316	12	1
Payments of deferred offering costs	—	—	(142)	—	(453)
Net cash provided by (used in) financing activities	959	(1,264)	8,694	(249)	3,539
Net (decrease) increase in cash and cash equivalents	(60)	60	2,769	(565)	4,502
Cash and cash equivalents at beginning of period	6,364	6,304	6,364	6,364	9,133
Cash and cash equivalents at end of period	$ 6,304	$ 6,364	$ 9,133	$ 5,799	$13,635
Supplemental disclosures of cash flow information:					
Cash paid for interest	$ 469	$ 205	$ 173	$ 34	$ 238
Cash paid for income taxes	$ 1	$ 1	$ 1	$ 1	$ —
Significant non-cash transactions:					
Issuance of warrants in connection with long-term debt	$ 105	$ —	$ 323	$ —	$ —
Shares issued as consideration in business acquisition and related earnout	$ —	$ —	$ 338	$ —	$ 451
Purchase of equipment acquired on capital lease	$ 266	$ —	$ 1,321	$ —	$ —
Unpaid portion of property and equipment purchases	$ 34	$ 152	$ 162	$ 153	$ 161
Unpaid portion of deferred offering costs	$ —	$ —	$ 351	$ —	$ 1,505

See notes to consolidated financial statements.

OOMA, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Description of Business—Ooma, Inc. (the "Company") was incorporated in Delaware on November 19, 2003. Ooma is a leading provider of innovative communications solutions and other connected services to small business, home, and mobile users. The Company's unique hybrid Software-as-a-Service ("SaaS") platform, consisting of its proprietary cloud, on-premises appliances, mobile applications, and end-point devices, provides the connectivity and functionality that enables our solutions. The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern.

For the year ended January 31, 2015, the Company incurred a net loss of $(6.4) million and as of January 31, 2015 had an accumulated deficit of $(50.8) million and a cash balance of $9.1 million. For the three months ended April 30, 2014 and 2015 (unaudited), the Company had net income of $0.5 million and a net loss $(3.9) million, respectively. As of April 30, 2015 (unaudited) the Company had an accumulated deficit of $(54.7) million and a cash balance of $13.6 million. The Company has financed its operations primarily through the cash received from customers and resale partners, sales of preferred stock, and issuance of debt.

Based on expected cash flows generated from revenues, the Company believes that its existing cash and available secured debt financing will be sufficient to satisfy its anticipated cash requirements through at least January 31, 2016.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unaudited Interim Consolidated Financial Statements

The accompanying interim consolidated balance sheet as of April 30, 2015, the interim consolidated statements of operations and cash flows for the three months ended April 30, 2014 and 2015, and the interim consolidated statement of convertible preferred stock and stockholders' deficit for the three months ended April 30, 2015 are unaudited. The unaudited interim financial statements have been prepared on the same basis as the audited consolidated financial statements, and in management's opinion, includes all adjustments, consisting of only normal recurring adjustments necessary for the fair statement of the Company's financial position as of April 30, 2015 and its results of operations and cash flows for the three months ended April 30, 2014 and 2015. The financial data and the other financial information disclosed in the notes to these consolidated financial statements related to the three-month periods are also unaudited. The results of operations for the three months ended April 30, 2015 are not necessarily indicative of the results to be expected for the full fiscal year or any other period.

Unaudited Pro Forma Stockholders' Equity—The April 30, 2015 pro forma stockholders' equity has been prepared assuming the following capital transaction will occur in connection with the Company's proposed initial public offering (i) the automatic conversion of all outstanding shares of preferred stock into 17,190,468 shares of common stock; (ii) the conversion of warrants to purchase 174,651 shares of convertible preferred stock into warrants to purchase common stock, and the reclassification of the associated preferred stock warrant liability to additional paid-in capital; (iii) the net exercise of warrants to purchase 68,802 shares of convertible preferred stock, and the termination of the associated preferred stock warrant liability, which results in the reclassification of the associated preferred stock warrant liability to additional paid-in capital; and (iv) the cash settlement of a warrant to purchase 140,575 shares of convertible preferred stock under the terms of the warrant agreement and the termination of the associated preferred stock warrant liability. The pro forma stockholders' equity does not assume any proceeds from the proposed initial public offering.

Principles of Consolidation—The consolidated financial statements have been prepared in accordance with GAAP and includes the accounts of the Company and its wholly owned subsidiary. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates—The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Significant estimates include those related to revenue recognition, the allowance for returns, stock-based compensation and warrants, goodwill, intangible assets, inventory valuation, federal fees and tax accruals, and accounting for income taxes, including valuation allowances. Estimates are based on historical experience, where applicable, and other assumptions believed to be reasonable by management. Actual results could differ from those estimates.

Revenue Recognition—The Company derives revenue from two sources: (1) subscription and services revenue, which are generated from the sale of subscription plans and other services; and (2) product and other revenue. Products and services are sold directly to end-customers via the Company's website and through distributors and retailers.

The Company recognizes revenue when the following criteria are met:

- *Persuasive evidence of an arrangement exists.*
- *Delivery has occurred.*
- *Collection of the fees is reasonably assured.*
- *The fee is fixed or determinable.*

Subscription and Services Revenue

The Company generates subscription and services revenue by selling subscriptions for communications solutions, as well as other connected services. Subscription revenue is derived primarily from recurring monthly and annual payments related to service plans such as Ooma Office, Ooma Basic and Premier, international calling plans, and other subscriptions. Subscription revenue is recognized on a straight-line basis over the contractual service term. Subscription and services revenue also includes revenue generated from payments for qualified lead generation, prepaid international calls and directory assistance, which are recognized based on actual usage. The Company also earns revenue from the display of advertisements through the Talkatone mobile application, primarily based on advertisement impressions displayed. The Company recognizes revenue from mobile advertising on a net basis, because it is not the primary obligor to advertisers.

Deferred revenue primarily consists of billings or payments received in advance of meeting revenue recognition criteria. The Company's telephony services are sold as monthly or annual subscriptions, payable in advance. The Company recognizes deferred telephony services revenue on a ratable basis over the term of the contract as the services are provided. For all arrangements, any revenue that has been deferred and is expected to be recognized beyond one year is classified as long-term deferred revenue in the consolidated balance sheets.

Product and Other Revenue

The Company generates product revenue from the sale of on-premise appliances and end-point devices, including shipping and handling fees. The Company also generates other revenue from porting fees to enable customers to transfer their existing phone numbers. Product and other revenue for direct end-customers are billed to the customer's credit card at the time an on-line order is submitted by the customer via the Company's website and recognized when the product has been shipped to the customer. The Company also generates product revenue from sales through distributors, retailers and resellers (collectively the "channel partners") which are based on written purchase authorizations. The Company's distribution agreements with its channel partners typically contain clauses for price protection and rights of return, which result in prices for these transactions not being fixed or determinable and increases the difficulty of estimating returns from the channel partners. Accordingly, the Company records shipments to the channel partners, where the right of return exists, as deferred revenue and

defers recognition of revenue on these sales until the title transfers to the end-customer. The Company assesses the ability to collect from its channel partners based on a number of factors, including credit worthiness and payment history of the distributor or retail partner. The Company records revenue net of any sales-related taxes that are billed to its customers.

Substantially all of the Company's arrangements are multiple-element arrangements, which consist of an on-premise appliance and telephony services. The arrangement may also contain a bundled end-point device and a subscription plan for telephony services. Monthly telephony services and end-point devices purchased after the original multi-element arrangement are optional purchases that are accounted for as separate arrangements and are not considered a deliverable in the sale of the on-premise appliance.

The Company has determined that each unit of accounting has stand-alone value and accounts for each separately. The Company allocates revenue to each unit of accounting based on an estimated selling price at the inception of the arrangement. The total arrangement consideration is allocated to each separate unit of accounting using the relative selling price of each unit.

The Company determines the estimated selling price for each deliverable using vendor-specific objective evidence, or VSOE, of selling price or third-party evidence, or TPE, of selling price, if it exists. If neither VSOE nor TPE of selling price exists for a deliverable, the Company uses the best estimate of selling price, or BESP, of each deliverable in its allocation of arrangement consideration. Revenue allocated to each deliverable, limited to the amount not contingent on future performance, is then recognized when the basic revenue recognition criteria are met for the respective deliverable.

The Company determines VSOE of selling price for telephony services and end point devices based on historical standalone sales to customers. In determining VSOE of selling price, the Company requires that a substantial majority of the selling prices for a product or service fall within a reasonably narrow pricing range of the median selling price. The Company does not have VSOE or TPE for its on premise appliance and estimates BESP by considering company-specific factors such as pricing strategies, direct product and other costs, and bundling and discounting practices.

The Company records reductions to revenue for estimated sales returns from end-users and customer credits at the time the related revenue is recognized. Sales returns and customer credits are estimated based on historical experience, current trends and expectations regarding future experience. The Company monitors the accuracy of its sales reserve estimates by reviewing actual returns and credits and adjusts them for future expectations to determine the adequacy of current reserve needs. If actual future returns and credits differ from past experience, additional reserves may be required.

Cash and Cash Equivalents—The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. As of January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), cash and cash equivalents consist of cash deposited with banks and money market funds for which their cost approximates their fair value.

Segment Reporting—The chief operating decision maker for the Company is the Chief Executive Officer. The Chief Executive Officer reviews financial information presented on a consolidated basis for purposes of allocating resources and evaluating financials performance. The Company has one business activity and there are no segment managers who are held accountable for operations, operating results, or plans for levels or components below the consolidated unit level. Accordingly, management has determined that the Company operates in one reportable segment.

The Company markets its products and services in the United States and in foreign countries through its direct sales force and indirect distribution channels. Substantially all of the Company's revenue, based on the customer's billing address, was derived from customers in the United States for the years ended January 31, 2013, 2014 and 2015, and for the three months ended April 30, 2014 and 2015 (unaudited).

Substantially all of the Company's long-lived assets were attributable to operations in the United States as of January 31, 2014, 2015 and April 30, 2015 (unaudited).

Comprehensive (Loss) Income—The purpose of reporting comprehensive income is to report a measure of all changes in equity of an entity that result from recognized transactions and other economic events of the period other than transactions with owners in their capacity as owners. For the years ended January 31, 2013, 2014 and 2015, and for the three months ended April 30, 2014 and 2015 (unaudited), there were no differences between net (loss) income and comprehensive (loss) income.

Net Loss per Share of Common Stock—Basic net loss per common share is calculated by dividing the net loss by the weighted-average number of common shares outstanding during the period, without consideration for potentially dilutive securities. Diluted net loss per share is computed by dividing the net loss by the weighted-average number of common shares and potentially dilutive securities outstanding for the period determined using the treasury-stock and if-converted methods. For purposes of the diluted net loss per share calculation, convertible preferred stock and stock options are considered to be potentially dilutive securities. Basic and diluted net loss attributable to common stockholders per share is presented in conformity with the two-class method required for participating securities as the convertible preferred stock is considered a participating security. The Company's participating securities do not have a contractual obligation to share in the Company's losses. As such, the net loss was attributed entirely to common stockholders. Because the Company has reported a net loss for all periods presented, diluted net loss per common share is the same as basic net loss per common share for those periods.

Unaudited Pro Forma Net Loss per Share of Common Stock—The unaudited pro forma basic and diluted net loss per share assumes the conversion of all outstanding shares of convertible preferred stock as if the conversion had occurred at the beginning of the period or the date of issuance, if later. The pro forma net loss per share also includes an adjustment for the change in the fair value of preferred stock warrants under the assumption that the warrants convert to warrants to purchase common stock, are net exercised, or are cash settled at the beginning of the period. The pro forma net loss per share does not include the shares expected to be sold and related proceeds to be received from the proposed initial public offering.

Concentration of Credit Risk—Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents and accounts receivables. Substantially all of the Company's cash and cash equivalents are held by one financial institution that management believes is of high-credit quality. Such deposits may, at times, exceed federally insured-limits.

The Company performs credit evaluations of its channel partners' financial condition and generally does not require collateral for sales made on credit. Three customers individually accounted for more than 10% of the Company's accounts receivable balances at January 31, 2014 and January 31, 2015, and two customers accounted for more than 10% of the Company's accounts receivable balance at April 30, 2015 (unaudited). The concentration of accounts receivable was as follows:

	As of January 31,		As of April 30, 2015 (unaudited)
	2014	2015	
Customer A	17%	*	*
Customer B	21%	10%	*
Customer C	28%	*	*
Customer D	*	23%	*
Customer E	*	11%	21%
Customer F	*	*	13%

* represents less than 10% during the period

Accounts Receivable and Allowance for Returns—The Company's receivables are recorded when billed. The carrying value of the accounts receivable, net of the allowance for returns represents their estimated net realizable value. The Company determines allowances for returns based on its historical experience. As of January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), the Company had allowances recorded on the consolidated balance sheets of $0.2 million, $0.2 million and $0.4 million, respectively.

Inventories—Inventories, which consist of raw materials and finished goods, are stated at the lower of cost to purchase or the market value of such inventory, and include the cost to purchase manufactured products, allocated labor and overhead. Inventory is valued using the first-in, first-out method for all inventories. The Company writes down the inventory value for estimated excess and obsolete inventory based on management's assessment of future demand and market conditions, and establishes a new cost basis for the inventory.

Deferred Inventory Costs—Deferred inventory cost represents the inventory that has been shipped to a channel partner for which the retailer or distributor has a right of return. The cost of the product sold is recognized contemporaneously with the recognition of revenue, when the end customer has purchased the on-premise appliance or end-point device.

Website Development Costs—The Company capitalizes certain costs to develop its websites when preliminary development efforts are successfully completed, management has authorized and committed project funding, and it is probable that the project will be completed and the software will be used as intended. Such costs are amortized on a straight-line basis over the estimated useful life of the related assets, which approximates two years. Costs related to preliminary project activities and post-implementation activities are expensed as incurred. The Company capitalized approximately $0.3 million, $0.5 million and $0.2 million during the years ended January 31, 2014 and 2015, and the three months ended April 30, 2015 (unaudited), respectively.

Property and Equipment—Property and equipment are stated at cost, less accumulated depreciation. Depreciation is computed over the estimated useful lives of the assets, using the straight-line method, generally three to five years. Leasehold improvements are amortized over the shorter of the lease term or estimated useful lives of the respective assets. Repairs and maintenance costs that do not extend the life or improve the asset are expensed as incurred.

Business Combinations—The Company records the acquired tangible and intangible assets and liabilities assumed based on their estimated fair values at the acquisition date. Goodwill as of the acquisition date is measured as the excess of consideration transferred and the net of the acquisition fair values of the assets acquired and the liabilities assumed. While the Company uses its best estimates and assumptions as part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the acquisition date, the Company's estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, the Company records adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill to the extent the Company identifies adjustments to the preliminary purchase price allocation. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the consolidated statements of operations. Additionally, the Company identifies acquisition-related contingent payments and determines their respective fair values as of the acquisition date, which are recorded as accrued liabilities on the consolidated balance sheet. The Company expenses transaction costs related to the acquisition as incurred.

Goodwill and Intangible Assets—The Company records the excess of the acquisition purchase price over the fair value of the tangible and identifiable intangible assets acquired as goodwill. Goodwill of $1.1 million was recognized following the acquisition of Talkatone in May 2014. The Company performs an impairment test of its goodwill in the fourth quarter of its fiscal year, or more frequently if indicators of potential impairment arise. The Company has a single reporting unit and consequently evaluates goodwill for impairment based on an evaluation of the fair value of the Company as a whole. No impairment has been recognized related to the goodwill balance as of

April 30, 2015 (unaudited). The Company records purchased intangible assets at their respective estimated fair values at the date of acquisition. Purchased intangible assets are being amortized using the straight-line method over their remaining estimated useful lives, which range from one to seven years.

Impairment of Long-Lived Assets—Long-lived assets, such as property and equipment, capitalized website development costs, and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. The Company did not record any impairment charges in any of the periods presented.

Convertible Preferred Stock—The Company recorded convertible preferred stock at fair value on the dates of issuance, net of issuance costs. The convertible preferred stock is recorded outside of stockholders' deficit because the shares contain liquidation features that are not solely within the Company's control. The Company has elected not to adjust the carrying values of the convertible preferred stock to the liquidation preferences of such shares because it is uncertain whether or when an event would occur that would obligate the Company to pay the liquidation preferences to holders of shares of convertible preferred stock. Subsequent adjustments to the carrying values to the liquidation preferences will be made only when it becomes probable that such a liquidation event will occur.

Convertible Preferred Stock Warrant Liability—The Company has recorded freestanding warrants to purchase convertible preferred stock as derivative financial liabilities as the terms of the warrants are not fixed due to potential adjustments in the exercise price and the number of shares issuable under the warrants. Warrants to purchase Series Alpha convertible preferred stock were issued in fiscal year 2010 in connection with a debt financing. The warrants provide for adjustment of the exercise price and the number of shares upon an equity financing at a lower price and also provide for a contingent cash settlement, both of which preclude equity classification of the warrants. In fiscal years 2013, 2014 and 2015, warrants to purchase either Series Alpha convertible preferred stock or the convertible preferred stock issued in the next funding round were issued in connection with a debt financing. The number of shares to be issued and the price per share are not fixed, which preclude these warrants from equity classification.

The convertible preferred stock warrants are initially recorded at fair value when issued, with gains and losses arising from changes in fair value recognized in other income (expense) in the consolidated statements of operations at each period end while such instruments are outstanding and classified as liabilities. The fair value of the convertible preferred stock warrants issued in connection with debt agreements was recorded as a debt discount that is being amortized as non-cash interest expense in the consolidated statement of operations over the expected repayment period of the debt agreement.

Shipping and Handling Costs—Shipping and handling costs are expensed as incurred and are included in cost of product and other revenue.

Research and Development—Research and development costs, including new product development, are charged to operating expenses as incurred in the consolidated statements of operations. Such costs included personnel-related costs, including stock-based compensation, supplies, services, depreciation, and allocated facilities costs.

Deferred Offering Costs

Deferred offering costs, consisting of legal, accounting and filing fees related to the initial public offering, are capitalized. The deferred offering costs will be offset against initial public offering proceeds upon the completion of the offering. In the event the offering is terminated, deferred offering costs will be expensed. As of January 31, 2014, January 31, 2015 and April 30, 2015, the Company had capitalized $0, $0.5 million and $2.5 million (unaudited), respectively, of deferred offering costs in other assets on the consolidated balance sheets.

Advertising—The Company expenses all advertising costs as incurred, except for the cost of producing television advertising, which is expensed on the first date of airing. Advertising costs included in sales and marketing expenses were $3.7 million, $8.9 million and $14.8 million for the years ended January 31, 2013, 2014 and 2015, respectively. Advertising costs for the three months ended April 30, 2014 and 2015 (unaudited) were $2.6 million and $3.6 million, respectively.

Advertising costs incurred by channel partners are recorded as reduction of revenue. These costs totaled $0.6 million, $0.6 million and $0.8 million for the years ended January 31, 2013, 2014 and 2015, respectively, and $0.2 million and $0.1 million for the three months ended April 30, 2014 and 2015 (unaudited), respectively. These costs were recorded as a reduction to revenue as incurred.

Stock-Based Compensation—Stock-based compensation expense is recognized under ASC 718, *Compensation—Stock Compensation*. ASC 718 requires companies to recognize the cost of employee services received in exchange for awards of equity instruments based upon the fair value of those awards on the grant date.

Stock-based compensation expense for options granted to employees is measured at the grant date based on the fair value of the equity award and is recognized as expense, less expected forfeitures, over the requisite service period, which is generally the vesting period. The fair value of each equity award is estimated on the date of grant using the Black-Scholes option-pricing model. The Company recognizes stock-based compensation expense on the straight-line method for its equity awards. Determining the fair value of stock-based awards at the grant date requires judgment, including estimating the expected volatility, expected term, risk-free interest rate, and expected dividends.

Stock-based compensation expense for options granted to non-employees is calculated using the Black-Scholes option-pricing model and is recognized in the consolidated statements of operations over the service period. Compensation expense for non-employees stock options subject to vesting is remeasured as of each reporting date until the stock options are vested, and any change in value, if any, is recognized in the consolidated statement of operations during the period the related services are performed.

Income Taxes—The Company accounts for income taxes in accordance with ASC 740, *Income Taxes*, under which deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss and tax credit carryforwards. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

A tax position is recognized when it is more likely than not that the tax position will be sustained upon examination, including resolution of any related appeals or litigation processes. A tax position that meets the more likely than not recognition threshold is measured at the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement with a taxing authority.

Recently Issued Accounting Standards—From time to time, new accounting pronouncements are issued by the FASB, or other standard setting bodies and adopted by us as of the specified effective date. Unless otherwise discussed, the impact of recently issued standards that are not yet effective will not have a material impact on the Company's financial position or results of operations upon adoption.

In May 2014, the FASB issued Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers* (Topic 606), which supersedes the revenue recognition requirements in ASC 605, *Revenue Recognition*. This ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The

ASU's effective date will be the first quarter of the Company's fiscal year 2018 using one of two retrospective application methods. Early adoption is not permitted. The Company has not yet selected a transition method and is currently evaluating the impact of its pending adoption of ASU 2014-09 on its consolidated financial statements and disclosures.

In August 2014, the FASB issued ASU No. 2014-15, *Disclosure of Uncertainties About an Entity's Ability to Continue as a Going Concern*. The new standard provides guidance around management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and to provide related footnote disclosures. The new standard is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016. Early adoption is permitted. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

3. FAIR VALUE MEASUREMENT

Fair Value Measurement—Assets and liabilities recorded at fair value in the financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels that are directly related to the amount of subjectivity associated with the inputs to the valuation of these assets or liabilities are as follows:

Level 1—Inputs that are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2—Inputs (other than quoted prices included in Level 1) that are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instruments' anticipated life.

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 and which reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The Company's financial instruments include Level 1 assets such as cash and cash equivalents and Level 3 liabilities. In certain cases where there is limited activity or less transparency around inputs to valuation, securities are classified as Level 3 within the valuation hierarchy. Level 3 liabilities that are measured at estimated fair value on a recurring basis consist of preferred stock warrant liabilities and acquisition-related contingent consideration.

During the periods presented, the Company has not changed the manner in which it values liabilities that are measured at estimated fair value using Level 3 inputs. There were no transfers within the hierarchy during the years ended January 31, 2014, 2015 and the three months ended April 30, 2015 (unaudited).

Preferred Stock Warrant Liabilities—The estimated fair values of outstanding preferred stock warrant liabilities are measured using Monte-Carlo simulation and Black-Scholes valuation models. These valuation models involve using such inputs as the estimated fair value of the underlying stock at the measurement date, risk-free interest rates, expected dividends on stock and expected volatility of the price of the underlying stock. Due to the nature of these inputs, the valuation of the warrants is considered a Level 3 measurement. The convertible preferred stock warrant liabilities will increase or decrease each period based on the fluctuations of the fair value of the underlying security.

Acquisition-related Contingent Consideration—The Company estimated the fair value of the acquisition-related contingent consideration using a probability-weighted discounted cash flow model. Key assumptions include the level and timing of expected future revenue and expenses of the acquired business, and discount rates consistent with the level of risk and economy in general. If the income projections increase or decrease, the fair value of the contingent consideration would increase or decrease accordingly, in amounts that will vary based on the timing of the projected income; and the discount rate used to calculate the present value of the expected income. This fair value measure was based on significant inputs not observed in the market and thus represented a Level 3 instrument. The change in fair value of acquisition-related contingent consideration is included in general and administrative expenses in the consolidated statements of income, and the contingent consideration is included in accrued liabilities on the consolidated balance sheets.

There were no transfers into or out of the Level 3 category during the years ended January 31, 2014, 2015 and during the three months ended April 30, 2015 (unaudited). The Company's financial assets and liabilities that are measured at fair value on a recurring basis by level within the fair value hierarchy are as follows (in thousands):

	Balance as of January 31, 2014			
	Level 1	Level 2	Level 3	Total
Financial asset—money market fund	$5,561	$ —	$ —	$5,561
Financial liability—convertible preferred stock warrant liability	$ —	$ —	$ 361	$ 361

	Balance as of January 31, 2015			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash	$ 115	$ —	$ —	$ 115
Money market fund	9,018	—	—	9,018
Total cash and cash equivalents	$9,133	$ —	$ —	$9,133
Liabilities:				
Acquisition-related contingent consideration	$ —	$ —	$1,695	$1,695
Convertible preferred stock warrant liability	—	—	1,217	1,217
Total liabilities	$ —	$ —	$2,912	$2,912

	Balance as of April 30, 2015 (unaudited)			
	Level 1	Level 2	Level 3	Total
Assets:				
Cash	$ 325	$ —	$ —	$ 325
Money market fund	13,310	—	—	13,310
Total cash and cash equivalents	$13,635	$ —	$ —	$13,635
Liabilities:				
Acquisition-related contingent consideration	$ —	$ —	$ 755	$ 755
Convertible preferred stock warrant liability	—	—	1,933	1,933
Total liabilities	$ —	$ —	$2,688	$ 2,688

Level 1 assets consisted of cash and money market funds that are stated at cost, which approximates fair value. As of January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), all money market funds had an original maturity of less than three months and are included in cash and cash equivalents on the consolidated balance sheets.

Changes in the Level 3 fair value category for the periods presented are as follows (in thousands):

	Convertible Preferred Stock Warrant Liability	Acquisition-Related Contingent Consideration
Balance at January 31, 2013	$ 111	$ —
Changes in fair value	250	—
Balance at January 31, 2014	361	—
Issuances: Convertible preferred stock warrant liability	62	—
Issuances: Acquisition-related contingent consideration	—	1,039
Exercises	(1)	—
Changes in fair value	795	656
Balance at January 31, 2015	1,217	1,695
Payout of contingent consideration (unaudited)	—	(570)
Issuance of shares (unaudited)	—	(451)
Changes in fair value (unaudited)	716	81
Balance at April 30, 2015 (unaudited)	$ 1,933	$ 755

See the discussion of the valuation of the convertible preferred stock warrants in Note 7 “Convertible Preferred Stock Warrant Liability,” and the valuation of the acquisition-related contingent consideration in Note 13 “Acquisitions.”

4. INTANGIBLE ASSETS

The carrying values of intangible assets other than goodwill are as follows (in thousands):

		As of January 31, 2014			As of January 31, 2015			As of April 30, 2015 (unaudited)		
	Estimated Life (in years)	Gross Value	Accumulated Amortization	Net Carrying Amount	Gross Value	Accumulated Amortization	Net Carrying Amount	Gross Value	Accumulated Amortization (unaudited)	Net Carrying Amount
Patents and licenses	3.8-7	$ 714	$ (630)	$ 84	$ 714	$ (649)	$ 65	$ 714	$ (654)	$ 60
Developed technology	5	—	—	—	815	(123)	692	815	(164)	651
User relationships	3.5	—	—	—	458	(98)	360	458	(131)	327
Trade name	5	—	—	—	103	(16)	87	103	(21)	82
Non-compete agreement	2	—	—	—	118	(44)	74	118	(60)	58
Other	1	50	(44)	6	50	(50)	—	50	(50)	—
Total		$ 764	$ (674)	$ 90	$2,258	$ (980)	$ 1,278	$2,258	$ (1,080)	$ 1,178

At January 31, 2015, the estimated amortization expense related to the intangible assets is as follows (in thousands):

Years Ending January 31,	
2016	$ 393
2017	349
2018	291
2019	190
2020 and thereafter	55
Total	$1,278

5. BALANCE SHEET COMPONENTS

Inventories consist of the following (in thousands);

	As of January 31, 2014	As of January 31, 2015	As of April 30, 2015 (unaudited)
Finished goods	$4,126	$5,719	$ 6,544
Raw material	749	2,362	1,732
Total inventory	$4,875	$8,081	$ 8,276

Property and equipment, net consists of the following (in thousands):

	Estimated Useful Lives (in years)	As of January 31, 2014	As of January 31, 2015	As of April 30, 2015 (unaudited)
Software and computer equipment	3-4	$ 3,240	$ 4,963	$ 5,149
Website development costs	2	718	1,216	1,398
Machinery and equipment	3	565	644	737
Office furniture and fixtures	5	48	52	53
Leasehold improvements	shorter of estimated life of asset or remaining lease term	133	251	359
Total property and equipment		4,704	7,126	7,696
Less accumulated depreciation and amortization		(3,337)	(4,233)	(4,549)
Property and equipment, net		$ 1,367	$ 2,893	$ 3,147

Depreciation and amortization of property and equipment totaled $0.7 million, $0.8 million and $0.9 million for the years ended January 31, 2013, 2014 and 2015, respectively, and $0.2 million and $0.3 million for the three months ended April 30, 2014 and 2015 (unaudited), respectively.

Computer equipment under a capital lease agreement at January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited) was $0.2 million, $1.5 million and $1.5 million, respectively, and the related accumulated depreciation was $0.2 million, $0.2 million and $0.3 million, respectively.
Accrued expenses consist of the following (in thousands):

	As of January 31, 2014	As of January 31, 2015	As of April 30, 2015 (unaudited)
Accrued regulatory fees and taxes	$3,418	$ 4,762	4,600
Accrued payroll and related expenses	1,447	2,022	1,251
Acquisition-related contingent consideration-current portion	—	1,027	755
Other accrued expenses	719	2,502	3,650
Total accrued expenses	$5,584	$10,313	$ 10,256

Universal Services Fund and Other Regulatory Fee Liability—As a communications services provider, the Company is subject to FCC regulations including Federal Universal Service Fund (“USF”) contributions, E-911, and other state and local regulatory taxes. The Company records the cost of gross USF contributions payable to the Universal Services Administration Company (“USAC”) as a cost of revenue in the consolidated statements of operations. The Company had an accrued liability for regulatory taxes and fees of $3.4 million, $4.8 million and $4.6 million included in accrued liabilities on the consolidated balance sheets as of January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), respectively.

6. DEBT

In April 2012, the Company entered into a secured debt agreement ("Term Debt") in the amount of $4.0 million. In October 2012, the rate became fixed at 5.75%. The debt matures in September 2015. The Company made monthly interest-only payments through September 2012, and monthly payments of principal and interest are due thereafter. An additional final payment of 1% of the original principal amount is due at maturity.

In December 2012, the Company entered into an amended secured debt agreement, adding a revolving line of credit in the amount of $6.0 million ("the Revolver"). The interest rate on the Revolver is 2.75% above the prime rate (6.0% at January 31, 2015). The Revolver includes a financial covenant that the Company is required to have a certain number of subscribers each quarter. The Revolver was originally due to mature in December 2014. In July 2014, the Company entered into an amended agreement to extend the maturity date until July 2016. In October 2014, the Company borrowed $5.0 million under the Revolver.

In January 2015, the Company entered into an amended line of credit under a loan and security agreement with its current lender which increased the amount available under the Revolver to $12.0 million and added a new line of credit of up to $10.0 million. The Company's credit agreements with its lender contain customary negative covenants that limit the ability to, among other things, incur additional indebtedness, grant liens, make investments, repurchase stock, pay dividends, transfer assets and merge or consolidate. In January 2015, the Company drew down $5.0 million of this new line of credit. The interest rate on advances under the line of credit is 11%, and interest is payable monthly. The maturity date of the line of credit is January 5, 2018. In connection with the agreement, the Company issued warrants to purchase 153,260 shares of common stock with an exercise price of $3.02 per share that are exercisable until January 4, 2025.

The Company has certain non-financial covenants in connection with the borrowings. The Company was not in compliance with one covenant and such non-compliance was waived by the lender as a part of the amended agreement entered into in January 2015.

Total interest expense recognized was $0.6 million, $0.3 million and $0.3 million in each year ended January 31, 2013, 2014 and 2015, respectively, and $0.1 million and $0.3 million for the three months ended April 30, 2014 and 2015 (unaudited), respectively, including the amortization of debt issuance costs of $21,000, $20,000 and $24,000, respectively, and $15,000 and $44,000 for the three months ended April 30, 2014 and 2015 (unaudited), respectively.

The aggregate debt outstanding at each balance sheet date was as follows (in thousands):

	Term Debt	Capital Lease Obligations	Total
Debt as of January 31, 2014	$ 2,307	$ 130	$ 2,437
Less unamortized discounts and issuance costs	(22)	—	(22)
Net carrying value of debt	2,285	130	2,415
Less short-term debt and capital lease obligations	1,310	91	1,401
Long-term debt and capital lease obligations	$ 975	$ 39	$ 1,014
Debt as of January 31, 2015	$11,058	$ 1,298	$12,356
Less unamortized discounts and issuance costs	(396)	—	(396)
Net carrying value of debt	10,662	1,298	11,960
Less short-term debt and capital lease obligations	896	666	1,562
Long-term debt and capital lease obligations	$ 9,766	$ 632	$10,398
Debt as of April 30, 2015 (unaudited)	$10,709	$ 1,122	$11,831
Less unamortized discounts	(350)	—	(350)
Net carrying value of debt	10,359	1,122	11,481
Less short-term debt and capital lease obligations	556	659	1,215
Long-term debt and capital lease obligations	$ 9,803	$ 463	$10,266

As of January 31, 2015, the future principal payments for long-term debt (including short-term portion of long-term debt) and capital lease obligations were as follows (in thousands):

2016	$ 1,724
2017	5,632
2018	5,000
Total	$12,536

7. CONVERTIBLE PREFERRED STOCK WARRANT LIABILITY

At each balance sheet date, the Company had the following warrants to purchase convertible preferred stock outstanding:

	Warrants outstanding as of January 31, 2014	Fair Value of Warrant Liabilities as of January 31, 2014 (in thousands)	Warrants outstanding as of January 31, 2015	Fair Value of Warrant Liabilities as of January 31, 2015 (in thousands)	Warrants outstanding as of April 30, 2015 (unaudited)	Fair Value of Warrant Liabilities as of April 30, 2015 (in thousands) (unaudited)	Exercise Price Per Share	Expiration Date
December 2010 warrants	140,575	$ 188	140,575	$ 474	140,575	$ 726	$ 2.35	December 2020
April 2012, December 2012 and October 2014 warrants	132,053	101	132,053	374	132,053	611	$ 2.35	April 2022-December 2022
May and June 2009 warrants	163,010	72	111,400	369	111,400	596	$ 2.35	February 2014-June 2016
Total	435,638	$ 361	384,028	$ 1,217	384,028	$ 1,933		

December 2010 Warrants

In 2010, the Company issued a warrant to purchase 140,575 shares of Series Alpha convertible preferred stock at an exercise price of $2.3475. The warrant expires in December 2020, unless earlier terminated or extended by a provision that if the Company completes a qualifying initial public offering (IPO), the warrant will expire five years after the closing of the IPO. If the Company completes a qualifying IPO or a liquidation transaction that values the Company at $35 million or more prior to the expiration of the warrant, and the warrant has not been exercised, then the warrant shall terminate and the Company shall pay in cash the greater of (i) the aggregate value of the shares that would be received upon a net exercise of the warrants and (ii) $330,000. At January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), the fair value of the warrants was determined to be $188,000, $474,000 and $726,000, respectively, based on a Monte-Carlo valuation model and the Company recognized a remeasurement loss of $123,000 and $286,000 in fiscal years ended January 31, 2014 and 2015, respectively, and $252,000 for the three months ended April 30, 2015 (unaudited) in other income (expense).

April 2012 Warrants

In connection with the Term Debt entered into in April 2012, the Company issued warrants to purchase 68,157 shares of Series Alpha convertible preferred stock, calculated as $160,000 divided by an exercise price of $2.3475. If the price of the convertible preferred stock in the next financing round is lower than $2.3475, then the warrants will be exercisable for shares of the new preferred stock at the lowest effective price per share in the new financing. The warrants expire in April 2022, unless they are terminated earlier upon an acquisition with settlement for cash or publicly traded shares. At January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), management determined that the fair value was $59,000, $192,000 and $314,000 respectively, based on a Monte-Carlo valuation model. As a result of changes during the fiscal periods, the Company recognized a remeasurement loss of $43,000 and $133,000 in other income (expense) in fiscal year 2014 and 2015, respectively, and $122,000 for the three months ended April 30, 2015 (unaudited).

December 2012 Warrants

In connection with the amended secured debt agreement entered into in December 2012, the Company issued warrants to purchase 31,948 shares of Series Alpha convertible preferred stock, calculated as $75,000 divided by an exercise price of $2.3475. The warrants are exercisable for new equity shares in the next financing round on similar terms as the warrants issued in April 2012. The warrants expire in December 2022, unless earlier terminated. At January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), management determined that the fair value of the warrants was $42,000, $91,000 and $148,500, respectively, using a Monte-Carlo valuation model. As a result of changes during the fiscal periods, the Company recognized a remeasurement loss of $30,000 and $49,000 in other income (expense) in fiscal year 2014 and 2015, respectively, and $57,500 for the three months ended April 30, 2015 (unaudited).

The estimated fair value of the warrants issued in connection with the 2012 debt agreements was recorded as a debt discount on the issuance dates, and is being amortized over the debt repayment period as a non-cash interest expense in the consolidated statement of operations. During the years ended January 31, 2014 and 2015, and for the three months ended April 30, 2015 and 2014 (unaudited), the Company recorded amortization of $44,000, $34,000, $9,000 and $33,000, respectively.

October 2014 Warrants

In October 2014, the lender was granted warrants to purchase 31,948 shares of convertible preferred stock, calculated as $75,000 divided by an exercise price of $2.3475. The warrants are exercisable for new equity shares in the next financing round on similar terms as the warrants issued in April 2012. The warrants expire in December 2022, unless earlier terminated. The fair value of the warrants on the issuance date was estimated to be approximately $61,000 using a Monte Carlo valuation model. The warrants were revalued at the end of fiscal 2015 and the Company recognized a remeasurement loss of $30,000 in other income (expense). These warrants were remeasured and valued at $148,500 on April 30, 2015 (unaudited), and a remeasurement loss of $57,500 was recorded for three months ended April 30, 2015 (unaudited) in other income (expense).

May 2009 and June 2009 Warrants

In June 2009, the Company issued warrants to purchase 68,802 shares of convertible preferred stock that expire in June 2016. In May 2009, the Company issued warrants to purchase 42,598 shares of convertible preferred stock that expire in May 2016. In February 2010, the Company issued warrants to purchase 51,610 shares of convertible preferred stock that expired in February 2014. During fiscal 2015, warrants to purchase 40,815 of these shares were exercised and a warrant to purchase 10,795 shares was canceled because the warrant expired on its terms. The Company has recorded warrants to purchase shares of convertible preferred stock as derivative liabilities. The convertible preferred stock warrants are initially recorded at fair value, with gains and losses arising from changes in fair value recognized in other income (expense) in the consolidated statements of operations at each period end while such instruments are outstanding and classified as long-term liabilities. As of January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), the aggregate fair value of these warrants was approximately $72,000, $369,000 and $596,000, respectively, based on a Black Scholes valuation model. As of January 31, 2014, the fair value of these warrants was determined using the following Black-Scholes assumptions: remaining contractual term ranging from 0.1 to 2.4 years, volatility of 70%, risk free rate of 0.3% to 0.47%, and no dividends. As of January 31, 2015, the fair value of these warrants was determined using the following Black-Scholes assumptions: remaining contractual term ranging from 1.3 to 1.4 years, volatility of 70%, risk free rate of 0.3%, and no dividends. As of April 30, 2015 (unaudited), the fair value of these warrants was determined using the following Black-Scholes assumptions: remaining contractual term of 1.14 years, volatility of 70%, risk free rate of 0.3%, and no dividends. As a result of changes during the fiscal periods, the Company recognized a remeasurement loss of $54,000, $298,000 and $227,000 in other income (expense) in fiscal years 2014 and 2015 and for three months ended April 30, 2015 (unaudited), respectively.

8. PREFERRED STOCK

The Company's certificate of incorporation, as amended, authorizes the Company to issue convertible preferred stock as follows:

	Authorized Shares	Issued and Outstanding as of January 31, 2014	Aggregate Liquidation Preference (in thousands)	Carrying Value (in thousands)
Convertible Preferred Series Alpha	16,250,000	15,696,415	$ 36,847	$ 30,536
Convertible Preferred Series Alpha-1	1,166,667	970,292	19,490	3,005
Total	17,416,667	16,666,707	$ 56,337	$ 33,541

	Authorized Shares	Issued and Outstanding as of January 31, 2015	Aggregate Liquidation Preference (in thousands)	Carrying Value (in thousands)
Convertible Preferred Series Alpha	16,250,000	15,737,230	$ 36,943	$ 30,632
Convertible Preferred Series Alpha-1	1,166,667	970,292	19,490	3,005
Total	17,416,667	16,707,522	$ 56,433	$ 33,637

	Authorized Shares	Issued and Outstanding as of April 30, 2015	Aggregate Liquidation Preference (in thousands)	Carrying Value (in thousands)
		(unaudited)		
Convertible Preferred Series Alpha	16,121,258	15,737,230	$ 36,943	$ 30,632
Convertible Preferred Series Alpha-1	970,292	970,292	19,490	3,005
Convertible Preferred Series Beta	943,270	482,946	5,120	5,000
Total	18,034,820	17,190,468	$ 61,553	$ 38,637

The Company had 15,696,415 shares of Series Alpha preferred stock and 970,292 shares of Series Alpha-1 preferred stock that were issued and outstanding as of January 31, 2014. The Company had 15,737,230 shares of Series Alpha preferred stock and 970,292 shares of Series Alpha-1 preferred stock that were issued and outstanding as of January 31, 2015. The Company had 15,737,230 shares of Series Alpha convertible preferred stock, 970,292 shares of Series Alpha-1 preferred stock, and 482,946 shares of Series Beta preferred stock that were issued and outstanding as of April 30, 2015 (unaudited).

The holders of Series Alpha, Series Alpha-1, and Series Beta preferred stock collectively, the preferred stock have the following rights and preferences:

Dividends—The holders of preferred stock are entitled to receive dividends, out of assets legally available therefor, prior and in preference to any declaration or payment of any other dividends, at the rates of $0.1878, $1.6070, and $0.8481 per share (as adjusted for stock splits, stock dividends, reclassifications, and the like) per annum on each outstanding share of Series Alpha, Series Alpha-1, and Series Beta preferred stock, respectively, when, as and if, declared by the board of directors. Such dividends are not cumulative and no dividends have been declared to date.

Liquidation Preference—In a liquidation, dissolution, or winding-up of the Company, either voluntary or involuntary, the holders of Series Alpha and Series Beta preferred stock shall be entitled to receive, prior and in preference to any distribution to the holders of Series Alpha-1 preferred stock or common stock, an amount equal to $2.3475 per share and $10.6014 per share, respectively, as adjusted for stock splits, etc., plus any declared or accrued but unpaid dividends. If the assets and funds are insufficient to permit the full payment to the holders of the Series Alpha and Series Beta preferred stock, then the entire assets and funds legally available for distribution shall be distributed ratably among the holders of the Series Alpha and Series Beta preferred stock. Holders of the Series Alpha-1 preferred stock shall then be entitled to receive, prior and in preference to a distribution to the holders of common stock, an amount equal to $20.0870 per share, as adjusted for stock splits, etc., plus any declared or accrued but unpaid dividends. If the assets and funds are insufficient to permit the full payment to the holders of Series Alpha-1 preferred stock, then the entire assets and funds legally available for distribution shall be distributed ratably among the holders of the Series Alpha-1 preferred stock. Upon completion of the required distributions to the holders of preferred stock, the holders of the common stock shall receive all of the remaining assets of the Company.

A sale or licensing of substantially all of the Company’s property or a merger or consolidation with another corporation is a deemed liquidation of the Company, unless determined otherwise by the holders of a majority of the preferred stock voting together as a single class assuming the conversion of all preferred stock into common stock.

Conversion—Each share of preferred stock (except the Series Beta) is convertible, at the option of the holder, into one share of common stock, subject to adjustment for stock splits, stock dividends, and recapitalizations. Each share of preferred stock is automatically converted upon the earlier of (i) a firm commitment underwritten public offering that values the Company at not less than $100 million and that results in proceeds to the Company of not less than $50 million or (ii) a date specified by a vote of the holders of a majority of the preferred stock. In the event the Company completes a liquidation transaction or qualified initial public offering in which the conversion price for the Series Beta preferred stock is greater than 75% of the consideration per share or offering price, the conversion price will automatically adjust to 75% of the consideration per share or offering price.

Voting Rights—Except as expressly provided in the Company’s certificate of incorporation, as amended or as provided by law, holders of preferred stock have the same voting rights as holders of common stock, and shall be entitled to the number of votes equal to the number of shares of common stock into which shares of preferred stock could be converted. For the election of members of the board of directors, the holders of the Series Alpha preferred stock, voting as a separate class, shall be entitled to elect three directors; the holders of the common stock, voting as a separate class, shall be entitled to elect one director; and the holders of the preferred stock and

the common stock, voting together as a single class on an as-converted basis, shall be entitled to elect all remaining directors.

In addition, the holders of a majority of the preferred stock, voting together as a single class, must approve certain actions, including liquidation; changing the rights of the preferred stock; declaring or paying a dividend; redeeming or otherwise acquiring shares of preferred stock or common stock, other than pursuant to certain rights of repurchase; issuing any debt if the aggregate indebtedness would exceed $100,000; changing the number of directors; amending the certificate of incorporation or bylaws; increase or decrease (other than by conversion) the total number of common stock or preferred stock; or authorizing any equity security with preference over or on parity with preferred stock.

The Company classifies its convertible preferred stock outside of stockholders' deficit because the shares are considered effectively redeemable upon a deemed liquidation event. During the periods presented, the Company did not adjust the carrying value of the convertible preferred stock to the deemed liquidation value of such shares as a qualifying liquidation event was not probable.

9. COMMON STOCK

Common Stock—The Company's certificate of incorporation, as amended on April 22, 2015, authorizes the Company to issue up to 30,000,000 shares of common stock. Each share of common stock is entitled to one vote. The holders of common stock are also entitled to receive dividends out of funds legally available therefore, when and if declared by the board of directors, subject to the approval and priority rights of holders of all classes of preferred stock outstanding. No dividends have been declared to date.

The Company had shares of common stock reserved for issuance as follows:

	As of January 31,		As of April 30, 2015
	2014	2015	(unaudited)
Conversion of Series Alpha preferred stock	15,696,415	15,737,230	15,737,230
Conversion of Series Alpha-1 preferred stock	970,292	970,292	970,292
Conversion of Series Beta preferred stock	—	—	482,946
Total conversion of preferred stock	16,666,707	16,707,522	17,190,468
Warrants to purchase Series Alpha preferred stock	435,638	384,028	384,028
Warrants to purchase common stock	69,816	176,005	176,005
Options to purchase common stock outstanding	1,798,951	3,786,443	3,922,041
Options available for future grant under stock option plan	988,293	266,053	116,134
Total shares reserved for issuance	19,959,405	21,320,051	21,788,676

Common Stock Warrants—The Company has warrants to purchase 69,816, 176,005 and 176,005 shares of the Company's common stock outstanding as of January 31, 2014, January 31, 2015 and April 30, 2015 (unaudited), respectively. These warrants have exercise prices ranging from $2.35 to $33 per share and have expiration dates through January 2025.

Stock-Based Benefit Plans—The Company adopted the 2005 Stock Plan (the "2005 Plan") in 2005. In fiscal 2015, the Company's board of directors increased the maximum number of shares that can be issued under the 2005 Plan to 8,866,205. As of April 30, 2015 (unaudited), a total of 116,134 shares were available for future issuance under the 2005 Plan. Options to purchase shares of common stock may be granted to employees,

directors, and consultants. These options generally vest from immediately upon grant to five years from the date of grant and expire 10 years from the date of grant. Options may be exercised anytime during their term in accordance with the vesting/exercise schedule specified in the recipient's stock option agreement and in accordance with the plan provisions. Shares issued upon exercise, prior to vesting, are subject to a right of repurchase, which lapses according to the original option vesting schedule. Shares issued under the 2005 Plan and later repurchased by the Company pursuant to any repurchase right, which the Company may have, are not available for future grant under the plan.

Activity under the Company's stock option plan is set forth below:

		Outstanding Options			
	Number of Shares Available for Issuance	Number of Shares	Weighted Average Exercise Price	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands)
Balance—January 31, 2013	1,053,625	1,786,404	$ 0.20	7.3	$ 76
Additional shares authorized for grant	975,000	—			
Granted	(1,092,212)	1,092,212	$ 0.11		
Exercised	—	(1,027,785)	$ 0.10		
Canceled	51,880	(51,880)	$ 0.04		
Balance—January 31, 2014	988,293	1,798,951	$ 0.22	6.6	$ 1,378
Additional shares authorized for grant	1,725,000	—			
Granted	(2,680,660)	2,680,660	$ 2.74		
Exercised	—	(459,748)	$ 0.67		
Canceled	233,420	(233,420)	$ 0.63		
Balance—January 31, 2015	266,053	3,786,443	$ 1.93	8.4	$ 10,109
Granted (unaudited)	(161,000)	161,000	$ 4.59		
Exercised (unaudited	—	(14,321)	$ 0.05		
Canceled (unaudited)	11,081	(11,081)	$ 1.77		
Balance—April 30, 2015 (Unaudited)	116,134	3,922,041	$ 2.04	8.3	$ 21,343
Vested and exercisable-January 31, 2014		1,368,832	$ 0.27	5.9	$ 991
Vested and expected to vest(1)-January 31, 2014		1,602,994	$ 0.24	6.3	$ 1,201
Vested and exercisable-January 31, 2015		1,131,827	$ 0.30	5.4	$ 4,886
Vested and expected to vest(1)-January 31, 2015		3,427,431	$ 1.93	8.3	$ 9,153
Vested and exercisable-April 30, 2015 (Unaudited)		1,191,361	$ 0.34	5.3	$ 8,523
Vested and expected to vest-April 30, 2015 (Unaudited)		3,566,510	$ 2.03	8.2	$ 19,442

(1) Options expected to vest reflect an estimated forfeiture rate.

The information about options outstanding as of April 30, 2015 (unaudited), is summarized as follows:

	Options Outstanding			Options Vested		
Exercise Price	Number of Options	Weighted Average Remaining Contractual Life (In Years)	Aggregate Intrinsic Value (in thousands)	Number of Options Vested	Weighted Average Exercise Price	Aggregate Intrinsic Value (in thousands)
$0.01	91,959	5.70	$ 687	90,241	$ 0.01	$ 674
$0.04	459,076	5.57	3,416	401,900	$ 0.04	2,990
$0.11	198,284	8.27	1,461	92,146	$ 0.11	679
$0.15	42,657	3.46	313	42,657	$ 0.15	313
$0.45	499,589	4.39	3,512	499,589	$ 0.45	3,512
$0.97	80,500	8.96	524	21,123	$ 0.97	138
$1.87	169,500	9.25	951	21,405	$ 1.87	120
$2.01	121,500	9.45	665	9,524	$ 2.01	52
$3.02	2,096,080	9.69	9,349	8,592	$ 3.02	38
$4.59	161,000	9.84	465	2,289	$ 4.59	7
$15.00 -18.00	1,896	0.12	—	1,895	$ 17.87	—
$0.01 -$18.00	3,922,041		$ 21,343	1,191,361		$ 8,523

The aggregate intrinsic value of vested options exercised during the years ended January 31, 2014, 2015 and three months ended April 30, 2015 (unaudited) was $60,000, $0.5 million and $0.1 million, respectively. The intrinsic value is the difference between the estimated fair value of the Company's common stock at the date of exercise and the exercise price for in-the-money options. The aggregate fair value of shares vested during the years ended January 31, 2014, January 31, 2015 and the three months ended April 30, 2015 (unaudited) was $30,000, $0.2 million and $1.5 million, respectively. The weighted-average grant-date fair value of options granted during the years ended January 31, 2014 and January 31, 2015, and three months ended April 30, 2015 (unaudited) was $0.41, $2.60 and $3.35 per share, respectively.

Determining Fair Value of Stock Options

The fair value of each grant of stock options was determined by the Company using the methods and assumptions discussed below. Each of these inputs is subjective and generally requires significant judgment to determine.

Fair Value of Common Stock The fair value of the shares of common stock underlying the stock options has historically been the responsibility of and determined by the Company's board of directors. Because there has been no public market for the Company's common stock, the board of directors determined fair value of common stock at the time of grant of the option by considering a number of objective and subjective factors including independent contemporaneous third-party valuations of the Company's common stock, the Company's operating and financial performance, the lack of liquidity of the Company's capital stock and general and industry specific economic outlooks, amongst other factors. The fair value of the underlying common stock will be determined by the Company's board of directors until such time as the Company's common stock is listed on an established exchange or national market system.

Expected Term The expected term of stock options represents the weighted-average period the stock options are expected to be outstanding. For option grants that are considered to be "plain vanilla", the Company has opted to use the simplified method for estimating the expected term, which calculates the expected term as the average of the time-to-vesting and the contractual life of the options.

Expected Volatility The expected stock price volatility assumption was determined by examining the historical volatilities of a group of industry peers, as the Company does not have any trading history for the Company's common stock. The Company will continue to analyze the historical stock price volatility and expected term assumptions as more historical data for the Company's common stock becomes available.

Risk-Free Interest Rate The risk free rate assumption was based on U.S. Treasury instruments with terms that were consistent with the expected term of the Company's stock options.

Expected Dividend The expected dividend yield was 0% as the Company has not paid, and does not expect to pay, cash dividends.

Forfeiture Rate The Company is required to estimate forfeitures at the time of grant, and revise those estimates in subsequent periods if actual forfeitures differ from those estimates. The Company uses historical data to estimate pre-vesting option forfeitures and record stock-based compensation expense only for those awards that are expected to vest. To the extent actual forfeitures differ from the estimates, the difference will be recorded as a cumulative adjustment in the period that the estimates are revised.

For the years ended January 31, 2013, 2014 and 2015, and for three months ended April 30, 2014 and 2015 (unaudited) the calculated fair value of employee option grants was estimated using the Black-Scholes model with the following assumptions:

	For the Year Ended January 31,			Three months Ended	
	2013	2014	2015	April 30, 2014	April 30, 2015
				(unaudited)	
Expected life (in years)	3.9-6.1	5.1-6.3	5.4-6.3	5.5-6.1	5.9-6.1
Expected Volatility	71%-75%	77%-79%	69%-81%	78%-81%	61%-62%
Risk-free interest rate	0.6%-1.4%	0.8%-2.2%	1.5%-2.0%	1.8%-2.0%	1.6%-1.8%
Dividend yield	—	—	—		—

Total outstanding non-employee stock options were 41,769, 24,268, 135,768 and 135,768 at January 31, 2013, January 2014, January 2015 and April 30, 2015 (unaudited), respectively. The non-employee stock-based compensation expense was not material for any period presented.

Stock-based Compensation Expense

Total stock-based compensation expense recognized in the consolidated statements of operations was as follows (in thousands):

	Year Ended January 31,			Three months Ended	
	2013	2014	2015	April 30, 2014	April 30, 2015
				(unaudited)	
Total cost of revenue	$ 11	$ 7	$ 36	$ 4	$ 58
Sales and marketing	1	6	41	5	56
Research and development	50	26	169	15	217
General and administrative	111	33	180	17	220
	$ 173	$ 72	$ 426	$ 41	$ 551

As of January 31, 2014, there was approximately $0.4 million of total unrecognized compensation cost related to unvested options granted, which is expected to be recognized over a weighted-average period of 2.6 years. As of January 31, 2015, there was approximately $5.8 million of total unrecognized compensation cost related to unvested options granted, which is expected to be recognized over a weighted-average period of 3.2 years.

As of April 30, 2015 (unaudited), there was approximately $5.7 million of total unrecognized compensation cost related to unvested options granted, which is expected to be recognized over a weighted-average period of 3.0 years.

Early Exercise of Common Stock—During the years ended January 31, 2014 and 2015, and the three months ended April 30, 2014 and April 30, 2015 (unaudited), respectively, the Company issued 919,329; 263,620; 263,620 and 0 shares, respectively, of common stock following the exercise of common stock options prior to their vesting dates, or early exercises. The amounts received from all such early exercises is recorded in accrued expenses on the consolidated balance sheets and reclassified to stockholders' deficit as the options vest. The unvested shares are subject to the Company's repurchase right at the original purchase price, which lapses over the vesting term of the original option grant. As of January 31, 2014, 2015 and April 30, 2015 (unaudited), there were 1,479,622; 1,004,737 and 847,160 shares, respectively, legally outstanding, but not included within common stock outstanding for accounting purposes as a result of the early exercise of common stock options that were not yet vested. As of January 31, 2014, 2015 and April 30, 2015 (unaudited), the aggregate price of shares subject to repurchase recorded in accrued expenses totaled $0.1 million, $0.3 million and $0.3 million, respectively.

10. INCOME TAXES

Income tax expense differed from the amount computed by applying the federal statutory income tax rate of 34% to pretax loss as a result of the following:

	January 31,					
	2013	rate	2014	rate	2015	rate
Federal tax at statutory rate	$(1,245)	34%	$(680)	34%	$(2,350)	34%
Change in valuation allowance	1,406	(40)%	831	(42)%	2,132	(31)%
State taxes	(167)	5%	(156)	8%	(437)	6%
Stock-based compensation	18	0%	14	(1)%	92	(1)%
Research and development credit	(30)	1%	(131)	7%	(192)	3%
Permanent tax adjustment	12	0%	104	(5)%	23	0%
Other	6	0%	18	(1)%	230	(3)%
Total	$ —	0%	$ —	0%	$ (502)	8%

Income tax expense differs from the amount computed by applying the statutory federal income tax rate primarily as the result of changes in the valuation allowance.

The tax effects of temporary differences that give rise to significant portions of the Company's deferred tax assets and liabilities related to the following:

	January 31,	
	2014	2015
Deferred tax assets:		
Accruals and reserves	$ 1,874	$ 2,036
Stock option expense	382	436
Intangible assets amortization	135	243
Deferred revenue	25	15
Fixed assets depreciation	64	168
Net operating losses carryover	20,294	22,240
Tax credit carryover	879	1,241
Gross deferred tax assets	23,653	26,379
Valuation allowance	(23,653)	(25,785)
Net deferred tax assets	—	594
Deferred tax liabilities:		
Acquired intangible assets	—	(594)
Total net deferred tax assets	$ —	$ —

Income taxes are recorded using the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards.

Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income (or loss) in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance is provided for the amount of deferred tax assets that, based on available evidence, is not more likely than not to be realized.

Management believes that, based on available evidence, both positive and negative, it is more likely than not that the deferred tax assets will not be utilized, such that a full valuation allowance has been recorded. The valuation allowance for deferred tax assets was $22.8 million, $23.7 million and $25.8 million as of January 31, 2013, 2014 and 2015, respectively. The net change in the total valuation allowance for the year ended January 31, 2015 was an increase of $2.1 million.

On January 31, 2015, the Company had approximately $56.2 million and $56.1 million of net operating loss (NOL) carryforwards available to offset future taxable income for both federal and state purposes, respectively. If not utilized, these available carryforward losses will expire in various amounts for federal and state tax purposes beginning in 2029.

In addition, the Company had approximately $1.4 million and $1.1 million of federal and state research and development tax credits, respectively, available to offset future taxes. If not utilized, the available federal credits will begin to expire in 2029. California state research and development tax credits can be carried forward indefinitely.

Under Section 382 of the Internal Revenue Code of 1986, as amended, utilization of the NOL carryforwards and credits may be subject to substantial annual limitation due to the ownership change limitations and similar state provisions. If there should be an additional ownership change, the annual limitation may result in the expiration of NOLs and credits before utilization.

The Company completed a Section 382 analysis through January 31, 2015 and determined that an ownership change, as defined under Section 382 of the Internal Revenue Code, occurred in prior years. Based on the analysis, the Company determined that it has undergone three ownership changes. The first and second ownership changes occurred in April 2005 and the third change occurred in February 2009. NOLs presented account for any limited and potential lost attributes due to such ownership changes and their respective expiration dates. The NOLs in the second table of this Note 10 reflect the available NOLs we expect to use.

In May 2014, the Company acquired Talkatone, Inc., or Talkatone, a privately held voice over Internet protocol (VoIP) company that develops and markets a smart device application. The Company recorded a tax benefit of $0.5 million arising from the release of deferred tax valuation allowances subsequent to the acquisition of Talkatone. The release of the valuation allowances was triggered by the recognition of $0.5 million of long term net deferred tax liabilities that were primarily related to the acquired intangible assets and R&D credits recorded upon the acquisition of Talkatone.

In September 2013, the U.S. Treasury Department and the Internal Revenue Service, or IRS, issued final tangible property regulations, providing comprehensive guidance on the tax treatment of costs incurred to acquire, repair or improve tangible property. The final regulations are generally effective for taxable years beginning on or after January 1, 2014. In January 2014, the IRS issued procedural guidance pursuant to which taxpayers will be granted automatic consent to change their tax accounting methods to comply with the final regulations. There are no significant changes to the Company’s tax accounting with respect to this guidance.

The Company had unrecognized tax benefits ("UTBs") of approximately $1.0 million as of January 31, 2015. All of the deferred tax assets associated with these UTBs are fully offset by a valuation allowance. The following table summarizes the activity related to UTBs (in thousands):

Balance at January 31, 2013	$ 612
Increases related to current year tax positions	131
Balance at January 31, 2014	743
Increase/decrease related to prior year positions	59
Increase related to current year tax positions	227
Balance at January 31, 2015	$1,029

All of these UTBs, if recognized, would not affect the effective tax rate before consideration of the valuation allowance.

The Company's policy is to classify interest and penalties associated with unrecognized tax benefits as income tax expense. The Company had no interest or penalty accruals associated with uncertain tax benefits in its balance sheets and statements of operations for both fiscal years 2014 and 2015.

The Company does not have any tax positions for which it is reasonably possible the total amount of gross unrecognized benefits will increase or decrease within 12 months of the year ended January 31, 2015.

Because the Company has net operating loss and credit carryforwards, there are open statutes of limitations in which federal, state and foreign taxing authorities may examine the Company's tax returns for all years from 2005 through the current period.

11. RETIREMENT PLAN

The Company offers a qualified 401(k) plan to eligible employees. The plan allows for discretionary employer matching and profit-sharing contributions. The plan covers all full-time employees over the age of 21 and provides employees with tax deferred salary deductions. Employees may contribute up to a maximum of $18,000 per year, or $24,000 for employees over 50 years of age, and the Company matches 50% of the contribution of the employee up to 6% of the deferred salary amount. Contributions made by the Company vest 100% upon contribution. The Company expensed $0.1 million, $0.2 million and $0.1 million in the years ended January 31, 2014 and 2015, and for the three months ended April 30, 2015 (unaudited), respectively.

12. COMMITMENTS AND CONTINGENCIES

The Company leases office space in Palo Alto, California under an operating lease, which is due to expire in November 2017. Monthly rent payments on the lease are approximately $37,000.

In April 2012 and January 2013, the Company entered into capital leases for computer equipment that mature in March 2015 and May 2015, respectively. The lease agreements include the right to purchase the equipment at maturity for one dollar. In January 2015, the Company entered into a capital lease for computer equipment that matures in December 2016 with the right to purchase the equipment at maturity for one dollar.

Minimum rental commitments under all noncancelable leases with an initial term in excess of one year as of January 31, 2015, were as follows (in thousands):

Year Ending January 31,	Capital Leases	Operating Leases
2016	$ 733	$ 1,490
2017	653	1,477
2018	—	1,183
2019	—	27
2020	—	—
Total	1,386	$ 4,177
Less: Amount representing interest	(88)	
Present value of lease payments	1,298	
Less: current portion	(666)	
Capital lease—net of current portion	$ 632	

Rent expense was $0.9 million, $0.6 million, and $0.9 million for the years ended January 31, 2013, 2014 and 2015, respectively, and $0.2 million and $0.3 million for the three months ended April 30, 2014 and 2015 (unaudited) respectively.

In March 2011, the Company entered into a patent license agreement with AT&T Intellectual Property II, L.P. Under the terms of the agreement, the Company is to pay a royalty on a per unit of on-premise appliance sold basis in consideration for the license and release. The royalty does not accrue until after 250,000 units are sold. The royalty expense is recorded in cost of revenue, and was not material for any of the periods presented.

Legal Matters—The Company is party to actions and proceedings incident to the Company's business in the ordinary course of business, including litigation regarding its intellectual property, challenges to the enforceability or validity of its intellectual property, and claims that the Company's products or services infringe on the intellectual property rights of others. The Company accrues a liability for such matters when it is probable that future expenditures will be made and such expenditures can be reasonably estimated. In management's opinion, there are no contingent liabilities requiring accrual or disclosure as of January 31, 2015 and April 30, 2015 (unaudited).

Indemnification—The Company enters into standard indemnification arrangements in the ordinary course of business. Pursuant to these arrangements, the Company indemnifies, holds harmless, and agrees to reimburse the indemnified parties for losses suffered or incurred by the indemnified party, in connection with any trade secret, copyright, patent or other intellectual property infringement claim by any third party with respect to the Company's technology. The term of these indemnification agreements is generally perpetual. The maximum potential amount of future payments the Company could be required to make under these agreements is not determinable because it involves claims that may be made against the Company in the future, but have not yet been made.

The Company has entered into indemnification agreements with its directors and officers that may require the Company to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct of the individual. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is unlimited; however, the Company has director and officer insurance coverage that reduces the Company's exposure and enables the Company to recover a portion of any future amounts paid.

To date the Company has not incurred costs to defend lawsuits or settle claims related to these indemnification agreements. No liability associated with such indemnifications has been recorded to date.

13. ACQUISITIONS

FonGenie, Inc.—In September 2012, the Company entered into an asset purchase agreement with FonGenie, Inc. ("FonGenie"), and Arsenal Interactive, Inc. ("Arsenal"). The Company purchased the assets of FonGenie and certain software, licenses, and intellectual property of Arsenal in order to expand its services to include the Office Promoter (now known as Business Promoter) service line. FonGenie was in the business of providing a platform, lead generation, and sales and marketing services through its own platform, application, services, and intellectual property. Arsenal previously owned or licensed certain intellectual property, hardware, software, third-party software and other work products that comprised a platform that enabled FonGenie to integrate telephony services (such as completing phone calls).

The nominal purchase price was allocated entirely to an acquired technology asset in the Company's balance sheet with an estimated life of one year and amortized to general and administrative expense.

Talkatone, Inc.—In May 2014, the Company acquired all of the issued and outstanding securities of Talkatone, Inc. ("Talkatone") a privately held provider of telephony services over Wi-Fi networks in order to expand its service offerings in the mobile application marketplace. The total consideration for this transaction was approximately $2.3 million on the acquisition date and consisted of the following (dollars in thousands):

Cash consideration paid at closing	$ 887
Common stock (180,494 shares)	338
Contingent consideration	1,039
Total consideration	$2,264

At the time of the Talkatone acquisition, the Company was obligated to pay additional amounts for certain deferred earn-out payments based upon the achievement of certain performance targets. The Company determined the fair market value of these earn-outs based on probability analysis. The fair market value and gross amount of these earn-out payments were $1.0 million and $2.2 million, respectively. The fair value measurement is based on significant inputs not observed in the market and thus represents a Level 3 measurement, which reflects the Company's own assumptions in measuring fair value.

Transaction costs associated with the acquisition were $12,000 and are included in general and administrative expense in the accompanying consolidated statement of operations.

The Company accounted for the Talkatone acquisition under the acquisition method of accounting as a business combination. The assets acquired and liabilities assumed were recorded at fair market value determined by management. The excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired was recorded as goodwill. The goodwill generated from the business combination is primarily related to the employee workforce and the expected synergies. Goodwill will not be amortized and is not tax deductible.

During the three months ended April 30, 2015 (unaudited) the Company paid $0.6 million in cash and issued 98,321 shares as earn-out consideration.

The purchase price was allocated as follows (in thousands):

Cash	$ 215
Net liabilities assumed	(60)
Intangible assets:	
Trade name	103
Developed technology	815
Non-compete agreement	118
User relationships	458
Non-current deferred tax liabilities	(502)
Goodwill	1,117
Net assets acquired	$2,264

The intangible assets acquired are reported, net of accumulated amortization, in the accompanying consolidated balance sheets as of January 31, 2015 and April 30, 2015 (unaudited). Amortization expense related to the acquired intangible assets was $0.2 million for fiscal 2015 and $0.4 million for the three months ended April 30, 2015 (unaudited), respectively, which was included as a component of operating expenses and cost of revenue in the consolidated statement of operations. The operating results of Talkatone have been included in the accompanying consolidated financial statements from the date of acquisition.

Pro forma results of operations for the acquisitions completed have not been presented because the effects of the acquisitions, individually and in the aggregate, were not material to the Company's financial results.

14. NET (LOSS) INCOME PER SHARE

The following table summarizes the computation of basic and diluted net loss per share attributable to common stockholders (in thousands, except share and per share data):

	Year Ended January 31,			Three months Ended April 30,	
	2013	2014	2015	2014	2015
				(unaudited)	
Net (loss) income—basic and diluted	$ (3,663)	$ (2,000)	$ (6,410)	$ 499	$ (3,935)
Less: Undistributed earnings to participating securities	—	—	—	(499)	—
Net (loss) income attributable to common stockholders	$ (3,663)	$ (2,000)	$ (6,410)	$ —	$ (3,935)
Weighted-average shares used to compute basic and diluted net (loss) income per share attributable to common stockholders	2,071,914	3,377,692	4,568,483	4,018,563	5,182,483
Basic and diluted net (loss) income per share attributable to common stockholders	$ (1.77)	$ (0.59)	$ (1.40)	$ —	$ (0.76)

Basic net (loss) income per share attributable to common stockholders is computed by dividing the net (loss) income by the weighted-average number of common shares outstanding for the period. Basic and diluted net loss per share attributable to common stockholders is presented in conformity with the two-class method required for participating securities as the holders of the Company's convertible preferred stock are entitled to receive non-cumulative dividends, payable prior and in preference to any dividends on shares of the common stock. Any additional dividends will be distributed among the holders of preferred stock and common stock pro rata, assuming the conversion of all preferred stock into common stock. Under the two-class method, net income attributable to common stockholders is determined by allocating undistributed earnings, calculated as net income

less current period earnings allocated to participating securities based on their respective rights to receive dividend. In computing diluted net income attributed to common stockholders, undistributed earnings are re-allocated to reflect the potential impact of dilutive securities. Basic net income per common share is computed by dividing the net income attributable to common stockholders by the weighted-average number of common shares outstanding during the period. The Company's preferred stockholders do not have a contractual obligation to share in the Company's losses. As such, the net loss is attributed entirely to common stockholders. Because the Company has reported a net loss attributable to common stockholders for the years ended January 31, 2013, 2014 and 2015, and the quarter ended April 30, 2015 (unaudited), diluted net loss per common share is the same as basic net loss per common share for those periods.

The following potentially dilutive securities outstanding have been excluded from the computation of diluted weighted-average shares outstanding because such securities have an antidilutive impact due to losses reported (in common stock equivalent shares):

	Year Ended January 31,			Three Months Ended April 30,	
	2013	2014	2015	2014	2015
				(unaudited)	
Convertible preferred stock	16,666,707	16,666,707	16,707,522	16,707,522	17,190,468
Warrants to purchase convertible preferred stock	435,638	435,638	384,028	384,028	384,028
Warrants to purchase common stock	69,816	69,816	176,005	69,816	176,005
Options to purchase common stock	1,786,404	1,798,951	3,786,443	1,844,410	3,922,041
	18,958,565	18,971,112	21,053,998	19,005,776	21,672,542

The unaudited pro forma basic and diluted loss per share attributable to common stockholders for the years ended January 31, 2013, 2014 and 2015, and the three months ended April 30, 2014 and 2015 (unaudited) give effect to the automatic conversion of outstanding shares of Series Alpha and Series Alpha-1 convertible preferred stock into 16,707,522 shares of common stock and the automatic conversion of all outstanding shares of series Beta convertible preferred stock into shares of common stock upon an initial public offering as if they had been converted to common stock and such shares were outstanding. Also included is the effect of all convertible preferred stock warrants that will convert into warrants to purchase common stock. In addition, cash proceeds from shares issued in the initial public offering of common stock will be used to cash settle a warrant to purchase 140,575 shares of convertible preferred stock and the net exercise of warrants to purchase 68,802 shares of convertible preferred stock, that will be converted to shares of our common stock. The issuance of the shares are assumed to have occurred as of the beginning of the fiscal period. The Company has assumed that the initial public offering price is $, which is the midpoint in the estimated price range set forth on the cover of the prospectus included in this registration statement. Other than as described above, shares to be sold in the offering are excluded from the unaudited pro forma basic and diluted loss per share calculations. As the Company incurred a net loss for the years ended January 31, 2013, 2014 and 2015, and the three months ended April 30, 2015 there is no income allocation required under the two class method or dilution attributed to pro forma weighted-average shares outstanding in the calculation of pro forma diluted loss per share for those periods.

Unaudited pro forma basic and diluted loss per share attributable to common stockholders are computed as follows (in thousands, except share and per share data):

	Year Ended January 31, 2015 (unaudited)	Three Months Ended April 30, 2015 (unaudited)
Pro forma loss per share attributable to common stockholders—basic and diluted numerator:		
Net loss	$ (6,410)	$ (3,935)
Change in fair value of preferred stock warrant liability	795	716
Pro forma net loss	$ (5,615)	$ (3,219)
Denominator:		
Weighted-average shares used to compute basic and diluted net loss per share	4,568,483	5,182,483
Adjustments to reflect the assumed conversion of convertible preferred stock	16,707,522	
Adjustments to reflect the assumed conversion of preferred stock warrants		
Adjustments to cash settle warrants		
Pro forma weighted-average number of shares outstanding—basic and diluted		
Pro forma net loss per share attributable to common stockholders—basic and diluted	$	$

15. SUBSEQUENT EVENTS

The Company has evaluated subsequent events from the balance sheet date through April 17, 2015, the date on which the January 31, 2015 consolidated financial statements were issued.

16. SUBSEQUENT EVENTS (unaudited)

The Company has evaluated subsequent events for the three months ended April 30, 2015 through June 15, 2015, the date on which these interim financial statements were issued.

* * * * * *


ooma®

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale of common stock being registered. All amounts are estimates except the SEC registration fee and the FINRA filing fee and the NYSE listing fee.

	Amount to be Paid
SEC registration fee	*
FINRA filing fee	*
Initial NYSE listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky qualification fees and expenses	*
Transfer Agent and Registrar fees	*
Miscellaneous fees and expenses	*
Total	*

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law, or the Delaware Law, authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities (including reimbursement for expenses incurred) arising under the Securities Act of 1933, as amended (the "Securities Act"). Article VII of our Amended and Restated Certificate of Incorporation and Article VI of our Bylaws provide for indemnification of our directors, officers, employees and other agents to the maximum extent permitted by Delaware Law. In addition, we have entered into Indemnification Agreements with our officers and directors. The Underwriting Agreement also provides for cross-indemnification among us and the Underwriters with respect to certain matters, including matters arising under the Securities Act.

Item 15. Recent Sales of Unregistered Securities

Since May 1, 2012, we have issued and sold the following unregistered securities:

- We issued stock options and stock purchase rights to certain of our service providers, executive officers and directors to purchase an aggregate of 4,356,257 shares of our common stock under our 2005 Stock Plan, with exercise prices ranging from $0.04 to $7.48 per share. No consideration was received for such stock options. Such issuances were deemed to be exempt from registration under the Securities Act pursuant to benefit plans and contracts relating to compensation as provided under Rule 701 promulgated under Section 3(b) of the Securities Act.
- We issued an aggregate of 1,707,211 shares of common stock to certain of our service providers, executive officers and directors pursuant to exercises of then-outstanding stock options or stock purchase rights under our 2005 Plan, with purchase prices ranging from $0.01 to $3.02 per share. Such issuances were deemed to be exempt from registration under the Securities Act pursuant to benefit plans and contracts relating to compensation as provided under Rule 701 promulgated under Section 3(b) of the Securities Act.

- From December 17, 2012 through January 5, 2015, we issued warrants to investors to purchase up to an aggregate of 163,910 shares of our common stock and 63,896 shares of our Series Alpha convertible preferred stock, with exercise prices ranging from approximately $2.35 per share to $3.02 per share. No consideration was received for such warrants. Such issuances were deemed to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act as by an issuer not involving a public offering.
- From August 17, 2012, through December 16, 2013, we issued stock purchase rights to retirement accounts for the benefit of our service providers to purchase an aggregate of 695,618 shares of our common stock, with exercise prices ranging from $0.04 to $0.11 per share. From October 3, 2012, to February 11, 2014, such we issued 785,618 shares of our common stock to such retirement accounts pursuant to exercises of such stock purchase rights, with purchase prices ranging from $0.04 to $0.11 per share. Such issuances were deemed to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act as transactions by an issuer not involving a public offering.
- From February 18, 2014, through September 16, 2014, we issued an aggregate of 4,652 shares of our common stock and 40,815 shares of our Series Alpha convertible preferred stock to investors pursuant to exercises of then-outstanding warrants, each at a purchase price of $2.3475 per share. Such issuances were deemed to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act as transactions by an issuer not involving a public offering.
- On May 2, 2014, we issued an aggregate of 180,494 shares of our common stock to stockholders of Talkatone, Inc., each of whom was an accredited investor or represented by an accredited investor representative, in consideration of our acquisition of Talkatone, Inc., the predecessor to our wholly owned subsidiary Talkatone, LLC. As of May 2, 2014, such shares were deemed to have a fair market value of $1.87 per share. On March 31, 2015, we issued an aggregate of 98,321 shares of our common stock to stockholders of Talkatone, Inc., each of whom was an accredited investor or represented by an accredited investor representative, in consideration of our acquisition of Talkatone, Inc., the predecessor to our wholly owned subsidiary Talkatone, LLC. As of March 31, 2015, such shares were deemed to have a fair market value of $4.59 per share. Such issuances were deemed to be exempt from registration under the Securities Act in reliance on Rule 506(b) of Regulation D promulgated under Section 4(2) of the Securities Act.
- On April 24, 2015, we issued an aggregate of 482,946 shares of our Series Beta convertible preferred stock to investors at a purchase price of $10.6014 per share. Such issuances were deemed to be exempt from registration under the Securities Act in reliance on Rule 506(b) of Regulation D promulgated under Section 4(2) of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules

(a) See the Exhibit Index on the page immediately preceding the exhibits for a list of exhibits filed as part of this registration statement on Form S-1, which Exhibit Index is incorporated herein by reference.

(b) No financial statement schedules are provided because the information called for is not required or is shown either in the financial statements or the notes thereto.

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements 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 of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, 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 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 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 of 1933, 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 of 1933, 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.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Palo Alto, State of California on the 15th day of June 2015.

OOMA, INC.

By: /s/ Eric B. Stang

Eric B. Stang
President, Chief Executive Officer and Chairman of the Board of Directors

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints, jointly and severally, Eric B. Stang, Ravi Narula and Spencer D. Jackson, and each of them, as his attorney-in-fact, with full power of substitution, for him in any and all capacities, to sign any and all amendments to this Registration Statement (including post effective amendments), and any and all Registration Statements filed pursuant to Rule 462 under the Securities Act of 1933, as amended, in connection with or related to the offering contemplated by this Registration Statement and its amendments, if any, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming our signatures as they may be signed by our said attorney to any and all amendments to said Registration Statement.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Eric B. Stang **Eric B. Stang**	President, Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)	June 15, 2015
/s/ Ravi Narula **Ravi Narula**	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	June 15, 2015
/s/ Alison Davis **Alison Davis**	Director	June 15, 2015
/s/ Andrew H. Galligan **Andrew H. Galligan**	Director	June 15, 2015
/s/ Peter J. Goettner **Peter J. Goettner**	Director	June 15, 2015
/s/ Russell Mann **Russell Mann**	Director	June 15, 2015

Table of Contents

Signature	Title	Date
/s/ Sean N. Parker **Sean N. Parker**	Director	June 15, 2015
/s/ William D. Pearce **William D. Pearce**	Director	June 15, 2015
/s/ James Wei **James Wei**	Director	June 15, 2015

EXHIBIT INDEX

Number	Description
1.1*	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation of Ooma, Inc., as currently in effect.
3.2*	Form of Amended and Restated Certificate of Incorporation of Ooma, Inc., to be in effect upon the completion of this offering.
3.3	Bylaws of Ooma, Inc., as currently in effect.
3.4	Form of Amended and Restated Bylaws of Ooma, Inc., to be in effect upon the completion of this offering.
4.1*	Specimen Common Stock Certificate.
4.2	Fourth Amended and Restated Investors' Rights Agreement by and among Ooma, Inc. and certain holders of its capital stock, dated as of April 24, 2015.
5.1*	Opinion of Orrick, Herrington & Sutcliffe LLP.
10.1+	2005 Stock Plan and forms of agreement thereunder.
10.2*+	2015 Equity Incentive Plan and forms of agreement thereunder.
10.3*+	2015 Employee Stock Purchase Plan and form of agreement thereunder.
10.4+	Executive Incentive Bonus Plan.
10.5+	Executive Change in Control and Severance Agreement by and between the Company and Eric B. Stang, effective as of June 9, 2015.
10.6+	Form of Executive Change in Control and Severance Agreement.
10.7+	Offer Letter by and between the Company and James A. Gustke, dated July 30, 2010.
10.8+	Form of Indemnification Agreement between Ooma, Inc. and each of its Officers and Directors.
10.9	Amended and Restated Loan and Security Agreement, dated December 17, 2012, by and between the Company and Silicon Valley Bank.
10.10.1	First Amendment to Amended and Restated Loan and Security Agreement, dated July 21, 2014, by and between the Company and Silicon Valley Bank.
10.10.2	Second Amendment to Amended and Restated Loan and Security Agreement, dated January 5, 2015, by and between the Company and Silicon Valley Bank.
10.11	Mezzanine Loan and Security Agreement, dated January 5, 2015, by and between the Company and Silicon Valley Bank.
10.12	Office Lease, effective December 1, 2012, by and between DP Ventures, LLC and the Company.
21.1	List of Subsidiaries.
23.1	Consent of Deloitte & Touche LLP.
23.2*	Consent of Orrick, Herrington & Sutcliffe LLP (included in Exhibit 5.1).
24.1	Power of Attorney (included in signature page).

* To be filed by amendment.
\+ Indicates a management or compensatory plan.

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION

OF

OOMA, INC.

The undersigned, Eric Stang, hereby certifies that:

1. The undersigned is the duly elected and acting President of ooma, Inc., a Delaware corporation.

2. The Certificate of Incorporation of this corporation was originally filed with the Secretary of State of Delaware on November 19, 2003, under the name of ExploreTel Communications, Inc.

3. The Certificate of Incorporation of this corporation shall be amended and restated to read in full as follows:

"**ARTICLE I**

The name of this corporation is Ooma, Inc. (the "Corporation").

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle, Zip Code 19801. The name of its registered agent at such address is The Corporation Trust Company.

ARTICLE III

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

ARTICLE IV

(A) **Classes of Stock**. The Corporation is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 48,034,820 shares, each with a par value of $0.0001 per share. 30,000,000 shares shall be Common Stock and 18,034,820 shares shall be Preferred Stock.

(B) **Rights, Preferences and Restrictions of Preferred Stock**. The Preferred Stock authorized by this Amended and Restated Certificate of Incorporation (the "Restated Certificate") may be issued from time to time in one or more series. 16,121,258 shares of Preferred Stock shall be designated "Series Alpha Preferred Stock", 970,292 shares of Preferred Stock shall be designated "Series Alpha-1 Preferred Stock" and 943,270 shares of Preferred Stock shall be designated "Series Beta Preferred Stock". The rights, preferences, privileges and restrictions granted to and imposed on the Series Alpha Preferred Stock, Series Alpha-1 Preferred Stock, and Series Beta Preferred Stock are as set forth below in this Article IV(B).

1. **Dividend Provisions**. The holders of shares of Preferred Stock shall be entitled to receive dividends on a pari passu basis, out of any assets legally available therefor, prior and in preference to any declaration or payment of any dividend (payable other than in Common Stock or other securities and rights convertible into or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock of the Corporation) on the Common Stock of the Corporation, at the rate of $0.1878 per share (as adjusted for stock splits, stock dividends, reclassification and the like) per annum on each outstanding share then held by them of Series Alpha Preferred Stock, $1.6070 per share (as adjusted for stock splits, stock dividends, reclassification and the like) per annum on each outstanding share then held by them of Series Alpha-1 Preferred Stock, and $0.8481 per share (as adjusted for stock splits, stock dividends, reclassification and the like) per annum on each outstanding share then held by them of Series Beta Preferred Stock; payable when, as and if declared by the Board of Directors of the Corporation (the "Board of Directors"). Such dividends shall not be cumulative. After payment of such dividends, any additional dividends shall be distributed among the holders of Preferred Stock and Common Stock pro rata based on the number of shares of Common Stock then held by each holder (assuming conversion of all such Preferred Stock into Common Stock).

2. **Liquidation**.

(a) **Series Alpha and Series Beta Preference**. In the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of Series Alpha Preferred Stock and Series Beta Preferred Stock shall be entitled to receive on a pari passu basis, prior and in preference to any distribution of any of the assets of the Corporation to the holders of Series Alpha-1 Preferred Stock or Common Stock, by reason of their ownership thereof, an amount per share equal to $2.3475 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each outstanding share of Series Alpha Preferred Stock then held by them and $10.6014 per share (as adjusted for stock splits, stock dividends, reclassification and the like) for each outstanding share of Series Beta Preferred Stock then held by them; plus any declared or accrued but unpaid dividends. If, upon the occurrence of such event, the assets and funds thus distributed among the holders of Series Alpha Preferred Stock and Series Beta Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amounts, then the entire assets and funds of the Corporation legally available for distribution shall be distributed ratably among the holders of Series Alpha Preferred Stock and Series Beta Preferred Stock in proportion to the preferential amount each such holder is otherwise entitled to receive.

(b) **Series Alpha-1 Preference.** Subject to the requirements of Section 2(a) above and the requirements of that certain Employment Agreement dated June 19, 2009, by and between the Corporation and Eric Stang, as in effect at any given time (a copy of which is on file with and may be obtained at no cost from the Secretary of the Corporation), in the event of any liquidation, dissolution or winding up of the Corporation, either voluntary or involuntary, the holders of Series Alpha-1 Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Corporation to the holders of Common Stock, by reason of their ownership thereof, an amount per share equal to $20.0870 per

share (as adjusted for stock splits, stock dividends, reclassification and the like) for each outstanding share of Series Alpha-1 Preferred Stock then held by them; plus any declared or accrued but unpaid dividends. If, upon the occurrence of such event, the assets and funds thus distributed among the holders of Series Alpha-1 Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amounts, then the entire assets and funds of the Corporation legally available for distribution pursuant to this Section 2(b) shall be distributed ratably among the holders of Series Alpha-1 Preferred Stock in proportion to the preferential amount each such holder is otherwise entitled to receive pursuant to this Section 2(b).

(c) **Remaining Assets**. Upon the completion of the distribution required by Sections 2(a) and 2(b) above, if assets remain in the Corporation, the holders of the Common Stock of the Corporation shall receive all of the remaining assets of the Corporation.

(d) **Deemed Conversion**. Notwithstanding the above, for purposes of determining the amount each holder of shares of Preferred Stock is entitled to receive with respect to a Liquidation Transaction, as defined below, each such holder of shares of a series of Preferred Stock shall be deemed to have converted (regardless of whether such holder actually converted) such holder's shares of such Preferred Stock into shares of Common Stock immediately prior to the Liquidation Transaction if, as a result of an actual conversion, such holder would receive, in the aggregate, an amount greater than the amount that would be distributed to such holder if such holder did not convert such series of Preferred Stock into shares of Common Stock. If any such holder shall be deemed to have converted shares of Preferred Stock into Common Stock pursuant to this paragraph, then such holder shall not be entitled to receive any distribution that would otherwise be made to holders of Preferred Stock that have not converted (or have not been deemed to have converted) into shares of Common Stock.

(e) **Certain Acquisitions**.

(i) **Deemed Liquidation.** For purposes of this Section 2, unless determined otherwise in a written notice to the Corporation by the holders of at least a majority of the outstanding shares of Preferred Stock voting together as a single class on an as converted to Common Stock basis, a liquidation, dissolution, or winding up of the Corporation shall be deemed to occur if the Corporation shall sell, convey, exclusively license or otherwise dispose of all or substantially all of its property or business or merge with or into or consolidate with any other corporation, limited liability company or other entity (other than a wholly-owned subsidiary of the Corporation) (any such transaction, including a liquidation, dissolution or winding up of the Corporation, a "Liquidation Transaction"), provided that none of the following shall be considered a Liquidation Transaction: (A) a merger effected exclusively for the purpose of changing the domicile of the Corporation, (B) an equity financing in which the Corporation is the surviving corporation, or (C) a transaction in which the stockholders of the Corporation immediately prior to the transaction own 50% or more of the voting power of the surviving corporation following the transaction. In the event of a merger or consolidation of the Corporation that is deemed pursuant to this section to be a Liquidation Transaction, all references in this Section 2 to "assets of the Corporation" shall be deemed instead to refer to the aggregate consideration to be paid to the holders of the Corporation's capital stock in such merger or consolidation. Nothing in this subsection 2(e)(i) shall require the distribution to stockholders of anything other than proceeds of such transaction in the event of a merger or consolidation of the Corporation.

(ii) **Valuation of Consideration**. In the event of a deemed liquidation as described in Section 2(e)(i) above, if the consideration received by the Corporation is other than cash, its value will be deemed its fair market value. Any securities shall be valued as follows:

(A) Securities not subject to investment letter or other similar restrictions on free marketability:

(1) If traded on a securities exchange, the value shall be based on a formula approved by the Board of Directors and derived from the closing prices of the securities on such exchange over the thirty-day period immediately preceding (but not including) the effective date of such Liquidation Transaction;

(2) If actively traded over-the-counter, the value shall be based on a formula approved by the Board of Directors and derived from the closing bid or sales prices (whichever is applicable) of such securities over the thirty-day period immediately preceding (but not including) the effective date of such Liquidation Transaction; and

(3) If there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board of Directors.

(B) The method of valuation of securities subject to investment letter or other restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate, or restrictions arising from a "market stand-off", "lock-up" or similar agreement with respect to such securities) shall be to make an appropriate discount from the market value determined as specified above in Section 2(e)(ii)(A) to reflect the approximate fair market value thereof, as determined in good faith by the Board of Directors.

(f) **Notice of Liquidation Transaction**. The Corporation shall give each holder of record of Preferred Stock written notice of any impending Liquidation Transaction not later than 10 days prior to the stockholders' meeting called to approve such Liquidation Transaction, or 10 days prior to the closing of such Liquidation Transaction, whichever is earlier, and shall also notify such holders in writing of the final approval of such Liquidation Transaction. The first of such notices shall describe the material terms and conditions of the impending Liquidation Transaction and the provisions of this Section 2, and the Corporation shall thereafter give such holders prompt notice of any material changes. Unless such notice requirements are waived, the Liquidation Transaction shall not take place sooner than 10 days after the Corporation has given the first notice provided for herein or sooner than 10 days after the Corporation has given notice of any material changes provided for herein. Notwithstanding the other provisions of this Restated Certificate, all notice periods or requirements in this Restated Certificate may be shortened or waived, either before or after the action for which notice is required, upon the written consent of the holders of a majority of the voting power of the outstanding shares of Preferred Stock that are entitled to such notice rights.

(g) **Effect of Noncompliance**. In the event the requirements of Section 2 are not complied with, the Corporation shall forthwith either cause the closing of the Liquidation Transaction to be postponed until the requirements of this Section 2 have been complied with, or cancel such Liquidation Transaction, in which event the rights, preferences, privileges and restrictions of the holders of Preferred Stock shall revert to and be the same as such rights, preferences, privileges and restrictions existing immediately prior to the date of the first notice referred to in Section 2(f).

3. **Redemption**. The Preferred Stock is not redeemable at the option of the holders of Preferred Stock.

4. **Conversion.** The holders of shares of Preferred Stock shall be entitled to conversion rights as follows (the "Conversion Rights"):

(a) **Right to Convert**. Subject to Section 4(c), each share Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing $2.3475 in the case of the Series Alpha Preferred Stock, $20.0870 in the case of the Series Alpha-1 Preferred Stock, and $10.6014 in the case of the Series Beta Preferred Stock, by the Conversion Price applicable to such shares, determined as hereafter provided, in effect on the date the certificate is surrendered for conversion (such ratio referred to herein as the "Conversion Ratio"). The initial Conversion Price per share shall be $2.3475 in the case of the Series Alpha Preferred Stock, $20.0870 in the case of the Series Alpha-1 Preferred Stock, and $10.6014 in the case of Series Beta Preferred Stock. Such initial Conversion Prices shall be subject to adjustment as set forth in Section 4(d) below.

(b) **Automatic Conversion**. Each share of Preferred Stock shall automatically be converted into shares of Common Stock at the Conversion Ratio then in effect for such share immediately upon the earlier of (i) except as provided below in Section 4(c), the Corporation's sale of its Common Stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act of 1933, as amended, at a public offering price per share (prior to any underwriting discounts and commissions) which values the Corporation on a fully diluted basis (assuming the conversion of all Preferred Stock, the exercise of all outstanding options and warrants and the issuance and exercise of all remaining unissued options under the Corporation's stockholder-approved stock plans) at not less than $100,000,000, and which results in aggregate cash proceeds to the Corporation of not less than $50,000,000 (prior to deduction of any underwriting discounts, commissions and registration expenses) (a "Qualified IPO") or (ii) upon a date, or upon the occurrence of an event, specified by vote or written consent of the holders of a majority of the then outstanding shares of Preferred Stock, voting together as a single class on an as-converted to Common Stock basis.

(c) **Mechanics of Conversion**. Before any holder of Preferred Stock shall be entitled to convert such Preferred Stock into shares of Common Stock, the holder shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for such series of Preferred Stock, and shall give written notice to the Corporation at its principal corporate office, of the election to convert the same and shall state

therein the name or names in which the certificate or certificates for shares of Common Stock are to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Preferred Stock, or to the nominee or nominees of such holder, a certificate or certificates for the number of shares of Common Stock to which such holder shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the shares of such series of Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock as of such date. If the conversion is in connection with a firm commitment underwritten public offering of securities, the conversion may, at the option of any holder tendering such Preferred Stock for conversion, be conditioned upon the closing of the sale of securities pursuant to such offering, in which event any persons entitled to receive Common Stock upon conversion of such Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities.

(d) **Conversion Price Adjustments of Preferred Stock for Splits and Combinations**. The Conversion Price of the Preferred Stock shall be subject to adjustment from time to time as follows:

(i) **Stock Splits and Dividends**. In the event the Corporation should at any time after the filing date of this Restated Certificate (the "Filing Date") fix a record date for the effectuation of a split or subdivision of the outstanding shares of Common Stock or the determination of holders of Common Stock entitled to receive a dividend or other distribution payable in additional shares of Common Stock or other securities or rights convertible into, or entitling the holder thereof to receive directly or indirectly, additional shares of Common Stock (hereinafter referred to as "Common Stock Equivalents") without payment of any consideration by such holder for the additional shares of Common Stock or the Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of such record date (or the date of such dividend distribution, split or subdivision if no record date is fixed), the Conversion Price of each series of Preferred Stock that is convertible into Common Stock shall be appropriately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase of the aggregate number of shares of Common Stock outstanding and those issuable with respect to such Common Stock Equivalents with the number of shares issuable with respect to Common Stock Equivalents determined from time to time in the manner provided for deemed issuances in Section 4(d)(ii).

(ii) **Deemed Issuances of Common Stock**. The following provisions shall apply for purposes of this Section 4(d).

(A) The aggregate maximum number of shares of Common Stock deliverable upon conversion, exchange or exercise (assuming the satisfaction of any conditions to convertibility, exchangeability or exercisability, including, without limitation, the passage of time, but without taking into account potential antidilution adjustments) of any Common Stock Equivalents and subsequent conversion, exchange or exercise thereof shall be deemed to have been issued at the time such securities were issued or such Common Stock Equivalents were issued.

(B) In the event of any change in the number of shares of Common Stock deliverable or in the consideration payable to the Corporation upon conversion, exchange or exercise of any Common Stock Equivalents, other than a change resulting from the antidilution provisions thereof, the Conversion Price of any series of Preferred Stock, to the extent in any way affected by or computed using such Common Stock Equivalents, shall be recomputed to reflect such change, but no further adjustment shall be made for the actual issuance of Common Stock or any payment of such consideration upon the conversion, exchange or exercise of such Common Stock Equivalents.

(C) Upon the termination or expiration of the convertibility, exchangeability or exercisability of any Common Stock Equivalents, the Conversion Price of any series of Preferred Stock, to the extent in any way affected by or computed using such Common Stock Equivalents, shall be recomputed to reflect the issuance of only the number of shares of Common Stock (and Common Stock Equivalents that remain convertible, exchangeable or exercisable) actually issued upon the conversion, exchange or exercise of such Common Stock Equivalents.

(iii) **Reverse Stock Splits**. If the number of shares of Common Stock outstanding at any time after the Filing Date is decreased by a combination of the outstanding shares of Common Stock, then, following the record date of such combination, the Conversion Price for each series of Preferred Stock that is convertible into Common Stock shall be appropriately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in outstanding shares.

(e) **Special Conversion Price Adjustments**. Without limiting the provisions of Section 4(d) above, the Conversion Price of the Series Beta Preferred Stock shall be subject to adjustment from time to time as follows:

(i) **Liquidation Transaction**. In the event the Corporation should at any time after the Filing Date consummate a Liquidation Transaction in which the Conversion Price for the Series B Preferred Stock then in effect is greater than seventy-five percent (75%) of the average initial consideration per share payable to the holders of Common Stock in connection with such Liquidation Transaction, in each case without taking into account the effect of this Section 4(e)(i), then the Conversion Price for the Series Beta Preferred Stock in effect immediately prior to the consummation of such Liquidation Transaction shall be automatically adjusted to a new Conversion Price, which shall be equal to seventy-five percent (75%) of the average initial consideration per share payable to the holders of the Common Stock upon such Liquidation Transaction.

(ii) **Qualified IPO**. In the event the Corporation should at any time after the Filing Date consummate a Qualified IPO in which the Conversion Price for the Series B Preferred Stock then in effect is greater than seventy-five percent (75%) of the initial public offering price per share of Common Stock issued in connection with such Qualified IPO, in any case without taking into account the effect of this Section 4(e), then the Conversion Price for the Series Beta Preferred Stock in effect immediately prior to the consummation of the Qualified IPO shall be automatically adjusted to a new Conversion Price, which shall be equal to seventy-five percent (75%) of the initial public offering price per share of Common Stock issued in connection with such Qualified IPO.

(f) **Other Distributions**. In the event the Corporation shall declare a distribution payable in securities of other persons, evidences of indebtedness issued by the Corporation or other persons, assets (excluding cash dividends) or options or rights not referred to in Section 4(d)(i), then, in each such case for the purpose of this Section 4(f), the holders of each series of Preferred Stock that is convertible into Common Stock shall be entitled to a proportionate share of any such distribution as though they were the holders of the number of shares of Common Stock of the Corporation into which their shares of Preferred Stock are convertible as of the record date fixed for the determination of the holders of Common Stock of the Corporation entitled to receive such distribution.

(g) **Recapitalizations**. If at any time or from time to time there shall be a recapitalization of the Common Stock (other than a subdivision, combination or merger or sale of assets transaction provided for elsewhere in Section 2 or this Section 4) provision shall be made so that the holders of each series of Preferred Stock that is convertible into Common Stock shall thereafter be entitled to receive upon conversion of such Preferred Stock the number of shares of stock or other securities or property of the Corporation or otherwise, to which a holder of Common Stock deliverable upon conversion would have been entitled on such recapitalization. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4 with respect to the rights of the holders of such Preferred Stock after the recapitalization to the end that the provisions of this Section 4 (including adjustment of the Conversion Price then in effect and the number of shares issuable upon conversion of such Preferred Stock) shall be applicable after that event and be as nearly equivalent as practicable.

(h) **No Fractional Shares and Certificate as to Adjustments**.

(i) No fractional shares shall be issued upon the conversion of any share or shares of Preferred Stock, and the number of shares of Common Stock to be issued shall be rounded down to the nearest whole share. The number of shares issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the number of shares of Common Stock issuable upon such aggregate conversion. If the conversion would result in any fractional share, the Corporation shall, in lieu of issuing any such fractional share, pay the holder thereof an amount in cash equal to the fair market value of such fractional share on the date of conversion, as determined in good faith by the Board of Directors.

(ii) Upon the occurrence of each adjustment or readjustment of the Conversion Price of Preferred Stock pursuant to this Section 4, the Corporation, at its expense, shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of such Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of such Preferred Stock, furnish or cause to be furnished to such holder a like certificate setting forth (A) such adjustment and readjustment, (B) the Conversion Price for such series of Preferred Stock at the time in effect, and (C) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of a share of such series of Preferred Stock.

(i) **Notices of Record Date**. In the event of any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend (other than a cash dividend) or other distribution, any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities or property, or to receive any other right, the Corporation shall mail to each holder of Preferred Stock, at least 10 days prior to the date specified therein, a notice specifying the date on which any such record is to be taken for the purpose of such dividend, distribution or right, and the amount and character of such dividend, distribution or right.

(j) **Reservation of Stock Issuable Upon Conversion**. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of each series of Preferred Stock that is convertible into Common Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of such series of Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of such series of Preferred Stock, in addition to such other remedies as shall be available to the holder of such Preferred Stock, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate.

(k) **Notices**. Any notice required by the provisions of this Section 4 to be given to the holders of shares of Preferred Stock shall be deemed given if deposited in the U.S. mail, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Corporation.

5. **Voting Rights**.

(a) Except as expressly provided by this Restated Certificate or as provided by law, the holders of Preferred Stock shall have the same voting rights as the holders of the Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation, and the holders of Common Stock and the holders of Preferred Stock shall vote together as a single class on all matters. Each holder of Common Stock shall be entitled to one vote for each share of Common Stock held, and each holder of Preferred Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Preferred Stock could be converted. Fractional votes shall not, however, be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward).

(b) With respect to the election of directors, the holders of the Series Alpha Preferred Stock, voting as a separate class, shall be entitled to elect three (3) members of the Board of Directors of the Corporation; the holders of the Common Stock, voting as a separate class, shall be entitled to elect one (1) member of the Board of Directors of the Corporation; and the holders of the Preferred Stock and the Common Stock, voting together as a single class on an as-converted basis, shall be entitled to elect all remaining members of the Board of Directors of the Corporation. Notwithstanding the provisions of Section 223(a)(1) and 223(a)(2) of the Delaware General Corporation Law, any vacancy, including newly created directorships resulting from any increase in the authorized number of directors or amendment of this Restated Certificate, and vacancies created by removal or resignation of a director, may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced; provided, however, that where such vacancy occurs among the directors elected by the holders of a class or series of stock, the holders of shares of such class or series may override the Board of Director's action to fill such vacancy by voting for their own designee to fill such vacancy (i) at a meeting of the Corporation's stockholders or (ii) pursuant to a written consent, if the consenting stockholders hold a sufficient number of shares to elect their designee at a meeting of the stockholders. Any director may be removed during his or her term of office, either with or without cause, by, and only by, the affirmative vote of the holders of the shares of the class or series of stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders, and any vacancy thereby created may be filled by the holders of that class or series of stock represented at the meeting or pursuant to written consent.

6. **Protective Provisions**. So long as at least 1,000,000 shares (as adjusted for stock splits, stock dividends, reclassification and the like) of Preferred Stock are outstanding, the Corporation shall not (by amendment, merger, consolidation or otherwise) without first obtaining the approval (by vote or written consent, as provided by law) of the holders of a majority of the outstanding shares of Preferred Stock voting together as a single class:

(a) effect a Liquidation Transaction;

(b) alter or change the rights, preferences or privileges of the Series Alpha Preferred Stock, Series Alpha-1 Preferred Stock or Series Beta Preferred Stock so as to affect adversely the shares of such series;

(c) declare or pay a dividend or other distribution with respect to any shares of the Corporation's capital stock;

(d) redeem, purchase or otherwise acquire (or pay into or set aside funds for a sinking fund for such purpose) any share or shares of Preferred Stock or Common Stock; provided, however, that this restriction shall not apply to the repurchase of shares of Common Stock from employees, officers, directors, consultants or other persons performing services for the Corporation or any subsidiary pursuant to agreements under which the Corporation has the option to repurchase such shares upon the occurrence of certain events, such as the termination of employment, or through the exercise of any right of first refusal;

(e) create, authorize or issue any debt security if the aggregate indebtedness of the Company and its subsidiaries for borrowed money following such action would exceed $100,000 without the approval of the Board of Directors, including a majority of the members of the Board of Directors elected and/or designated by the holders of Preferred Stock;

(f) change the number of authorized directors unless approved by the Board of Directors, including a majority of the members of the Board of Directors elected and/or designated by the holders of Preferred Stock;

(g) amend, alter or repeal any provision of the Certificate of Incorporation or Bylaws of the Corporation in a manner that materially adversely affects the holders of the Series Alpha Preferred Stock, Series Alpha-1 Preferred Stock or Series Beta Preferred Stock;

(h) increase or decrease (other than by conversion) the total number of authorized shares of Common Stock, Series Alpha Preferred Stock, Series Alpha-1 Preferred Stock or Series Beta Preferred Stock; or

(i) authorize or issue, or obligate itself to issue, any other equity security (other than any series of Preferred Stock authorized by this Restated Certificate), including any security convertible into or exercisable for any equity security, having a preference over, or being on a parity with, the series of Preferred Stock authorized by this Restated Certificate with respect to voting (other than the pari passu voting rights of Common Stock), dividends, redemption, conversion or upon liquidation.

7. **Status of Converted Stock**. In the event any shares of Preferred Stock shall be converted pursuant to Section 4 hereof, the shares so converted shall be cancelled and shall not be issuable by the Corporation. This Restated Certificate shall be appropriately amended to effect the corresponding reduction in the Corporation's authorized capital stock.

(C) **Common Stock**.

1. **Dividend Rights**. Subject to the prior rights of holders of all classes of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any assets of the Corporation legally available therefor, such dividends as may be declared from time to time by the Board of Directors.

2. **Liquidation Rights.** Upon the liquidation, dissolution or winding up of the Corporation, or the occurrence of a Liquidation Transaction, the assets of the Corporation shall be distributed as provided in Section 2 of Article IV(B).

3. **Redemption.** The Common Stock is not redeemable at the option of the holders of Common Stock.

4. **Voting Rights.** Each holder of Common Stock shall have the right to one vote per share of Common Stock, and shall be entitled to notice of any stockholders' meeting in

accordance with the Bylaws of the Corporation, and shall be entitled to vote upon such matters and in such manner as may be provided by law. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of shares of stock of the Corporation representing a majority of the votes represented by all outstanding shares of stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the Delaware General Corporation Law.

ARTICLE V

Except as otherwise set forth herein, the Board of Directors of the Corporation is expressly authorized to make, alter or repeal Bylaws of the Corporation.

ARTICLE VI

Elections of directors need not be by written ballot unless otherwise provided in the Bylaws of the Corporation.

ARTICLE VII

Distributions by the Corporation may be made without regard to "preferential dividends arrears amount" or any "preferential rights," as such terms may be used in Section 500 of the California Corporations Code.

ARTICLE VIII

(A) To the fullest extent permitted by the Delaware General Corporation Law, as the same exists or as may hereafter be amended, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director.

(B) The Corporation shall indemnify to the fullest extent permitted by law any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he, his testator or intestate is or was a director or officer of the Corporation or any predecessor of the Corporation, or serves or served at any other enterprise as a director or officer at the request of the Corporation or any predecessor to the Corporation.

Neither any amendment nor repeal of this Article VIII, nor the adoption of any provision of the Corporation's Certificate of Incorporation inconsistent with this Article VIII, shall eliminate or reduce the effect of this Article VIII in respect of any matter occurring, or any action or proceeding accruing or arising or that, but for this Article VIII, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision."

ARTICLE IX

Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (A) any

derivative action or proceeding brought on behalf of the Corporation, (B) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any director, officer, employee or agent of the Corporation to the Corporation or the Corporation's stockholders, (C) any action or proceeding asserting a claim against the Corporation arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's Certificate of Incorporation or Bylaws, or (D) any action or proceeding asserting a claim governed by the internal affairs doctrine, in each case subject to said Court of Chancery having personal jurisdiction over the indispensable parties named as defendants therein."

* * *

The foregoing Amended and Restated Certificate of Incorporation has been duly adopted by this corporation's Board of Directors and stockholders in accordance with the applicable provisions of Sections 228, 242 and 245 of the Delaware General Corporation Law.

Executed at Palo Alto, California, on April 21, 2015.

/s/ Eric Stang
Eric Stang, President

SIGNATURE PAGE TO THE AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF OOMA, INC.

Exhibit 3.3

BYLAWS OF

EXPLORE, INC.

ARTICLE I — MEETINGS OF STOCKHOLDERS

1.1 ***Place of Meetings***. Meetings of stockholders of Explore, Inc. (the "**Company**") shall be held at any place, within or outside the State of Delaware, designated by the Company's board of directors (the "**Board**"). The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law (the "**DGCL**"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Company's principal executive office.

1.2 ***Annual Meeting***. An annual meeting of stockholders shall be held for the election of directors at such date and time as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting. The Company shall not be required to hold an annual meeting of stockholders provided that (i) the stockholders are permitted to act by written consent under the Company's certificate of incorporation and these bylaws, (ii) the stockholders take action by written consent to elect directors and (iii) the stockholders unanimously consent to such action or, if such consent is less than unanimous, all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

1.3 ***Special Meeting***. A special meeting of the stockholders may be called at any time by the Board, chairperson of the Board, chief executive officer or president (in the absence of a chief executive officer) or by one or more stockholders holding shares in the aggregate entitled to cast not less than 10% of the votes at that meeting.

If any person(s) other than the Board calls a special meeting, the request shall:

(i) be in writing;

(ii) specify the time of such meeting and the general nature of the business proposed to be transacted; and

(iii) be delivered personally or sent by registered mail or by facsimile transmission to the chairperson of the Board, the chief executive officer, the president (in the absence of a chief executive officer) or the secretary of the Company.

The officer(s) receiving the request shall cause notice to be promptly given to the stockholders entitled to vote at such meeting, in accordance with the provisions of **Sections 1.4** and **1.5** of these bylaws, that a meeting will be held at the time requested by the person or persons calling the meeting. No business may be transacted at such special meeting other than the business specified in such notice to stockholders. Nothing contained in this paragraph of this **Section 1.3** shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board may be held.

1.4 ***Notice of Stockholders' Meetings***. All notices of meetings of stockholders shall be sent or otherwise given in accordance with either **Section 1.5** or **Section 7.1** of these bylaws not less than 10 or more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, if any, date and hour of the meeting, the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

1.5 ***Manner of Giving Notice; Affidavit of Notice***. Notice of any meeting of stockholders shall be given:

(i) if mailed, when deposited in the United States mail, postage prepaid, directed to the stockholder at his or her address as it appears on the Company's records; or

(ii) if electronically transmitted as provided in **Section 7.1** of these bylaws.

An affidavit of the secretary or an assistant secretary of the Company or of the transfer agent or any other agent of the Company that the notice has been given by mail or by a form of electronic transmission, as applicable, shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

1.6 ***Quorum***. Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. If, however, such quorum is not present or represented at any meeting of the stockholders, then either (i) the chairperson of the meeting, or (ii) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented.

1.7 ***Adjourned Meeting; Notice***. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of the adjourned meeting if the time, place if any thereof, and the means of remote communications if any by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the continuation of the adjourned meeting, the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

1.8 ***Conduct of Business***. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his or her absence by the Vice Chairman of the Board, if any, or in his or her absence by the President, or in his or her absence by a Vice President, or in the absence of the foregoing persons by a chairperson designated by the Board of Directors, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act

as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting. The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business.

1.9 ***Voting***. The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of **Section 1.11** of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation or these bylaws, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder. Voting at meetings of stockholders need not be by written ballot and need not be conducted by inspectors of election unless so determined by the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote thereon which are present in person or by proxy at such meeting. At all meetings of stockholders for the election of directors a plurality of the votes cast shall be sufficient to elect. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these bylaws, be decided by the vote of the holders of shares of stock having a majority of the votes which could be cast by the holders of all shares of stock entitled to vote thereon which are present in person or represented by proxy at the meeting.

1.10 ***Stockholder Action by Written Consent Without a Meeting***. Unless otherwise provided in the certificate of incorporation, any action required by the DGCL to be taken at any annual or special meeting of stockholders of a corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Company as provided in Section 228 of the DGCL. In the event that the action which is consented to is such as would have required the filing of a certificate under any provision of the DGCL, if such action had been voted on by stockholders at a meeting thereof, the certificate filed under such provision shall state, in lieu of any statement required by such provision concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

1.11 ***Record Date for Stockholder Notice; Voting; Giving Consents***. In order that the Company may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and which record date:

(i) in the case of determination of stockholders entitled to notice of or to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting;

(ii) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors; and

(iii) in the case of determination of stockholders for any other action, shall not be more than sixty days prior to such other action.

If no record date is fixed by the Board of Directors:

(i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;

(ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Company in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and

(iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

1.12 ***Proxies***. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL.

1.13 ***List of Stockholders Entitled to Vote***. The officer who has charge of the stock ledger of the Company shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in

alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Company shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least 10 days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the Company's principal executive office. In the event that the Company determines to make the list available on an electronic network, the Company may take reasonable steps to ensure that such information is available only to stockholders of the Company. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Such list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

ARTICLE II — DIRECTORS

2.1 ***Powers***. Subject to the provisions of the DGCL and any limitations in the certificate of incorporation or these bylaws relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the Company shall be managed and all corporate powers shall be exercised by or under the direction of the Board.

2.2 ***Number of Directors***. The number of directors shall be determined from time to time by resolution of the Board, provided the Board shall consist of at least one member. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

2.3 ***Election, Qualification and Term of Office of Directors***. Except as provided in **Section 2.4** of these bylaws, directors shall be elected at each annual meeting of stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation or these bylaws may prescribe other qualifications for directors. Each director, including a director elected to fill a vacancy, shall hold office until such director's successor is elected and qualified or until such director's earlier death, resignation or removal.

2.4 ***Resignation and Vacancies***. Any director may resign at any time upon notice given in writing or by electronic transmission to the Company. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this Section in the filling of other vacancies.

Unless otherwise provided in the certificate of incorporation or these bylaws:

(i) Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

(ii) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

If at any time, by reason of death or resignation or other cause, the Company should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the DGCL.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole Board (as constituted immediately prior to any such increase), then the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the DGCL as far as applicable.

2.5 ***Place of Meetings; Meetings by Telephone***. The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

2.6 ***Regular Meetings***. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board.

2.7 ***Special Meetings; Notice***.

Special meetings of the Board for any purpose or purposes may be called at any time by the chairperson of the Board, the chief executive officer, the president, the secretary or any two directors.

Notice of the time and place of special meetings shall be:

(i) delivered personally by hand, by courier or by telephone;

(ii) sent by United States first-class mail, postage prepaid;

(iii) sent by facsimile; or

(iv) sent by electronic mail,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the Company's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least 24 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the Company's principal executive office) nor the purpose of the meeting.

2.8 ***Quorum***. At all meetings of the Board, a majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

2.9 ***Board Action by Written Consent Without a Meeting***. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

2.10 ***Fees and Compensation of Directors***. Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board shall have the authority to fix the compensation of directors.

2.11 ***Approval of Loans to Officers***. The Company may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the Company or of its subsidiary, including any officer or employee who is a director of the Company or its subsidiary, whenever, in the judgment of the Board, such loan, guaranty or assistance may reasonably be expected to benefit the Company. The loan, guaranty or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board shall approve, including, without limitation, a pledge of shares of stock of the Company.

2.12 ***Removal of Directors***. Unless otherwise restricted by statute, the certificate of incorporation or these bylaws, any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

ARTICLE III — COMMITTEES

3.1 ***Committees of Directors***. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Company. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Company,

3.2 ***Committee Minutes***. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

3.3 ***Meetings and Action of Committees***. Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(i) **Section 2.5** (place of meetings and meetings by telephone);

(ii) **Section 2.6** (regular meetings);

(iii) **Section 2.7** (special meetings and notice);

(iv) **Section 2.8** (quorum);

(v) **Section 6.10** (waiver of notice); and

(vi) **Section 2.9** (action without a meeting)

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However*:

(i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;

(ii) special meetings of committees may also be called by resolution of the Board; and

(iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

ARTICLE IV — OFFICERS

4.1 ***Officers***. The officers of the Company shall be a president and a secretary. The Company may also have, at the discretion of the Board, a chairperson of the Board, a vice chairperson of the Board, a chief executive officer, a chief financial officer or treasurer, one or more vice presidents, one or more assistant vice presidents, one or more assistant treasurers, one or more assistant secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

4.2 ***Appointment of Officers***. The Board shall appoint the officers of the Company, except such officers as may be appointed in accordance with the provisions of **Sections 4.3** and **4.5** of these bylaws, subject to the rights, if any, of an officer under any contract of employment.

4.3 ***Subordinate Officers***. The Board may appoint, or empower the chief executive officer or, in the absence of a chief executive officer, the president, to appoint, such other officers and agents as the business of the Company may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

4.4 ***Removal and Resignation of Officers***. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

4.5 ***Vacancies in Offices***. Any vacancy occurring in any office of the Company shall be filled by the Board or as provided in **Section 4.2**.

4.6 ***Representation of Shares of Other Corporations***. The chairperson of the Board, the president, any vice president, the treasurer, the secretary or assistant secretary of the Company, or any other person authorized by the Board or the president or a vice president, is

authorized to vote, represent, and exercise on behalf of the Company all rights incident to any and all shares of any other corporation or corporations standing in the name of the Company. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

4.7 ***Authority and Duties of Officers***. All officers of the Company shall respectively have such authority and perform such duties in the management of the business of the Company as may be designated from time to time by the Board or the stockholders and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

ARTICLE V — RECORDS AND REPORTS

5.1 ***Maintenance and Inspection of Records***. The Company shall, either at its principal executive office or at such place or places as designated by the Board, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these bylaws as amended to date, accounting books, and other records.

Any stockholder of record, in person or by attorney or other agent, shall, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose the Company's stock ledger, a list of its stockholders, and its other books and records and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person's interest as a stockholder. In every instance where an attorney or other agent is the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing that authorizes the attorney or other agent so to act on behalf of the stockholder. The demand under oath shall be directed to the Company at its registered office in Delaware or at its principal executive office.

5.2 ***Inspection by Directors***. Any director shall have the right to examine the Company's stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the Company to permit the director to inspect any and all books and records, the stock ledger, and the stock list and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

5.3 ***Annual Report***. The Company shall cause an annual report to be sent to the stockholders of the Company to the extent required by applicable law. If and so long as there are fewer than 100 holders of record of the Company's shares, the requirement of sending of an annual report to the stockholders of the Company is expressly waived (to the extent permitted under applicable law).

ARTICLE VI — GENERAL MATTERS

6.1 ***Stock Certificates; Partly Paid Shares***. The shares of the Company shall be represented by certificates, provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Company. Notwithstanding the adoption of such a resolution by the Board, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed by, or in the name of the Company by the chairperson or vice-chairperson of the Board, or the president or vice-president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the Company representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

The Company may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, upon the books and records of the Company in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Company shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

6.2 ***Special Designation on Certificates***. If the Company is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Company shall issue to represent such class or series of stock; *provided*, *however*, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Company shall issue to represent such class or series of stock a statement that the Company will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

6.3 ***Lost Certificates***. Except as provided in this **Section 6.3**, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Company and cancelled at the same time. The Company may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Company may require the owner of the lost, stolen or destroyed certificate, or such owner’s legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 ***Construction; Definitions***. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

6.5 ***Dividends***. The Board, subject to any restrictions contained in either (i) the DGCL, or (ii) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the Company's capital stock.

The Board may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Company, and meeting contingencies.

6.6 ***Fiscal Year***. The fiscal year of the Company shall be fixed by resolution of the Board and may be changed by the Board.

6.7 ***Seal***. The Company may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The Company may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

6.8 ***Stock Transfer Agreements***. The Company shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Company to restrict the transfer of shares of stock of the Company of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

6.9 ***Registered Stockholders***. The Company:

(i) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner;

(ii) shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares; and

(iii) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

6.10 ***Waiver of Notice***. Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of

such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

ARTICLE VII — NOTICE BY ELECTRONIC TRANSMISSION

7.1 ***Notice by Electronic Transmission***. Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation or these bylaws, any notice to stockholders given by the Company under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any such consent shall be deemed revoked if:

(i) the Company is unable to deliver by electronic transmission two consecutive notices given by the Company in accordance with such consent; and

(ii) such inability becomes known to the secretary or an assistant secretary of the Company or to the transfer agent, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given:

(i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice;

(iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and

(iv) if by any other form of electronic transmission, when directed to the stockholder.

An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the Company that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

7.2 ***Definition of Electronic Transmission***. An "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

7.3 ***Inapplicability***. Notice by a form of electronic transmission shall not apply to Sections 164, 296, 311, 312 or 324 of the DGCL.

ARTICLE VIII — INDEMNIFICATION

8.1 ***Indemnification of Directors and Officers***. The Company shall indemnify and hold harmless, to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any director or officer of the Company who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director, officer, employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person in connection with any such Proceeding. The Company shall be required to indemnify a person in connection with a Proceeding initiated by such person only if the Proceeding was authorized by the Board.

8.2 ***Indemnification of Others***. The Company shall have the power to indemnify and hold harmless, to the extent permitted by applicable law as it presently exists or may hereafter be amended, any employee or agent of the Company who was or is made or is threatened to be made a party or is otherwise involved in any Proceeding by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was an employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person in connection with any such Proceeding.

8.3 ***Prepayment of Expenses***. The Company shall pay the expenses incurred by any officer or director of the Company, and may pay the expenses incurred by any employee or agent of the Company, in defending any Proceeding in advance of its final disposition; provided, however, that the payment of expenses incurred by a person in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the person to repay all amounts advanced if it should be ultimately determined that the person is not entitled to be indemnified under this **Article VIII** or otherwise.

8.4 ***Determination; Claim***. If a claim for indemnification or payment of expenses under this **Article VIII** is not paid in full within sixty days after a written claim therefor has been received by the Company the claimant may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Company shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

8.5 ***Non-Exclusivity of Rights***. The rights conferred on any person by this **Article VIII** shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

8.6 ***Insurance***. The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Company would have the power to indemnify him or her against such liability under the provisions of the DGCL.

8.7 ***Other Indemnification***. The Company's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or non-profit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

8.8 ***Amendment Or Repeal***. Any repeal or modification of the foregoing provisions of this **Article VIII** shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE IX — AMENDMENTS

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote. However, the Company may, in its certificate of incorporation, confer the power to adopt, amend or repeal bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

CERTIFICATE OF AMENDMENT

OF BYLAWS OF

OOMA, INC.

The undersigned, Andrew Frame, hereby certifies that:

1. I am the duly elected and incumbent Secretary of Ooma, Inc., a Delaware corporation (the "Company").

2. By action of the Board of Directors of the Company pursuant to an Action by Unanimous Written Consent of the Board of Directors dated April 26, 2005, the Bylaws of the Company were amended so that the following Article X was added to the Bylaws:

"ARTICLE X – RIGHT OF FIRST REFUSAL

No stockholder shall sell, assign, pledge or in any manner transfer any of the shares of Common Stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise, except by a transfer which meets the requirements hereinafter set forth in this Article X.

9.1 If the stockholder receives from anyone a bona fide offer acceptable to the stockholder to purchase any of its shares of Common Stock, then the stockholder shall first give written notice thereof to the Company. The notice shall name the proposed transferee and state the number of shares to be transferred, the price per share and all other terms and conditions of the offer.

9.2 For ten (10) days following receipt of such notice, the Company shall have the option to purchase all (but not less than all) the shares specified in the notice at the price and upon the teams set forth in such bona fide offer. In the event the Company elects to purchase all the shares, it shall give written notice to the selling stockholder of its election and settlement for said shares shall be made as provided below in Section 10.3.

9.3 In the event the Company elects to acquire the shares of the selling stockholder as specified in said selling stockholder's notice, the Secretary of the Company shall so notify the selling stockholder and settlement thereof shall be made in cash within fifteen (15) days after the Secretary of the Company receives said selling stockholder's notice; provided that if the terms of payment set forth in said selling stockholder's notice were other than cash against delivery, the Company shall pay for said shares on the same terms and conditions set forth in said selling stockholder's notice.

9.4 In the event the Company does not elect to acquire all of the shares specified in the selling stockholder's notice, said selling stockholder may, within a sixty-day period following the expiration of the option rights granted to the Company herein, sell elsewhere the shares specified in said selling stockholder's notice which were not acquired by the Company, in accordance with the provisions of Section 10.3, provided that said sale shall not be on terms and conditions more favorable to the purchaser than those contained in the bona fide offer set forth in said selling stockholder's notice. All shares so sold by said selling stockholder shall continue to be subject to the provisions of this Article X in the same manner as before said transfer.

9.5 Anything to the contrary contained herein notwithstanding, the following transactions shall be exempt from the provisions of this Article X:

(a) A stockholder's transfer of any or all shares held either during such stockholder's lifetime or on death by will or intestacy to such stockholder's immediate family. "Immediate family" as used herein shall mean spouse, lineal descendant, father, mother, brother, or sister of the stockholder making such transfer and shall include any trust established primarily for the benefit of the stockholder or his immediate family.

(b) A stockholder's bona fide pledge or mortgage of any shares with a commercial lending institution, provided that any subsequent transfer of said shares by said institution shall be conducted in the manner set forth in this Article X.

(c) A stockholder's transfer of any or all of such stockholder's shares to the Company.

(d) A corporate stockholder's transfer of any or all of its shares to an affiliate thereof or pursuant to and in accordance with the terms of any merger, consolidation, or reclassification of shares or capital reorganization of the corporate stockholder.

(e) A corporate stockholder's transfer of any or all of its shares to any or all of its stockholders.

(f) A transfer by a stockholder which is limited or general partnership to any or all of its partners or retired partners, or to any such partner's or retired partner's estate.

In any such case, the transferee, assignee or other recipient shall receive and hold such stock subject to the provisions of this Article X, and there shall be no further transfer of such stock except in accordance with this Article X.

9.6 The provisions of this Article X may be waived with respect to any transfer either by the Company, upon duly authorized action of the Board of Directors, or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the Company (excluding the votes represented by those shares to be sold by the selling stockholder).

9.7 Any sale or transfer, or purported sale or transfer, of securities of the corporation shall be null and void unless the teens, conditions, and provisions of this Article X are strictly observed and followed.

9.8 The foregoing right of first refusal shall automatically terminate upon the date securities of the Company are first offered to the public pursuant to a registration statement filed with, and declared effective by, the United States Securities and Exchange Commission under the Securities Act of 1933, as amended.

9.9 The Company shall place an appropriate legend on all certificates for its shares referring to the provisions of this Article X restricting the transfer of shares."

3. The matters set forth in this certificate are true and correct of my own knowledge.

Date: _____

/s/ Andrew Frame
Andrew Frame
Secretary

AMENDED AND RESTATED BYLAWS

OF

OOMA, INC.

as of [ ], 2015

TABLE OF CONTENTS

AMENDED AND RESTATED BYLAWS

OF

OOMA, INC.

ARTICLE I

CORPORATE OFFICES

1.1 REGISTERED OFFICE.

The registered office of the Corporation shall be fixed in the Corporation's Certificate of Incorporation, as the same may be amended from time to time. References in these Bylaws to the Certificate of Incorporation shall mean the Certificate of Incorporation of the Corporation, as amended from time to time, including the terms of any Certificate of Designations of any series of preferred stock.

1.2 OTHER OFFICES.

The Board of Directors may at any time establish other offices, and keep the books and records of the Corporation, except as may otherwise be required by law, at any place or places where the Corporation is qualified to do business.

ARTICLE II

MEETINGS OF STOCKHOLDERS

2.1 PLACE OF MEETINGS.

Meetings of stockholders shall be held at any place, within or outside the State of Delaware, designated by the Board of Directors (or the chairperson of the Board of Directors in the absence of a designation by the Board of Directors). The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (the "DGCL"). In the absence of any such designation, stockholders' meetings shall be held at the registered office of the Corporation.

2.2 ANNUAL MEETING.

The annual meeting of stockholders shall be held each year on a date and at a time designated by resolution of the Board of Directors and stated in the Corporation's notice of the meeting. The meeting shall be for the election of directors to succeed those whose terms expire and for the transaction of such business as may properly come before the meeting. The Board of Directors may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

2.3 SPECIAL MEETING.

(i) Subject to the rights of the holders of the shares of any series of preferred stock that have been expressly granted the right to call a special meeting of the holders of such series, a special meeting of the stockholders, other than those required by statute, may be called at any time by (A) the

Board of Directors, (B) the chairperson of the Board of Directors, (C) the chief executive officer or (D) the president (in the absence of the chief executive officer). Special meetings of stockholders may not be called by any other person or persons. The Board of Directors may postpone, reschedule or cancel any special meeting of stockholders at any time, before or after the notice for such meeting has been sent to the stockholders.

(ii) The notice of a special meeting shall include the purpose for which the meeting is called. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting by or at the direction of the Board of Directors, the chairperson of the Board of Directors, the chief executive officer or the president (in the absence of a chief executive officer). Nothing contained in this Section 2.3(ii) shall be construed as limiting, fixing or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

2.4 ADVANCE NOTICE PROCEDURES.

(i) *Advance Notice of Stockholder Business*. At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be brought: (A) pursuant to the Corporation's proxy materials with respect to such meeting, (B) by or at the direction of the Board of Directors, or (C) by a stockholder of the Corporation who (1) is a stockholder of record at the time of the giving of the notice required by this Section 2.4(i) and on the record date for the determination of stockholders entitled to vote at the annual meeting and (2) has timely complied in proper written form with the notice procedures set forth in this Section 2.4(i). In addition, for business to be properly brought before an annual meeting by a stockholder, such business must be a proper matter for stockholder action pursuant to these Bylaws and applicable law. Except for proposals properly made in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations), and included in the notice of meeting given by or at the direction of the Board of Directors, for the avoidance of doubt, clause (C) above shall be the exclusive means for a stockholder to bring business before an annual meeting of stockholders.

(a) To comply with clause (C) of Section 2.4(i) above, a stockholder's notice must set forth all information required under this Section 2.4(i) and must be timely received by the secretary of the Corporation. To be timely, a stockholder's notice must be received by the secretary at the principal executive offices of the Corporation not later than the 90th day nor earlier than the 120th day before the one-year anniversary of the date on which the corporation first mailed its proxy materials or a notice of availability of proxy materials (whichever is earlier) for the preceding year's annual meeting; provided, however, that in the event that no annual meeting was held in the previous year or if the date of the annual meeting is advanced by more than 30 days prior to or delayed by more than 60 days after the one-year anniversary of the date of the previous year's annual meeting, then, for notice by the stockholder to be timely, it must be so received by the secretary not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of (i) the 90th day prior to such annual meeting, or (ii) the tenth day following the day on which Public Announcement (as defined below) of the date of such annual meeting is first made. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described in this Section 2.4(i)(a). "Public Announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or a comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Securities Exchange Act of 1934, as amended, or any successor thereto (the "1934 Act").

(b) To be in proper written form, a stockholder's notice to the secretary must set forth as to each matter of business the stockholder intends to bring before the annual meeting: (1) a brief description of the business intended to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (2) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business and any Stockholder Associated Person (as defined below), (3) the class and number of shares of the Corporation that are held of record or are beneficially owned by the stockholder or any Stockholder Associated Person and any derivative positions held or beneficially held by the stockholder or any Stockholder Associated Person, (4) whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of such stockholder or any Stockholder Associated Person with respect to any securities of the Corporation, and a description of any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares), the effect or intent of which is to mitigate loss to, or to manage the risk or benefit from share price changes for, or to increase or decrease the voting power of, such stockholder or any Stockholder Associated Person with respect to any securities of the Corporation, (5) any material interest of the stockholder or a Stockholder Associated Person in such business, and (6) a statement whether either such stockholder or any Stockholder Associated Person will deliver a proxy statement and form of proxy to holders of at least the percentage of the Corporation's voting shares required under applicable law to carry the proposal (such information provided and statements made as required by clauses (1) through (6), a "Business Solicitation Statement"). In addition, to be in proper written form, a stockholder's notice to the secretary must be supplemented not later than ten days following the record date for notice of the meeting to disclose the information contained in clauses (3) and (4) above as of the record date for notice of the meeting. For purposes of this Section 2.4, a "Stockholder Associated Person" of any stockholder shall mean (i) any person controlling, directly or indirectly, or acting in concert with, such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder and on whose behalf the proposal or nomination, as the case may be, is being made, or (iii) any person controlling, controlled by or under common control with such person referred to in the preceding clauses (i) and (ii).

(c) Without exception, no business shall be conducted at any annual meeting except in accordance with the provisions set forth in this Section 2.4(i) and, if applicable, Section 2.4(ii). In addition, business proposed to be brought by a stockholder may not be brought before the annual meeting if such stockholder or a Stockholder Associated Person, as applicable, takes action contrary to the representations made in the Business Solicitation Statement applicable to such business or if the Business Solicitation Statement applicable to such business contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein not misleading. The chairperson of the annual meeting shall, if the facts warrant, determine and declare at the annual meeting that business was not properly brought before the annual meeting and in accordance with the provisions of this Section 2.4(i), and, if the chairperson should so determine, he or she shall so declare at the annual meeting that any such business not properly brought before the annual meeting shall not be conducted.

(ii) *Advance Notice of Director Nominations at Annual Meetings*. Notwithstanding anything in these Bylaws to the contrary, only persons who are nominated in accordance with the procedures set forth in this Section 2.4(ii) shall be eligible for election or re-election as directors at an annual meeting of stockholders. Nominations of persons for election or re-election to the Board of Directors of the Corporation shall be made at an annual meeting of stockholders only (A) by or at the direction of the Board of Directors or (B) by a stockholder of the Corporation who (1) was a stockholder of record at the time of the giving of the notice required by this Section 2.4(ii) and on the record date for the determination of stockholders entitled to vote at the annual meeting and (2) has complied with the notice procedures set forth in this Section 2.4(ii). In addition to any other applicable requirements, for a nomination to be made by a stockholder, the stockholder must have given timely notice thereof in proper written form to the secretary of the Corporation.

(a) To comply with clause (B) of Section 2.4(ii) above, a nomination to be made by a stockholder must set forth all information required under this Section 2.4(ii) and must be received by the secretary of the Corporation at the principal executive offices of the Corporation at the time set forth in, and in accordance with, the final three sentences of Section 2.4(i)(a) above.

(b) To be in proper written form, such stockholder's notice to the secretary must set forth:

(1) as to each person (a "nominee") whom the stockholder proposes to nominate for election or re-election as a director: (A) the name, age, business address and residence address of the nominee, (B) the principal occupation or employment of the nominee, (C) the class and number of shares of the Corporation that are held of record or are beneficially owned by the nominee and any derivative positions held or beneficially held by the nominee, (D) whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of the nominee with respect to any securities of the Corporation, and a description of any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares), the effect or intent of which is to mitigate loss to, or to manage the risk or benefit of share price changes for, or to increase or decrease the voting power of the nominee, (E) a description of all arrangements or understandings between the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nominations are to be made by the stockholder, (F) a written statement executed by the nominee acknowledging that as a director of the Corporation, the nominee will owe a fiduciary duty under Delaware law with respect to the Corporation and its stockholders, and (G) any other information relating to the nominee that would be required to be disclosed about such nominee if proxies were being solicited for the election or re-election of the nominee as a director, or that is otherwise required, in each case pursuant to Regulation 14A under the 1934 Act (including without limitation the nominee's written consent to being named in the proxy statement, if any, as a nominee and to serving as a director if elected or re-elected, as the case may be); and

(2) as to such stockholder giving notice, (A) the information required to be provided pursuant to clauses (2) through (5) of Section 2.4(i)(b) above, and the supplement referenced in the second sentence of Section 2.4(i)(b) above (except that the references to "business" in such clauses shall instead refer to nominations of directors for purposes of this paragraph), and (B) a statement whether either such stockholder or Stockholder Associated Person will deliver a proxy statement and form of proxy to holders of a number of the Corporation's voting shares reasonably believed by such stockholder or Stockholder Associated Person to be necessary to elect or re-elect such nominee(s) (such information provided and statements made as required by clauses (A) and (B) above, a "Nominee Solicitation Statement").

(c) At the request of the Board of Directors, any person nominated by a stockholder for election or re-election as a director must furnish to the secretary of the Corporation (1) that information required to be set forth in the stockholder's notice of nomination of such person as a director as of a date subsequent to the date on which the notice of such person's nomination was given and (2) such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director or audit committee financial expert of the Corporation under applicable law, securities exchange rule or regulation, or any publicly-disclosed corporate governance guideline or committee charter of the Corporation and (3) that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such nominee; in the absence of the furnishing of such information if requested, such stockholder's nomination shall not be considered in proper form pursuant to this Section 2.4(ii).

(d) Without exception, no person shall be eligible for election or re-election as a director of the Corporation at an annual meeting of stockholders unless nominated in accordance with the provisions set forth in this Section 2.4(ii). In addition, a nominee shall not be eligible for election or re-election if a stockholder or Stockholder Associated Person, as applicable, takes action contrary to the representations made in the Nominee Solicitation Statement applicable to such nominee or if the Nominee Solicitation Statement applicable to such nominee contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein not misleading. The chairperson of the annual meeting shall, if the facts warrant, determine and declare at the annual meeting that a nomination was not made in accordance with the provisions prescribed by these Bylaws, and if the chairperson should so determine, he or she shall so declare at the annual meeting, and the defective nomination shall be disregarded.

(iii) *Advance Notice of Director Nominations for Special Meetings*.

(a) For a special meeting of stockholders at which directors are to be elected or re-elected, nominations of persons for election or re-election to the Board of Directors shall be made only (1) by or at the direction of the Board of Directors or (2) by any stockholder of the Corporation who (A) is a stockholder of record at the time of the giving of the notice required by this Section 2.4(iii) and on the record date for the determination of stockholders entitled to vote at the special meeting and (B) delivers a timely written notice of the nomination to the secretary of the Corporation that includes the information set forth in Sections 2.4(ii)(b) and (ii)(c) above. To be timely, such notice must be received by the secretary at the principal executive offices of the Corporation not later than the close of business on the later of the 90th day prior to such special meeting or the tenth day following the day on which Public Announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected or re-elected at such meeting. A person shall not be eligible for election or re-election as a director at a special meeting unless the person is nominated (i) by or at the direction of the Board of Directors or (ii) by a stockholder in accordance with the notice procedures set forth in this Section 2.4(iii). In addition, a nominee shall not be eligible for election or re-election if a stockholder or Stockholder Associated Person, as applicable, takes action contrary to the representations made in the Nominee Solicitation Statement applicable to such nominee or if the Nominee Solicitation Statement applicable to such nominee contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein not misleading.

(b) The chairperson of the special meeting shall, if the facts warrant, determine and declare at the meeting that a nomination or business was not made in accordance with the procedures prescribed by these Bylaws, and if the chairperson should so determine, he or she shall so declare at the meeting, and the defective nomination or business shall be disregarded.

(iv) *Other Requirements and Rights*. In addition to the foregoing provisions of this Section 2.4, a stockholder must also comply with all applicable requirements of state law and of the 1934 Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.4. Nothing in this Section 2.4 shall be deemed to affect any rights of:

(a) a stockholder to request inclusion of proposals in the Corporation’s proxy statement pursuant to Rule 14a-8 (or any successor provision) under the 1934 Act; or

(b) the Corporation to omit a proposal from the Corporation’s proxy statement pursuant to Rule 14a-8 (or any successor provision) under the 1934 Act.

2.5 NOTICE OF STOCKHOLDERS' MEETINGS.

Notice of the place, if any, date, and time of all meetings of the stockholders, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, shall be given, not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting, except as otherwise provided herein or required by law (meaning, here and hereinafter, as required from time to time by the DGCL or the Certificate of Incorporation of the Corporation).

2.6 ADJOURNED MEETING; NOTICE.

When a meeting is adjourned to another time or place, unless these Bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting in accordance with Section 213(a) of the DGCL and Section 2.12 of these Bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

2.7 QUORUM.

At any meeting of stockholders, the holders of a majority of the voting power of all issued and outstanding stock entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business, except to the extent that the presence of a larger number may be required by law or the rules of any stock exchange upon which the Corporation's securities are listed. Where a separate vote by a class or series or classes or series is required, a majority of the voting power of all issued and outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise provided by law, the Certificate of Incorporation or these Bylaws

If a quorum is not present or represented at any meeting of the stockholders, then either (i) the chairperson of the meeting, or (ii) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the meeting as originally noticed.

2.8 CONDUCT OF BUSINESS.

The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including the manner of voting and the conduct of business. The chairperson of any meeting of stockholders shall be designated by the Board of

Directors; in the absence of such designation, the chairperson of the Board of Directors, if any, the chief executive officer (in the absence of the chairperson) or the president (in the absence of the chairperson of the Board of Directors and the chief executive officer), or in their absence any other executive officer of the Corporation, shall serve as chairperson of the stockholder meeting. The chairperson shall have the power to adjourn the meeting to another place, if any, date and time. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

2.9 VOTING.

(i) The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.12 of these Bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

(ii) Except as may be otherwise provided in the Certificate of Incorporation or these Bylaws, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder.

(iii) Except as otherwise required by law, the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Except as otherwise required by law, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Where a separate vote by a class or series or classes or series is required, in all matters other than the election of directors, the affirmative vote of the majority of shares of such class or series or classes or series present in person or represented by proxy at the meeting shall be the act of such class or series or classes or series, except as otherwise provided by law, the Certificate of Incorporation or these Bylaws.

2.10 NO STOCKHOLDER ACTION BY WRITTEN CONSENT WITHOUT A MEETING.

Subject to the rights of the holders of the shares of any series of preferred stock or any other class of stock or series thereof that have been expressly granted the right to take action by written consent, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

2.11 WAIVER OF NOTICE.

Whenever notice is required to be given under any provision of the DGCL or of the Certificate of Incorporation or these Bylaws to a stockholder, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Certificate of Incorporation or these Bylaws.

2.12 RECORD DATE FOR STOCKHOLDER NOTICE; VOTING.

In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may, except as otherwise required by law, fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination.

If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the provisions of Section 213 of the DGCL and this Section 2.12 of the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

2.13 PROXIES.

Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by a written proxy or by proxy authorized by a transmission permitted by law, filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder’s name is placed on the proxy (whether by manual signature, typewriting, electronic or telegraphic transmission or otherwise) by the stockholder or the stockholder’s attorney-in-fact. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212(e) of the DGCL.

2.14 INSPECTORS OF ELECTION.

Before any meeting of stockholders, the Board of Directors shall appoint an inspector or inspectors of election to act at the meeting or its adjournment. The number of inspectors shall be either one (1) or three (3). If any person appointed as inspector fails to appear or fails or refuses to act, then the chairperson of the meeting may, and upon the request of any stockholder or a stockholder's proxy shall, appoint a person to fill that vacancy.

Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed and designated shall (i) ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each share; (ii) determine the shares of capital stock of the Corporation represented at the meeting and the validity of proxies and ballots; (iii) count all votes and ballots; (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; (v) certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspector or inspectors' count of all votes and ballots; (vi) determine when the polls shall close; (vii) determine the result; and (viii) do any other acts that may be proper to conduct the election or vote with fairness to all stockholders.

In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspector or inspectors may consider such information as is permitted by applicable law. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima facie evidence of the facts stated therein.

ARTICLE III

DIRECTORS

3.1 POWERS.

The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors except as may be otherwise provided in the DGCL or Certificate of Incorporation.

3.2 NUMBER OF DIRECTORS.

The Board of Directors shall consist of one or more members, each of whom shall be a natural person. Subject to the rights of the holders of any series of preferred stock to elect directors under specified circumstances, the number of directors shall be fixed from time to time solely by the Board of Directors, pursuant to a resolution adopted by a majority of the Board of Directors.

3.3 ELECTION, QUALIFICATION AND TERM OF OFFICE OF DIRECTORS.

Effective upon the closing date (the "IPO Date") of the initial sale of shares of common stock in the Corporation's initial public offering pursuant to an effective registration statement filed under the Securities Act of 1933, as amended, and subject to the rights of the holders of any series of preferred stock to elect additional directors under specified circumstances, the Board of Directors shall be divided

into three classes designated as Class I, Class II and Class III, respectively. Each class shall consist, as nearly as possible, of one-third of the total number of such directors. Initially, directors shall be assigned to each class in accordance with a resolution or resolutions adopted by the Board of Directors. At the first annual meeting of stockholders following the IPO Date, the term of office of the Class I directors shall expire and Class I directors shall be elected for a full term of three years. At the second annual meeting of stockholders following such IPO Date, the term of office of the Class II directors shall expire and Class II directors shall be elected for a full term of three years. At the third annual meeting of stockholders following such IPO Date, the term of office of the Class III directors shall expire and Class III directors shall be elected for a full term of three years. Except as provided in Section 3.4 of these Bylaws, each director, including a director elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders unless so required by the Certificate of Incorporation or these Bylaws. The Certificate of Incorporation or these Bylaws may prescribe other qualifications for directors.

3.4 RESIGNATION AND VACANCIES.

Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation; provided, however, that if such notice is given by electronic transmission, such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the director. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. Acceptance of such resignation shall not be necessary to make it effective. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. Unless otherwise provided in the Certificate of Incorporation or these Bylaws, when one or more directors resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

Unless otherwise provided in the Certificate of Incorporation or these Bylaws, (i) newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class or (ii) vacancies resulting from death, resignation, retirement, disqualification, removal from office or other causes shall, unless otherwise required by law, be filled only by a majority vote of the directors then in office, although less than a quorum, or by a sole remaining director (and not by the stockholders). If the directors are divided into classes, a person so elected by the directors then in office to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall have been duly elected and qualified. No decrease in the number of authorized directors shall shorten the term of any incumbent director.

3.5 PLACE OF MEETINGS; MEETINGS BY TELEPHONE.

The Board of Directors of the Corporation may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 REGULAR MEETINGS.

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the Board of Directors.

3.7 SPECIAL MEETINGS; NOTICE.

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairperson of the board, the president, any vice president, the secretary or a majority of the authorized number of directors.

Notice of the time and place of special meetings shall be (i) delivered personally by courier or telephone to each director, (ii) sent by first-class mail, postage prepaid, (iii) sent by facsimile, or (iv) by electronic mail, directed to each director at that director's address, telephone number, facsimile number or electronic mail address as it is shown on the records of the Corporation. If the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered at least twenty-four (24) hours before the time of the holding of the meeting, or on such shorter notice as the person or persons calling such meeting may deem necessary and appropriate in the circumstances. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. Notice of any meeting need not be given to any director who shall, either before or after the meeting, submit a waiver of such notice or who shall attend such meeting except attendance for the express purpose of objecting at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened. The notice need not specify the purpose of the meeting, and unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

3.8 QUORUM AND VOTING.

At all meetings of the Board of Directors, a majority of the total authorized number of directors shall constitute a quorum for the transaction of business and the vote of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation. If a quorum is not present at any meeting of the Board of Directors, then the majority of directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

3.9 WAIVER OF NOTICE.

Whenever notice is required to be given under any provision of the DGCL or of the Certificate of Incorporation or these Bylaws to a director, a written waiver thereof, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business

to be transacted at, nor the purpose of, any regular or special meeting of the directors, or members of a committee of directors, need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the Certificate of Incorporation or these Bylaws.

3.10 BOARD ACTION BY WRITTEN CONSENT WITHOUT A MEETING.

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Written consents representing actions taken by the board or committee may be executed by telex, telecopy or other facsimile transmission, and such facsimile shall be valid and binding to the same extent as if it were an original. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors.

3.11 FEES AND COMPENSATION OF DIRECTORS.

Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors. No such compensation shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

3.12 REMOVAL OF DIRECTORS.

Unless otherwise restricted by statute, by the Certificate of Incorporation or by these Bylaws, any director or the entire Board of Directors may be removed, but only for cause, by the holders of a majority of the shares then entitled to vote at an election of directors, voting together as a single class.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director’s term of office.

3.13 EMERGENCY BYLAWS.

To the fullest extent permitted by law, in the event of any emergency, disaster or catastrophe, as referred to in Section 110 of the DGCL, or other similar emergency condition, the Board of Directors may adopt emergency bylaws.

ARTICLE IV

COMMITTEES

4.1 COMMITTEES OF DIRECTORS.

The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors or in these Bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (a) approve or adopt or recommend any action or matter (other than election or removal of directors) expressly required by the DGCL to be submitted to stockholders or (b) amend the Bylaws of the Corporation.

4.2 COMMITTEE MINUTES.

Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

4.3 MEETINGS AND ACTION OF COMMITTEES.

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

(i) Section 3.5 (place of meetings and meetings by telephone);

(ii) Section 3.6 (regular meetings);

(iii) Section 3.7 (special meetings; notice);

(iv) Section 3.8 (quorum; voting);

(v) Section 3.9 (waiver of notice); and

(vi) Section 3.10 (action without a meeting)

with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members. However:

(a) the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee;

(b) special meetings of committees may also be called either by resolution of the Board of Directors or by resolution of the committee; and

(c) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

Any provision in the Certificate of Incorporation providing that one or more directors shall have more or less than one vote per director on any matter shall apply to voting in any committee or subcommittee, unless otherwise provided in the Certificate of Incorporation or these Bylaws.

4.4 SUBCOMMITTEES

Unless otherwise provided in the Certificate of Incorporation, these Bylaws or the resolutions of the Board of Directors designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

ARTICLE V

OFFICERS

5.1 OFFICERS.

The officers of the Corporation shall be a chief executive officer and a secretary. The Corporation may also have, at the discretion of the Board of Directors, a chairperson of the Board of Directors, a vice chairperson of the Board of Directors, a president, a chief financial officer or treasurer, one or more vice presidents, one or more assistant vice presidents, one or more assistant treasurers, one or more assistant secretaries, and any such other officers as may be appointed in accordance with the provisions of these Bylaws. Any number of offices may be held by the same person.

5.2 APPOINTMENT OF OFFICERS.

The officers of the Corporation, except such officers as may be appointed in accordance with the provisions of Sections 5.3 or 5.5 of these Bylaws, shall be appointed by the Board of Directors, subject to the rights, if any, of an officer under any contract of employment.

5.3 SUBORDINATE OFFICERS.

The Board of Directors may appoint, or empower the chief executive officer or the president to appoint, such other officers and agents as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board of Directors may from time to time determine.

5.4 REMOVAL AND RESIGNATION OF OFFICERS.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board of Directors or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written or electronic notice to the attention of the secretary of the Corporation; provided, however, that if such notice is given by electronic transmission, such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the officer. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.5 VACANCIES IN OFFICES.

Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

5.6 THE CHAIRPERSON OF THE BOARD.

The chairperson of the Board of Directors shall have the powers and duties customarily and usually associated with the office of the chairperson of the Board of Directors. The chairperson of the Board of Directors shall preside at meeting of the stockholders and of the Board of Directors.

5.7 THE VICE CHAIRPERSON OF THE BOARD.

The vice chairperson of the Board of Directors, if any has been appointed or elected, shall have the powers and duties customarily and usually associated with the office of the vice chairperson of the Board of Directors. In the case of absence or disability of the chairperson of the Board of Directors, the vice chairperson of the Board of Directors shall perform the duties and exercise the powers of the chairperson of the Board of Directors.

5.8 CHIEF EXECUTIVE OFFICER.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairperson of the board, if any, the chief executive officer of the Corporation shall, subject to the control of the Board of Directors, have ultimate authority for decisions relating to the supervision, direction and management of the affairs and the business of the Corporation customarily and usually associated with the position of chief executive officer, including, without limitation, all powers necessary to direct and control the organizational and reporting relationships within the Corporation. He or she shall preside at all meetings of the stockholders and, in the absence or nonexistence of a chairperson of the board, at all meetings of the Board of Directors and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed or delegated by the Board of Directors or these Bylaws.

5.9 PRESIDENT.

Subject to such supervisory powers, if any, as may be given by the Board of Directors to the chairperson of the board (if any) or the chief executive officer, the president shall have general

supervision, direction, and control of the business and other officers of the Corporation. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed or delegated by the Board of Directors or these Bylaws. In the event of the absence or disability of the chief executive officer, the president shall perform the duties and exercise the powers of the chief executive officer unless otherwise determined by the Board of Directors.

5.10 VICE PRESIDENTS.

In the absence or disability of the chief executive officer and president, the vice presidents, if any, in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed or delegated to them respectively by the Board of Directors, these Bylaws, the president or the chairperson of the board.

5.11 SECRETARY AND ASSISTANT SECRETARIES.

(i) The secretary shall attend meetings of the Board of Directors and meetings of the stockholders and record all votes and minutes of all such proceedings in a book or books kept for such purpose.

The secretary shall keep or cause to be kept, at the principal executive office of the Corporation or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders. The minutes shall show the time and place of each meeting, the names of those present at directors' meetings or committee meetings, the number of shares present or represented at stockholders' meetings, and the proceedings thereof.

The secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required to be given by law or by these Bylaws. He or she shall keep the seal of the Corporation, if one be adopted, in safe custody and shall have such other powers and perform such other duties as may be prescribed or delegated by the Board of Directors or by these Bylaws.

(ii) Each assistant secretary shall have such powers and perform such duties as may from time to time be assigned to him or her by the Board of Directors, the chairperson of the Board of Directors, the chief executive officer, the president or the secretary. In the event of the absence, inability or refusal to act of the secretary, the assistant secretary (or if there shall be more than one, the assistant secretaries in the order determined by the board of directors) shall perform the duties and exercise the powers of the secretary.

5.12 CHIEF FINANCIAL OFFICER AND ASSISTANT TREASURERS.

(i) The chief financial officer shall be the treasurer of the Corporation. The chief financial officer shall have custody of the Corporation's funds and securities, shall be responsible for maintaining the Corporation's accounting records and statements, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, and shall deposit or cause to be deposited monies or other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The chief financial officer shall also

maintain adequate records of all assets, liabilities and transactions of the Corporation and shall assure that adequate audits thereof are currently and regularly made. The chief financial officer shall have all such further powers and duties as are customarily and usually associated with the position of chief financial officer, or as may from time to time be assigned to him or her by the Board of Directors, the chairperson of the Board of Directors, the chief executive officer or the president.

(ii) Each assistant treasurer shall have such powers and perform such duties as may from time to time be assigned to him or her by the Board of Directors, the chairperson of the Board of Directors, the chief executive officer, the president or the chief financial officer. In the event of the absence, inability or refusal to act of the chief financial officer, the assistant treasurer (or if there shall be more than one, the assistant treasurers in the order determined by the Board of Directors) shall perform the duties and exercise the powers of the chief financial officer.

5.13 REPRESENTATION OF SHARES OF OTHER CORPORATIONS.

The chairperson of the board, the chief executive officer, the president, any vice president, the chief financial officer, the secretary or assistant secretary of this Corporation, or any other person authorized by the Board of Directors or the chief executive officer or the president or a vice president, is authorized to vote, represent, and exercise on behalf of this Corporation all rights incident to any and all shares of any other corporation or corporations held by this Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

5.14 AUTHORITY AND DUTIES OF OFFICERS.

In addition to the foregoing authority and duties, all officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be designated or delegated from time to time by the Board of Directors.

ARTICLE VI

INDEMNIFICATION

6.1 INDEMNIFICATION OF DIRECTORS AND OFFICERS IN THIRD PARTY PROCEEDINGS.

Subject to the other provisions of this Article VI, the Corporation shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a “Proceeding”) (other than an action by or in the right of the Corporation) by reason of the fact that such person is or was a director of the Corporation or an officer of the Corporation, or while a director of the Corporation or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys’ fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to

any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful; provided, however, that except as provided in Section 6.1 of this Article VI with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

6.2 INDEMNIFICATION OF DIRECTORS AND OFFICERS IN ACTIONS BY OR IN THE RIGHT OF THE CORPORATION.

Subject to the other provisions of this Article VI, the Corporation shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Corporation, or while a director or officer of the Corporation is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

6.3 SUCCESSFUL DEFENSE.

To the extent that a present or former director or officer of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described in Section 6.1 or Section 6.2, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

6.4 INDEMNIFICATION OF OTHERS.

Subject to the other provisions of this Article VI, the Corporation shall have power to indemnify its employees and its agents to the extent not prohibited by the DGCL or other applicable law. The Board of Directors shall have the power to delegate the determination of whether employees or agents shall be indemnified to such person or persons as the Board of Directors of the Corporation determines.

6.5 ADVANCED PAYMENT OF EXPENSES.

Expenses (including attorneys' fees) incurred by an officer or director of the Corporation in defending any Proceeding shall be paid by the Corporation in advance of the final disposition of such Proceeding upon receipt of a written request therefor (together with documentation reasonably evidencing such expenses) and an undertaking by or on behalf of the person to repay such amounts if it shall ultimately be determined that the person is not entitled to be indemnified under this Article VI or the DGCL. Such expenses (including attorneys' fees) incurred by former directors and officers or other employees and agents may be so paid upon such terms and conditions, if any, as the Corporation deems reasonably appropriate and shall be subject to the Corporation's expense guidelines. The right to advancement of expenses shall not apply to any claim for which indemnity is excluded pursuant to these Bylaws, but shall apply to any Proceeding referenced in Section 6.6(ii) or 6.6(iii) prior to a determination that the person is not entitled to be indemnified by the Corporation.

6.6 LIMITATION ON INDEMNIFICATION.

Subject to the requirements in Section 6.3 and the DGCL, the Corporation shall not be obligated to indemnify any person pursuant to this Article VI in connection with any Proceeding (or any part of any Proceeding):

(i) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(ii) for an accounting or disgorgement of profits pursuant to Section 16(b) of the 1934 Act, or similar provisions of federal, state or local statutory law or common law, if such person is held liable therefor (including pursuant to any settlement arrangements);

(iii) for any reimbursement of the Corporation by such person of any bonus or other incentive-based or equity-based compensation or of any profits realized by such person from the sale of securities of the Corporation, as required in each case under the 1934 Act (including any such reimbursements that arise from an accounting restatement of the Corporation pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Corporation of profits arising from the purchase and sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act), if such person is held liable therefor (including pursuant to any settlement arrangements);

(iv) initiated by such person against the Corporation or its directors, officers, employees, agents or other indemnitees, unless (a) the Board of Directors authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (b) the Corporation provides the indemnification, in its sole discretion, pursuant to the powers vested in the Corporation under applicable law, (c) otherwise required to be made under Section 6.7 or (d) otherwise required by applicable law; or

(v) if prohibited by applicable law; provided, however, that if any provision or provisions of this Article VI shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (1) the validity, legality and enforceability of the remaining provisions of this Article VI (including, without limitation, each portion of any paragraph or clause containing any such provision held to be invalid, illegal or unenforceable, that is not itself held to be invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (2) to the fullest extent possible, the provisions of this

Article VI (including, without limitation, each such portion of any paragraph or clause containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

6.7 DETERMINATION; CLAIM.

If a claim for indemnification or advancement of expenses under this Article VI is not paid in full within 90 days after receipt by the Corporation of the written request therefor, the claimant shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. The Corporation shall indemnify such person against any and all expenses that are incurred by such person in connection with any action for indemnification or advancement of expenses from the Corporation under this Article VI, to the extent such person is successful in such action, and to the extent not prohibited by law. In any such suit, the Corporation shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

6.8 NON-EXCLUSIVITY OF RIGHTS.

The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Certificate of Incorporation or these Bylaws or any statute, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The Corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the DGCL or other applicable law.

6.9 INSURANCE.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of the DGCL.

6.10 SURVIVAL.

The rights to indemnification and advancement of expenses conferred by this Article VI shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

6.11 EFFECT OF REPEAL OR MODIFICATION.

Any amendment, alteration or repeal of this Article VI shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to such amendment, alteration or repeal.

6.12 CERTAIN DEFINITIONS.

For purposes of this Article VI, references to the "Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VI, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article VI.

ARTICLE VII

RECORDS AND REPORTS

7.1 MAINTENANCE AND INSPECTION OF RECORDS; LIST OF STOCKHOLDERS ENTITLED TO VOTE.

The Corporation shall, either at its principal executive offices or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these Bylaws as amended to date, accounting books, and other records.

The officer who has charge of the stock ledger of the Corporation shall, at least ten (10) days before every meeting of stockholders, prepare and make a complete list of stockholders entitled to vote at any meeting of stockholders, provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth (10^{th}) day before the meeting date, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in his or her name. Such list shall be open to the examination of any stockholder for a period of at least ten (10) days prior to the meeting in the manner provided by law.

The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of at least 10 days prior to the meeting (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the Corporation's principal place of business. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be

examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting.

A stock list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine (a) the identity of the stockholders entitled to examine such stock list and to vote at the meeting and (b) the number of shares held by each of them.

ARTICLE VIII

STOCK

8.1 STOCK CERTIFICATES.

The shares of the Corporation shall be represented by certificates, provided that the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares that may be evidenced by a book-entry system maintained by the registrar of such stock. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Each holder of stock represented by certificates shall be entitled to a certificate signed by, or in the name of the Corporation by, the president or a vice president, and by the secretary or an assistant secretary, or the chief financial officer or an assistant treasurer, certifying the number of shares owned by him or her. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue. Notwithstanding any other provision in these Bylaws, the Corporation may adopt a system of issuance, recordation and transfer of shares of the Corporation by electronic or other means not involving any issuance of certificates, including provisions for notice to purchasers in substitution for any required statements on certificates, and as may be required by applicable corporate securities laws, which system has been approved by the Securities and Exchange Commission. Any system so adopted shall not become effective as to issued and outstanding certificated securities until the certificates therefor have been surrendered to the Corporation.

8.2 LOST, STOLEN OR DESTROYED CERTIFICATES.

Except as provided in this Section 8.2, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation and canceled at the same time. The Corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate previously issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or the owner’s legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

8.3 SPECIAL DESIGNATION ON CERTIFICATES.

If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; provided, however, that except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock, a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to this Section 8.3 or Sections 156, 202(a) or 218(a) of the DGCL or with respect to this Section 8.3 a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

8.4 TRANSFER OF STOCK.

Transfers of shares of stock of the Corporation shall be made only upon its books by the holders thereof, in person or by an attorney duly authorized, and, if such stock is certificated, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer; provided, however, that such succession, assignment or authority to transfer is not prohibited by the Certificate of Incorporation, these Bylaws, applicable law or contract.

8.5 STOCK TRANSFER AGREEMENTS.

The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

ARTICLE IX

GENERAL MATTERS

9.1 CHECKS.

From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the Corporation, and only the persons so authorized shall sign or endorse those instruments.

9.2 EXECUTION OF CORPORATE CONTRACTS AND INSTRUMENTS.

The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

9.3 CONSTRUCTION; DEFINITIONS.

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

9.4 DIVIDENDS.

The directors of the Corporation, subject to any restrictions contained in (a) the DGCL or (b) the Certificate of Incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the Corporation's capital stock.

The directors of the Corporation may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Corporation, and meeting contingencies.

9.5 FISCAL YEAR.

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

9.6 REGISTERED STOCKHOLDERS.

The Corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

9.7 TIME PERIODS.

In applying any provision of these Bylaws which requires that an act be done or not be done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the date of the event shall be included.

ARTICLE X

NOTICES

10.1 NOTICE BY ELECTRONIC TRANSMISSION.

Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the Certificate of Incorporation or these Bylaws, any notice shall be effective if given by a form of electronic transmission in the manner provided in Section 232 of the DGCL.

10.2 NOTICE TO STOCKHOLDERS SHARING AN ADDRESS.

Except as otherwise prohibited under the DGCL, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under the provisions of the DGCL, the Certificate of Incorporation or these Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Corporation. Any stockholder who fails to object in writing to the Corporation, within 60 days of having been given written notice by the Corporation of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice.

10.3 NOTICE TO PERSON WITH WHOM COMMUNICATION IS UNLAWFUL.

Whenever notice is required to be given, under the DGCL, the Certificate of Incorporation or these Bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Corporation is such as to require the filing of a certificate under the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

ARTICLE XI

AMENDMENTS

These Bylaws may be adopted, amended, or repealed by the stockholders entitled to vote; provided, however, that the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the total voting power of outstanding voting securities, voting together as a single class, shall be required for the stockholders of the Corporation to alter, amend or repeal, or adopt any Bylaw inconsistent with the following provisions of these Bylaws: Article II, Sections 3.1, 3.2, 3.3, 3.4, and 3.12 of Article III, Article VI and this Article XI (including, without limitation, any such Article or Section as renumbered as a result of any amendment, alteration, change, repeal, or adoption of any other Bylaw). The Board of Directors shall also have the power to adopt, amend or repeal Bylaws; provided, however, that a Bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the Board of Directors.

* * *

OOMA, INC.

FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Fourth Amended and Restated Investors' Rights Agreement (this "Agreement") is made and entered into as of April 24, 2015, by and among Ooma, Inc., a Delaware corporation (the "Company"), the holders of Common Stock of the Company listed on Schedule 1 hereto (the "Existing Common Holders"), the holders of Series Alpha Preferred Stock, Series Alpha-1 Preferred Stock and warrants to purchase Series Alpha Preferred Stock of the Company listed on Schedule 2 hereto (the "Existing Investors") and the purchasers of Series Beta Preferred Stock listed on Schedule 3 hereto (the "New Investors" and, together with the Existing Investors, the "Investors" and, together with the Existing Common Holders and the Existing Investors, the "Stockholders").

RECITALS

The Company, the Existing Common Holders and the Existing Investors are parties to that certain Third Amended and Restated Investors' Rights Agreement dated as of June 19, 2009, as amended to date (as amended, the "Prior Agreement").

The Company and the New Investors have entered into a Series Beta Preferred Stock and Subscription Agreement (the "Subscription Agreement") dated as of the date hereof, pursuant to which the Company desires to sell to the New Investors and the New Investors desire to purchase from the Company shares of the Company's Series Beta Preferred Stock (the "Series Beta Preferred Stock"). A condition to the New Investors' obligations under the Subscription Agreement is that the Company, the Existing Common Holders, the Existing Investors and the New Investors enter into this Agreement in order to provide the New Investors (i) certain rights to register shares of the Company's Common Stock (the "Common Stock") issuable upon conversion of the Company's Preferred Stock (the "Preferred Stock") held by the New Investors, (ii) certain rights to receive or inspect information pertaining to the Company, and (iii) a right of first offer with respect to certain issuances by the Company of its securities. The Company, the Existing Common Holders and the Existing Investors desire to induce the New Investors to purchase shares of Series Beta Preferred Stock pursuant to the Subscription Agreement by agreeing to the terms and conditions set forth below.

The Company, the Existing Common Holders and the Existing Investors desire to amend and restate the Prior Agreement in its entirety as set forth herein.

AGREEMENT

The parties agree as follows:

A. **Amendment of Prior Agreement; Waiver of Right of First Offer.**

Pursuant to Section 3.4 of the Prior Agreement, the Prior Agreement is hereby amended and restated in its entirety to read as set forth in this Agreement, and the Company, the Existing Common Holders, the Existing Investors, and the New Investors shall be bound by the

provisions hereof as the sole agreement of the Company, the Existing Common Holders, the Existing Investors, and the New Investors with respect to the subject matter hereof. The Existing Investors hereby irrevocably waive, on behalf of themselves and all other parties to the Prior Agreement, the right of first offer, including the notice requirements thereof, set forth in Section 2.3 of the Prior Agreement with respect to (i) the shares of Preferred Stock issued and outstanding as of the date hereof, and (ii) the shares of Series Beta Preferred Stock issued pursuant to the Subscription Agreement, as in effect at any given time.

B. **Prior Waiver in Full Force and Effect.**

Notwithstanding anything to the contrary in this Agreement, that certain Wavier of Registration Rights dated February 25, 2015, by and between the Company and certain of the Stockholders (the "Waiver") shall not be amended or superseded by any term of this Agreement and shall remain in full force and effect as a waiver of certain rights set forth herein. Each of the New Investors hereby becomes party to the Waiver as a "Requisite Holder" and agrees to be bound by all of the terms and conditions of the Waiver as a "Requisite Holder" thereto.

1. **Registration Rights.**

1.1 **Definitions.** For purposes of this Agreement:

(a) The term "Exchange Act" means the Securities Exchange Act of 1934, as amended (and any successor thereto) and the rules and regulations promulgated thereunder.

(b) The term "Form S-3" means such form under the Securities Act as in effect on the date hereof or any successor form under the Securities Act that permits significant incorporation by reference of the Company's subsequent public filings under the Exchange Act.

(c) The term "Holder" means any person owning or having the right to acquire Registrable Securities or any assignee thereof in accordance with Section 1.12 of this Agreement.

(d) The terms "register," "registered," and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

(e) The term "Registrable Securities" means (i) the shares of Common Stock issuable or issued upon conversion of the Series Alpha Preferred Stock, Series Alpha-1 Preferred Stock, Series Beta Preferred Stock or the Warrant Stock (as defined below), other than shares for which registration rights have terminated pursuant to Section 1.15 hereof, *provided, however*, that (A) for the purposes of Section 1.4, 1.13 and 2 the Warrant Stock shall not be deemed Registrable Securities and the holders of the Warrant Stock shall not be deemed Holders, and (B) for the purposes of Section 1.4 and 1.13 and 2 the Series Alpha Warrant Stock (as defined below) shall not be deemed Registrable Securities and the holders of the Series Alpha Warrant Stock shall not be deemed Holders, (ii) any other shares of Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in

replacement of, the shares listed in (i) above; *provided*, *however*, that the foregoing definition shall exclude in all cases any Registrable Securities sold by a person in a transaction in which such person's rights under this Agreement are not assigned. Notwithstanding the foregoing, Common Stock or other securities shall only be treated as Registrable Securities if and so long as (A) they have not been sold to or through a broker or dealer or underwriter in a public distribution or a public securities transaction, (B) they have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act under Section 4(1) thereof so that all transfer restrictions, and restrictive legends with respect thereto, if any, are removed upon the consummation of such sale, or (C) the Holder thereof is entitled to exercise any right provided in Section 1 in accordance with Section 1.12 below.

(f) The number of shares of "Registrable Securities then outstanding" shall be determined by the number of shares of Common Stock outstanding which are, and the number of shares of Common Stock issuable pursuant to then exercisable or convertible securities which are, Registrable Securities.

(g) The term "Restated Certificate" means the Company's Amended and Restated Certificate of Incorporation, as may be amended from time to time.

(h) The term "SEC" means the U.S. Securities and Exchange Commission.

(i) The term "Securities Act" means the U.S. Securities Act of 1933, as amended (and any successor thereto) and the rules and regulations promulgated thereunder.

(j) The term "Series Alpha Warrant Stock" means the shares of Preferred Stock issuable upon exercise of the warrants to purchase Series Alpha Preferred Stock issued pursuant to the Company's Series Alpha Preferred Stock Purchase Agreement dated June 19, 2009, as amended.

(k) The term "Warrant Stock" means the shares of Preferred Stock issued or issuable upon exercise of that certain Warrant to Purchase Stock issued to Bridge Bank, N.A. dated June 3, 2009.

1.2 **Request for Registration.**

(a) If the Company shall receive at any time after the earlier of (i) the 5th anniversary of the Initial Closing, or (ii) twelve months after the effective date of the first registration statement for a public offering of securities of the Company (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or an SEC Rule 145 transaction), a written request from the Holders of a majority of the Registrable Securities then outstanding that the Company file a registration statement under the Securities Act covering the registration of at least 20% of the Registrable Securities then outstanding (or a lesser percent if the anticipated aggregate offering price, net of underwriting discounts and commissions, would exceed $2,000,000), then the Company shall, within 10 days of the receipt thereof, give written notice of such request to all Holders and shall, subject to the limitations of subsection 1.2(b), use its best efforts to file as soon as practicable, and in any event within 90 days of the receipt of such request, a registration statement under the Securities Act covering all Registrable Securities which the Holders request to be registered within 20 days of the mailing of such notice by the Company.

(b) If the Holders initiating the registration request hereunder ("Initiating Holders") intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 1.2 and the Company shall include such information in the written notice referred to in subsection 1.2(a). The underwriter will be selected by a majority in interest of the Initiating Holders and shall be reasonably acceptable to the Company. In such event, the right of any Holder to include its Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting (unless otherwise mutually agreed by a majority in interest of the Initiating Holders and such Holder) to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in subsection 1.5(e)) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting. Notwithstanding any other provision of this Section 1.2, if the underwriter advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the underwriting shall be allocated among all participating Holders thereof, including the Initiating Holders, in proportion (as nearly as practicable) to the amount of Registrable Securities of the Company owned by each participating Holder; provided, however, that the number of shares of Registrable Securities to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(c) Notwithstanding the foregoing, if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 1.2, a certificate signed by the President of the Company stating that in the good faith judgment of the Board of Directors of the Company (the "Board"), it would be seriously detrimental to the Company and its holders of capital stock for such registration statement to be filed and it is therefore essential to defer the filing of such registration statement, the Company shall have the right to defer such filing for a period of not more than 120 days after receipt of the request of the Initiating Holders; provided, however, that the Company may not utilize this right more than once in any twelve-month period.

(d) In addition, the Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to this Section 1.2:

(i) after the Company has effected two registrations pursuant to this Section 1.2 and such registrations have been declared or ordered effective;

(ii) during the period starting with the date 90 days prior to the Company's good faith estimate of the date of filing of, and ending on a date 90 days after the effective date of, a registration subject to Section 1.3 unless such offering is the initial public offering of the Company's securities, in which case, ending on a date 180 days after the effective date of such registration subject to Section 1.3; provided that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective; or

(iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 1.4.

1.3 **Company Registration.** If (but without any obligation to do so) the Company proposes to register (including for this purpose a registration effected by the Company for holders of capital stock other than the Holders) any of its stock under the Securities Act in connection with the public offering of such securities solely for cash (other than a registration relating solely to the sale of securities to participants in a Company stock plan or a transaction covered by Rule 145 under the Securities Act, a registration in which the only stock being registered is Common Stock issuable upon conversion of debt securities which are also being registered, or any registration on any form which does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities), the Company shall, at such time, promptly give each Holder written notice of such registration. Upon the written request of each Holder given within 20 days after mailing of such notice by the Company in accordance with Section 4.4, the Company shall, subject to the cut back provisions of Section 1.8 cause to be registered under the Securities Act all of the Registrable Securities that each such Holder has requested to be registered.

1.4 **Form S-3 Registration.** In case the Company shall receive from any Holder or Holders of a majority of the Registrable Securities then outstanding a written request or requests that the Company effect a registration on Form S-3 and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company will:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders; and

(b) as soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holder's or Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within 15 days after receipt of such written notice from the Company; provided, however, that the Company shall not be obligated to effect any such registration, qualification or compliance, pursuant to this Section 1.4: (i) if Form S-3 is not available for such offering by the Holders; (ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of any underwriters' discounts or commissions) of less than $500,000; (iii) if the Company shall furnish to the Holders a certificate signed by the President of the Company stating that in the good faith judgment of the Board, it would be seriously detrimental to the Company and its holders of capital stock for such Form S-3 registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than 120 days after

receipt of the request of the Holder or Holders under this Section 1.4; provided, however, that the Company shall not utilize this right more than once in any 12-month period; (iv) if the Company has, within the 12-month period preceding the date of such request, already effected two registrations on Form S-3 for the Holders pursuant to this Section 1.4; (v) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance; or (vi) during the period ending 180 days after the effective date of a registration statement subject to Section 1.3.

(c) Subject to the foregoing, the Company shall file a registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the request or requests of the Holders. Registrations effected pursuant to this Section 1.4 shall not be counted as demands for registration or registrations effected pursuant to Sections 1.2 or 1.3, respectively.

1.5 **Obligations of the Company.** Whenever required under this Section 1 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) Prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its best efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for up to 120 days, or until the distribution described in such registration statement is completed, if earlier. The Company shall not be required to file, cause to become effective or maintain the effectiveness of any registration statement that contemplates a distribution of securities on a delayed or continuous basis pursuant to Rule 415 under the Securities Act.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement 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 up to 120 days, or until the distribution described in such registration statement is completed, if earlier.

(c) Furnish to the Holders such number of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use its best efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions 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) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder 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 in the light of the circumstances then existing, such obligation to continue for 120 days.

(g) Cause all such Registrable Securities registered pursuant hereunder to be listed on each securities exchange on which similar securities issued by the Company are then listed.

(h) Provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Use its best efforts to furnish, at the request of any Holder requesting registration of Registrable Securities pursuant to this Section 1, on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a registration pursuant to this Section 1, if such securities are being sold through underwriters, (i) an opinion, dated such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters and (ii) a letter dated such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the underwriters.

1.6 **Furnish Information.** It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 1 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as shall be required to effect the registration of such Holder's Registrable Securities. The Company shall have no obligation with respect to any registration requested pursuant to Section 1.2 or Section 1.4 of this Agreement if, as a result of the application of the preceding sentence, the number of shares or the anticipated aggregate offering price of the Registrable Securities to be included in the registration does not equal or exceed the number of shares or the anticipated aggregate offering price required to originally trigger the Company's obligation to initiate such registration as specified in subsection 1.2(a) or subsection 1.4(b), whichever is applicable.

1.7 **Expenses of Registration.**

(a) **Demand Registration.** All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications pursuant to

Section 1.2, including (without limitation) all registration, filing and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company, and the reasonable fees and disbursements of one counsel for the selling Holders selected by them with the approval of the Company, which approval shall not be unreasonably withheld, 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 Section 1.2 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all participating Holders shall bear such expenses), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one demand registration pursuant to Section 1.2; provided further, however, that if at the time of such withdrawal, the Holders (i) have learned of a material adverse change in the condition, business, or prospects of the Company that was not known to the Holders at the time of their request and (ii) have withdrawn the request with reasonable promptness following disclosure by the Company of such material adverse change, then the Holders shall not be required to pay any of such expenses and shall not forfeit their rights pursuant to Section 1.2.

(b) **Company Registration.** All expenses other than underwriting discounts and commissions incurred in connection with registrations, filings or qualifications of Registrable Securities pursuant to Section 1.3 for each Holder (which right may be assigned as provided in Section 1.12), including (without limitation) all registration, filing, and qualification fees, printers' and accounting fees, fees and disbursements of counsel for the Company and the reasonable fees and disbursements of one counsel for the selling Holder or Holders selected by them with the approval of the Company, which approval shall not be unreasonably withheld, shall be borne by the Company.

(c) **Registration on Form S-3.** All expenses incurred in connection with a registration requested pursuant to Section 1.4, including (without limitation) all registration, filing, qualification, printers' and accounting fees and the reasonable fees and disbursements of one counsel for the selling Holder or Holders selected by them with the approval of the Company, which approval shall not be unreasonably withheld, and counsel for the Company, and any underwriters' discounts or commissions associated with Registrable Securities, shall be borne pro rata by the Holder or Holders participating in the Form S-3 registration.

1.8 **Underwriting Requirements.** In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 1.3 to include any of the Holders' securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by holders of capital stock to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling security holders according to the total amount of securities entitled to be included therein owned by each selling security holder or in

such other proportions as shall mutually be agreed to by such selling security holders) but in no event shall the amount of securities of the selling Holders included in the offering be reduced below 20% of the total amount of securities included in such offering, unless such offering is the initial public offering of the Company's securities, in which case, the selling security holders may be excluded if the underwriters make the determination described above and no other holder's securities are included. For purposes of the preceding parenthetical concerning apportionment, for any selling security holder which is a holder of Registrable Securities and which is a partnership or corporation, the partners, retired partners and holders of capital stock of such holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling security holder," and any pro-rata reduction with respect to such "selling security holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling security holder," as defined in this sentence.

1.9 **Delay of Registration.** No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 1.

1.10 **Indemnification.** In the event any Registrable Securities are included in a registration statement under this Section 1:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners, officers, directors and security holders of each Holder, legal counsel and accountants for each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) 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, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law; and the Company will pay to each such Holder, underwriter or controlling person, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this subsection 1.10(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), nor shall the Company be liable to any Holder, underwriter or controlling person for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person.

(b) To the extent permitted by law, each selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers who has signed the registration statement, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this subsection 1.10(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this subsection 1.10(b) 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 Holder, which consent shall not be unreasonably withheld; provided that in no event shall any indemnity under this subsection 1.10(b) exceed the net proceeds from the offering received by such Holder, except in the case of willful fraud by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 1.10 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 1.10, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the reasonable fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 1.10, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 1.10.

(d) If the indemnification provided for in this Section 1.10 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 therein, 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 that in no event shall any contribution by a Holder under this Subsection 1.10(d) exceed the net proceeds from the offering received by such Holder, except in the case of willful fraud 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.

(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.

(f) The obligations of the Company and Holders under this Section 1.10 shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 1, and otherwise.

1.11 **Reports Under the Exchange Act.** With a view to making available to the Holders the benefits of Rule 144 promulgated under the Securities Act and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in SEC Rule 144, at all times after 90 days after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public so long as the Company remains subject to the periodic reporting requirements under Sections 13 or 15(d) of the Exchange Act;

(b) take such action, including the voluntary registration of its Common Stock under Section 12 of the Exchange Act, as is necessary to enable the Holders to utilize Form S-3 for the sale of their Registrable Securities, such action to be taken as soon as practicable after the end of the fiscal year in which the first registration statement filed by the Company for the offering of its securities to the general public is declared effective;

(c) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(d) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after 90 days after the effective date of the first registration statement filed by the Company), the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

1.12 **Assignment of Registration Rights.** The rights to cause the Company to register Registrable Securities pursuant to this Section 1 may be assigned (but only with all related obligations) by a Holder to a transferee or assignee (a) of at least 15% of the transferring Holder's aggregate Registrable Securities originally obtained from the Company (or if the transferring Holder then owns less than 15% of such originally acquired securities, then all remaining Registrable Securities then held by the transferring Holder), (b) that is a subsidiary, parent, partner, limited partner, retired partner, member, retired member or holder of capital stock of a Holder, (c) that is an affiliated fund or entity of the Holder, which means with respect to a limited liability company or a limited liability partnership, a fund or entity managed by the same manager or managing member or general partner or management company or by an entity controlling, controlled by, or under common control with such manager or managing member or general partner or management company (such a fund or entity, an "Affiliated Fund"), (d) who is a Holder's child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (such a relation, a Holder's "Immediate Family Member", which term shall include adoptive relationships), or (e) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member, provided the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned; and provided, further, that such assignment shall be effective only if the transferee agrees to be bound by this Agreement and immediately following such transfer the further disposition of such securities by the transferee or assignee is restricted under the Securities Act. For the purposes of determining the number of shares of Registrable Securities held by a transferee or assignee, the holdings of transferees and assignees of (i) a partnership who are partners or retired partners of such partnership or (ii) a limited liability company who are members or retired members of such limited liability company (including Immediate Family Members of such partners or members who acquire Registrable Securities by gift, will or intestate succession) shall be aggregated together and with the partnership or limited liability company; provided that all assignees and transferees who would not qualify individually for assignment of registration rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices or taking any action under Section 1.

1.13 **Limitations on Subsequent Registration Rights.** From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the outstanding Registrable Securities, enter into any agreement with any holder or prospective holder of any securities of the Company which would allow such holder or prospective holder (a) to include such securities in any registration filed under Section 1.2 hereof, unless under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the amount of the Registrable Securities of the Holders which is included or (b) to make a demand registration which could result in such registration statement being declared effective prior to the earlier of either of the dates set forth in subsection 1.2(a) or within 120 days of the effective date of any registration effected pursuant to Section 1.2.

1.14 **Lock-Up Agreement.**

(a) **Lock-Up Period; Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such offering of the Company's securities, each Stockholder hereby agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company's initial public offering. 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.

(b) **Limitations.** The obligations described in Section 1.14(a) shall apply only if all officers, directors and 1% securityholders of the Company enter into similar agreements, and shall not apply to a registration relating solely to employee benefit plans, or to a registration relating solely to a transaction pursuant to Rule 145 under the Securities Act.

(c) **Stop-Transfer Instructions.** In order to enforce the foregoing covenants, the Company may impose stop-transfer instructions with respect to the securities of each Stockholder (and the securities of every other person subject to the restrictions in Section 1.14(a)).

(d) **Transferees Bound.** Each Holder agrees that prior to the Company's initial public offering it will not transfer securities of the Company unless each transferee agrees in writing to be bound by all of the provisions of this Section 1.14.

1.15 **Termination of Registration Rights.** No Holder shall be entitled to exercise any right provided for in this Section 1 after the earlier of (a) two years following the consummation of a Qualified IPO (as defined in the Restated Certificate), (b) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares during a three-month period without registration, or (c) upon termination of this Agreement, as provided in Section 3.

2. **Covenants of the Company.**

2.1 **Delivery of Financial Statements.** Upon request by a Major Investor (as hereafter defined), the Company shall deliver to each Major Investor (other than a Major Investor reasonably deemed by the Company to be a competitor; *provided* that none of

Worldview Technology Partners, Founders Fund, WI Harper, TD Fund or Exccess Ventures shall be deemed a competitor merely because an investment fund affiliated with such Major Investors invests in a competitive enterprise).

(a) as soon as practicable, but in any event within 120 days after the end of each fiscal year of the Company, an income statement for such fiscal year, a balance sheet of the Company and statement of stockholders' equity as of the end of such year, and a statement of cash flows for such year, such year-end financial reports to be in reasonable detail, prepared in accordance with generally accepted accounting principles ("GAAP"), and, as and to the extent otherwise required by the Board, audited and certified by an independent public accounting firm of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within 30 days after the end of each of the first three quarters of each fiscal year of the Company, an unaudited profit or loss statement, a statement of cash flows for such fiscal quarter and an unaudited balance sheet as of the end of such fiscal quarter;

(c) as soon as practicable, but in any event 30 days prior to the end of each fiscal year, a budget and business plan for the next fiscal year, prepared on a monthly basis, an updated list of all stockholders of the Company that includes the name of each stockholder and the number and class of shares held by each stockholder, and, as soon as prepared, any other budgets or revised budgets prepared by the Company; and

(d) as soon as practicable, but in any event within 90 days after the end of each fiscal year of the Company, a comparison between the annual budget of the Company, if any, for the completed fiscal year and the financial statements of the Company for such fiscal year.

Notwithstanding anything else in this Section 2.1 to the contrary, the Company may cease providing the information set forth in this Section 2.1 during the period starting with the date 60 days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Section 2.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

2.2 **Inspection.** The Company shall permit each Major Investor (other than a Major Investor reasonably deemed by the Company to be a competitor; provided that none of Worldview Technology Partners, Founders Fund, WI Harper, TD Fund or Exccess Ventures shall be deemed a competitor merely because an investment fund affiliated with such Major Investors invests in a competitive enterprise), at such Major Investor's expense, 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 at such reasonable times as may be requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Section 2.2 to provide access to any information which it reasonably considers to be privileged or a trade secret or similar confidential information.

2.3 **Right of First Offer.** Subject to the terms and conditions specified in this Section 2.3, the Company hereby grants to each Major Investor a right of first offer with respect to future sales by the Company of its Shares (as hereinafter defined). For purposes of this Agreement, a "Major Investor" shall mean any person who holds at least 200,000 shares (subject to adjustment for stock splits, stock dividends, reclassifications or the like) of Registrable Securities. For purposes of this Section 2.3, the term "Major Investor" includes any general partners, managing members and affiliates of a person that is otherwise a Major Investor, including Affiliated Funds. A Major Investor who chooses to exercise the right of first offer may designate as purchasers under such right itself or its partners or affiliates, including Affiliated Funds, in such proportions as it deems appropriate. Each time the Company proposes to offer any shares of, or securities convertible into or exercisable for any shares of, any class of its capital stock ("Shares"), the Company shall first make an offering of such Shares to each Major Investor in accordance with the following provisions:

(a) The Company shall deliver a notice (the "RFO Notice") to the Major Investors stating (i) its bona fide intention to offer such Shares, (ii) the number of such Shares to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such Shares.

(b) Within 15 calendar days after delivery of the RFO Notice, the Major Investor may elect to purchase or obtain, at the price and on the terms specified in the RFO Notice, up to that portion of such Shares which equals the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion and exercise of all convertible or exercisable securities then held, by such Major Investor bears to the sum of (i) the total number of shares of Common Stock then outstanding (assuming full conversion and exercise of all convertible or exercisable securities) and (ii) 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. Such purchase shall be completed at the same closing as that of any third party purchasers or at an additional closing thereunder. The Company shall promptly, in writing, inform each Major Investor that purchases all the shares available to it (each, a "Fully-Exercising Investor") of any other Major Investor's failure to do likewise. During the 10-day period commencing after receipt of such information, each Fully-Exercising Investor shall be entitled to obtain that portion of the Shares for which Major Investors were entitled to subscribe but which were not subscribed for by the Major Investors that is equal to the proportion that the number of shares of Common Stock issued and held, or issuable upon conversion and exercise of all convertible or exercisable securities then held, by such Fully-Exercising Investor bears to the total number of shares of Common Stock then outstanding (assuming full conversion and exercise of all convertible or exercisable securities) issued and held, or issuable upon conversion of the Preferred Stock then held, by all the Major Investors.

(c) The Company may, during the 45-day period following the expiration of the period provided in subsection 2.3(b) hereof, offer the remaining unsubscribed portion of the Shares to any person or persons at a price not less than, and upon terms no more favorable to the offeree than those specified in the RFO Notice. If the Company does not enter into an agreement for the sale of the Shares within such period, or if such agreement is not consummated within 60 days of the execution thereof, the right provided hereunder shall be deemed to be revived and such Shares shall not be offered unless first reoffered to the Major Investors in accordance herewith.

(d) The right of first offer in this Section 2.3 shall not be applicable to the issuance of:

(i) securities pursuant to stock splits, stock dividends, or similar transactions;

(ii) securities pursuant to warrants, notes, or other rights to acquire securities of the Company that are outstanding as of the date of this Agreement;

(iii) Common Stock to employees, consultants, officers or directors of the Company for the primary purpose of soliciting or retaining their services pursuant to stock option plans or restricted stock plans or agreements approved by the Board (including options outstanding as of the date of the date hereof);

(iv) Common Stock in a Qualified IPO;

(v) securities in connection with the acquisition by the Company of another company or business, which issuance is approved by the Board;

(vi) securities to financial institutions or lessors in connection with commercial credit arrangements, equipment financings, commercial property lease transactions, or similar transactions, in each case entered into for primarily non-equity financing purposes, which issuance is approved by the Board;

(vii) securities to an entity as a component of any business relationship with such entity primarily for the purpose of (A) joint venture, technology licensing or development activities, (B) distribution, supply or manufacture of the Company's products or services or (C) any other arrangements involving corporate partners that are primarily for purposes other than raising capital, the terms of which business relationship with such entity are approved by the Board;

(viii) Common Stock upon conversion of Preferred Stock;

(ix) Series Beta Preferred Stock sold pursuant to the Subscription Agreement, as in effect at any given time; and

(x) securities in any other transaction in which exemption from the right of first offer provisions of this Section 2.3 is approved by the affirmative vote of the Major Investors holding a majority of the then-outstanding shares of Preferred Stock then held by all Major Investors, voting together as a single class and on an as-converted basis.

(e) In addition to the foregoing, the right of first offer in this Section 2.3 shall not be applicable with respect to any Major Investor and any subsequent securities issuance, if (i) at the time of such subsequent securities issuance, the Major Investor is not an "accredited investor," as that term is then defined in Rule 501(a) under the Securities Act, and (ii) such subsequent securities issuance is otherwise being offered only to accredited investors.

(f) The Company will grant to the Major Investors any right of first refusal which the Company grants to purchasers in connection with the issuance and sale of Preferred Stock of the company following the date of this Agreement if such right is superior to the right of first offer set forth in this Section 2.3 in the good faith judgment of the Board.

2.4 **Confidentiality.** Each Stockholder shall keep confidential and shall not disclose, divulge or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 2.4 by such Stockholder), (b) is or has been independently developed or conceived by the Stockholder without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Stockholder by a third party without a breach of any obligation of confidentiality such third party may have to the Company; *provided*, *however*, that a Stockholder 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 Stockholder, if such prospective purchaser agrees to be bound by the provisions substantially similar to this Section 2.4; (iii) to any Affiliate, partner, member, stockholder, limited partner, general partner, management company or wholly owned subsidiary of such Stockholder in the ordinary course of business, provided that such Stockholder informs such person that such information is confidential and directs such person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, provided that the Stockholder promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure. Furthermore, nothing contained herein shall prevent any Holder or permitted disclose described above (each, a "Permitted Disclosee") from (a) entering into any business, entering into any agreement with a third party, or investing in or engaging in investment discussions with any other company (whether or not competitive with the Company), provided that such Holder or Permitted Disclosee does not, except as permitted in accordance with this Section 2.4, disclose any proprietary or confidential information of the Company in connection with such activities, or (b) making any disclosures required by law, rule, regulation or court or other governmental order. Notwithstanding the foregoing confidentiality provisions, a Holder (and any of the Holder's respective employees, representatives, or other agents) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transaction contemplated by the Subscription Agreement and all materials of any kind (including opinions or other tax analyses) that are provided relating to such tax treatment and tax structure. In addition, at no time will a Holder be subject to any restriction concerning its consultation with its tax advisors regarding the tax treatment or tax structure of the transaction contemplated by the Subscription Agreement.

2.5 **Employee Vesting.** Unless the Board otherwise approves, shares of Common Stock, or options to purchase Common Stock, issued to employees of the Company shall vest in accordance with the following schedule: 25% of the total number of shares shall vest at the end of the first year of full time employment; and 1/48th of the total number of shares shall vest each month thereafter such that all of the shares shall vest over a period of four years; provided, that vesting credit may be given in connection with services to the Company prior to the

commencement of full time employment. The vesting of such shares or options shall not be accelerated in connection with a change of control of the Company unless such acceleration is specifically approved by the Compensation Committee of the Board.

2.6 **Board Expenses.** The Company shall reimburse the directors of the Company who are designated by Worldview Technology Partners for all reasonable out of pocket expenses relating to attendance of meetings of the Board.

2.7 **Termination of Certain Covenants.**

(a) Each of the covenants set forth in this Section 2 (other than the covenants set forth in Sections 2.4) shall terminate as to each Holder and be of no further force or effect (i) immediately prior to the consummation of a Qualified IPO, or (ii) upon termination of this Agreement, as provided in Section 3.

(b) The covenants set forth in Sections 2.1 and 2.2 shall terminate as to each Holder and be of no further force or effect when the Company first becomes subject to the periodic reporting requirements of Sections 13 or 15(d) of the Exchange Act, if this occurs earlier than the events described in Section 2.7(a).

3. **Termination of Agreement.**

3.1 **Termination Events.** This Agreement shall terminate and have no further force or effect upon the earlier of:

(a) the liquidation, dissolution or indefinite cessation of the business operations of the Company;

(b) the execution by the Company of a general assignment for the benefit of creditors or the appointment of a receiver or trustee to take possession of the property and assets of the Company;

(c) the consummation of a transaction or series of related transactions deemed to be a liquidation, dissolution or winding up of the Company pursuant to the Restated Certificate.

4. **Miscellaneous.**

4.1 **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof, and supersedes any and all other written or oral agreements relating to the subject matter hereof existing between the parties hereto.

4.2 **Successors and Assigns; Third Party Beneficiaries.** Except as otherwise provided in this Agreement, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors, assigns and legal representatives of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors, assigns and legal representatives any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

4.3 **Amendments and Waivers.** Any term of this Agreement may be amended or waived only with the written consent of (a) the Company, and (b) the holders of a majority of the Registrable Securities then outstanding (or their respective successors and assigns). Notwithstanding the foregoing, this Agreement may be amended with only the written consent of the Company for the sole purpose of including additional purchasers of Series Beta Preferred Stock as "New Investors" and "Investors." Any amendment or waiver effected in accordance with this Section 4.3 shall be binding upon the Company, the Stockholders, and each of their respective successors and assigns.

4.4 **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient upon delivery, when delivered personally or by overnight courier or sent by email or fax (upon customary confirmation of receipt), or forty-eight (48) hours after being deposited in the U.S. mail as certified or registered mail with postage prepaid, addressed to the party to be notified at such party's address or fax number as set forth on the signature page or on Schedule 2 hereto, or as subsequently modified by written notice.

4.5 **Aggregation of Stock.** All shares of capital stock of the Company held or acquired by Affiliated entities or persons 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. As used herein, "Affiliate" means, with respect to any specified Stockholder, any other Stockholder who, directly or indirectly, controls, is controlled by or is under common control with such Stockholder, including, without limitation, any general partner, managing member, officer or director of such Stockholder, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, such Stockholder.

4.6 **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision shall be excluded from this Agreement, (b) the balance of this Agreement shall be interpreted as if such provision were so excluded and (c) the balance of this Agreement shall be enforceable in accordance with its terms.

4.7 **Governing Law; Jurisdiction and Venue.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law. Each of the parties hereto irrevocably consents to the exclusive jurisdiction and venue of any federal or state court within Santa Clara County, State of California, United States of America in connection with any matter based upon or arising out of this Agreement, agrees that process may be served upon it in any manner authorized by the laws of the State of California for such persons and waives and covenants not to assert or plead any objection that they might otherwise have to jurisdiction, venue and such process. Each party agrees not to commence any legal proceedings based upon or arising out of

this Agreement or the matters contemplated herein or any other matter relating to the equity interests of the Stockholders in the Company (whether based on breach of contract, tort, breach of duty or any other theory) except in such courts.

4.8 **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

4.9 **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.

[Signature Pages Follow]

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

THE COMPANY:

OOMA, INC.

By: /s/ Spencer Jackson
(Signature)

Name: Spencer Jackson
Title: Vice President and General Counsel

Address:
1840 Embarcadero Road
Palo Alto, California 94303
Attn: Chief Executive Officer
email: eric.stang@ooma.com

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

TIMOTHY DUFFY

By: /s/ Timothy Duffy
(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

PEGASUS FINANCE CORP.

By: /s/ Dale McNutt /s/ Joanne Gorrod
(Signature)

Name: Dale McNutt Joanne Gorrod

Title: Director Director

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

CLIVE ROBERTS

By: /s/ Clive Robers

(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

NICOLAS R. ROBINSON

By: /s/ Nicolas Robinson

(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

SAMISA INVESTMENT CORP.

By: /s/ Markus Vock /s/ Barbara Schnell
(Signature)

Name: Confidence Management Ltd. Confidence Services Ltd.

Title: Directors

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

EDWIN SNAPE

By: /s/ Edwin Snape
(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

JON TILNEY

By: /s/ Jon Tilney
(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

TOM PRIDAY

By: /s/ Tom Priday
(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

PHILIP A NOONAN

By: /s/ Philip A. Noonan
(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

CHRISTOPHER N. PATTON REVOCABLE TRUST

By: /s/ Christopher N. Patton
(Signature)

Name: Christopher N. Patton

Title: Trustee

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

DAVID DWYER

By: /s/ David Dwyer
(Signature)

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

SNP VENTURES, LP

By: /s/ Michael Polansky
(Signature)

Name: Michael Polansky

Title: Managing Director of its General Partner

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

AMCVF, L.P.

By: /s/ David G. Fleshman
(Signature)

Name: David G. Fleshman

Title: Managing Member

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

TDFUND III, LP

By: TDF III GP, LLC
its General Partner

By: /s/ James J. Pastoriza
James J. Pastoriza
Managing Member

SIGNATURE PAGE TO THE FOURTH AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

WI HARPER INC FUND VI LTD

By: /s/ Pete Yeau-Hwan Liu
(Signature)

Name: Pete Yeau-Hwan Liu

Title: Director

The parties have executed this Fourth Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTORS:

WORLDVIEW TECHNOLOGY PARTNERS IV, L.P.
WORLDVIEW TECHNOLOGY INTERNATIONAL IV, L.P.
WORLDVIEW STRATEGIC PARTNERS IV, L.P.

By: Worldview Capital IV, L.P., its General Partner
By: Worldview Equity I, L.LC., its General Partner

By: /s/ James Strawbridge
(Signature)

Name: James Strawbridge
Title: Attorney-in-fact for Worldview Equity I, L.LC.

Exhibit 10.1

OOMA, INC.

2005 STOCK PLAN

(Amended and restated on September 7, 2011, amended on December 13, 2011, and amended December 17, 2013)

1. **Purposes of the Plan.** The purposes of this 2005 Stock Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Employees and Consultants and to promote the success of the Company's business. Options granted under the Plan may be Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant of an option and subject to the applicable provisions of Section 422 of the Code and the regulations and interpretations promulgated thereunder. Stock purchase rights may also be granted under the Plan.

2. **Definitions.** As used herein, the following definitions shall apply:

(a) **"Administrator"** means the Board or its Committee appointed pursuant to Section 4 of the Plan.

(b) **"Affiliate"** means an entity other than a Subsidiary (as defined below) which, together with the Company, is under common control of a third person or entity.

(c) **"Applicable Laws"** means the legal requirements relating to the administration of stock option and restricted stock purchase plans, including under applicable U.S. state corporate laws, U.S. federal and applicable state securities laws, other U.S. federal and state laws, the Code, any Stock Exchange rules or regulations and the applicable laws, rules and regulations of any other country or jurisdiction where Options or Stock Purchase Rights are granted under the Plan, as such laws, rules, regulations and requirements shall be in place from time to time.

(d) **"Board"** means the Board of Directors of the Company.

(e) **"Cause"** for termination of a Participant's Continuous Service Status will exist if the Participant is terminated by the Company for any of the following reasons: (i) Participant's willful failure substantially to perform his or her duties and responsibilities to the Company or deliberate violation of a Company policy; (ii) Participant's commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct that has caused or is reasonably expected to result in material injury to the Company; (iii) unauthorized use or disclosure by Participant of any proprietary information or trade secrets of the Company or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Company; or (iv) Participant's willful breach of any of his or her obligations under any written agreement or covenant with the Company. The determination as to whether a Participant is being terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Participant. The foregoing definition does not in any way limit the Company's ability to terminate a Participant's employment or consulting relationship at any time as provided in Section 5(d) below, and the term "Company" will be interpreted to include any Subsidiary, Parent or Affiliate, as appropriate.

(f) **"Change of Control"** means (1) a sale of all or substantially all of the Company's assets, or (2) any merger, consolidation or other business combination transaction of the Company with or into another corporation, entity or person, other than a transaction in which the holders of at least a majority of the shares of voting capital stock of the Company outstanding immediately prior to such transaction continue to hold (either by such shares remaining outstanding or by their being converted into shares of voting capital stock of the surviving entity) a majority of the total voting power represented by the shares of voting capital stock of the Company (or the surviving entity) outstanding immediately after such transaction.

(g) **"Code"** means the Internal Revenue Code of 1986, as amended.

(h) **"Committee"** means one or more committees or subcommittees of the Board appointed by the Board to administer the Plan in accordance with Section 4 below.

(i) **"Common Stock"** means the Common Stock of the Company.

(j) **"Company"** means Ooma, Inc., a Delaware corporation.

(k) **"Consultant"** means any person, including an advisor, who is engaged by the Company or any Parent, Subsidiary or Affiliate to render services and is compensated for such services, and any director of the Company whether compensated for such services or not.

(l) **"Continuous Service Status"** means the absence of any interruption or termination of service as an Employee or Consultant. Continuous Service Status as an Employee or Consultant shall not be considered interrupted in the case of: (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Administrator, provided that such leave is for a period of not more than ninety (90) days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (iv) in the case of transfers between locations of the Company or between the Company, its Parents, Subsidiaries, Affiliates or their respective successors. A change in status from an Employee to a Consultant or from a Consultant to an Employee will not constitute an interruption of Continuous Service Status.

(m) **"Corporate Transaction"** means a sale of all or substantially all of the Company's assets, or a merger, consolidation or other capital reorganization or business combination transaction of the Company with or into another corporation, entity or person, or the direct or indirect acquisition (including by way of a tender or exchange offer) by any person, or persons acting as a group, of beneficial ownership or a right to acquire beneficial ownership of shares representing a majority of the voting power of the then outstanding shares of capital stock of the Company.

(n) **"Director"** means a member of the Board.

(o) **"Employee"** means any person employed by the Company or any Parent, Subsidiary or Affiliate, with the status of employment determined based upon such factors as are deemed appropriate by the Administrator in its discretion, subject to any requirements of the Code or the Applicable Laws. The payment by the Company of a director's fee to a Director shall not be sufficient to constitute "employment" of such Director by the Company.

(p) **"Exchange Act"** means the Securities Exchange Act of 1934, as amended.

(q) **"Fair Market Value"** means, as of any date, the fair market value of the Common Stock, as determined by the Administrator in good faith on such basis as it deems appropriate and applied consistently with respect to Participants. Whenever possible, the determination of Fair Market Value shall be based upon the closing price for the Shares as reported in the Wall Street Journal for the applicable date.

(r) **"Incentive Stock Option"** means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code, as designated in the applicable Option Agreement.

(s) "**Listed Security**" means any security of the Company that is listed or approved for listing on a national securities exchange or designated or approved for designation as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc.

(t) **"Named Executive"** means any individual who, on the last day of the Company's fiscal year, is the chief executive officer of the Company (or is acting in such capacity) or among the four most highly compensated officers of the Company (other than the chief executive officer). Such officer status shall be determined pursuant to the executive compensation disclosure rules under the Exchange Act.

(u) **"Nonstatutory Stock Option"** means an Option not intended to qualify as an Incentive Stock Option, as designated in the applicable Option Agreement.

(v) **"Option"** means a stock option granted pursuant to the Plan.

(w) **"Option Agreement"** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of an Option granted under the Plan and includes any documents attached to or incorporated into such Option Agreement, including, but not limited to, a notice of stock option grant and a form of exercise notice.

(x) **"Option Exchange Program"** means a program approved by the Administrator whereby outstanding Options are exchanged for Options with a lower exercise price or are amended to decrease the exercise price as a result of a decline in the Fair Market Value of the Common Stock.

(y) **"Optioned Stock"** means the Common Stock subject to an Option.

(z) **"Optionee"** means an Employee or Consultant who receives an Option.

(aa) **"Parent"** means a "parent corporation," whether now or hereafter existing, as defined in Section 424(e) of the Code, or any successor provision.

(bb) **"Participant"** means any holder of one or more Options or Stock Purchase Rights, or the Shares issuable or issued upon exercise of such awards, under the Plan.

(cc) **"Plan"** means this 2005 Stock Plan.

(dd) **"Reporting Person"** means an officer, Director, or greater than ten percent stockholder of the Company within the meaning of Rule 16a-2 under the Exchange Act, who is required to file reports pursuant to Rule 16a-3 under the Exchange Act.

(ee) **"Restricted Stock"** means Shares of Common Stock acquired pursuant to a grant of a Stock Purchase Right under Section 11 below.

(ff) **"Restricted Stock Purchase Agreement"** means a written document, the form(s) of which shall be approved from time to time by the Administrator, reflecting the terms of a Stock Purchase Right granted under the Plan and includes any documents attached to such agreement.

(gg) **"Rule 16b-3"** means Rule 16b-3 promulgated under the Exchange Act, as amended from time to time, or any successor provision.

(hh) **"Share"** means a share of the Common Stock, as adjusted in accordance with Section 14 of the Plan.

(ii) **"Stock Exchange"** means any stock exchange or consolidated stock price reporting system on which prices for the Common Stock are quoted at any given time.

(jj) **"Stock Purchase Right"** means the right to purchase Common Stock pursuant to Section 11 below.

(kk) **"Subsidiary"** means a "subsidiary corporation," whether now or hereafter existing, as defined in Section 424(f) of the Code, or any successor provision.

(ll) **"Ten Percent Holder"** means a person who owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary.

3. **Stock Subject to the Plan.** Subject to the provisions of Section 14 of the Plan, the maximum aggregate number of Shares that may be sold under the Plan is 6,641,205 shares of Common Stock. The Shares may be authorized, but unissued, or reacquired Common Stock. If an award should expire or become unexercisable for any reason without having been exercised in full, or is surrendered pursuant to an Option Exchange Program, the unpurchased Shares that were subject thereto shall, unless the Plan shall have been terminated, become available for future grant under the Plan. In addition, any Shares of Common Stock which are retained by the Company upon exercise of an award in order to satisfy the exercise or purchase price for such award or any withholding taxes due with respect to such exercise or purchase shall be treated as not issued and shall continue to be available under the Plan. Shares issued under the Plan and later repurchased by the Company pursuant to any repurchase right which the Company may have shall not be available for future grant under the Plan.

4. **Administration of the Plan.**

(a) **General.** The Plan shall be administered by the Board or a Committee, or a combination thereof, as determined by the Board. The Plan may be administered by different administrative bodies with respect to different classes of Participants and, if permitted by the Applicable Laws, the Board may authorize one or more officers to make awards under the Plan.

(b) **Committee Composition.** If a Committee has been appointed pursuant to this Section 4, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board. From time to time the Board may increase the size of any Committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies (however caused) and remove all members of a Committee and thereafter directly administer the Plan, all to the extent permitted by the Applicable Laws and, in the case of a Committee administering the Plan in accordance with the requirements of Rule 16b-3 or Section 162(m) of the Code, to the extent permitted or required by such provisions. The Committee shall in all events conform to any requirements of the Applicable Laws.

(c) **Powers of the Administrator.** Subject to the provisions of the Plan and in the case of a Committee, the specific duties delegated by the Board to such Committee, the Administrator shall have the authority, in its discretion:

(i) to determine the Fair Market Value of the Common Stock, in accordance with Section 2(q) of the Plan, provided that such determination shall be applied consistently with respect to Participants under the Plan;

(ii) to select the Employees and Consultants to whom Plan awards may from time to time be granted;

(iii) to determine whether and to what extent Plan awards are granted;

(iv) to determine the number of Shares of Common Stock to be covered by each award granted;

(v) to approve the form(s) of agreement(s) used under the Plan;

(vi) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any award granted hereunder, which terms and conditions include but are not limited to the exercise or purchase price, the time or times when awards may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, any pro rata adjustment to vesting as a result of a Participant’s transitioning from full- to part-time service (or vice versa), and any restriction or limitation regarding any Option, Optioned Stock, Stock Purchase Right or Restricted Stock, based in each case on such factors as the Administrator, in its sole discretion, shall determine;

(vii) to determine whether and under what circumstances an Option may be settled in cash under Section 10(c) instead of Common Stock;

(viii) to implement an Option Exchange Program on such terms and conditions as the Administrator in its discretion deems appropriate, provided that no amendment or adjustment to an Option that would materially and adversely affect the rights of any Optionee shall be made without the prior written consent of the Optionee;

(ix) to adjust the vesting of an Option held by an Employee or Consultant as a result of a change in the terms or conditions under which such person is providing services to the Company;

(x) to construe and interpret the terms of the Plan and awards granted under the Plan, which constructions, interpretations and decisions shall be final and binding on all Participants; and

(xi) in order to fulfill the purposes of the Plan and without amending the Plan, to modify grants of Options or Stock Purchase Rights to Participants who are foreign nationals or employed outside of the United States in order to recognize differences in local law, tax policies or customs.

5. **Eligibility.**

(a) **Recipients of Grants.** Nonstatutory Stock Options and Stock Purchase Rights may be granted to Employees and Consultants. Incentive Stock Options may be granted only to Employees, provided that Employees of Affiliates shall not be eligible to receive Incentive Stock Options.

(b) **Type of Option.** Each Option shall be designated in the Option Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option.

(c) **ISO $100,000 Limitation.** Notwithstanding any designation under Section 5(b), to the extent that the aggregate Fair Market Value of Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by any Optionee during any calendar year (under all plans of the Company or any Parent or Subsidiary) exceeds $100,000, such excess Options shall be treated as Nonstatutory Stock Options. For purposes of this Section 5(c), Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the Shares subject to an Incentive Stock Option shall be determined as of the date of the grant of such Option.

(d) **No Employment Rights.** The Plan shall not confer upon any Participant any right with respect to continuation of an employment or consulting relationship with the Company, nor shall it interfere in any way with such Participant's right or the Company's right to terminate the employment or consulting relationship at any time for any reason.

6. **Term of Plan**. The Plan shall become effective upon its adoption by the Board of Directors. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 16 of the Plan.

7. **Term of Option**. The term of each Option shall be the term stated in the Option Agreement; provided that the term shall be no more than ten years from the date of grant thereof or such shorter term as may be provided in the Option Agreement and provided further that, in the case of an Incentive Stock Option granted to a person who at the time of such grant is a Ten Percent Holder, the term of the Option shall be five years from the date of grant thereof or such shorter term as may be provided in the Option Agreement.

8. **[Reserved]**

9. **Option Exercise Price and Consideration**.

(a) **Exercise Price**. The per Share exercise price for the Shares to be issued pursuant to exercise of an Option shall be such price as is determined by the Administrator and set forth in the Option Agreement, but shall be subject to the following:

(i) In the case of an Incentive Stock Option

(A) granted to an Employee who at the time of grant is a Ten Percent Holder, the per Share exercise price shall be no less than 110% of the Fair Market Value per Share on the date of grant; or

(B) granted to any other Employee, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(ii) In the case of a Nonstatutory Stock Option

(A) granted on any date on which the Common Stock is not a Listed Security to a person who is at the time of grant is a Ten Percent Holder, the per Share exercise price shall be no less than 110% of the Fair Market Value per Share on the date of grant if required by the Applicable Laws and, if not so required, shall be such price as is determined by the Administrator;

(B) granted on any date on which the Common Stock is not a Listed Security to any other eligible person, the per Share exercise price shall be no less than 85% of the Fair Market Value per Share on the date of grant if required by the Applicable Laws and, if not so required, shall be such price as is determined by the Administrator; or

(C) granted on any date on which the Common Stock is a Listed Security to any eligible person, the per share Exercise Price shall be such price as determined by the Administrator provided that if such eligible person is, at the time of the grant of such Option, a Named Executive of the Company, the per share Exercise Price shall be no less than 100% of the Fair Market Value on the date of grant if such Option is intended to qualify as performance-based compensation under Section 162(m) of the Code.

(iii) Notwithstanding the foregoing, Options may be granted with a per Share exercise price other than as required above pursuant to a merger or other corporate transaction.

(b) **Permissible Consideration**. The consideration to be paid for the Shares to be issued upon exercise of an Option, including the method of payment, shall be determined by the Administrator (and, in the case of an Incentive Stock Option, shall be determined at the time of grant) and may consist entirely of (1) cash; (2) check; (3) subject to any requirements of the Applicable Laws (including without limitation Section 153 of the Delaware General Corporation Law), delivery of Optionee's promissory note having such recourse, interest, security and redemption provisions as the Administrator determines to be appropriate after taking into account the potential accounting consequences of permitting an Optionee to deliver a promissory note; (4) cancellation of indebtedness; (5) other Shares that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which the Option is exercised, provided that in the case of Shares acquired, directly or indirectly, from the Company, such Shares must have been owned by the Optionee for more than six months on the date of surrender (or such other period as may be required to avoid the Company's incurring an adverse accounting charge); (6) if, as of the date of exercise of an Option the Company then is permitting employees to engage in a "same-day sale" cashless brokered exercise program involving one or more brokers, through such a program that complies with the Applicable Laws (including without limitation the requirements of Regulation T and other applicable regulations promulgated by the Federal Reserve Board) and that ensures prompt delivery to the Company of the amount required to pay the exercise price and any applicable withholding taxes; or (7) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator shall consider if acceptance of such consideration may be reasonably expected to benefit the Company and the Administrator may, in its sole discretion, refuse to accept a particular form of consideration at the time of any Option exercise.

10. **Exercise of Option**.

(a) **General**.

(i) **Exercisability**. Any Option granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator, consistent with the term of the Plan and reflected in the Option Agreement, including vesting requirements and/or performance criteria with respect to the Company and/or the Optionee; provided however that, if required under the Applicable Laws, the Option (or Shares issued upon exercise of the Option) shall comply with the requirements of Section 260.140.41(f) and (k) of the Rules of the California Corporations Commissioner.

(ii) **Leave of Absence**. The Administrator shall have the discretion to determine whether and to what extent the vesting of Options shall be tolled during any unpaid leave of absence; provided, however, that in the absence of such determination, vesting of Options shall be tolled during any such unpaid leave (unless otherwise required by the Applicable Laws). In the event of military leave, vesting shall toll during any unpaid portion of such leave, provided that, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given vesting credit with respect to Options to the same extent as would have applied had the Participant continued to provide services to the Company throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) **Minimum Exercise Requirements**. An Option may not be exercised for a fraction of a Share. The Administrator may require that an Option be exercised as to a minimum number of Shares, provided that such requirement shall not prevent an Optionee from exercising the full number of Shares as to which the Option is then exercisable.

(iv) **Procedures for and Results of Exercise**. An Option shall be deemed exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Option by the person entitled to exercise the Option and the Company has received full payment for the Shares with respect to which the Option is exercised. Full payment may, as authorized by the Administrator, consist of any consideration and method of payment allowable under Section 9(b) of the Plan, provided that the Administrator may, in its sole discretion, refuse to accept any form of consideration at the time of any Option exercise.

Exercise of an Option in any manner shall result in a decrease in the number of Shares that thereafter may be available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(v) **Rights as Stockholder**. Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 14 of the Plan.

(b) **Termination of Employment or Consulting Relationship**. Except as otherwise set forth in this Section 10(b), the Administrator shall establish and set forth in the applicable Option Agreement the terms and conditions upon which an Option shall remain exercisable, if at all, following termination of an Optionee's Continuous Service Status, which provisions may be waived or modified by the Administrator at any time. Unless the Administrator otherwise provides in the Option Agreement, to the extent that the Optionee is not vested in Optioned Stock at the date of termination of his or her Continuous Service Status, or if the Optionee (or other person entitled to exercise the Option) does not exercise the Option to the extent so entitled within the time specified in the Option Agreement or below (as applicable), the Option shall terminate and the Optioned Stock underlying the unexercised portion of the Option shall revert to the Plan. In no event may any Option be exercised after the expiration of the Option term as set forth in the Option Agreement (and subject to Section 7).

The following provisions (1) shall apply to the extent an Option Agreement does not specify the terms and conditions upon which an Option shall terminate upon termination of an Optionee's Continuous Service Status, and (2) establish the minimum post-termination exercise periods that may be set forth in an Option Agreement:

(i) **Termination other than Upon Disability or Death or for Cause**. In the event of termination of Optionee's Continuous Service Status other than under the circumstances set forth in subsections (ii) through (iv) below, such Optionee may exercise an Option for 30 days following such termination to the extent the Optionee was vested in the Optioned Stock as of the date of such termination. No termination shall be deemed to occur and this Section 10(b)(i) shall not apply if (i) the Optionee is a Consultant who becomes an Employee, or (ii) the Optionee is an Employee who becomes a Consultant.

(ii) **Disability of Optionee**. In the event of termination of an Optionee's Continuous Service Status as a result of his or her disability (including a disability within the meaning of Section 22(e)(3) of the Code), such Optionee may exercise an Option at any time within six months following such termination to the extent the Optionee was vested in the Optioned Stock as of the date of such termination.

(iii) **Death of Optionee**. In the event of the death of an Optionee during the period of Continuous Service Status since the date of grant of the Option, or within thirty days following termination of Optionee's Continuous Service Status, the Option may be exercised by Optionee's estate or by a person who acquired the right to exercise the Option by bequest or inheritance at any time within twelve months following the date of death, but only to the extent the Optionee was vested in the Optioned Stock as of the date of death or, if earlier, the date the Optionee's Continuous Service Status terminated.

(iv) **Termination for Cause**. In the event of termination of an Optionee's Continuous Service Status for Cause, any Option (including any exercisable portion thereof) held by such Optionee shall immediately terminate in its entirety upon first notification to the Optionee of termination of the Optionee's Continuous Service Status. If an Optionee's employment or consulting relationship with the Company is suspended pending an investigation of whether the Optionee shall be terminated for Cause, all the Optionee's rights under any Option likewise shall be suspended during the investigation period and the Optionee shall have no right to exercise any Option. This Section 10(b)(iv) shall apply with equal effect to vested Shares acquired upon exercise of an Option granted on any date on which the Common Stock is not a Listed Security to a person other than an officer, Director or Consultant, in that the Company shall have the right to repurchase such Shares from the Participant upon the following terms: (A) the repurchase is made within 90 days of termination of the Participant's Continuous Service Status for Cause at the Fair Market Value of the Shares as of the date of termination, (B) consideration for the repurchase consists of cash or cancellation of purchase money indebtedness, and (C) the repurchase right terminates upon the effective date of the Company's initial public offering of its Common Stock. With respect to vested Shares issued upon exercise of an Option granted to any officer, Director or Consultant, the Company's right to repurchase such Shares upon termination of the Participant's Continuous Service Status for Cause shall be made at the Participant's original cost for the Shares and shall be effected pursuant to such terms and conditions, and at such time, as the Administrator shall determine. Nothing in this Section 10(b)(iv) shall in any way limit the Company's right to purchase unvested Shares issued upon exercise of an Option as set forth in the applicable Option Agreement.

(c) **Buyout Provisions**. The Administrator may at any time offer to buy out for a payment in cash or Shares an Option previously granted under the Plan based on such terms and conditions as the Administrator shall establish and communicate to the Optionee at the time that such offer is made.

11. **Stock Purchase Rights**.

(a) **Rights to Purchase**. When the Administrator determines that it will offer Stock Purchase Rights under the Plan, it shall advise the offeree in writing of the terms, conditions and restrictions related to the offer, including the number of Shares that such person shall be entitled to purchase, the price to be paid, and the time within which such person must accept such offer. In the case of a Stock Purchase Right granted prior to the date, if any, on which the Common Stock becomes a Listed Security and if required by the Applicable Laws at that time, the purchase price of Shares subject to such Stock Purchase Rights shall not be less than 85% of the Fair Market Value of the Shares as of the date of the offer, or, in the case of a Ten Percent Holder, the price shall not be less than 100% of the Fair Market Value of the Shares as of the date of the offer. If the Applicable Laws do not impose the requirements set forth in the preceding sentence and with respect to any Stock Purchase Rights granted after the date, if any, on which the Common Stock becomes a Listed Security, the purchase price of Shares subject to Stock Purchase Rights shall be as determined by the Administrator. The offer to purchase Shares subject to Stock Purchase Rights shall be accepted by execution of a Restricted Stock Purchase Agreement in the form determined by the Administrator.

(b) **Repurchase Option**.

(i) **General**. Unless the Administrator determines otherwise, the Restricted Stock Purchase Agreement shall grant the Company a repurchase option exercisable upon the voluntary or involuntary termination of the purchaser's employment with the Company for any reason (including death or disability). Subject to any requirements of the Applicable Laws (including without limitation Section 260.140.42(h) of the Rules of the California Corporations Commissioner), the terms of the Company's repurchase option (including without limitation the price at which, and the consideration for which, it may be exercised, and the events upon which it shall lapse) shall be as determined by the Administrator in its sole discretion and reflected in the Restricted Stock Purchase Agreement.

(ii) **Leave of Absence**. The Administrator shall have the discretion to determine whether and to what extent the lapsing of Company repurchase rights shall be tolled during any unpaid leave of absence; provided, however, that in the absence of such determination, such lapsing shall be tolled during any such unpaid leave (unless otherwise required by the Applicable Laws). In the event of military leave, the lapsing of Company repurchase rights shall toll during any unpaid portion of such leave, provided that, upon a Participant's returning from military leave (under conditions that would entitle him or her to protection upon such return under the Uniform Services Employment and Reemployment Rights Act), he or she shall be given "vesting" credit with respect to Shares purchased pursuant to the Restricted Stock Purchase Agreement to the same extent as would have applied had the Participant continued to provide services to the Company throughout the leave on the same terms as he or she was providing services immediately prior to such leave.

(iii) **Termination for Cause**. In the event of termination of a Participant's Continuous Service Status for Cause, the Company shall have the right to repurchase from the Participant vested Shares issued upon exercise of a Stock Purchase Right granted to any person other than an officer, Director or Consultant prior to the date, if any, upon

which the Common Stock becomes a Listed Security upon the following terms: (A) the repurchase must be made within 90 days of termination of the Participant's Continuous Service Status for Cause at the Fair Market Value of the Shares as of the date of termination, (B) consideration for the repurchase consists of cash or cancellation of purchase money indebtedness, and (C) the repurchase right terminates upon the effective date of the Company's initial public offering of its Common Stock. With respect to vested Shares issued upon exercise of a Stock Purchase Right granted to any officer, Director or Consultant, the Company's right to repurchase such Shares upon termination of such Participant's Continuous Service Status for Cause shall be made at the Participant's original cost for the Shares and shall be effected pursuant to such terms and conditions, and at such time, as the Administrator shall determine. Nothing in this Section 11(b)(iii) shall in any way limit the Company's right to purchase unvested Shares as set forth in the applicable Restricted Stock Purchase Agreement.

(c) **Other Provisions**. The Restricted Stock Purchase Agreement shall contain such other terms, provisions and conditions not inconsistent with the Plan as may be determined by the Administrator in its sole discretion. In addition, the provisions of Restricted Stock Purchase Agreements need not be the same with respect to each purchaser.

(d) **Rights as a Stockholder**. Once the Stock Purchase Right is exercised, the purchaser shall have the rights equivalent to those of a stockholder, and shall be a stockholder when his or her purchase is entered upon the records of the duly authorized transfer agent of the Company. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Stock Purchase Right is exercised, except as provided in Section 14 of the Plan.

12. **Taxes**.

(a) As a condition of the grant, vesting or exercise of an Option or Stock Purchase Right granted under the Plan, the Participant (or in the case of the Participant's death, the person exercising the Option or Stock Purchase Right) shall make such arrangements as the Administrator may require for the satisfaction of any applicable federal, state, local or foreign withholding tax obligations that may arise in connection with such grant, vesting or exercise of the Option or Stock Purchase Right or the issuance of Shares. The Company shall not be required to issue any Shares under the Plan until such obligations are satisfied. If the Administrator allows the withholding or surrender of Shares to satisfy a Participant's tax withholding obligations under this Section 12 (whether pursuant to Section 12(c), (d) or (e), or otherwise), the Administrator shall not allow Shares to be withheld in an amount that exceeds the minimum statutory withholding rates for federal and state tax purposes, including payroll taxes.

(b) In the case of an Employee and in the absence of any other arrangement, the Employee shall be deemed to have directed the Company to withhold or collect from his or her compensation an amount sufficient to satisfy such tax obligations from the next payroll payment otherwise payable after the date of an exercise of the Option or Stock Purchase Right.

(c) This Section 12(c) shall apply only after the date, if any, upon which the Common Stock becomes a Listed Security. In the case of Participant other than an Employee (or in the case of an Employee where the next payroll payment is not sufficient to satisfy such tax

obligations, with respect to any remaining tax obligations), in the absence of any other arrangement and to the extent permitted under the Applicable Laws, the Participant shall be deemed to have elected to have the Company withhold from the Shares to be issued upon exercise of the Option or Stock Purchase Right that number of Shares having a Fair Market Value determined as of the applicable Tax Date (as defined below) equal to the amount required to be withheld. For purposes of this Section 12, the Fair Market Value of the Shares to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined under the Applicable Laws (the "Tax Date").

(d) If permitted by the Administrator, in its discretion, a Participant may satisfy his or her tax withholding obligations upon exercise of an Option or Stock Purchase Right by surrendering to the Company Shares that have a Fair Market Value determined as of the applicable Tax Date equal to the amount required to be withheld. In the case of shares previously acquired from the Company that are surrendered under this Section 12(d), such Shares must have been owned by the Participant for more than six (6) months on the date of surrender (or such other period of time as is required for the Company to avoid adverse accounting charges).

(e) Any election or deemed election by a Participant to have Shares withheld to satisfy tax withholding obligations under Section 12(c) or (d) above shall be irrevocable as to the particular Shares as to which the election is made and shall be subject to the consent or disapproval of the Administrator. Any election by a Participant under Section 12(d) above must be made on or prior to the applicable Tax Date.

(f) In the event an election to have Shares withheld is made by a Participant and the Tax Date is deferred under Section 83 of the Code because no election is filed under Section 83(b) of the Code, the Participant shall receive the full number of Shares with respect to which the Option or Stock Purchase Right is exercised but such Participant shall be unconditionally obligated to tender back to the Company the proper number of Shares on the Tax Date.

13. **Non-Transferability of Options and Stock Purchase Rights**.

(a) **General**. Except as set forth in this Section 13, Options and Stock Purchase Rights may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner other than by will or by the laws of descent or distribution. The designation of a beneficiary by an Optionee will not constitute a transfer. An Option or Stock Purchase Right may be exercised, during the lifetime of the holder of an Option or Stock Purchase Right, only by such holder or a transferee permitted by this Section 13.

(b) **Limited Transferability Rights**. Notwithstanding anything else in this Section 13, the Administrator may in its discretion grant Nonstatutory Stock Options that may be transferred by instrument to an inter vivos or testamentary trust in which the Options are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift or pursuant to domestic relations orders to "Immediate Family Members" (as defined below) of the Optionee. "Immediate Family" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law,

daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or the Optionee) control the management of assets, and any other entity in which these persons (or the Optionee) own more than fifty percent of the voting interests.

14. **Adjustments Upon Changes in Capitalization, Merger or Certain Other Transactions**.

(a) **Changes in Capitalization**. Subject to any action required under Applicable Laws by the stockholders of the Company, the number of Shares of Common Stock covered by each outstanding award and the number of Shares of Common Stock that have been authorized for issuance under the Plan but as to which no awards have yet been granted or that have been returned to the Plan upon cancellation or expiration of an award, as well as the price per Share of Common Stock covered by each such outstanding award, shall be proportionately adjusted for any increase or decrease in the number of issued Shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination, recapitalization or reclassification of the Common Stock, or any other increase or decrease in the number of issued Shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Administrator, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares of Common Stock subject to an award.

(b) **Dissolution or Liquidation**. In the event of the dissolution or liquidation of the Company, each Option and Stock Purchase Right will terminate immediately prior to the consummation of such action, unless otherwise determined by the Administrator.

(c) **Corporate Transaction**. In the event of a Corporate Transaction (including without limitation a Change of Control), each outstanding Option or Stock Purchase Right shall be assumed or an equivalent option or right shall be substituted by such successor corporation or a parent or subsidiary of such successor corporation (the "Successor Corporation"), unless the Successor Corporation does not agree to assume the award or to substitute an equivalent option or right, in which case such Option or Stock Purchase Right shall terminate upon the consummation of the transaction. Notwithstanding anything stated herein or in any other agreement to the contrary, whether such agreement was entered into before or after the date this provision is effective, and applicable to all Options and Stock Purchase Rights granted before or after the date this provision is effective, if any Option or Stock Purchase Right, or any agreement applicable to any Option or Stock Purchase Right, provides for accelerated vesting in connection with any termination of service that occurs on or after the consummation of any Corporate Transaction (including without limitation a Change of Control), and the Successor Corporation does not agree to assume the Option or Stock Purchase Right, or to substitute an equivalent option or right for the Option or Stock Purchase Right, then any acceleration of vesting that would otherwise occur upon such termination of service shall occur immediately prior to, and contingent upon, the consummation of such Corporate Transaction.

For purposes of this Section 14(c), an Option or a Stock Purchase Right shall be considered assumed, without limitation, if, at the time of issuance of the stock or other consideration upon a Corporate Transaction or a Change of Control, as the case may be, each holder of an Option or Stock Purchase Right would be entitled to receive upon exercise of the award the same number and kind of shares of stock or the same amount of property, cash or securities as such holder would have been entitled to receive upon the occurrence of the transaction if the holder had been, immediately prior to such transaction, the holder of the number of Shares of Common Stock covered by the award at such time (after giving effect to any adjustments in the number of Shares covered by the Option or Stock Purchase Right as provided for in this Section 14); provided that if such consideration received in the transaction is not solely common stock of the Successor Corporation, the Administrator may, with the consent of the Successor Corporation, provide for the consideration to be received upon exercise of the award to be solely common stock of the Successor Corporation equal to the Fair Market Value of the per Share consideration received by holders of Common Stock in the transaction.

(d) **Certain Distributions**. In the event of any distribution to the Company's stockholders of securities of any other entity or other assets (other than dividends payable in cash or stock of the Company) without receipt of consideration by the Company, the Administrator may, in its discretion, appropriately adjust the price per Share of Common Stock covered by each outstanding Option or Stock Purchase Right to reflect the effect of such distribution.

15. **Time of Granting Options and Stock Purchase Rights**. The date of grant of an Option or Stock Purchase Right shall, for all purposes, be the date on which the Administrator makes the determination granting such Option or Stock Purchase Right, or such other date as is determined by the Administrator, provided that in the case of any Incentive Stock Option, the grant date shall be the later of the date on which the Administrator makes the determination granting such Incentive Stock Option or the date of commencement of the Optionee's employment relationship with the Company. Notice of the determination shall be given to each Employee or Consultant to whom an Option or Stock Purchase Right is so granted within a reasonable time after the date of such grant.

16. **Amendment and Termination of the Plan**.

(a) **Authority to Amend or Terminate**. The Board may at any time amend, alter, suspend or discontinue the Plan, but no amendment, alteration, suspension or discontinuation (other than an adjustment pursuant to Section 14 above) shall be made that would materially and adversely affect the rights of any Optionee or holder of Stock Purchase Rights under any outstanding grant, without his or her consent. In addition, to the extent necessary and desirable to comply with the Applicable Laws, the Company shall obtain stockholder approval of any Plan amendment in such a manner and to such a degree as required.

(b) **Effect of Amendment or Termination**. Except as to amendments which the Administrator has the authority under the Plan to make unilaterally, no amendment or termination of the Plan shall materially and adversely affect Options or Stock Purchase Rights already granted, unless mutually agreed otherwise between the Optionee or holder of the Stock Purchase Rights and the Administrator, which agreement must be in writing and signed by the Optionee or holder and the Company.

17. **Conditions Upon Issuance of Shares**. Notwithstanding any other provision of the Plan or any agreement entered into by the Company pursuant to the Plan, the Company shall not be obligated, and shall have no liability for failure, to issue or deliver any Shares under the Plan unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. As a condition to the exercise of an Option or Stock Purchase Right, the Company may require the person exercising the award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by law. Shares issued upon exercise of awards granted prior to the date on which the Common Stock becomes a Listed Security shall be subject to a right of first refusal in favor of the Company pursuant to which the Participant will be required to offer Shares to the Company before selling or transferring them to any third party on such terms and subject to such conditions as is reflected in the applicable Option Agreement or Restricted Stock Purchase Agreement.

18. **Reservation of Shares**. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

19. **Agreements**. Options and Stock Purchase Rights shall be evidenced by Option Agreements and Restricted Stock Purchase Agreements, respectively, in such form(s) as the Administrator shall from time to time approve.

20. **Stockholder Approval**. If required by the Applicable Laws, continuance of the Plan shall be subject to approval by the stockholders of the Company within twelve (12) months before or after the date the Plan is adopted. Such stockholder approval shall be obtained in the manner and to the degree required under the Applicable Laws.

21. **Information and Documents to Optionees and Purchasers**. Prior to the date, if any, upon which the Common Stock becomes a Listed Security and if required by the Applicable Laws, the Company shall provide financial statements at least annually to each Optionee and to each individual who acquired Shares pursuant to the Plan, during the period such Optionee or purchaser has one or more Options or Stock Purchase Rights outstanding, and in the case of an individual who acquired Shares pursuant to the Plan, during the period such individual owns such Shares. The Company shall not be required to provide such information if the issuance of Options or Stock Purchase Rights under the Plan is limited to key employees whose duties in connection with the Company assure their access to equivalent information.

OOMA, INC.

2005 STOCK PLAN

RESTRICTED STOCK PURCHASE AGREEMENT

This Restricted Stock Purchase Agreement (the "Agreement") is made as of , 2005, by and between Ooma, Inc., a Delaware corporation (the "Company"), and ("Purchaser") pursuant to the Company's 2005 Stock Plan. To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the 2005 Stock Plan.

1. **Sale of Stock**. Subject to the terms and conditions of this Agreement, on the Purchase Date (as defined below) the Company will issue and sell to Purchaser, and Purchaser agrees to purchase from the Company, shares of the Company's Common Stock (the "Shares") at a purchase price of $ per Share for a total purchase price of $. The term "Shares" refers to the purchased Shares and all securities received in replacement of or in connection with the Shares pursuant to stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other properties to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Purchase.** The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement by the parties, or on such other date as the Company and Purchaser shall agree (the "Purchase Date"). On the Purchase Date, the Company will deliver to Purchaser a certificate representing the Shares to be purchased by Purchaser (which shall be issued in Purchaser's name) against payment of the purchase price therefor by Purchaser by (a) check made payable to the Company, (b) cancellation of indebtedness of the Company to Purchaser, or (c) by a combination of the foregoing.

3. **Limitations on Transfer**. In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares while the Shares are subject to the Company's Repurchase Option (as defined below). After any Shares have been released from such Repurchase Option, Purchaser shall not assign, encumber or dispose of any interest in such Shares except in compliance with the provisions below and applicable securities laws.

(a) **Repurchase Option**.

(i) In the event of the voluntary or involuntary termination of Purchaser's employment or consulting relationship with the Company for any reason (including death or disability), with or without cause, the Company shall upon the date of such termination (the "Termination Date") have an irrevocable, exclusive option (the "Repurchase Option") for a period of 90 days from such date to repurchase all or any portion of the Shares held by Purchaser as of the Termination Date which have not yet been released from the Company's Repurchase Option at the original purchase price per Share specified in Section 1 (adjusted for any stock splits, stock dividends and the like).

(ii) Unless the Company notifies Purchaser within 90 days from the date of termination of Purchaser's employment or consulting relationship that it does not intend to exercise its Repurchase Option with respect to some or all of the Shares, the Repurchase Option shall be deemed automatically exercised by the Company as of the 90th day following such termination, provided that the Company may notify Purchaser that it is exercising its Repurchase Option as of a date prior to such 90th day. Unless Purchaser is otherwise notified by the Company pursuant to the preceding sentence that the Company does not intend to exercise its Repurchase Option as to some or all of the Shares to which it applies at the time of termination, execution of this Agreement by Purchaser constitutes written notice to Purchaser of the Company's intention to exercise its Repurchase Option with respect to all Shares to which such Repurchase Option applies. The Company, at its choice, may satisfy its payment obligation to Purchaser with respect to exercise of the Repurchase Option by either (A) delivering a check to Purchaser in the amount of the purchase price for the Shares being repurchased, or (B) in the event Purchaser is indebted to the Company, canceling an amount of such indebtedness equal to the purchase price for the Shares being repurchased, or (C) by a combination of (A) and (B) so that the combined payment and cancellation of indebtedness equals such purchase price. In the event of any deemed automatic exercise of the Repurchase Option pursuant to this Section 3(a)(ii) in which Purchaser is indebted to the Company, such indebtedness equal to the purchase price of the Shares being repurchased shall be deemed automatically canceled as of the 90th day following termination of Purchaser's employment or consulting relationship unless the Company otherwise satisfies its payment obligations. As a result of any repurchase of Shares pursuant to this Section 3(a), the Company shall become the legal and beneficial owner of the Shares being repurchased and shall have all rights and interest therein or related thereto, and the Company shall have the right to transfer to its own name the number of Shares being repurchased by the Company, without further action by Purchaser.

(iii) 100% of the Shares shall initially be subject to the Repurchase Option. 1/4th of the total number of Shares shall be released from the Repurchase Option on the twelve-month anniversary of the Vesting Commencement Date (as set forth on the signature page of this Agreement), and an additional 1/48th of the total number of Shares shall be released from the Repurchase Option each month thereafter, until all Shares are released from the Repurchase Option; provided, however, that such scheduled releases from the Repurchase Option shall immediately cease as of the Termination Date. Fractional shares shall be rounded to the nearest whole share.

(b) **Right of First Refusal**. Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(b) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer**. The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (A) the Holder's bona fide intention to sell or otherwise transfer such Shares; (B) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (C) the number of Shares to be transferred to each Proposed Transferee; and (D) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Offered Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal**. At any time within 30 days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (iii) below.

(iii) **Purchase Price**. The purchase price ("Purchase Price") for the Shares purchased by the Company or its assignee(s) under this Section 3(b) shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith.

(iv) **Payment**. Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness or by any combination thereof within 30 days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(v) **Holder's Right to Transfer**. If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(b), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Offered Price or at a higher price, provided that such sale or other transfer is consummated within 60 days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(vi) **Exception for Certain Family Transfers**. Anything to the contrary contained in this Section 3(b) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or to a trust for the benefit of Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(b). "Immediate Family" as used herein shall mean spouse, lineal descendant or antecedent, father, mother, brother or sister. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section 3, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(c) **Involuntary Transfer**.

(i) **Company's Right to Purchase upon Involuntary Transfer**. In the event, at any time after the date of this Agreement, of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(b)(vi) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer. Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of 30 days following receipt by the Company of written notice by the person acquiring the Shares.

(ii) **Price for Involuntary Transfer**. With respect to any stock to be transferred pursuant to Section 3(c)(i), the price per Share shall be a price set by the Board of Directors of the Company that will reflect the current value of the stock in terms of present earnings and future prospects of the Company. The Company shall notify Purchaser or his or her executor of the price so determined within 30 days after receipt by it of written notice of the transfer or proposed transfer of Shares. However, if Purchaser does not agree with the valuation as determined by the Board of Directors of the Company, Purchaser shall be entitled to have the valuation determined by an independent appraiser to be mutually agreed upon by the Company and Purchaser and whose fees shall be borne equally by the Company and Purchaser.

(d) **Assignment**. The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any stockholder or stockholders of the Company or other persons or organizations.

(e) **Restrictions Binding on Transferees**. All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement, including, insofar as applicable, the Repurchase Option. In the event of any purchase by the Company hereunder where the Shares or interest are held by a transferee, the transferee shall be obligated, if requested by the Company, to transfer the Shares or interest to the Purchaser for consideration equal to the amount to be paid by the Company hereunder. In the event the Repurchase Option is deemed exercised by the Company pursuant to Section 3(a)(ii) hereof, the Company may deem any transferee to have transferred the Shares or interest to Purchaser prior to their purchase by the Company, and payment of the purchase price by the Company to such transferee shall be deemed to satisfy Purchaser's obligation to pay such transferee for such Shares or interest, and also to satisfy the Company's obligation to pay Purchaser for such Shares or interest. Any sale or transfer of the Shares shall be void unless the provisions of this Agreement are satisfied.

(f) **Termination of Rights**. The right of first refusal granted the Company by Section 3(b) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(c) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act").

4. **Escrow of Unvested Shares**. For purposes of facilitating the enforcement of the provisions of Section 3 above, Purchaser agrees, immediately upon receipt of the certificate(s) for the Shares subject to the Repurchase Option, to deliver such certificate(s), together with an Assignment Separate from Certificate in the form attached to this Agreement as Exhibit A executed by Purchaser and by Purchaser's spouse (if required for transfer), in blank, to the Secretary of the Company, or the Secretary's designee, to hold such certificate(s) and Assignment Separate from Certificate in escrow and to take all such actions and to effectuate all such transfers and/or releases as are in accordance with the terms of this Agreement. Purchaser hereby acknowledges that the Secretary of the Company, or the Secretary's designee, is so appointed as the escrow holder with the foregoing authorities as a material inducement to make this Agreement and that said appointment is coupled with an interest and is accordingly irrevocable. Purchaser agrees that said escrow holder shall not be liable to any party hereof (or to any other party). The escrow holder may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Purchaser agrees that if the Secretary of the Company, or the Secretary's designee, resigns as escrow holder for any or no reason, the Board of Directors of the Company shall have the power to appoint a successor to serve as escrow holder pursuant to the terms of this Agreement.

5. **Investment and Taxation Representations**. In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing the Shares for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any other person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require,

among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

6. **Restrictive Legends and Stop-Transfer Orders**.

(a) **Legends**. The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices**. Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer**. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

7. **No Employment Rights**. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

8. **Section 83(b) Election**. Purchaser understands that Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), taxes as ordinary income the difference between the amount paid for the Shares and the Fair Market Value of the Shares as of the date any restrictions on the Shares lapse. In this context, "restriction" means the right of the Company to buy back the Shares pursuant to the Repurchase Option set forth in Section 3(a) of this Agreement. Purchaser understands that Purchaser may elect to be taxed at the time the Shares are purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "83(b) Election") of the Code with the Internal Revenue Service within 30 days from the date of purchase. Even if the Fair Market Value of the Shares at the time of the execution of this Agreement equals the amount paid for the Shares, the election must be made to avoid income under Section 83(a) in the future. Purchaser understands that failure to file such an election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that an additional copy of such election form should be filed with his or her federal income tax return for the calendar year in which the date of this Agreement falls. Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to purchase of the Shares hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death.

Purchaser agrees that he will execute and deliver to the Company with this executed Agreement a copy of the Acknowledgment and Statement of Decision Regarding Section 83(b) Election (the "Acknowledgment"), attached hereto as Exhibit B. Purchaser further agrees that Purchaser will execute and submit with the Acknowledgment a copy of the 83(b) Election, attached hereto as Exhibit C, if Purchaser has indicated in the Acknowledgment his or her decision to make such an election.

9. **Lock-Up Agreement**. In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing such offering of the Company's securities, Holder hereby agrees not to sell, make any short sale of,

loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the Company's initial public offering. 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.

10. **Miscellaneous**.

(a) **Governing Law**. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights**. This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability**. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Construction**. This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(e) **Notices**. Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or 48 hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(f) **Counterparts**. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(g) **Successors and Assigns**. The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(h) **California Corporate Securities Law**. THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Agreement as of the date first set forth above.

THE COMPANY:

OOMA, INC.

By: _____
(Signature)

Name: _____

Title: _____

Address:

PURCHASER:

_____

Address:

Vesting Commencement Date: _____

I, spouse of , have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be bound irrevocably by the Agreement and further agree that any community property or other such interest that I may have in the Shares shall hereby be similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of _____

EXHIBIT A

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED and pursuant to that certain Restricted Stock Purchase Agreement between the undersigned ("Purchaser") and Ooma, Inc., a Delaware corporation (the "Company"), dated , 2005 (the "Agreement"), Purchaser hereby sells, assigns and transfers unto the Company ( ) shares of the Common Stock of the Company, standing in Purchaser's name on the books of the Company and represented by Certificate No. , and hereby irrevocably constitutes and appoints to transfer said stock on the books of the Company with full power of substitution in the premises. THIS ASSIGNMENT MAY ONLY BE USED AS AUTHORIZED BY THE AGREEMENT AND THE EXHIBITS THERETO.

Dated: _____

_____

_____

Spouse of _____ (if applicable)

Instruction: Please do not fill in any blanks other than the signature line. The purpose of this assignment is to enable the Company to exercise its repurchase option set forth in the Agreement without requiring additional signatures on the part of Purchaser.

EXHIBIT B

ACKNOWLEDGMENT AND STATEMENT OF DECISION REGARDING SECTION 83(B) ELECTION

The undersigned (which term includes the undersigned's spouse), a purchaser of shares of Common Stock of Ooma, Inc., a Delaware corporation (the "Company"), by exercise of stock purchase right (the "Right") granted pursuant to the Company's 2005 Stock Plan (the "Plan"), hereby states as follows:

1. The undersigned acknowledges receipt of a copy of the Plan relating to the offering of such shares. The undersigned has carefully reviewed the Plan and the stock purchase agreement pursuant to which the Right was granted.

2. The undersigned either [check and complete as applicable]:

(a) ____ has consulted, and has been fully advised by, the undersigned's own tax advisor, , whose business address is , regarding the federal, state and local tax consequences of purchasing shares under the Plan, and particularly regarding the advisability of making elections pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code") and pursuant to the corresponding provisions, if any, of applicable state law; or

(b) ____ has knowingly chosen not to consult such a tax advisor.

3. The undersigned hereby states that the undersigned has decided [check as applicable]:

(a) ____ to make an election pursuant to Section 83(b) of the Code, and is submitting to the Company, together with the undersigned's executed Restricted Stock Purchase Agreement, an executed form entitled "Election Under Section 83(b) of the Internal Revenue Code of 1986;" or

(b) ____ not to make an election pursuant to Section 83(b) of the Code.

4. Neither the Company nor any subsidiary or representative of the Company has made any warranty or representation to the undersigned with respect to the tax consequences of the undersigned's purchase of shares under the Plan or of the making or failure to make an election pursuant to Section 83(b) of the Code or the corresponding provisions, if any, of applicable state law.

Dated: _____

_____

_____

Spouse of _____ (if applicable)

EXHIBIT C

ELECTION UNDER SECTION 83(B)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code, to include in taxpayer's gross income for the current taxable year, the amount of any compensation taxable to taxpayer in connection with taxpayer's receipt of the property described below:

1. The name, address, taxpayer identification number and taxable year of the undersigned are as follows:

   NAME OF TAXPAYER: _____

   NAME OF SPOUSE: _____

   ADDRESS: _____

   _____

   IDENTIFICATION NO. OF TAXPAYER: _____

   IDENTIFICATION NO. OF SPOUSE: _____

   TAXABLE YEAR: 2005

2. The property with respect to which the election is made is described as follows:

   shares of the Common Stock of Ooma, Inc., a Delaware corporation (the "Company").

3. The date on which the property was transferred is: _____

4. The property is subject to the following restrictions:

   Repurchase option at cost in favor of the Company upon termination of taxpayer's employment or consulting relationship.

5. The fair market value at the time of transfer, determined without regard to any restriction other than a restriction which by its terms will never lapse, of such property is: $.

6. The amount (if any) paid for such property: $.

The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The transferee of such property is the person performing the services in connection with the transfer of said property.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Commissioner.

Dated: _____

_____

_____

Spouse of _____ (if applicable)

RECEIPT

Ooma, Inc., a Delaware corporation, hereby acknowledges receipt of (check as applicable) a check in the amount of $ as consideration for Certificate No. for shares of Common Stock of Ooma, Inc.
Dated: _____

OOMA, INC.

By: _____
(Signature)

Name: _____
Title: _____

RECEIPT AND CONSENT

The undersigned hereby acknowledges receipt of a photocopy of Certificate No. for shares of Common Stock of Ooma, Inc., a Delaware corporation (the "Company").

The undersigned further acknowledges that the Secretary of the Company, or his or her designee, is acting as escrow holder pursuant to the Restricted Stock Purchase Agreement Purchaser has previously entered into with the Company. As escrow holder, the Secretary of the Company, or his or her designee, holds the original of the aforementioned certificate issued in the undersigned's name.

Dated: _____

_____

OOMA, INC.

2005 STOCK PLAN

NOTICE OF STOCK OPTION GRANT

Name: _____

You have been granted an option to purchase Common Stock of Ooma, Inc., a Delaware corporation (the "Company"), as follows:

Board Approval Date:	_____
Date of Grant (Later of Board Approval Date or Commencement of Employment/Consulting):	_____
Exercise Price Per Share:	$_____
Total Number of Shares Granted:	_____
Total Exercise Price:	$_____
Type of Option:	_____ Shares Incentive Stock Option _____ Shares Nonstatutory Stock Option
Expiration Date:	_____
Vesting Commencement Date:	_____
Vesting/Exercise Schedule:	The Shares underlying this Option shall vest and become exercisable in accordance with the following schedule: 12/48th of the total number of Shares subject to the Option shall vest and become exercisable on the 12 month anniversary of the Vesting Commencement Date and 1/48th of the total number of Shares subject to the Option shall vest and become exercisable on the same day of each month thereafter so long as the recipient of the Option remains in Continuous Service Status.
Termination Period:	This Option may be exercised for 60 days after termination of employment or consulting relationship except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). Optionee is responsible for keeping track of these exercise periods following termination for any reason of his or her service relationship with the Company. The Company will not provide further notice of such periods.
Transferability:	This Option may not be transferred.

By your signature and the signature of the Company's representative below, you and the Company agree that this option is granted under and governed by the terms and conditions of the Ooma, Inc. 2005 Stock Plan and the Stock Option Agreement, both of which are attached and made a part of this document.

In addition, you agree and acknowledge that your rights to any Shares underlying the Option will be earned only as you provide services to the Company over time, that the grant of the Option is not as consideration for services you rendered to the Company prior to your Vesting Commencement Date, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause.

Also, the Exercise Price Per Share has been set at the fair market value of the Shares on the Date of Grant in good faith compliance with the applicable guidance issued by the IRS under Section 409A of the Code in order to avoid the Option being treated as deferred compensation under Section 409A of the Code. However, there is no guarantee that the IRS will agree with the valuation and, by signing below, you agree and acknowledge that the Company shall not be held liable for any applicable costs, taxes, or penalties associated with the Option if, in fact, the IRS were to determine that the Option constitutes deferred compensation under Section 409A of the Code. You should consult with your own tax advisor concerning the tax consequences of such a determination by the IRS.

OPTIONEE:

NAME

By: _____
(Signature)

THE COMPANY:

OOMA, INC.

By: _____
(Signature)

Name: _____

Title: _____

OOMA, INC.

2005 STOCK PLAN

STOCK OPTION AGREEMENT

1. **Grant of Option**. Ooma, Inc., a Delaware corporation (the "Company"), hereby grants to ("Optionee"), an option (the "Option") to purchase the total number of shares of Common Stock (the "Shares") set forth in the Notice of Stock Option Grant (the "Notice"), at the exercise price per Share set forth in the Notice (the "Exercise Price") subject to the terms, definitions and provisions of the Ooma, Inc. 2005 Stock Plan (the "Plan") adopted by the Company, which is incorporated in this Agreement by reference. Unless otherwise defined in this Agreement, the terms used in this Agreement shall have the meanings defined in the Plan.

2. **Designation of Option**. This Option is intended to be an Incentive Stock Option as defined in Section 422 of the Code only to the extent so designated in the Notice, and to the extent it is not so designated or to the extent the Option does not qualify as an Incentive Stock Option, it is intended to be a Nonstatutory Stock Option.

Notwithstanding the above, if designated as an Incentive Stock Option, in the event that the Shares subject to this Option (and all other Incentive Stock Options granted to Optionee by the Company or any Parent or Subsidiary, including under other plans of the Company) that first become exercisable in any calendar year have an aggregate fair market value (determined for each Share as of the date of grant of the option covering such Share) in excess of $100,000, the Shares in excess of $100,000 shall be treated as subject to a Nonstatutory Stock Option, in accordance with Section 5(c) of the Plan.

3. **Exercise of Option**. This Option shall be exercisable during its term in accordance with the Vesting/Exercise Schedule set out in the Notice and with the provisions of Section 10 of the Plan as follows:

(a) **Right to Exercise**.

(i) This Option may not be exercised for a fraction of a share.

(ii) In the event of Optionee's death, disability or other termination of employment, the exercisability of the Option is governed by Section 5 below, subject to the limitations contained in this Section 3.

(iii) In no event may this Option be exercised after the Expiration Date of the Option as set forth in the Notice.

(b) **Method of Exercise**.

(i) This Option shall be exercisable by execution and delivery of the Early Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit A, the Exercise Notice and Restricted Stock Purchase Agreement attached hereto as Exhibit B, or of

any other form of written notice approved for such purpose by the Company which shall state Optionee's election to exercise the Option, the number of Shares in respect of which the Option is being exercised, and such other representations and agreements as to the holder's investment intent with respect to such Shares as may be required by the Company pursuant to the provisions of the Plan. Such written notice shall be signed by Optionee and shall be delivered to the Company by such means as are determined by the Plan Administrator in its discretion to constitute adequate delivery. The written notice shall be accompanied by payment of the Exercise Price. This Option shall be deemed to be exercised upon receipt by the Company of such written notice accompanied by the Exercise Price.

(ii) As a condition to the exercise of this Option and as further set forth in Section 12 of the Plan, Optionee agrees to make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon the vesting or exercise of the Option, or disposition of Shares, whether by withholding, direct payment to the Company, or otherwise.

(iii) The Company is not obligated, and will have no liability for failure, to issue or deliver any Shares upon exercise of the Option unless such issuance or delivery would comply with the Applicable Laws, with such compliance determined by the Company in consultation with its legal counsel. This Option may not be exercised until such time as the Plan has been approved by the stockholders of the Company, or if the issuance of such Shares upon such exercise or the method of payment of consideration for such shares would constitute a violation of any applicable federal or state securities or other law or regulation, including any rule under Part 221 of Title 12 of the Code of Federal Regulations as promulgated by the Federal Reserve Board. As a condition to the exercise of this Option, the Company may require Optionee to make any representation and warranty to the Company as may be required by the Applicable Laws. Assuming such compliance, for income tax purposes the Shares shall be considered transferred to Optionee on the date on which the Option is exercised with respect to such Shares.

4. **Method of Payment**. Payment of the Exercise Price shall be by any of the following, or a combination of the following, at the election of Optionee:

(a) cash or check;

(b) cancellation of indebtedness;

(c) prior to the date, if any, upon which the Common Stock becomes a Listed Security, by surrender of other shares of Common Stock of the Company that have an aggregate Fair Market Value on the date of surrender equal to the Exercise Price of the Shares as to which the Option is being exercised. In the case of shares acquired directly or indirectly from the Company, such shares must have been owned by Optionee for more than six (6) months on the date of surrender (or such other period of time as is necessary to avoid the Company's incurring adverse accounting charges); or

(d) following the date, if any, upon which the Common Stock is a Listed Security, and if the Company is at such time permitting "same day sale" cashless brokered exercises, delivery of a properly executed exercise notice together with irrevocable instructions to a broker participating in such cashless brokered exercise program to deliver promptly to the Company the amount required to pay the exercise price (and applicable withholding taxes).

5. **Termination of Relationship**. Following the date of termination of Optionee's Continuous Service Status for any reason (the "Termination Date"), Optionee may exercise the Option only as set forth in the Notice and this Section 5. To the extent that Optionee is not entitled to exercise this Option as of the Termination Date, or if Optionee does not exercise this Option within the Termination Period set forth in the Notice or the termination periods set forth below, the Option shall terminate in its entirety. In no event, may any Option be exercised after the Expiration Date of the Option as set forth in the Notice.

(a) **Termination.** In the event of termination of Optionee's Continuous Service Status other than as a result of Optionee's disability or death or for Cause (as defined in the Plan), Optionee may, to the extent Optionee is vested in the Option Shares at the date of such termination (the "Termination Date"), exercise this Option during the Termination Period set forth in the Notice.

(b) **Other Terminations**. In connection with any termination other than a termination covered by Section 5(a), Optionee may exercise the Option only as described below:

(i) **Termination upon Disability of Optionee**. In the event of termination of Optionee's Continuous Service Status as a result of Optionee's disability, Optionee may, but only within six months from the Termination Date, exercise this Option to the extent Optionee was vested in the Option Shares as of such Termination Date.

(ii) **Death of Optionee**. In the event of the death of Optionee (a) during the term of this Option and while an Employee or Consultant of the Company and having been in Continuous Service Status since the date of grant of the Option, or (b) within thirty (30) days after Optionee's Termination Date, the Option may be exercised at any time within twelve months following the date of death by Optionee's estate or by a person who acquired the right to exercise the Option by bequest or inheritance, but only to the extent Optionee was vested in the Option as of the Termination Date.

(iii) **Termination for Cause**. In the event Optionee's Continuous Service Status is terminated for Cause, the Option shall terminate immediately upon such termination for Cause as set forth in Section 10(b)(iv) of the Plan. In the event Optionee's employment or consulting relationship with the Company is suspended pending investigation of whether such relationship shall be terminated for Cause, all Optionee's rights under the Option, including the right to exercise the Option, shall be suspended during the investigation period, also as set forth in Section 10(b)(iv) of the Plan.

6. **Non-Transferability of Option**. This Option may not be transferred in any manner otherwise than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by him or her. The terms of this Option shall be binding upon the executors, administrators, heirs, successors and assigns of Optionee.

7. **Tax Consequences**. Below is a brief summary as of the date of this Option of certain of the federal tax consequences of exercise of this Option and disposition of the Shares under the laws in effect as of the Date of Grant. THIS SUMMARY IS INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. OPTIONEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES.

(a) **Incentive Stock Option**.

(i) **Tax Treatment upon Exercise and Sale of Shares**. If this Option qualifies as an Incentive Stock Option, there will be no regular federal income tax liability upon the exercise of the Option, although the excess, if any, of the fair market value of the Shares on the date of exercise over the Exercise Price will be treated as an adjustment to the alternative minimum tax for federal tax purposes and may subject Optionee to the alternative minimum tax in the year of exercise. If Shares issued upon exercise of an Incentive Stock Option are held for at least one year after exercise and are disposed of at least two years after the Option grant date, any gain realized on disposition of the Shares will also be treated as long-term capital gain for federal income tax purposes. If Shares issued upon exercise of an Incentive Stock Option are disposed of within such one-year period or within two years after the Option grant date, any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates) to the extent of the difference between the Exercise Price and the lesser of (i) the fair market value of the Shares on the date of exercise, or (ii) the sale price of the Shares.

(ii) **Notice of Disqualifying Dispositions**. With respect to any Shares issued upon exercise of an Incentive Stock Option, if Optionee sells or otherwise disposes of such Shares on or before the later of (i) the date two years after the Option grant date, or (ii) the date one year after the date of exercise, Optionee shall immediately notify the Company in writing of such disposition. Optionee acknowledges and agrees that he or she may be subject to income tax withholding by the Company on the compensation income recognized by Optionee from the early disposition by payment in cash or out of the current earnings paid to Optionee.

(b) **Nonstatutory Stock Option**. If this Option does not qualify as an Incentive Stock Option, there may be a regular federal (and state) income tax liability upon the exercise of the Option. Optionee will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the fair market value of the Shares on the date of exercise over the Exercise Price. If Optionee is an Employee, the Company will be required to withhold from Optionee's compensation or collect from Optionee and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise. If Shares issued upon exercise of a Nonstatutory Stock Option are held for at least one year, any gain realized on disposition of the Shares will be treated as long-term capital gain for federal income tax purposes.

8. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Optionee hereby agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however and whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering.

9. **Effect of Agreement**. Optionee acknowledges receipt of a copy of the Plan and represents that he or she is familiar with the terms and provisions thereof (and has had an opportunity to consult counsel regarding the Option terms), and hereby accepts this Option and agrees to be bound by its contractual terms as set forth herein and in the Plan. Optionee hereby agrees to accept as binding, conclusive and final all decisions and interpretations of the Plan Administrator regarding any questions relating to the Option. In the event of a conflict between the terms and provisions of the Plan and the terms and provisions of the Notice and this Agreement, the Plan terms and provisions shall prevail. The Option, including the Plan, constitutes the entire agreement between Optionee and the Company on the subject matter hereof and supersedes all proposals, written or oral, and all other communications between the parties relating to such subject matter.

[Signature Page Follows]

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one document.

OPTIONEE:

NAME

By: _____
(Signature)

THE COMPANY:

OOMA, INC.

By: _____
(Signature)

Name: _____

Title: _____

EXHIBIT A

OOMA, INC.

2005 STOCK PLAN

EARLY EXERCISE NOTICE AND RESTRICTED STOCK PURCHASE AGREEMENT

This Agreement ("Agreement") is made as of March 15, 2011, by and between Ooma, Inc., a Delaware corporation (the "Company"), and Eric Stang ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan (as defined below).

1. **Exercise of Option**. Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase 257,470 shares of the Common Stock (the "Shares") of the Company under and pursuant to the Company's 2005 Stock Plan (the "Plan") and the Stock Option Agreement granted October 19, 2010 (the "Option Agreement"). Of these Shares, Purchaser has elected to purchase 42,911 of those Shares which have become vested as of the date hereof under the Vesting Schedule set forth in the Notice of Stock Option Grant (the "Vested Shares") and 214,559 Shares which have not yet vested under such Vesting Schedule (the "Unvested Shares"). The purchase price for the Shares shall be $0.01 per Share for a total purchase price of $2,574.70. The term "Shares" refers to the purchased Shares and all securities received in replacement of the Shares or as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other properties to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

2. **Time and Place of Exercise**. The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement in accordance with the provisions of Section 3(b) of the Option Agreement. On such date, the Company will deliver to Purchaser a certificate representing the Shares to be purchased by Purchaser (which shall be issued in Purchaser's name) against payment of the exercise price therefor by Purchaser by any method listed in Section 4 of the Option Agreement.

3. **Limitations on Transfer**. In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares while the Shares are subject to the Company's Repurchase Option (as defined below). After any Shares have been released from such Repurchase Option, Purchaser shall not assign, encumber or dispose of any interest in such Shares except in compliance with the provisions below and applicable securities laws.

(a) **Repurchase Option**.

(i) In the event of the voluntary or involuntary termination of Purchaser's employment or consulting relationship with the Company for any reason (including death or disability), with or without cause, the Company shall upon the date of such termination (the "Termination Date") have an irrevocable, exclusive option (the "Repurchase Option") for a

period of 90 days from such date to repurchase all or any portion of the Shares held by Purchaser as of the Termination Date which have not yet been released from the Company's Repurchase Option at the original purchase price per Share specified in Section 1 (adjusted for any stock splits, stock dividends and the like).

(ii) Unless the Company notifies Purchaser within 90 days from the date of termination of Purchaser's employment or consulting relationship that it does not intend to exercise its Repurchase Option with respect to some or all of the Shares, the Repurchase Option shall be deemed automatically exercised by the Company as of the 90th day following such termination, provided that the Company may notify Purchaser that it is exercising its Repurchase Option as of a date prior to such 90th day. Unless Purchaser is otherwise notified by the Company pursuant to the preceding sentence that the Company does not intend to exercise its Repurchase Option as to some or all of the Shares to which it applies at the time of termination, execution of this Agreement by Purchaser constitutes written notice to Purchaser of the Company's intention to exercise its Repurchase Option with respect to all Shares to which such Repurchase Option applies. The Company, at its choice, may satisfy its payment obligation to Purchaser with respect to exercise of the Repurchase Option by either (A) delivering a check to Purchaser in the amount of the purchase price for the Shares being repurchased, or (B) in the event Purchaser is indebted to the Company, canceling an amount of such indebtedness equal to the purchase price for the Shares being repurchased, or (C) by a combination of (A) and (B) so that the combined payment and cancellation of indebtedness equals such purchase price. In the event of any deemed automatic exercise of the Repurchase Option pursuant to this Section 3(a)(ii) in which Purchaser is indebted to the Company, such indebtedness equal to the purchase price of the Shares being repurchased shall be deemed automatically canceled as of the 90th day following termination of Purchaser's employment or consulting relationship unless the Company otherwise satisfies its payment obligations. As a result of any repurchase of Shares pursuant to this Section 3(a), the Company shall become the legal and beneficial owner of the Shares being repurchased and shall have all rights and interest therein or related thereto, and the Company shall have the right to transfer to its own name the number of Shares being repurchased by the Company, without further action by Purchaser.

(iii) One hundred percent (100%) of the Shares shall initially be subject to the Repurchase Option. The Unvested Shares shall be released from the Repurchase Option in accordance with the Vesting Schedule set forth in the Notice of Stock Option Grant until all Shares are released from the Repurchase Option. Fractional shares shall be rounded to the nearest whole share.

(b) **Right of First Refusal**. Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(b) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer**. The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each

Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Offered Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal**. At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (iii) below.

(iii) **Purchase Price**. The purchase price ("Purchase Price") for the Shares purchased by the Company or its assignee(s) under this Section 3(b) shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith.

(iv) **Payment**. Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within 30 days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(v) **Holder's Right to Transfer**. If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(b), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Offered Price or at a higher price, provided that such sale or other transfer is consummated within 60 days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(vi) **Exception for Certain Family Transfers**. Anything to the contrary contained in this Section 3(b) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(b). "Immediate Family" as used herein shall mean spouse, lineal descendant or antecedent, father, mother, brother or sister. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(c) **Involuntary Transfer**.

(i) **Company's Right to Purchase upon Involuntary Transfer**. In the event, at any time after the date of this Agreement, of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(b)(vi) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer. Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(ii) **Price for Involuntary Transfer**. With respect to any stock to be transferred pursuant to Section 3(c)(i), the price per Share shall be a price set by the Board of Directors of the Company that will reflect the current value of the stock in terms of present earnings and future prospects of the Company. The Company shall notify Purchaser or his or her executor of the price so determined within thirty (30) days after receipt by it of written notice of the transfer or proposed transfer of Shares. However, if the Purchaser does not agree with the valuation as determined by the Board of Directors of the Company, the Purchaser shall be entitled to have the valuation determined by an independent appraiser to be mutually agreed upon by the Company and the Purchaser and whose fees shall be borne equally by the Company and the Purchaser.

(d) **Assignment**. The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any shareholder or shareholders of the Company or other persons or organizations.

(e) **Restrictions Binding on Transferees**. All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement, including, insofar as applicable, the Repurchase Option. In the event of any purchase by the Company hereunder where the Shares or interest are held by a transferee, the transferee shall be obligated, if requested by the Company, to transfer the Shares or interest to the Purchaser for consideration equal to the amount to be paid by the Company hereunder. In the event the Repurchase Option is deemed exercised by the Company pursuant to Section 3(a)(ii) hereof, the Company may deem any transferee to have transferred the Shares or interest to Purchaser prior to their purchase by the Company, and payment of the purchase price by the Company to such transferee shall be deemed to satisfy Purchaser's obligation to pay such transferee for such Shares or interest, and also to satisfy the Company's obligation to pay Purchaser for such Shares or interest. Any sale or transfer of the Shares shall be void unless the provisions of this Agreement are satisfied.

(f) **Termination of Rights**. The right of first refusal granted the Company by Section 3(b) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(c) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as

amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(b) above, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 6(a)(ii) herein and delivered to Purchaser.

4. **Escrow of Unvested Shares**. For purposes of facilitating the enforcement of the provisions of Section 3 above, Purchaser agrees, immediately upon receipt of the certificate(s) for the Shares subject to the Repurchase Option, to deliver such certificate(s), together with an Assignment Separate from Certificate in the form attached to this Agreement as Attachment A executed by Purchaser and by Purchaser's spouse (if required for transfer), in blank, to the Secretary of the Company, or the Secretary's designee, to hold such certificate(s) and Assignment Separate from Certificate in escrow and to take all such actions and to effectuate all such transfers and/or releases as are in accordance with the terms of this Agreement. Purchaser hereby acknowledges that the Secretary of the Company, or the Secretary's designee, is so appointed as the escrow holder with the foregoing authorities as a material inducement to make this Agreement and that said appointment is coupled with an interest and is accordingly irrevocable. Purchaser agrees that said escrow holder shall not be liable to any party hereof (or to any other party). The escrow holder may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Purchaser agrees that if the Secretary of the Company, or the Secretary's designee, resigns as escrow holder for any or no reason, the Board of Directors of the Company shall have the power to appoint a successor to serve as escrow holder pursuant to the terms of this Agreement.

5. **Investment and Taxation Representations**. In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice

6. **Restrictive Legends and Stop-Transfer Orders**.

(a) **Legends**. The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE HOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices**. Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer**. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

7. **No Employment Rights**. Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

8. **Section 83(b) Election**. Purchaser understands that Section 83(a) of the Internal Revenue Code of 1986, as amended (the "Code"), taxes as ordinary income for a Nonstatutory Stock Option and as alternative minimum taxable income for an Incentive Stock Option the difference between the amount paid for the Shares and the Fair Market Value of the Shares as of the date any restrictions on the Shares lapse. In this context, "restriction" means the right of the Company to buy back the Shares pursuant to the Repurchase Option set forth in Section 3(a) of this Agreement. Purchaser understands that Purchaser may elect to be taxed at the time the Shares are purchased, rather than when and as the Repurchase Option expires, by filing an election under Section 83(b) (an "83(b) Election") of the Code with the Internal Revenue Service within 30 days from the date of purchase. Even if the Fair Market Value of the Shares at the time of the execution of this Agreement equals the amount paid for the Shares, the election must be made to avoid income and alternative minimum tax treatment under Section 83(a) in the future. Purchaser understands that failure to file such an election in a timely manner may result in adverse tax consequences for Purchaser. Purchaser further understands that an additional copy of such election form should be filed with his or her federal income tax return for the calendar year in which the date of this Agreement falls. Purchaser acknowledges that the foregoing is only a summary of the effect of United States federal income taxation with respect to purchase of the Shares hereunder, and does not purport to be complete. Purchaser further acknowledges that the Company has directed Purchaser to seek independent advice regarding the applicable provisions of the Code, the income tax laws of any municipality, state or foreign country in which Purchaser may reside, and the tax consequences of Purchaser's death.

Purchaser agrees that he or she will execute and deliver to the Company with this executed Agreement a copy of the Acknowledgment and Statement of Decision Regarding Section 83(b) Election (the "Acknowledgment") attached hereto as Attachment B. Purchaser further agrees that he or she will execute and submit with the Acknowledgment a copy of the 83(b) Election attached hereto as Attachment C (for tax purposes in connection with the early exercise of an option) if Purchaser has indicated in the Acknowledgment his or her decision to make such an election.

9. **Lock-Up Agreement**. In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering.

10. **Miscellaneous**.

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Construction.** This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(e) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or 48 hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(f) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(g) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

(h) **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Signature Page Follows]

The parties have executed this Early Exercise Notice and Restricted Stock Purchase Agreement as of the date first set forth above.

THE COMPANY:

OOMA, INC.

By: _____
(Signature)

Name: _____

Title: _____

Address: _____

_____

PURCHASER:

NAME

_____

Address: _____

_____

I, , spouse of , have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be irrevocably bound by the Agreement and further agree that any community property or other such interest shall hereby by similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of _____ (if applicable)

ATTACHMENT A

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED and pursuant to that certain Early Exercise Notice and Restricted Stock Purchase Agreement between the undersigned ("Purchaser") and Ooma, Inc., a Delaware corporation (the "Company"), dated , 20 (the "Agreement"), Purchaser hereby sells, assigns and transfers unto the Company ( ) shares of the Common Stock of the Company, standing in Purchaser's name on the books of the Company and represented by Certificate No. , and does hereby irrevocably constitute and appoint to transfer said stock on the books of the Company with full power of substitution in the premises. THIS ASSIGNMENT MAY ONLY BE USED AS AUTHORIZED BY THE AGREEMENT AND THE ATTACHMENTS THERETO.

Dated:_____

NAME

_____

_____

Spouse of _____ (if applicable)

Instructions: Please do not fill in any blanks other than the signature line. The purpose of this assignment is to enable the Company to exercise its Repurchase Option set forth in the Agreement without requiring additional signatures on the part of Purchaser.

ATTACHMENT B

ACKNOWLEDGMENT AND STATEMENT OF DECISION
REGARDING SECTION 83(B) ELECTION

The undersigned (which term includes the undersigned's spouse), a purchaser of shares of Common Stock of Ooma, Inc., a Delaware corporation (the "Company"), by exercise of an option (the "Option") granted pursuant to the Company's 2005 Stock Plan (the "Plan"), hereby states as follows:

(1) The undersigned acknowledges receipt of a copy of the Plan relating to the offering of such shares. The undersigned has carefully reviewed the Plan and the option agreement pursuant to which the Option was granted.

(2) The undersigned either [check and complete as applicable]:

a. has consulted, and has been fully advised by, the undersigned's own tax advisor, , whose business address is , regarding the federal, state and local tax consequences of purchasing shares under the Plan, and particularly regarding the advisability of making elections pursuant to Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code") and pursuant to the corresponding provisions, if any, of applicable state law; or

b. has knowingly chosen not to consult such a tax advisor.

(3) The undersigned hereby states that the undersigned has decided [check as applicable]:

a. to make an election pursuant to Section 83(b) of the Code, and is submitting to the Company, together with the undersigned's executed Early Exercise Notice and Restricted Stock Purchase Agreement, an executed form entitled "Election Under Section 83(b) of the Internal Revenue Code of 1986;" or

b. not to make an election pursuant to Section 83(b) of the Code.

(4) Neither the Company nor any subsidiary or representative of the Company has made any warranty or representation to the undersigned with respect to the tax consequences of the undersigned's purchase of shares under the Plan or of the making or failure to make an election pursuant to Section 83(b) of the Code or the corresponding provisions, if any, of applicable state law.

Dated: _____

NAME

_____

_____

Spouse of _____ (if applicable)

ATTACHMENT C

ELECTION UNDER SECTION 83(B)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to Section 83(b) of the Internal Revenue Code, to include in taxpayer's gross income or alternative minimum taxable income, as applicable, for the current taxable year, the amount of any income that may be taxable to taxpayer in connection with taxpayer's receipt of the property described below:

i. The name, address, taxpayer identification number and taxable year of the undersigned are as follows:

NAME OF TAXPAYER:

NAME OF SPOUSE:

ADDRESS:

IDENTIFICATION NO. OF TAXPAYER:

IDENTIFICATION NO. OF SPOUSE:

TAXABLE YEAR:

ii. The property with respect to which the election is made is described as follows:

shares of the Common Stock of Ooma, Inc., a Delaware corporation (the "Company").

iii. The date on which the property was transferred is:

iv. The property is subject to the following restrictions: Repurchase option at cost in favor of the Company upon termination of taxpayer's employment or consulting relationship.

v. The Fair Market Value at the time of transfer, determined without regard to any restriction other than a restriction which by its terms will never lapse, of such property is: $_____

vi. The amount (if any) paid for such property: $_____

The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The transferee of such property is the person performing the services in connection with the transfer of said property.

The undersigned understands that the foregoing election may not be revoked except with the consent of the Commissioner.

Dated:_____

NAME

_____

_____

Spouse of _____ (if applicable)

RECEIPT AND CONSENT

The undersigned hereby acknowledges receipt of a photocopy of Certificate No. for shares of Common Stock of Ooma, Inc., a Delaware corporation (the "Company").

The undersigned further acknowledges that the Secretary of the Company, or his or her designee, is acting as escrow holder pursuant to the Early Exercise Notice and Restricted Stock Purchase Agreement Purchaser has previously entered into with the Company. As escrow holder, the Secretary of the Company, or his or her designee, holds the original of the aforementioned certificate issued in the undersigned's name.

Dated:_____

NAME

_____

EXHIBIT B

OOMA, INC.

2005 STOCK PLAN

EXERCISE NOTICE AND RESTRICTED STOCK PURCHASE AGREEMENT

This Agreement ("Agreement") is made as of , by and between Ooma, Inc., a Delaware corporation (the "Company"), and ("Purchaser"). To the extent any capitalized terms used in this Agreement are not defined, they shall have the meaning ascribed to them in the Plan (as defined below).

10. **Exercise of Option**. Subject to the terms and conditions hereof, Purchaser hereby elects to exercise his or her option to purchase shares of the Common Stock (the "Shares") of the Company under and pursuant to the Company's 2005 Stock Plan (the "Plan") and the Stock Option Agreement granted (the "Option Agreement"). The purchase price for the Shares shall be $ per Share for a total purchase price of $. The term "Shares" refers to the purchased Shares and all securities received in replacement of the Shares or as stock dividends or splits, all securities received in replacement of the Shares in a recapitalization, merger, reorganization, exchange or the like, and all new, substituted or additional securities or other properties to which Purchaser is entitled by reason of Purchaser's ownership of the Shares.

11. **Time and Place of Exercise**. The purchase and sale of the Shares under this Agreement shall occur at the principal office of the Company simultaneously with the execution and delivery of this Agreement in accordance with the provisions of Section 3(b) of the Option Agreement. On such date, the Company will deliver to Purchaser a certificate representing the Shares to be purchased by Purchaser (which shall be issued in Purchaser's name) against payment of the exercise price therefor by Purchaser by any method listed in Section 4 of the Option Agreement.

12. **Limitations on Transfer**. In addition to any other limitation on transfer created by applicable securities laws, Purchaser shall not assign, encumber or dispose of any interest in the Shares except in compliance with the provisions below and applicable securities laws.

(a) **Right of First Refusal**. Before any Shares held by Purchaser or any transferee of Purchaser (either being sometimes referred to herein as the "Holder") may be sold or otherwise transferred (including transfer by gift or operation of law), the Company or its assignee(s) shall have a right of first refusal to purchase the Shares on the terms and conditions set forth in this Section 3(a) (the "Right of First Refusal").

(i) **Notice of Proposed Transfer**. The Holder of the Shares shall deliver to the Company a written notice (the "Notice") stating: (i) the Holder's bona fide intention to sell or otherwise transfer such Shares; (ii) the name of each proposed purchaser or other transferee ("Proposed Transferee"); (iii) the number of Shares to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Holder shall offer the Shares at the same price (the "Offered Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee(s).

(ii) **Exercise of Right of First Refusal.** At any time within thirty (30) days after receipt of the Notice, the Company and/or its assignee(s) may, by giving written notice to the Holder, elect to purchase all, but not less than all, of the Shares proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (iii) below.

(iii) **Purchase Price.** The purchase price ("Purchase Price") for the Shares purchased by the Company or its assignee(s) under this Section 3(a) shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith.

(iv) **Payment.** Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness, or by any combination thereof within 30 days after receipt of the Notice or in the manner and at the times set forth in the Notice.

(v) **Holder's Right to Transfer.** If all of the Shares proposed in the Notice to be transferred to a given Proposed Transferee are not purchased by the Company and/or its assignee(s) as provided in this Section 3(a), then the Holder may sell or otherwise transfer such Shares to that Proposed Transferee at the Offered Price or at a higher price, provided that such sale or other transfer is consummated within 60 days after the date of the Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws and the Proposed Transferee agrees in writing that the provisions of this Section 3 shall continue to apply to the Shares in the hands of such Proposed Transferee. If the Shares described in the Notice are not transferred to the Proposed Transferee within such period, or if the Holder proposes to change the price or other terms to make them more favorable to the Proposed Transferee, a new Notice shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal before any Shares held by the Holder may be sold or otherwise transferred.

(vi) **Exception for Certain Family Transfers.** Anything to the contrary contained in this Section 3(a) notwithstanding, the transfer of any or all of the Shares during Purchaser's lifetime or on Purchaser's death by will or intestacy to Purchaser's Immediate Family or a trust for the benefit of Purchaser's Immediate Family shall be exempt from the provisions of this Section 3(a). "Immediate Family" as used herein shall mean spouse, lineal descendant or antecedent, father, mother, brother or sister. In such case, the transferee or other recipient shall receive and hold the Shares so transferred subject to the provisions of this Section, and there shall be no further transfer of such Shares except in accordance with the terms of this Section 3.

(b) **Involuntary Transfer**.

(i) **Company's Right to Purchase upon Involuntary Transfer.** In the event, at any time after the date of this Agreement, of any transfer by operation of law or other involuntary transfer (including death or divorce, but excluding a transfer to Immediate Family as set forth in Section 3(a)(vi) above) of all or a portion of the Shares by the record holder thereof, the Company shall have an option to purchase all of the Shares transferred at the greater of the purchase price paid by Purchaser pursuant to this Agreement or the Fair Market Value of the Shares on the date of transfer. Upon such a transfer, the person acquiring the Shares shall promptly notify the Secretary of the Company of such transfer. The right to purchase such Shares shall be provided to the Company for a period of thirty (30) days following receipt by the Company of written notice by the person acquiring the Shares.

(ii) **Price for Involuntary Transfer.** With respect to any stock to be transferred pursuant to Section 3(b)(i), the price per Share shall be a price set by the Board of Directors of the Company that will reflect the current value of the stock in terms of present earnings and future prospects of the Company. The Company shall notify Purchaser or his or her executor of the price so determined within thirty (30) days after receipt by it of written notice of the transfer or proposed transfer of Shares. However, if the Purchaser does not agree with the valuation as determined by the Board of Directors of the Company, the Purchaser shall be entitled to have the valuation determined by an independent appraiser to be mutually agreed upon by the Company and the Purchaser and whose fees shall be borne equally by the Company and the Purchaser.

(c) **Assignment.** The right of the Company to purchase any part of the Shares may be assigned in whole or in part to any shareholder or shareholders of the Company or other persons or organizations.

(d) **Restrictions Binding on Transferees.** All transferees of Shares or any interest therein will receive and hold such Shares or interest subject to the provisions of this Agreement. Any sale or transfer of the Company's Shares shall be void unless the provisions of this Agreement are satisfied.

(e) **Termination of Rights.** The right of first refusal granted the Company by Section 3(a) above and the option to repurchase the Shares in the event of an involuntary transfer granted the Company by Section 3(b) above shall terminate upon the first sale of Common Stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). Upon termination of the right of first refusal described in Section 3(a) above, a new certificate or certificates representing the Shares not repurchased shall be issued, on request, without the legend referred to in Section 5(a)(ii) herein and delivered to Purchaser.

13. **Investment and Taxation Representations.** In connection with the purchase of the Shares, Purchaser represents to the Company the following:

(a) Purchaser is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Shares. Purchaser is purchasing these securities for investment for his or her own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act or under any applicable provision of state law. Purchaser does not have any present intention to transfer the Shares to any person or entity.

(b) Purchaser understands that the Shares have not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of Purchaser's investment intent as expressed herein.

(c) Purchaser further acknowledges and understands that the securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Purchaser further acknowledges and understands that the Company is under no obligation to register the securities. Purchaser understands that the certificate(s) evidencing the securities will be imprinted with a legend which prohibits the transfer of the securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) Purchaser is familiar with the provisions of Rules 144 and 701, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer of the securities (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Purchaser understands that the Company provides no assurances as to whether he or she will be able to resell any or all of the Shares pursuant to Rule 144 or Rule 701, which rules require, among other things, that the Company be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, that resales of securities take place only after the holder of the Shares has held the Shares for certain specified time periods, and under certain circumstances, that resales of securities be limited in volume and take place only pursuant to brokered transactions. Notwithstanding this paragraph (d), Purchaser acknowledges and agrees to the restrictions set forth in paragraph (e) below.

(e) Purchaser further understands that in the event all of the applicable requirements of Rule 144 or 701 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

(f) Purchaser understands that Purchaser may suffer adverse tax consequences as a result of Purchaser's purchase or disposition of the Shares. Purchaser represents that Purchaser has consulted any tax consultants Purchaser deems advisable in connection with the purchase or disposition of the Shares and that Purchaser is not relying on the Company for any tax advice.

14. **Restrictive Legends and Stop-Transfer Orders.**

(a) **Legends.** The certificate or certificates representing the Shares shall bear the following legends (as well as any legends required by applicable state and federal corporate and securities laws):

(i) THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISTRIBUTION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

(ii) THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

(b) **Stop-Transfer Notices.** Purchaser agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

(c) **Refusal to Transfer.** The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

15. **No Employment Rights.** Nothing in this Agreement shall affect in any manner whatsoever the right or power of the Company, or a parent or subsidiary of the Company, to terminate Purchaser's employment or consulting relationship, for any reason, with or without cause.

16. **Lock-Up Agreement.** In connection with the initial public offering of the Company's securities and upon request of the Company or the underwriters managing any underwritten offering of the Company's securities, Purchaser agrees not to sell, make any short sale of, loan, grant any option for the purchase of, or otherwise dispose of any securities of the Company however or whenever acquired (other than those included in the registration) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time (not to exceed 180 days) from the effective date of such registration as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters at the time of the public offering.

17. **Miscellaneous**.

(a) **Governing Law.** This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of the State of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement; Enforcement of Rights.** This Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter herein and merges all prior discussions between them. No modification of or amendment to this Agreement, nor any waiver of any rights under this Agreement, shall be effective unless in writing signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement shall not be construed as a waiver of any rights of such party.

(c) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (i) such provision shall be excluded from this Agreement, (ii) the balance of the Agreement shall be interpreted as if such provision were so excluded and (iii) the balance of the Agreement shall be enforceable in accordance with its terms.

(d) **Construction.** This Agreement is the result of negotiations between and has been reviewed by each of the parties hereto and their respective counsel, if any; accordingly, this Agreement shall be deemed to be the product of all of the parties hereto, and no ambiguity shall be construed in favor of or against any one of the parties hereto.

(e) **Notices.** Any notice required or permitted by this Agreement shall be in writing and shall be deemed sufficient when delivered personally or sent by telegram or fax or forty-eight (48) hours after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, and addressed to the party to be notified at such party's address as set forth below or as subsequently modified by written notice.

(f) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

(g) **Successors and Assigns.** The rights and benefits of this Agreement shall inure to the benefit of, and be enforceable by the Company's successors and assigns. The rights and obligations of Purchaser under this Agreement may only be assigned with the prior written consent of the Company.

[Signature Page Follows]

The parties have executed this Exercise Notice and Restricted Stock Purchase Agreement as of the date first set forth above.

THE COMPANY:

OOMA, INC.

By: _____
(Signature)

Name: _____

Title: _____

Address: _____

_____

PURCHASER:

NAME

_____

Address: _____

_____

I, , spouse of , have read and hereby approve the foregoing Agreement. In consideration of the Company's granting my spouse the right to purchase the Shares as set forth in the Agreement, I hereby agree to be irrevocably bound by the Agreement and further agree that any community property or other such interest shall hereby by similarly bound by the Agreement. I hereby appoint my spouse as my attorney-in-fact with respect to any amendment or exercise of any rights under the Agreement.

_____

Spouse of _____ (if applicable)

OOMA, INC.

2005 STOCK PLAN

AMENDED AND RESTATED NOTICE OF STOCK OPTION GRANT

«Optionee»

As you know, you were granted an option to purchase Common Stock of Ooma, Inc., a Delaware corporation (the "Company"), on , as amended by that certain Election to Participate dated (the "Original Option"). You and the Company have agreed, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, that the Original Option is hereby amended and restated in its entirety to read as follows (all references to the "Option" herein is deemed to refer to the Original Option, as amended and restated):

Board Approval Date:	
Date of Grant:	
Exercise Price Per Share:	
Total Number of Shares Granted:	
Total Exercise Price:	
Type of Option:	
Expiration Date:	
Vesting Commencement Date:	
Vesting/Exercise Schedule:	The Shares underlying this Option are immediately exercisable. Additionally, so long as your employment or consulting relationship with the Company continues, the Shares underlying this Option shall vest in accordance with the following schedule:
Termination Period:	This Option may be exercised for 60 days after termination of employment or consulting relationship except as set out in Section 5 of the Stock Option Agreement (but in no event later than the Expiration Date). Optionee is responsible for keeping track of these exercise periods following termination for any reason of his or her service relationship with the Company. The Company will not provide further notice of such periods.
Transferability:	This Option may not be transferred.

By your signature and the signature of the Company's representative below, you and the Company agree that this option is granted under and governed by the terms and conditions of the Ooma, Inc. 2005 Stock Plan and the Stock Option Agreement, previously delivered with the Original Option.

In addition, you agree and acknowledge that your rights to any Shares underlying the Option will be earned only as you provide services to the Company over time, that the grant of the Option is not as consideration for services you rendered to the Company prior to your Vesting Commencement Date, and that nothing in this Notice or the attached documents confers upon you any right to continue your employment or consulting relationship with the Company for any period of time, nor does it interfere in any way with your right or the Company's right to terminate that relationship at any time, for any reason, with or without cause.

Also, the Exercise Price Per Share has been set at the fair market value of the Shares on the Date of Grant in good faith compliance with the applicable guidance issued by the IRS under Section 409A of the Code in order to avoid the Option being treated as deferred compensation under Section 409A of the Code. However, there is no guarantee that the IRS will agree with the valuation and, by signing below, you agree and acknowledge that the Company shall not be held liable for any applicable costs, taxes, or penalties associated with the Option if, in fact, the IRS were to determine that the Option constitutes deferred compensation under Section 409A of the Code. You should consult with your own tax advisor concerning the tax consequences of such a determination by the IRS.

Except as expressly set forth herein, this Amended and Restated Notice of Stock Option Grant sets forth the entire agreement and understanding of the parties relating to the Option and matters herein and merges all prior discussions between them. No modification of or amendment to this Amended and Restated Notice of Stock Option Grant, nor any waiver of any rights under this Amended and Restated Notice of Stock Option Grant, shall be effective unless in writing signed by the parties to this Amended and Restated Notice of Stock Option Grantwho are to be bound. The Option, as modified herein, shall remain in full force and effect as so modified.

THE COMPANY:	**OPTIONEE:**
OOMA, INC.	[OPTIONEE NAME]
By: _____	By: _____
(Signature)	*(Signature)*
Name: _____	
Title: _____	

OOMA, INC.
EXECUTIVE INCENTIVE BONUS PLAN

1. PURPOSE

The purpose of the Ooma, Inc. Executive Incentive Bonus Plan (as amended from time to time, the "***Plan***") is to motivate and reward eligible employees for their contributions toward the achievement of certain Performance Goals (as defined below) by Ooma, Inc. (together with its subsidiaries, the "***Company***").

2. DEFINITIONS

The following definitions shall be applicable throughout the Plan:

(a) "***Award***" means the amount of cash incentive payable under the Plan to a Participant with respect to a Performance Period.

(b) "***Board***" means the Board of Directors of the Company, as constituted from time to time.

(c) "***Code***" means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder shall include such section or regulation, any valid regulation promulgated under such section, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(d) "***Committee***" means the Compensation Committee of the Board or another Committee designated by the Board. The members of the Committee shall be appointed from time to time by, and serve at the pleasure of, the Board. Any member of the Committee may resign at any time by notice in writing mailed or delivered to the Secretary of the Company. As of the Effective Date, the Plan shall be administered by the Compensation Committee of the Board.

(e) "***Effective Date***" means the day immediately prior to the date on which the Company's Registration Statement is declared effective by the Securities and Exchange Commission.

(f) "***Participant***" means any officer or employee of the Company who is designated as a Participant by the Committee.

(g) "***Performance Goal***" means a formula or standard determined by the Committee with respect to each Performance Period based on one or more of the following criteria and any adjustment(s) thereto established by the Committee: (1) sales or non-sales revenue; (2) return on revenues; (3) operating income; (4) income or earnings including operating income; (5) income or earnings before or after taxes, interest, depreciation and/or amortization; (6) income or earnings from continuing operations; (7) net income; (8) pre-tax income or after-tax income; (9) net income excluding amortization of intangible assets, depreciation and impairment of goodwill and intangible assets and/or excluding charges attributable to the adoption of new accounting pronouncements; (10) raising of financing or fundraising; (11) project financing; (12) revenue backlog; (13) gross margin; (14) operating margin or profit margin; (15) capital expenditures, cost targets, reductions and savings and expense management; (16) return on assets (gross or net), return on investment, return on capital, or return on shareholder equity; (17) cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; (18) performance warranty and/or guarantee claims; (19) stock price or total stockholder return; (20) earnings or book value per share (basic or diluted);

(21) economic value created; (22) pre-tax profit or after-tax profit; (23) strategic business criteria, consisting of one or more objectives based on meeting specified market penetration or market share, completion of strategic agreements such as licenses, joint ventures, acquisitions, and the like, geographic business expansion, objective customer satisfaction or information technology goals, intellectual property asset metrics; (24) objective goals relating to divestitures, joint ventures, mergers, acquisitions and similar transactions; (25) objective goals relating to staff management, results from staff attitude and/or opinion surveys, staff satisfaction scores, staff safety, staff accident and/or injury rates, compliance, headcount, performance management, completion of critical staff training initiatives; (26) objective goals relating to projects, including project completion, timing and/or achievement of milestones, project budget, technical progress against work plans; and (27) enterprise resource planning. Awards issued to Participants may take into account other factors (including subjective factors). Performance Goals may differ from Participant to Participant, Performance Period to Performance Period and from Award to Award. Any criteria used may be measured, as applicable, (i) in absolute terms, (ii) in relative terms (including, but not limited to, any increase (or decrease) over the passage of time and/or any measurement against other companies or financial or business or stock index metrics particular to the Company), (iii) on a per share and/or share per capita basis, (iv) against the performance of the Company as a whole or against any affiliate(s), or a particular segment(s), a business unit(s) or a product(s) of the Company or individual project company, (v) on a pre-tax or after-tax basis, and/or (vi) using an actual foreign exchange rate or on a foreign exchange neutral basis.

(h) "***Performance Period***" means the Company's fiscal year, multiple fiscal years or any other period longer or shorter than one fiscal year, as determined by the Committee, in its sole discretion. The Committee may establish different Performance Periods for different Participants, and the Committee may establish concurrent or overlapping Performance Periods.

3. ADMINISTRATION

The Plan shall be administered by the Committee, which shall have the discretionary authority to interpret the provisions of the Plan, including all decisions on eligibility to participate, the establishment of Performance Goals, the amount of Awards payable under the Plan, and the payment of Awards. The Committee shall also have the discretionary authority to establish rules under the Plan so long as such rules do not explicitly conflict with the terms of the Plan and any such rules shall constitute part of the Plan. The decisions of the Committee shall be final and binding on all parties making claims under the Plan. The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or part of its authority and powers under the Plan to one or more directors and/or officers of the Company.

4. ELIGIBILITY

Officers and other key employees of the Company designated by the Committee to participate in the Plan shall be eligible to participate in this Plan, provided the Committee has not, in its sole discretion, withdrawn such designation and he or she meets the following conditions:

(a) is a full-time regular employee of the Company as of the last day of the applicable Performance Period; and

(b) is not subject to disciplinary action, is in good standing with the Company and is not subject to a performance improvement plan.

5. AMOUNT OF AWARDS

With respect to each Participant, the Committee will establish one or more Performance Periods,

an individual Participant incentive target (which may be, but is not required to be, based on the Participant's base salary) for each Performance Period and the Performance Goal(s) to be met during such Performance Period(s).

Except as otherwise required by applicable law or as determined by the Committee, base salary shall not include salary paid during any paid leave of absence or any variable forms of compensation including, but not limited to, overtime, on-call pay, lead premiums, shift differentials, bonuses, incentive compensation, commissions, stock options, restricted stock units, restricted stock, stock appreciation rights, or expense allowances or reimbursements. Nothing in the Plan, or arising as a result of a Participant's participation in the Plan, shall prevent the Company from changing a Participant's base salary at any time based on such factors as the Company shall in its discretion determine appropriate.

Awards may be pro-rated on any basis determined appropriate in the Committee's sole discretion, including, but not limited to, in connection with transfers to new positions or new locations, new hires, Participants on a leave of absence for all or any portion of a Performance Period, or Participants working less than full-time. The Committee reserves the right, in its sole discretion, to increase, reduce or eliminate the amount of an Award otherwise payable to a Participant with respect to any Performance Period.

6. PAYMENT OF AWARDS

(a) Unless otherwise determined by the Committee, a Participant must be actively employed and in good standing with the Company on the date the Award is paid. The Committee may make exceptions to this requirement in the case of retirement, death or disability, an unqualified leave of absence or under other circumstances, as determined by the Committee in its sole discretion.

(b) Any distribution made under the Plan shall be made in cash and occur within a reasonable period of time after the end of the Performance Period in which the Participant has earned the Award. Notwithstanding the foregoing, in order to comply with the short-term deferral exception under Code Section 409A, if the Committee waives the requirement that a Participant must be employed on the date the Award is to be paid, payout shall occur no later than the 15th day of the third month following the later of (i) the end of the Company's taxable year in which such Award is earned or (ii) the end of the calendar year in which such Award is earned, or shall otherwise be structured to comply with, or be exempt from, Code Section 409A.

7. GENERAL

(a) TAX WITHHOLDING. The Company shall have the right to deduct from all Awards any federal, state or local income and/or payroll taxes, and any other deductions, required to be withheld with respect to such payments. The Company also may withhold such amounts from any other amount payable by the Company or any affiliate to the Participant.

(b) CLAIM TO AWARDS AND EMPLOYMENT RIGHTS. Nothing in the Plan shall confer on any Participant the right to continued employment with the Company or any of its affiliates, or affect in any way the right of the Company or any affiliate to terminate the Participant's employment at any time, and for any reason, or change the Participant's responsibilities. Awards represent unfunded and unsecured obligations of the Company and a holder of any right hereunder in respect of any Award shall have no rights other than those of a general unsecured creditor to the Company.

(c) BENEFICIARIES. To the extent the Committee permits beneficiary designations, any payment of Awards under the Plan to a deceased Participant shall be paid to the beneficiary duly

designated by the Participant in accordance with the Company's practices. If no such beneficiary has been designated or survives the Participant, payment shall be made to the Participant's legal representative, legal beneficiary or estate, as applicable. A beneficiary designation may be changed or revoked by a Participant at any time, provided the change or revocation is filed with the Committee prior to the Participant's death.

(d) NONTRANSFERABILITY. A person's rights and interests under the Plan, including any Award previously made to such person or any amounts payable under the Plan, may not be sold, assigned, pledged, transferred or otherwise alienated or hypothecated except, in the event of a Participant's death, to a designated beneficiary as provided in the Plan, or in the absence of such designation, by will or the laws of descent and distribution.

(e) SUCCESSOR. All obligations of the Company under the Plan, with respect to Awards granted hereunder, shall be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business or assets of the Company.

(f) INDEMNIFICATION. Each person who is or shall have been a member of the Committee and each employee of the Company or an affiliate who is delegated a duty under the Plan shall be indemnified and held harmless by the Company from and against any loss, cost, liability or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act under the Plan and against and from any and all amounts paid by him or her in satisfaction of judgment in any such action, suit or proceeding against him or her, provided such loss, cost, liability or expense is not attributable to such person's willful misconduct. Any person seeking indemnification under this provision shall give the Company prompt notice of any claim and shall give the Company an opportunity, at its own expense, to handle and defend the same before the person undertakes to handle and defend such claim on his or her own behalf. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled, including under the Company's Articles of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

(g) EXPENSES. The expenses of administering the Plan shall be borne by the Company.

(h) TITLES AND HEADINGS. The titles and headings of the sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

(i) INTENT. It is the intent of this Plan that all payments hereunder be exempt from the requirements of Code Section 409A so that none of the payments to be provided under this Plan will be subject to the adverse tax penalties imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be so exempt. The Company and each Participant will work together in good faith to consider amendments to the Plan or revisions to the Plan with respect to the payment of any Awards under the Plan, which are necessary or appropriate to avoid imposition of any additional tax or income recognition prior to the actual payment to the Participant under Code Section 409A. In no event will the Company reimburse a Participant for any taxes or other penalties that may be imposed on the Participant as a result of Code Section 409A.

(j) GOVERNING LAW. The validity, construction, and effect of the Plan, any rules and regulations relating to the Plan, and any Award shall be determined in accordance with the laws of the State of California (without giving effect to principles of conflicts of laws thereof) and applicable federal law.

(k) AMENDMENTS AND TERMINATION. The Committee may terminate the Plan at any time, provided such termination shall not affect the payment of any Awards accrued under the Plan prior to the date of the termination. The Committee may, at any time, or from time to time, amend or suspend and, if suspended, reinstate, the Plan in whole or in part; *provided*, *however*, that any amendment of the Plan shall be subject to the approval of the Company's shareholders to the extent required to comply with applicable laws, regulations or rules.

OOMA, INC.

EXECUTIVE CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This Executive Change in Control and Severance Agreement (the "***Agreement***") is made and entered into by and between Eric Stang ("***Executive***") and Ooma, Inc. (the "***Company***"), effective as of June 9, 2015 (the "***Effective Date***").

RECITALS

1. The Board of Directors of the Company (the "***Board***") desires to provide for the payment of certain benefits in connection with certain terminations of Executive's employment with the Company, including certain terminations that occur in connection with a Change in Control.

2. Certain capitalized terms used in this Agreement are defined in Section 6 below.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. At-Will Employment. The Company and Executive acknowledge that Executive's employment is and will continue to be at-will, as defined under applicable law.

2. Rights Upon Termination. Except as expressly provided in Section 3, upon the termination of Executive's employment, Executive shall only be entitled to: (i) all earned but unpaid salary, all accrued but unpaid vacation and all other earned but unpaid compensation or wages, (ii) any unreimbursed business expenses incurred by Executive on or before the termination date and which are reimbursable under the Company's business expense reimbursement policies, which will be paid to Executive promptly following Executive's submission of any required receipts and other documentation to the Company in accordance with the Company's business expense reimbursement policies, provided such receipts and documents are received by the Company within forty-five (45) days after the date of Executive's termination, and (iii) such other compensation or benefits due to Executive under any Company-provided plans, policies, and arrangements or as otherwise required by law (collectively, the "***Accrued Benefits***").

3. Severance Benefits.

(a) Termination without Cause or for Good Reason outside of Change in Control Period. If, outside of the Change in Control Period, (i) the Company (or any parent, subsidiary or successor of the Company) terminates Executive's employment without Cause or (ii) Executive terminates his employment with the Company (or any parent, subsidiary or successor of the Company) for Good Reason, then, subject to Section 4 below, Executive will receive the following severance benefits from the Company:

(i) Severance Payments. Executive will receive a severance payment equal to twelve (12) months of Executive's then current base salary as in effect immediately prior to the date of such termination, which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline (as defined in Section 4(a) below).

(ii) Bonus Payment. Executive will receive an amount equal to (A) 100% of Executive's target bonus as in effect for the year in which such termination occurs *plus* (B) a pro-rated

amount of Executive's target bonus as in effect for the year in which such termination occurs, pro-rated based on the number of days Executive was employed with the Company during the year, which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline. For purposes of clarity, target bonus amounts will be paid at the full amount specified regardless of the level of performance achieved for the applicable performance period.

(iii) Benefits. Executive will receive a taxable amount equal to twelve (12) months' of Executive's monthly premiums for continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") for Executive and Executive's eligible dependents (based on the coverage levels in effect immediately prior to Executive's termination or resignation and based on the premium amount for the first month of COBRA coverage), which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline and will be made regardless of whether Executive elects or continues COBRA continuation coverage.

(iv) Equity Awards. Executive shall vest in an additional portion of any then outstanding and unvested Equity Awards which would have vested, or could have vested if Executive had achieved the performance or other conditions required to vest the options, had Executive's employment with the Company continued for a period of an additional twelve (12) months after the date of termination, and subject to Executive's consent at the time of such termination, any of Executive's vested stock options shall remain exercisable for twelve (12) months (but not beyond the expiration of the maximum term of the option). The Equity Awards will otherwise remain subject to the terms and conditions of the applicable Equity Award agreement.

(b) Termination without Cause or for Good Reason during Change in Control Period. If, during the Change in Control Period, (i) the Company (or any parent, subsidiary or successor of the Company) terminates Executive's employment without Cause or (ii) Executive terminates his employment with the Company (or any parent, subsidiary or successor of the Company) for Good Reason, then, subject to Section 4 below, Executive will receive the following severance benefits from the Company:

(i) Severance Payments. Executive will receive a severance payment equal to twenty-four (24) months of Executive's then current base salary as in effect immediately prior to the date of such termination, which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline.

(ii) Bonus Payment. Executive will receive an amount equal to (A) 200% of Executive's target bonus as in effect for the year in which such termination occurs *plus* (B) a pro-rated amount of Executive's target bonus as in effect for the year in which such termination occurs, pro-rated based on the number of days Executive was employed with the Company during the year, which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline. For purposes of clarity, target bonus amounts will be paid at the full amount specified regardless of the level of performance achieved for the applicable performance period.

(iii) Benefits. Executive will receive a taxable amount equal to twenty four (24) months' of Executive's monthly premiums for continuation coverage pursuant to COBRA for Executive and Executive's eligible dependents (based on the coverage levels in effect immediately prior to Executive's termination or resignation and based on the premium amount for the first month of COBRA coverage), which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline and will be made regardless of whether Executive elects or continues COBRA continuation coverage.

(iv) Equity Awards. Executive shall vest in 100% of any then outstanding and unvested Equity Awards, and subject to Executive's consent at the time of such termination, any of Executive's stock options shall remain exercisable for two (2) years (but not beyond the expiration of the maximum term of the option). The Equity Awards will otherwise remain subject to the terms and conditions of the applicable Equity Award agreement. Notwithstanding anything stated herein or elsewhere to the contrary, if the successor to the Company or any affiliate of such successor does not agree to assume, substitute or otherwise continue any then outstanding Equity Awards at the time of a Change in Control, then 100% of the then-unvested shares subject to the Equity Awards shall fully vest and, if applicable, become exercisable, as of immediately prior to, and contingent upon, the consummation of such Change in Control, regardless of whether Executive's employment with the Company (or any parent, subsidiary or successor of the Company) continues or terminates for any reason.

(c) Resignation; Termination for Cause. If Executive's employment with the Company is terminated (i) by Executive (other than for Good Reason during the Change in Control Period) or (ii) for Cause by the Company, then Executive will not be entitled to receive severance or other benefits pursuant to this Agreement except for the Accrued Benefits.

(d) Disability; Death. If the Company terminates Executive's employment as a result of Executive's Disability where Executive is no longer willing or able to continuing performing services for the Company, or Executive's employment terminates due to his death, then Executive will not be entitled to receive severance or other benefits pursuant to this Agreement except for the Accrued Benefits.

(e) Breach. The parties acknowledge that Executive's entitlement to the severance payments and benefits contained in this Section 3 are of the essence and an integral part of this Agreement, and that, without such severance provisions, the parties would not enter into this Agreement. Therefore, if the Company, or any successor to the Company, breaches the terms of this Section 3 by failing or refusing pay or provide any of the severance payments or benefits owed to Executive in the amounts and/or according to the time periods set forth herein, Executive shall be entitled to two times (2x) the amount of severance payments and benefits that Executive would otherwise be entitled to receive, payable and/or provided according to the same terms set forth herein. The parties acknowledge and agree that any additional severance payments and benefits paid pursuant to this Section 3(e) constitute liquidated damages that would be incurred by Executive and that these additional severance payments and benefits are not a penalty, rather they are a reasonable amount intended as liquidated damages that will compensate Executive in the circumstances in which they are payable for the efforts and resources expended, and opportunities foregone, while negotiating and/or enforcing this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated by this Agreement, which amounts would otherwise be impossible to calculate with precision.

4. Conditions to Receipt of Severance.

(a) Release of Claims Agreement. The receipt of any severance or other benefits pursuant to Section 3 will be subject to Executive signing and not revoking a general release of all claims in a form provided by the Company, and such release becoming effective and irrevocable no later than the sixtieth (60th) day following Executive's termination (such deadline, the "***Release Deadline***"). No severance or other benefits will be paid or provided pursuant to this Agreement until the release becomes effective and irrevocable. If the release does not become effective and irrevocable by the Release Deadline, Executive will forfeit all rights to severance payments and benefits under this Agreement.

(b) Confidential Information Agreement and Other Requirements. Executive's receipt of any payments or benefits under Section 3 will be subject to Executive continuing to comply with the terms of the Confidential Information and Inventions Assignment Agreement entered into by and between Executive and the Company, effective as of January 5, 2009, which Executive acknowledges and agrees shall remain in full force and effect.

(c) Code Section 409A. For purposes of Section 409A of the Code, the regulations and other guidance there under and any state law of similar effect (collectively "***Section 409A***"), each payment that is paid pursuant to this Agreement is hereby designated as a separate payment. Further, (i) no severance or benefits to be paid or provided to Executive, if any, pursuant to this Agreement that, when considered together with any other severance payments or benefits, are considered deferred compensation under Section 409A, will be paid or otherwise provided until Executive has had a "separation from service" within the meaning of Section 409A, (ii) no severance or benefits to be paid or provided to Executive, if any, pursuant to this Agreement that are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) will be paid or otherwise provided until Executive has had an "involuntary separation from service" within the meaning of Section 409A, and (iii) in the case of (i) and (ii), any reference in this Agreement to "termination" or "termination of employment" or any similar term shall be construed to mean a "separation from service" within the meaning of Section 409A. The parties intend that all payments and benefits provided or to be provided under this Agreement comply with, or are exempt from, the requirements of Section 409A so that none of the payments or benefits will be subject to the adverse tax penalties imposed under Section 409A, and any ambiguities herein will be interpreted to so comply or be so exempt. The Company and Executive agree to work together in good faith to consider amendments to this Agreement, and to take such reasonable actions, which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition under Section 409A before payments or benefits are provided to Executive. Any severance payments or benefits made in connection with Executive's termination under this Agreement and provided on or before the 15th day of the 3rd month following the end of Executive's first tax year in which Executive's termination occurs or, if later, the 15th day of the 3rd month following the end of the Company's first tax year in which Executive's termination occurs, shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(4) and any additional payments or benefits provided in connection with Executive's termination under this Agreement shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) (to the extent it is exempt pursuant to such section it will in any event be provided no later than the last day of Executive's 2nd taxable year following the taxable year in which Executive's termination occurs). Notwithstanding the foregoing, if any of the payments or benefits provided in connection with Executive's termination do not qualify for any reason to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(4), Treasury Regulation Section 1.409A-1(b)(9)(iii), or any other applicable exemption and Executive is, at the time of his termination, a "specified employee," as defined in Treasury Regulation Section 1.409A-1(i), each such payment or benefit will not be provided until the first regularly scheduled payroll date that occurs on or after the date 6 months and 1 day following Executive's termination and, on such date (or, if earlier, another date that occurs as soon as practicable after Executive's death), Executive will receive all payments and benefits that would have been provided during such period in a single lump sum, if applicable. In addition, notwithstanding any other provision herein to the contrary, to the extent that any reimbursements or in-kind benefits under this Agreement or otherwise constitute non-exempt "nonqualified deferred compensation" within the meaning of Section 409A, then any such reimbursements and/or benefits (i) shall be made or provided promptly but no later than December 31st of the calendar year following the year in which the expense was incurred by Executive, (ii) shall not in any way affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other calendar year, and (iii) shall not be subject to liquidation or exchange for another benefit.

5. Limitation on Payments. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 5, would be subject to the excise tax imposed by Section 4999 of the Code, then, at the election of Executive, Executive's severance benefits under Section 3 will be either:

(a) delivered in full, or

(b) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 5 will be made in writing by the Company's outside legal counsel or independent public accountants or other firm selected by the Company (the "***Firm***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 5, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 5. Any reduction made pursuant to this Section 5 shall be made in accordance with the following order of priority: (i) stock options whose exercise price exceeds the fair market value of the optioned stock ("***Underwater Options***") (ii) Full Credit Payments (as defined below) that are payable in cash, (iii) non-cash Full Credit Payments that are taxable, (iv) non-cash Full Credit Payments that are not taxable (v) Partial Credit Payments (as defined below) and (vi) non-cash employee welfare benefits. In each case, reductions shall be made in reverse chronological order such that the payment or benefit owed on the latest date following the occurrence of the event triggering the excise tax will be the first payment or benefit to be reduced (with reductions made pro-rata in the event payments or benefits are owed at the same time). "***Full Credit Payment***" means a payment, distribution or benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, that if reduced in value by one dollar reduces the amount of the parachute payment (as defined in Section 280G of the Code) by one dollar, determined as if such payment, distribution or benefit had been paid or distributed on the date of the event triggering the excise tax. "***Partial Credit Payment***" means any payment, distribution or benefit that is not a Full Credit Payment. In no event shall Executive have any discretion with respect to the ordering of payment reductions.

6. Definition of Terms. The following terms referred to in this Agreement will have the following meanings:

(a) Cause. For purposes of this Agreement, "***Cause***" means:

(i) Executive's demonstrably willful, deliberate and repeated failure to substantially perform his assigned duties (other than a failure resulting from Executive's Disability), which failure is not cured within thirty (30) days after a written demand for substantial performance is received by Executive from the Board which identifies the manner in which the Board believes Executive has not substantially performed his duties;

(ii) Executive's illegal or intentional gross misconduct in the performance of his duties hereunder that is materially and demonstrably injurious to the Company, which, if capable being cured, is not cured within thirty (30) days after written notice from the Board, which written notice shall state that failure to cure may result in termination for Cause;

(iii) Executive's unauthorized and willful use or disclosure of any proprietary information or trade secrets of the Company where such use or disclosure causes significant material harm to the Company; or

(iv) Executive's conviction of, or plea of *nolo contendere* to, a felony or any crime involving fraud, embezzlement or theft which is materially and demonstrably injurious to the Company.

(b) Code. For purposes of this Agreement, "***Code***" means the Internal Revenue Code of 1986, as amended:

(c) Change in Control. For purposes of this Agreement, "***Change in Control***" means the occurrence of any of the following:

(i) The consummation of a merger or consolidation of the Company with or into another entity or any other corporate reorganization, if the Company's stockholders immediately prior to such merger, consolidation or reorganization cease to directly or indirectly own immediately after such merger, consolidation or reorganization at least a majority of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such merger, consolidation or reorganization;

(ii) The consummation of the sale, transfer or other disposition of all or substantially all of the Company's assets (other than (x) to a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company, (y) to a corporation or other entity owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of the Common Stock of the Company or (z) to a continuing or surviving entity described in Section 6(c)(i) in connection with a merger, consolidation or reorganization which does not result in a Change in Control under Section 6(c)(i));

(iii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

(iv) The consummation of any transaction as a result of which any Person becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934 (the "***Exchange Act***")), directly or indirectly, of securities of the Company representing at least 50% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this Section 6(c), (A) if any Person who is the beneficial owner, directly or indirectly, of securities of the Company representing at least 50% of the total voting power represented by the Company's then outstanding voting securities acquires additional securities of the Company, such acquisition of additional securities will not be considered to cause a Change in Control pursuant to this Section 6(c)(iv), and (B) the term "***Person***" shall have the same meaning as when used in sections 13(d) and 14(d) of the Exchange Act but shall exclude:

(1) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or an affiliate of the Company;

(2) a corporation or other entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the Company's Common Stock;

(3) the Company; and

(4) a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company.

A transaction shall not constitute a Change in Control if its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transactions.

(d) Change in Control Period. For purposes of this Agreement, "***Change in Control Period***" means the period beginning two (2) months prior to, and ending twelve (12) months following, a Change in Control.

(e) Disability. For purposes of this Agreement, "***Disability***" means total and permanent disability as defined in Section 22(e) (3) of the Code.

(f) Equity Award. For purposes of this Agreement, "***Equity Award***" means each then outstanding award relating to the Company's common stock (whether stock options, stock appreciation rights, shares of restricted stock, restricted stock units, performance shares, performance units or other similar awards).

(g) Good Reason. For purposes of this Agreement, resignation for "***Good Reason***" means Executive's resignation due to the occurrence of any of the following conditions which occurs without Executive's written consent, provided that the requirements regarding advance notice and an opportunity to cure set forth below are satisfied:

(i) A change in Executive's reporting relationship to the Board and/or an adverse change to Executive's authority, duties or responsibilities that, taken as a whole, results in a diminution in Executive's function as the Company's Chief Executive Officer;

(ii) A 10% or more reduction in Executive's then-current base salary or a 10% or more reduction in Executive's base compensation (including base salary and bonus);

(iii) The Company conditions Executive's continued service with the Company on the relocation of Executive's principal work location to a location that is more than twenty-five (25) miles from Palo Alto, California (or Executive's then current principal work location) and such relocation results in an increase in Executive's one-way commuting distance from his home by twenty-five (25) miles or more;

(iv) The failure of the Company to obtain the assumption of this Agreement by any successor to the Company;

(v) Any material breach or material violation of a material provision of this Agreement by the Company (or any successor to the Company); or

(vi) Any act or set of facts or circumstances which would under California case law or statute constitute a constructive termination of Executive.

In order for Executive to resign for Good Reason, Executive must provide written notice to the Company of the existence of the Good Reason condition within ninety (90) days of the initial existence of such Good Reason condition. Upon receipt of such notice, the Company will have thirty (30) days during which it may remedy the Good Reason condition and not be required to provide the severance payments and benefits described herein as a result of such proposed resignation. If the Good Reason condition is not remedied within such thirty (30) day cure period, Executive may resign based on the Good Reason condition specified in the notice effective no later than ninety (90) days following the expiration of the thirty (30) day cure period.

7. Employee Benefits.

(a) General Benefits. Executive shall continue to be entitled to all rights and benefits for which he is eligible under the terms and conditions of the standard Company benefits and compensation plans which may be in effect from time to time and provided by the Company to its employees and corporate officers generally, including but not limited to group medical, dental and vision insurance plan participation and 401(k) plan participation. Executive shall be reimbursed for all reasonable documented business expenses incurred in connection with the performance of his job duties in accordance with the Company's expense reimbursement policies and procedures in effect from time to time, including membership fees and other expenses related to Executive's participation in professional organizations (including the World Presidents' Organization) up to total maximum reimbursements of $10,000 per year. The Company reserves the right to modify benefits from time to time, in its sole discretion.

(b) Paid Time Off. Executive shall continue to accrue paid time off ("***PTO***") each year in an amount consistent with Company policy plus an additional two (2) weeks of PTO per year, all of which shall be accrued in equal amounts on a monthly basis, up to a maximum accrual "cap" of thirty-five (35) days.

8. Successors.

(a) Company Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" will include any such successor to the Company's business and/or assets.

(b) Executive's Successors. The terms of this Agreement and all rights of Executive hereunder will inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

9. Notice.

(a) General. Notices and all other communications contemplated by this Agreement will be in writing and will be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Executive, mailed notices will be addressed to him at the home address which he most recently communicated to the Company in writing. In the case of the Company, mailed notices will be addressed to its corporate headquarters, and all notices will be directed to the attention of the Company's Secretary (or, if Executive is the Company's Secretary, any other executive officer of the Company).

(b) Notice of Termination. Any termination by the Company for Cause or by Executive for Good Reason or as a result of a voluntary resignation will be communicated by a notice of termination to the other party hereto given in accordance with Section 9(a) of this Agreement. Such notice will indicate the specific termination provision in this Agreement relied upon, will set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and will specify the termination date.

10. Arbitration. Executive agrees to continue to comply with and be bound by the Arbitration Agreement entered into by and between Executive and the Company dated January 7, 2009, as such agreement may be amended from time to time.

11. Miscellaneous Provisions.

(a) No Duty to Mitigate. Executive will not be required to mitigate the amount of any payment contemplated by this Agreement, nor will any earnings that Executive may receive from any other source reduce any such payment.

(b) Waiver. No provision of this Agreement will be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party will be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

(d) Choice of Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of California (with the exception of its conflict of laws provisions).

(e) Entire Agreement. This Agreement represents the entire agreement and understanding between the parties hereto and supersedes all prior or contemporaneous agreements with respect to the subject matter of this Agreement. Further, this Agreement supersedes in their entirety any and all prior offer letters or employment agreements entered into by and between Executive and the Company, which offer letters and employment agreements shall be null and void. No waiver, alteration, or modification of any of the provisions of this Agreement will be binding unless in writing and signed by duly authorized representatives of the parties hereto and which specifically mention this Agreement. In entering into this Agreement, no party has relied on or made any representation, warranty, inducement, promise, or understanding that is not in this Agreement. To the extent that any provisions of this Agreement conflict with those of any other agreement between Executive and the Company, the terms in this Agreement will prevail.

(f) Severability. In the event that any provision or any portion of any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Agreement will continue in full force and effect without said provision or portion of provision. The remainder of this Agreement shall be interpreted so as best to effect the intent of the Company and Executive.

(g) Taxes, Withholding and Required Deductions. All payments and, if applicable, benefits made pursuant to this Agreement will be subject to all applicable taxes, withholding of taxes, and any other required deductions.

(h) Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

COMPANY

OOMA, INC.

By: /S/ JAMES WEI

Title: DIRECTOR

Date: 6/9/2015

EXECUTIVE

ERIC STANG

By: /S/ ERIC STANG

Date: 6/10/2015

EXHIBIT 10.6

OOMA, INC.

EXECUTIVE CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This Executive Change in Control and Severance Agreement (the "***Agreement***") is made and entered into by and between ("***Executive***") and Ooma, Inc. (the "***Company***"), effective as of , 201 (the "***Effective Date***").

RECITALS

1. The Board of Directors of the Company (the "***Board***") desires to provide for the payment of certain benefits in connection with certain terminations of Executive's employment with the Company, including certain terminations that occur in connection with a Change in Control.

2. Certain capitalized terms used in this Agreement are defined in Section 6 below.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. At-Will Employment. The Company and Executive acknowledge that Executive's employment is and will continue to be at-will, as defined under applicable law.

2. Rights Upon Termination. Except as expressly provided in Section 3, upon the termination of Executive's employment, Executive shall only be entitled to: (i) all earned but unpaid salary, all accrued but unpaid vacation and all other earned but unpaid compensation or wages, (ii) any unreimbursed business expenses incurred by Executive on or before the termination date and which are reimbursable under the Company's business expense reimbursement policies, which will be paid to Executive promptly following Executive's submission of any required receipts and other documentation to the Company in accordance with the Company's business expense reimbursement policies, provided such receipts and documents are received by the Company within forty-five (45) days after the date of Executive's termination, and (iii) such other compensation or benefits due to Executive under any Company-provided plans, policies, and arrangements or as otherwise required by law (collectively, the "***Accrued Benefits***").

3. Severance Benefits.

(a) Termination without Cause outside of Change in Control Period. If, outside of the Change in Control Period, the Company (or any parent, subsidiary or successor of the Company) terminates Executive's employment without Cause, then, subject to Section 4 below, Executive will receive the following severance benefits from the Company:

(i) Severance Payments. Executive will receive a severance payment equal to nine (9) months of Executive's then current base salary as in effect immediately prior to the date of such termination, which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline (as defined in Section 4(a) below).

(ii) Benefits. Executive will receive a taxable amount equal to nine (9) months' of Executive's monthly premiums for continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") for Executive and Executive's

eligible dependents (based on the coverage levels in effect immediately prior to Executive's termination or resignation and based on the premium amount for the first month of COBRA coverage), which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline and will be made regardless of whether Executive elects or continues COBRA continuation coverage.

(b) Termination without Cause or for Good Reason during Change in Control Period. If, during the Change in Control Period, (i) the Company (or any parent, subsidiary or successor of the Company) terminates Executive's employment without Cause or (ii) Executive terminates his employment with the Company (or any parent, subsidiary or successor of the Company) for Good Reason, then, subject to Section 4 below, Executive will receive the following severance benefits from the Company:

(i) Severance Payments. Executive will receive a severance payment equal to twelve (12) months of Executive's then current base salary as in effect immediately prior to the date of such termination, which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline.

(ii) Bonus Payment. Executive will receive an amount equal to (A) 100% of Executive's target bonus as in effect for the year in which such termination occurs *plus* (B) a pro-rated amount of Executive's target bonus as in effect for the year in which such termination occurs, pro-rated based on the number of days Executive was employed with the Company during the year, which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline. For purposes of clarity, target bonus amounts will be paid at the full amount specified regardless of the level of performance achieved for the applicable performance period.

(iii) Benefits. Executive will receive a taxable amount equal to twelve (12) months' of Executive's monthly premiums for continuation coverage pursuant to COBRA for Executive and Executive's eligible dependents (based on the coverage levels in effect immediately prior to Executive's termination or resignation and based on the premium amount for the first month of COBRA coverage), which will be paid to Executive in a single lump-sum within thirty (30) days following the Release Deadline and will be made regardless of whether Executive elects or continues COBRA continuation coverage.

(iv) Equity Awards. Executive shall vest in 100% of any then outstanding and unvested Equity Awards. The Equity Awards will otherwise remain subject to the terms and conditions of the applicable Equity Award agreement. Notwithstanding anything stated herein or elsewhere to the contrary, if the successor to the Company or any affiliate of such successor does not agree to assume, substitute or otherwise continue any then outstanding Equity Awards at the time of a Change in Control, then 100% of the then-unvested shares subject to the Equity Awards shall fully vest and, if applicable, become exercisable, as of immediately prior to, and contingent upon, the consummation of such Change in Control, regardless of whether Executive's employment with the Company (or any parent, subsidiary or successor of the Company) continues or terminates for any reason.

(c) Resignation; Termination for Cause. If Executive's employment with the Company is terminated (i) by Executive (other than for Good Reason during the Change in Control Period) or (ii) for Cause by the Company, then Executive will not be entitled to receive severance or other benefits pursuant to this Agreement except for the Accrued Benefits.

(d) Disability; Death. If the Company terminates Executive's employment as a result of Executive's Disability where Executive is no longer willing or able to continuing performing services for the Company, or Executive's employment terminates due to his death, then Executive will not be entitled to receive severance or other benefits pursuant to this Agreement except for the Accrued Benefits.

(e) Breach. The parties acknowledge that Executive's entitlement to the severance payments and benefits contained in this Section 3 are of the essence and an integral part of this Agreement, and that, without such severance provisions, the parties would not enter into this Agreement. Therefore, if the Company, or any successor to the Company, breaches the terms of this Section 3 by failing or refusing pay or provide any of the severance payments or benefits owed to Executive in the amounts and/or according to the time periods set forth herein, Executive shall be entitled to two times (2x) the amount of severance payments and benefits that Executive would otherwise be entitled to receive, payable and/or provided according to the same terms set forth herein. The parties acknowledge and agree that any additional severance payments and benefits paid pursuant to this Section 3(e) constitute liquidated damages that would be incurred by Executive and that these additional severance payments and benefits are not a penalty, rather they are a reasonable amount intended as liquidated damages that will compensate Executive in the circumstances in which they are payable for the efforts and resources expended, and opportunities foregone, while negotiating and/or enforcing this Agreement and in reliance on this Agreement and on the expectation of the consummation of the transactions contemplated by this Agreement, which amounts would otherwise be impossible to calculate with precision.

4. Conditions to Receipt of Severance.

(a) Release of Claims Agreement. The receipt of any severance or other benefits pursuant to Section 3 will be subject to Executive signing and not revoking a general release of all claims in a form provided by the Company, and such release becoming effective and irrevocable no later than the sixtieth (60th) day following Executive's termination (such deadline, the "***Release Deadline***"). No severance or other benefits will be paid or provided pursuant to this Agreement until the release becomes effective and irrevocable. If the release does not become effective and irrevocable by the Release Deadline, Executive will forfeit all rights to severance payments and benefits under this Agreement.

(b) Confidential Information Agreement and Other Requirements. Executive's receipt of any payments or benefits under Section 3 will be subject to Executive continuing to comply with the terms of the Confidential Information and Inventions Assignment Agreement entered into by and between Executive and the Company, effective as of , 201 , which Executive acknowledges and agrees shall remain in full force and effect.

(c) Code Section 409A. For purposes of Section 409A of the Code, the regulations and other guidance there under and any state law of similar effect (collectively "***Section 409A***"), each payment that is paid pursuant to this Agreement is hereby designated as a separate payment. Further, (i) no severance or benefits to be paid or provided to Executive, if any, pursuant to this Agreement that, when considered together with any other severance payments or benefits, are considered deferred compensation under Section 409A, will be paid or otherwise provided until Executive has had a "separation from service" within the meaning of Section 409A, (ii) no severance or benefits to be paid or provided to Executive, if any, pursuant to this Agreement that are intended to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) will be paid or otherwise provided until Executive has had an "involuntary separation from service" within the meaning of Section 409A, and (iii) in the case of (i) and (ii), any reference in this Agreement to "termination" or "termination of employment" or any similar term shall be construed to mean a "separation from service" within the meaning of Section 409A. The parties intend that all payments and benefits provided or to be provided under this Agreement comply with, or are exempt from, the requirements of Section 409A so that none of the payments or benefits will be subject to the adverse tax penalties imposed under Section 409A, and

any ambiguities herein will be interpreted to so comply or be so exempt. The Company and Executive agree to work together in good faith to consider amendments to this Agreement, and to take such reasonable actions, which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition under Section 409A before payments or benefits are provided to Executive. Any severance payments or benefits made in connection with Executive's termination under this Agreement and provided on or before the 15th day of the 3rd month following the end of Executive's first tax year in which Executive's termination occurs or, if later, the 15th day of the 3rd month following the end of the Company's first tax year in which Executive's termination occurs, shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(4) and any additional payments or benefits provided in connection with Executive's termination under this Agreement shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) (to the extent it is exempt pursuant to such section it will in any event be provided no later than the last day of Executive's 2nd taxable year following the taxable year in which Executive's termination occurs). Notwithstanding the foregoing, if any of the payments or benefits provided in connection with Executive's termination do not qualify for any reason to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(4), Treasury Regulation Section 1.409A-1(b)(9)(iii), or any other applicable exemption and Executive is, at the time of his termination, a "specified employee," as defined in Treasury Regulation Section 1.409A-1(i), each such payment or benefit will not be provided until the first regularly scheduled payroll date that occurs on or after the date 6 months and 1 day following Executive's termination and, on such date (or, if earlier, another date that occurs as soon as practicable after Executive's death), Executive will receive all payments and benefits that would have been provided during such period in a single lump sum, if applicable. In addition, notwithstanding any other provision herein to the contrary, to the extent that any reimbursements or in-kind benefits under this Agreement or otherwise constitute non-exempt "nonqualified deferred compensation" within the meaning of Section 409A, then any such reimbursements and/or benefits (i) shall be made or provided promptly but no later than December 31st of the calendar year following the year in which the expense was incurred by Executive, (ii) shall not in any way affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other calendar year, and (iii) shall not be subject to liquidation or exchange for another benefit.

5. Limitation on Payments. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 5, would be subject to the excise tax imposed by Section 4999 of the Code, then, at the election of Executive, Executive's severance benefits under Section 3 will be either:

(a) delivered in full, or

(b) delivered as to such lesser extent which would result in no portion of such severance benefits being subject to excise tax under Section 4999 of the Code,

whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by Executive on an after-tax basis, of the greatest amount of severance benefits, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 5 will be made in writing by the Company's outside legal counsel or independent public accountants or other firm selected by the Company (the "***Firm***"), whose determination will be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 5, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code.

The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section. The Company will bear all costs the Firm may reasonably incur in connection with any calculations contemplated by this Section 5. Any reduction made pursuant to this Section 5 shall be made in accordance with the following order of priority: (i) stock options whose exercise price exceeds the fair market value of the optioned stock ("***Underwater Options***") (ii) Full Credit Payments (as defined below) that are payable in cash, (iii) non-cash Full Credit Payments that are taxable, (iv) non-cash Full Credit Payments that are not taxable (v) Partial Credit Payments (as defined below) and (vi) non-cash employee welfare benefits. In each case, reductions shall be made in reverse chronological order such that the payment or benefit owed on the latest date following the occurrence of the event triggering the excise tax will be the first payment or benefit to be reduced (with reductions made pro-rata in the event payments or benefits are owed at the same time). "***Full Credit Payment***" means a payment, distribution or benefit, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise, that if reduced in value by one dollar reduces the amount of the parachute payment (as defined in Section 280G of the Code) by one dollar, determined as if such payment, distribution or benefit had been paid or distributed on the date of the event triggering the excise tax. "***Partial Credit Payment***" means any payment, distribution or benefit that is not a Full Credit Payment. In no event shall Executive have any discretion with respect to the ordering of payment reductions.

6. Definition of Terms. The following terms referred to in this Agreement will have the following meanings:

(a) Cause. For purposes of this Agreement, "***Cause***" means:

(i) Executive's demonstrably willful, deliberate and repeated failure to substantially perform his assigned duties (other than a failure resulting from Executive's Disability), which failure is not cured within thirty (30) days after a written demand for substantial performance is received by Executive from the Board which identifies the manner in which the Board believes Executive has not substantially performed his duties;

(ii) Executive's illegal or intentional gross misconduct in the performance of his duties hereunder that is materially and demonstrably injurious to the Company, which, if capable being cured, is not cured within thirty (30) days after written notice from the Board, which written notice shall state that failure to cure may result in termination for Cause;

(iii) Executive's unauthorized and willful use or disclosure of any proprietary information or trade secrets of the Company where such use or disclosure causes significant material harm to the Company; or

(iv) Executive's conviction of, or plea of *nolo contendere* to, a felony or any crime involving fraud, embezzlement or theft which is materially and demonstrably injurious to the Company.

(b) Code. For purposes of this Agreement, "***Code***" means the Internal Revenue Code of 1986, as amended:

(c) Change in Control. For purposes of this Agreement, "***Change in Control***" means the occurrence of any of the following:

(i) The consummation of a merger or consolidation of the Company with or into another entity or any other corporate reorganization, if the Company's stockholders immediately

prior to such merger, consolidation or reorganization cease to directly or indirectly own immediately after such merger, consolidation or reorganization at least a majority of the combined voting power of the continuing or surviving entity's securities outstanding immediately after such merger, consolidation or reorganization;

(ii) The consummation of the sale, transfer or other disposition of all or substantially all of the Company's assets (other than (x) to a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company, (y) to a corporation or other entity owned directly or indirectly by the shareholders of the Company in substantially the same proportions as their ownership of the Common Stock of the Company or (z) to a continuing or surviving entity described in Section 6(c)(i) in connection with a merger, consolidation or reorganization which does not result in a Change in Control under Section 6(c)(i));

(iii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election; or

(iv) The consummation of any transaction as a result of which any Person becomes the "beneficial owner" (as defined in Rule 13d-3 under the Securities Exchange Act of 1934 (the "***Exchange Act***")), directly or indirectly, of securities of the Company representing at least 50% of the total voting power represented by the Company's then outstanding voting securities. For purposes of this Section 6(c), (A) if any Person who is the beneficial owner, directly or indirectly, of securities of the Company representing at least 50% of the total voting power represented by the Company's then outstanding voting securities acquires additional securities of the Company, such acquisition of additional securities will not be considered to cause a Change in Control pursuant to this Section 6(c)(iv), and (B) the term "***Person***" shall have the same meaning as when used in sections 13(d) and 14(d) of the Exchange Act but shall exclude:

(1) a trustee or other fiduciary holding securities under an employee benefit plan of the Company or an affiliate of the Company;

(2) a corporation or other entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the Company's Common Stock;

(3) the Company; and

(4) a corporation or other entity of which at least a majority of its combined voting power is owned directly or indirectly by the Company.

A transaction shall not constitute a Change in Control if its sole purpose is to change the state of the Company's incorporation or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transactions.

(d) Change in Control Period. For purposes of this Agreement, "***Change in Control Period***" means the period beginning two (2) months prior to, and ending twelve (12) months following, a Change in Control.

(e) Disability. For purposes of this Agreement, "***Disability***" means total and permanent disability as defined in Section 22(e) (3) of the Code.

(f) Equity Award. For purposes of this Agreement, "***Equity Award***" means each then outstanding award relating to the Company's common stock (whether stock options, stock appreciation rights, shares of restricted stock, restricted stock units, performance shares, performance units or other similar awards).

(g) Good Reason. For purposes of this Agreement, resignation for "***Good Reason***" means Executive's resignation due to the occurrence of any of the following conditions which occurs without Executive's written consent, provided that the requirements regarding advance notice and an opportunity to cure set forth below are satisfied:

(i) A material adverse change to Executive's authority, duties or responsibilities that, taken as a whole, results in a diminution in Executive's function as the Company's General Counsel;

(ii) A 10% or more reduction in Executive's then-current base salary or a 10% or more reduction in Executive's base compensation (including base salary and bonus);

(iii) The Company conditions Executive's continued service with the Company on the relocation of Executive's principal work location to a location that is more than twenty-five (25) miles from Palo Alto, California (or Executive's then current principal work location) and such relocation results in an increase in Executive's one-way commuting distance from his home by twenty-five (25) miles or more;

(iv) The failure of the Company to obtain the assumption of this Agreement by any successor to the Company;

(v) Any material breach or material violation of a material provision of this Agreement by the Company (or any successor to the Company); or

(vi) Any act or set of facts or circumstances which would under California case law or statute constitute a constructive termination of Executive.

In order for Executive to resign for Good Reason, Executive must provide written notice to the Company of the existence of the Good Reason condition within ninety (90) days of the initial existence of such Good Reason condition. Upon receipt of such notice, the Company will have thirty (30) days during which it may remedy the Good Reason condition and not be required to provide the severance payments and benefits described herein as a result of such proposed resignation. If the Good Reason condition is not remedied within such thirty (30) day cure period, Executive may resign based on the Good Reason condition specified in the notice effective no later than ninety (90) days following the expiration of the thirty (30) day cure period.

7. Successors.

(a) Company Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company's business and/or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term "Company" will include any such successor to the Company's business and/or assets.

(b) Executive's Successors. The terms of this Agreement and all rights of Executive hereunder will inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

8. Notice.

(a) General. Notices and all other communications contemplated by this Agreement will be in writing and will be deemed to have been duly given when personally delivered or when mailed by U.S. registered or certified mail, return receipt requested and postage prepaid. In the case of Executive, mailed notices will be addressed to him at the home address which he most recently communicated to the Company in writing. In the case of the Company, mailed notices will be addressed to its corporate headquarters, and all notices will be directed to the attention of the Company's Secretary (or, if Executive is the Company's Secretary, any other executive officer of the Company).

(b) Notice of Termination. Any termination by the Company for Cause or by Executive for Good Reason or as a result of a voluntary resignation will be communicated by a notice of termination to the other party hereto given in accordance with Section 8(a) of this Agreement. Such notice will indicate the specific termination provision in this Agreement relied upon, will set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and will specify the termination date.

9. Arbitration. Executive agrees to continue to comply with and be bound by the Agreement for the Arbitration of Disputes entered into by and between Executive and the Company dated , as such agreement may be amended from time to time.

10. Miscellaneous Provisions.

(a) No Duty to Mitigate. Executive will not be required to mitigate the amount of any payment contemplated by this Agreement, nor will any earnings that Executive may receive from any other source reduce any such payment.

(b) Waiver. No provision of this Agreement will be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized officer of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party will be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(c) Headings. All captions and section headings used in this Agreement are for convenient reference only and do not form a part of this Agreement.

(d) Choice of Law. The validity, interpretation, construction and performance of this Agreement will be governed by the laws of the State of California (with the exception of its conflict of laws provisions).

(e) Entire Agreement. This Agreement represents the entire agreement and understanding between the parties hereto and supersedes all prior or contemporaneous agreements with respect to the subject matter of this Agreement. Further, this Agreement supersedes in their entirety any and all prior offer letters or employment agreements entered into by and between Executive and the

Company, which offer letters and employment agreements shall be null and void. No waiver, alteration, or modification of any of the provisions of this Agreement will be binding unless in writing and signed by duly authorized representatives of the parties hereto and which specifically mention this Agreement. In entering into this Agreement, no party has relied on or made any representation, warranty, inducement, promise, or understanding that is not in this Agreement. To the extent that any provisions of this Agreement conflict with those of any other agreement between Executive and the Company, the terms in this Agreement will prevail.

(f) Severability. In the event that any provision or any portion of any provision hereof becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable, or void, this Agreement will continue in full force and effect without said provision or portion of provision. The remainder of this Agreement shall be interpreted so as best to effect the intent of the Company and Executive.

(g) Taxes, Withholding and Required Deductions. All payments and, if applicable, benefits made pursuant to this Agreement will be subject to all applicable taxes, withholding of taxes, and any other required deductions.

(h) Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, as of the day and year set forth below.

COMPANY

OOMA, INC.

By: _____

Title: _____

Date: _____

EXECUTIVE

_____

By: _____

Date: _____

Exhibit 10.7

July 29, 2010

James Gustke
Piedmont, CA

Dear Jim:

We are very pleased to offer you employment with ooma, Inc. ("Company") for the position of VP of Marketing, to begin on July 30, 2010. You will report to the CEO, Eric Stang. This is an exempt position, which carries considerable responsibility and which is integral to the continued development and success of our Company. This letter formally presents the specifics of our offer of employment, which you should read and carefully consider.

You will receive an annual base salary of $200,000 payable in accordance with the Company's standard payroll practices. You will be eligible annually for a $50,000 standard performance bonus for meeting a set of well defined objectives based on deliverables and due dates determined by the CEO and on Company achievement of the annual corporate financial plan; your eligible standard performance bonus from your date of hire until January 31, 2011 will be a prorated amount based on the number of days you have been employed with the Company to align you with the Company's annual fiscal cycle which is Feb 1 to January 31. Additionally, you will be eligible to receive quarterly a variable commission bonus based on the Company's level of sales; this commission bonus will be set each quarter to be $12,500 if the Company achieves its quarterly sales plan. You will earn 15 days of Paid Time Off (PTO) per year. Subject to Board of Directors' approval, you will be granted an option to purchase 230,000 shares of the Company's common stock under the Company's 2005 Stock Plan. The per-share exercise price of the option will be equal to the per-share fair market value of the common stock on the date of grant as determined by the Board of Directors. Such options shall be subject to vesting restrictions, which include a one-year cliff, a 4-year vesting period and other standard provisions set forth in the Company's stock option documentation and the 2005 Stock Plan. While not guaranteed, I will ask the Company's Compensation Committee to consider establishing the vesting schedule of your option grant to reflect as if the grant had been made to you on March 1, 2010.

In the event a Change of Control occurs (as defined in the Company's 2005 Stock Plan) and within twelve (12) months following such Change of Control, either (A) your service with the Company is involuntarily terminated without Cause (as defined in the 2005 Stock Plan), or (B) without your consent there is a material reduction of your duties, authority or responsibilities, relative to your duties, authority and responsibilities as in effect immediately prior to such reduction, then 100% of the shares of Common Stock subject to any options granted to you by the Company prior to such Change of Control that have not yet vested as of the date of such involuntary termination or material reduction (the "Effective Date") shall vest and become exercisable as of immediately prior to the Effective Date.

The Company offers a comprehensive package of employee benefits. You will be entitled to participate in these benefit plans upon satisfying plan eligibility requirements. At the present time this package includes medical and dental insurance.

Employment at the Company is “at will.” This means that you are free to resign at any time with or without cause or prior notice. Similarly, the Company is free to terminate our employment relationship with you at any time, with or without cause or prior notice. Although your job duties, title, compensation and benefits, as well as the Company’s policies and procedures, may change from time-to-time, the “at-will” nature of your employment may only be changed in a document signed by you and the CEO of the Company. Your employment with the Company is subject to ooma, Inc.’s general employment policies, many of which are described in the ooma, Inc. Employee Handbook.

Your employment pursuant to this offer is contingent on the following: (1) your signing of the Company’s Proprietary Information and Inventions Assignment Agreement, which, among other things, requires that you will not, during your employment with the Company, improperly use or disclose any proprietary information or trade secrets of any former employer and will not bring onto the Company’s premises any confidential or proprietary information of any former employer unless that employer has consented to such action in writing; (2) your ability to provide the Company with the legally-required proof of your identity and authorization to work in the United States; (3) to ensure that any disputes regarding employment at ooma, Inc. are resolved efficiently and economically, we require all new employees to execute our standard Arbitration Agreement; (4) to ensure that you are aware of the policies at ooma, Inc., we require that you sign an acknowledgement that you have received our employee handbook. These documents will be sent to you under separate cover, and (5) all reference checks resulting in a positive outcome

We hope that you will accept our employment offer on the above terms and conditions, which can be modified only in a writing signed by the Company’s CEO. This letter sets forth the terms of your employment with us and supersedes any prior representations or agreements, whether written or oral. We realize that this sounds a bit formal, but we want to make sure that you understand the important aspects of employment at ooma, Inc., before you make a decision about joining us. To accept our offer, please return one original copy of your signed offer letter to me at your earliest convenience, but no later than the close of business on July 30, 2010. After that time, this offer expires and will be withdrawn.

Please contact me if you have any questions whatsoever about this letter or your employment. We are looking forward to you joining us as a member of the ooma, Inc. team.

Sincerely,		Agreed and Accepted:	
/s/ Eric Stang		/s/ Jim Gustke	7/30/2010
Eric Stang, CEO		Jim Gustke	Date

Exhibit 10.8

OOMA, INC.

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT ("**Agreement**") is made and entered into as of by and between Ooma, Inc.**,** a Delaware corporation (the "**Company**"), and ("**Indemnitee**").

RECITALS

WHEREAS, Indemnitee has performed and performs a valuable service to the Company in his or her capacity as a director and/or officer of the Company;

WHEREAS, the Company desires to retain highly qualified individuals, such as Indemnitee, to serve the Company;

WHEREAS, the Company desires to retain Indemnitee to provide services to it;

WHEREAS, the Company and the Indemnitee recognize the significant risk of personal liability for directors and officers that arises from corporate litigation practices;

WHEREAS, the stockholders of the Company have adopted bylaws (the "**Bylaws**") providing for the indemnification of the directors and officers of the Company, including persons serving at the request of the Company in such capacities with other companies or enterprises, to the maximum extent authorized by the Delaware General Corporation Law, as amended (the "**Code**");

WHEREAS, the Bylaws and the Code, by their non-exclusive nature, permit contracts between the Company and its directors and officers with respect to indemnification of such persons;

WHEREAS, in consideration for Indemnitee's past service and in order to induce Indemnitee to continue to serve as a director and/or officer of the Company, the Company has determined and agreed to enter into this Agreement with Indemnitee; and

WHEREAS, in light of the considerations referred to in the preceding recitals, it is the Company's intention and desire that the provisions of this Agreement be construed liberally, subject to their express terms, to maximize the protections to be provided to Indemnitee hereunder.

NOW, THEREFORE, in consideration of Indemnitee's past and continued service as a director and/or officer after the date hereof, and for other good and valid consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. Certain Definitions. In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement with initial capital letters:

(a) "**Change in Control**" means the occurrence after the date of this Agreement of any of the following events:

(i) the consummation of a reorganization, merger or consolidation, or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of

another corporation, or other transaction (each, a "Business Combination"), unless, in each case, immediately following such Business Combination, all or substantially all of the beneficial owners of voting stock of the Company immediately prior to such Business Combination beneficially own, directly or indirectly, more than 60% of the combined voting power of the then outstanding shares of voting stock of the entity resulting from such Business Combination;

(ii) the Company is a party to a reorganization, merger or consolidation, sales of assets, or a proxy contest, as a consequence of which Incumbent Directors in office immediately prior to such transaction or event constitute less than a majority of the Board of Directors of the Company (or any successor entity) thereafter;

(iii) during any period of two consecutive years, individuals who at the beginning of such period constituted the Board of Directors of the Company (including for this purpose any new directors who qualify under the definition of Incumbent Directors) cease for any reason to constitute at least a majority of the Board of Directors of the Company; or

(iv) approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(b) "**Disinterested Director**" means a director of the Company who is not and was not a party to the claim in respect of which indemnification is sought by Indemnitee.

(c) "**Incumbent Directors**" means the individuals who, as of the date hereof, are directors of the Company and any individual becoming a director subsequent to the date hereof whose election, nomination for election by the Company's stockholders, or appointment, was approved by a vote of at least two-thirds of the then Incumbent Directors (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director, without objection to such nomination).

(d) "**Indemnifiable Claim**" means any claim based upon, arising out of or resulting from (i) any actual, alleged or suspected act or failure to act by Indemnitee in his or her capacity as a director, officer, employee or agent of the Company, as a director, officer, employee, member, manager, trustee or agent of any other corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise, whether or not for profit as to which Indemnitee is or was serving at the request of the Company as a director, officer, employee, member, manager, trustee or agent, (ii) any actual, alleged or suspected act or failure to act by Indemnitee in respect to any business, transaction, communication, filing, disclosure or other activity of the Company or any other entity or enterprise referred to in clause (i) of this sentence, or (iii) Indemnitee's status as a current or former director, officer, employee or agent of the Company or as a current or former director, officer, employee, member, manager, trustee or agent of the Company or any other entity or enterprise referred to in clause (i) of this sentence or any actual, alleged or suspected act or failure to act by Indemnitee in connection with any obligation or restriction imposed upon Indemnitee by reason of such status.

(e) "**Independent Counsel**" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Indemnifiable Claim giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(f) "**Subsidiary**" means any corporation of which more than 50% of the outstanding voting securities are owned directly or indirectly by (i) the Company, (ii) the Company and one or more other subsidiaries, or (iii) by one or more other subsidiaries.

2. Services to the Company. Indemnitee will serve as a director and/or officer of the Company or as a director and/or officer of a Subsidiary of the Company (including any employee benefit plan of the Company) faithfully and to the best of his or her ability so long as he or she is duly elected and qualified in accordance with the provisions of the Bylaws or other applicable charter documents of the Company or such Subsidiary; *provided*, *however,* that Indemnitee may at any time and for any reason resign from such position (subject to any contractual obligation that Indemnitee may have assumed apart from this Agreement or any obligation imposed by law) and that the Company or any affiliate shall have no obligation under this Agreement to continue Indemnitee in any such position.

3. Indemnification of Indemnitee. Subject to Sections 5 and 11, the Company hereby agrees to defend, hold harmless and indemnify Indemnitee to the fullest extent authorized or permitted by the provisions of the Bylaws and the Code, as the same may be amended from time to time (but, only to the extent that such amendment permits the Company to provide broader indemnification rights than the Bylaws or the Code permitted prior to adoption of such amendment) against any and all Indemnifiable Claims.

4. Additional Indemnification. In addition to and not in limitation of the indemnification otherwise provided for herein, and subject to the limitations set forth in this Section 4 and Sections 5 and 11 hereof, the Company hereby further agrees to:

(a) hold harmless and indemnify Indemnitee against any and all expenses (including attorneys' fees), witness fees, damages, judgments, fines and amounts paid in settlement and any other amounts that Indemnitee becomes legally obligated to pay because of any claim or claims made against or by him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, arbitrational, administrative or investigative (including an action by or in the right of the Company) to which Indemnitee is, was or at any time becomes a party, or is threatened to be made a party, by reason of the fact that Indemnitee is, was or at any time becomes a director and/or officer of the Company, or is or was serving or at any time serves at the request of the Company as a director and/or officer of another company, partnership, joint venture, trust, employee benefit plan or other enterprise; and

(b) hold harmless and indemnify Indemnitee for and, if requested by Indemnitee, advance to Indemnitee (i) any and all expenses actually and reasonably paid or incurred by Indemnitee in connection with any claim by Indemnitee for indemnification by the Company under any provision of this Agreement, or under any other agreement or insurance policy or provision of the Code or Bylaws now or hereafter in effect relating to Indemnifiable Claims, and/or (ii) any and all expenses actually and reasonably paid or incurred by Indemnitee in connection with any claim by the Company or any other person or entity to enforce their respective rights under any provision of this Agreement, or under any other agreement or insurance policy or provision of the Code or Bylaws now or hereafter in effect relating to Indemnifiable Claims. No indemnity shall be paid by the Company under this Section 4(b) if the Court of Chancery of the State of Delaware determines that each of the material assertions or defenses, as the case may be, made by Indemnitee in connection with such claim was frivolous or not made in good faith. For sake of clarity, to the fullest extent allowed under applicable law, the Company agrees that it will bear the expenses Indemnitee incurs in bringing or defending a claim under this Section 4(b), regardless of whether Indemnitee is ultimately successful in such claim, unless the court determines that each of the material assertions or defenses, as the case may be, made by Indemnitee in such claim was frivolous or not made in good faith, as mandated by law.

5. Limitations on Indemnification. No payments pursuant to this Agreement shall be made by the Company:

(a) on account of any claim against Indemnitee for an accounting of profits made from the purchase or sale by Indemnitee of securities of the Company pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any federal, state or local statutory law, if Indemnitee is held liable therefor;

(b) on account of Indemnitee's conduct that is established by a final judgment, to which all rights of appeal have either lapsed or been exhausted, as knowingly fraudulent or deliberately dishonest or that constituted willful misconduct;

(c) on account of Indemnitee's conduct that is established by a final judgment, to which all rights of appeal have either lapsed or been exhausted, as constituting a breach of Indemnitee's duty of loyalty to the Company or resulting in any personal profit or advantage to which Indemnitee was not legally entitled;

(d) for which payment is actually made to Indemnitee under a valid and collectible insurance policy or under a valid and enforceable indemnity clause, bylaw or agreement, except in respect of any excess beyond payment under such insurance policy, indemnity clause, bylaw or agreement;

(e) if a court of competent jurisdiction determines in a final decision, to which all rights of appeal have either lapsed or been exhausted, that the indemnification is unlawful;

(f) in connection with any proceeding (or part thereof) initiated by Indemnitee, or any proceeding by Indemnitee against the Company or any Subsidiary or the directors, officers, employees or other agents of the Company or any Subsidiary, unless (i) the proceeding is brought to enforce a right to indemnification pursuant to Section 4(b) hereof, (ii) such indemnification is expressly required to be made by law, (iii) the proceeding was authorized by the Board of Directors of the Company, or (iv) such indemnification is provided by the Company, in its sole discretion, pursuant to the powers vested in the Company under the Code;

6. Contribution. If, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall contribute to the amount of expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably paid or incurred by Indemnitee in such proportion as is appropriate to reflect (i) the relative benefits received by the Company and all directors, officers, employees, or agents other than Indemnitee, on the one hand, and Indemnitee, on the other hand, from the transaction from which such action, suit or proceeding arose, and (ii) the relative fault of the Company and all directors, officers, employees, or agents other than Indemnitee, on the one hand, and of Indemnitee, on the other hand, in connection with the events which resulted in such expenses, judgments, fines or settlement amounts, as well as any other relevant equitable considerations. The relative fault of the Company and all directors, officers, employees, or agents other than Indemnitee, on the one hand, and of Indemnitee, on the other, shall be determined by reference to, among other things, the parties' relative intent, knowledge, access to information and opportunity to correct or prevent the circumstances resulting in such expenses, judgments, fines or settlement amounts, whether their liability is primary or secondary, and the degree to which their conduct is active or passive. The

Company agrees that it would not be just and equitable if contribution pursuant to this Section 6 were determined by pro-rata allocation or any other method of allocation, which does not take account of the foregoing equitable considerations. Nothing in this Section 6 shall impact the parties' rights as they relate to determining whether Indemnitee has satisfied any applicable standard of conduct, as set forth in Section 11 herein.

7. Procedure for Notification.

(a) Not later than thirty (30) days after receipt by Indemnitee of notice of the commencement of any action, suit or proceeding, Indemnitee will, if a claim in respect thereof is to be made against the Company under this Agreement, notify the Company of the commencement thereof, including a brief description (based upon information then available to Indemnitee) of such action, suit or proceeding. Indemnitee's failure to so notify the Company will not relieve the Company from any liability which the Company may have to Indemnitee under this Agreement or otherwise unless, and only to the extent that, the Company did not otherwise learn of such action and such failure results in forfeiture by the Company of substantial defenses, rights or insurance coverage. If at the time of such notification by Indemnitee the Company has directors' and officers' liability insurance in effect under which coverage for such action, suit or proceeding is potentially available, the Company shall give prompt written notice of such action, suit or proceeding to the applicable insurers in accordance with the procedures set forth in the applicable policies. The Company shall provide to Indemnitee: (i) copies of all potentially applicable directors' and officers' liability insurance policies, (ii) a copy of such notice delivered to the applicable insurers, and (iii) copies of all subsequent correspondence between the Company and such insurers regarding the action, suit or proceeding, in each case substantially concurrently with the delivery or receipt thereof by the Company.

(b) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request therefor as soon as practicable. Indemnitee's failure to submit such a request will not relieve the Company from any liability which the Company may have to Indemnitee under this Agreement or otherwise unless, and only to the extent that, the Company did not otherwise learn of such request and such failure results in forfeiture by the Company of substantial defenses, rights or insurance coverage.

8. Defense of Claim. With respect to any action, suit or proceeding as to which Indemnitee must notify the Company of the commencement thereof pursuant to the procedure set forth in Section 7 of this Agreement:

(a) the Company will be entitled to participate therein at its own expense, provided that Indemnitee provides signed, written consent to such participation, which shall not be unreasonably withheld;

(b) except as otherwise provided below, the Company may, at its option and jointly with any other indemnifying party similarly notified and electing to assume such defense, assume the defense thereof, with counsel reasonably satisfactory to Indemnitee, provided that Indemnitee provides signed, written consent to such assumption, which shall not be unreasonably withheld. Upon the Company delivering to Indemnitee written notice of its election to assume such defense, and Indemnitee providing signed, written consent thereto, the Company will not be liable to Indemnitee under this Agreement for any legal or other expenses subsequently incurred by Indemnitee in connection with the defense thereof, except as provided in subsections 8(b)(i)-(iv) below. Indemnitee shall have the right to employ separate counsel in such action, suit or proceeding, but the fees and expenses of such counsel incurred after notice from the Company of its assumption of the defense thereof, and Indemnitee's signed, written consent thereto, shall be at the expense of Indemnitee unless (i) the employment of counsel by Indemnitee has been authorized by the Company, (ii) it is reasonably determined at any time

before or during the course of the action, suit or proceeding, that the use of counsel chosen by the Company to represent Indemnitee would present or presents, as the case may be, such counsel with an actual or potential conflict, (iii) it is reasonably determined at any time before or during the course of the action, suit or proceeding, that the use of counsel chosen by the Company to represent Indemnitee would be or is, as the case may be, precluded under the applicable standards of professional conduct then prevailing, or (iv) the Company shall not in fact have employed counsel to assume the defense of such action, or fails to continue to retain such counsel to assume the defense of such action, in each of which cases the fees and expenses of Indemnitee's separate counsel shall be at the expense of the Company; and

(c) the Company shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any action or claim effected without its prior written consent, which shall not be unreasonably withheld. The Company shall be permitted to settle any action except that it shall not settle any action or claim in any manner that would impose any expenses, losses, liabilities, judgments, fines, or penalties (whether civil or criminal) on Indemnitee without Indemnitee's prior written consent.

9. Advancement and Repayment of Expenses.

(a) Indemnitee shall have the right to advancement by the Company, prior to the final disposition of any Indemnifiable Claim by final adjudication to which there are no further rights of appeal, of any and all expenses (including legal fees and expenses) actually and reasonably paid or incurred by Indemnitee in connection with any Indemnifiable Claim within thirty (30) days after receiving from Indemnitee copies of invoices presented to Indemnitee for such expenses. Indemnitee's right to such advancement is not subject to the satisfaction of any standard of conduct.

(b) Indemnitee shall have the right to advancement by the Company, prior to the final disposition of Indemnitee's claim by final adjudication to which there are no further rights of appeal, of any and all expenses provided for in Section 4(b) of this Agreement within thirty (30) days after receiving from Indemnitee copies of invoices presented to Indemnitee for such expenses. Indemnitee's right to such advancement is not subject to the satisfaction of any standard of conduct.

(c) In the event that Indemnitee employs his or her own counsel for which the Company must indemnify Indemnitee pursuant to Section 8(b), Indemnitee shall have the right to advancement by the Company, prior to the final disposition of any Indemnifiable Claim by final adjudication to which there are no further rights of appeal, of any and all expenses actually and reasonably paid or incurred by Indemnitee in connection with Indemnitee's employment of his or her own counsel within thirty (30) days after receiving from Indemnitee copies of invoices presented to Indemnitee for such expenses.

(d) Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement which shall constitute an undertaking by Indemnitee to reimburse the Company for all reasonable expenses paid by the Company in respect of expenses relating to, arising out of or resulting from any Indemnifiable Claim or any claim by Indemnitee for indemnification by the Company, as provided for in Section 4(b) of this Agreement, in the event and only to the extent it shall be ultimately determined by a final judicial decision from which there is no further right of appeal, that Indemnitee is not entitled, under the provisions of the Code, the Bylaws, this Agreement or otherwise, to be indemnified by the Company for such expenses. Advances shall be unsecured and interest free. Advances shall be made without regard to Indemnitee's ability to repay the expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the provisions of this Agreement.

10. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any and all losses relating to, arising out of or resulting from any Indemnifiable Claim, but not for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

11. Determination of Right to Indemnification

(a) To the extent that Indemnitee shall have been successful on the merits or otherwise in defense of any Indemnifiable Claim or any portion thereof or in defense of any issue or matter therein, including without limitation dismissal without prejudice, Indemnitee shall be indemnified against any and all losses relating to, arising out of or resulting from any Indemnifiable Claim in accordance with Sections 3 and 4(a) and no Standard of Conduct Determination (as defined in Section 11(b)) shall be required. To the extent that Indemnitee's only involvement in the Indemnifiable Claim is to prepare to serve and serve as a witness, the Indemnitee shall be indemnified against all expenses incurred in connection therewith and no Standard of Conduct Determination (as defined in Section 11(b)) shall be required.

(b) To the extent that the provisions of Section 11(a) are inapplicable to an Indemnifiable Claim that shall have been finally disposed of, any determination of whether Indemnitee has satisfied any applicable standard of conduct under Delaware law that is a legally required condition to indemnification of Indemnitee hereunder against any and all losses relating to, arising out of or resulting from any Indemnifiable Claim (a "**Standard of Conduct Determination**") shall be made as follows: (i) unless a Change of Control has occurred, (A) by a majority vote of the Disinterested Directors, even if less than a quorum of the Board, or (B) if there are no such Disinterested Directors, by Independent Counsel in a written opinion addressed to the Board, a copy of which shall be delivered to Indemnitee; and (ii) if a Change in Control shall have occurred, (A) if the Indemnitee so requests in writing, by a majority vote of the Disinterested Directors, even if less than a quorum of the Board or (B) otherwise, by Independent Counsel in a written opinion addressed to the Board, a copy of which shall be delivered to Indemnitee. The Company shall indemnify and hold harmless Indemnitee against and, if requested by Indemnitee, shall reimburse Indemnitee for, or advance to Indemnitee, within ten (10) business days of such request, any and all costs and expenses (including attorneys' and experts' fees and expenses) incurred by Indemnitee in cooperating with the person or persons making such Standard of Conduct Determination.

(c) The Company shall use its reasonable best efforts to cause any Standard of Conduct Determination required under Section 11(b) to be made as promptly as practicable. If the person or persons determined under Section 11(b) to make the Standard of Conduct Determination shall not have made a determination within 30 days after the later of (A) receipt by the Company of written notice from Indemnitee advising the Company of the final disposition of the applicable Indemnifiable Claim (the date of such receipt being the "**Notification Date**") and (B) the selection of an Independent Counsel, if such determination is to be made by Independent Counsel, then Indemnitee shall be deemed to have satisfied the applicable standard of conduct; provided that such 30-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person or persons making such determination in good faith requires such additional time to obtain or evaluate information relating thereto.

(d) If (i) Indemnitee shall be entitled to indemnification pursuant to Section 11(a), (ii) no determination of whether Indemnitee has satisfied any applicable standard of conduct under Delaware law is a legally required condition to indemnification of Indemnitee hereunder for any and all losses relating to, arising out of or resulting from any Indemnifiable Claim, or (iii) Indemnitee has been determined or deemed pursuant to Section 11(b) or (c) to have satisfied any applicable standard of conduct under Delaware law which is a legally required condition to indemnification of Indemnitee, then the Company shall pay to Indemnitee, within ten (10) business days after the later of (x) the Notification Date regarding the Indemnifiable Claim giving rise to the losses relating to, arising out of or resulting from the Indemnifiable Claim, and (y) the earliest date on which the applicable criterion specified in clause (i), (ii) or (iii) is satisfied, an amount equal to such losses.

(e) If a Standard of Conduct Determination is to be made by Independent Counsel pursuant to Section 11(b)(i), the Independent Counsel shall be selected by the Board of Directors, and the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Standard of Conduct Determination is to be made by Independent Counsel pursuant to Section 11(b)(ii), the Independent Counsel shall be selected by Indemnitee, and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either case, Indemnitee or the Company, as applicable, may, within ten (10) business days after receiving written notice of selection from the other, deliver to the other a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not satisfy the criteria set forth in the definition of "Independent Counsel" in Section 1(e), and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person or firm so selected shall act as Independent Counsel. If such written objection is properly and timely made and substantiated, (i) the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit and (ii) the non-objecting party may, at its option, select an alternative Independent Counsel and give written notice to the other party advising such other party of the identity of the alternative Independent Counsel so selected, in which case the provisions of the two immediately preceding sentences and clause (i) of this sentence shall apply to such subsequent selection and notice. If applicable, the provisions of clause (ii) of the immediately preceding sentence shall apply to successive alternative selections. If no Independent Counsel that is permitted under the foregoing provisions of this Section 11(e) to make the Standard of Conduct Determination shall have been selected within 30 days after the Company gives its initial notice pursuant to the first sentence of this Section 11(e) or Indemnitee gives its initial notice pursuant to the second sentence of this Section 11(e), as the case may be, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware for resolution of any objection which shall have been made by the Company or Indemnitee to the others' selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or such other person as the court shall designate, and the person or firm with respect to whom all objections are so resolved or the person or firm so appointed will act as Independent Counsel. In all events, the Company shall pay all of the reasonable fees and expenses of the Independent Counsel incurred in connection with the Independent Counsel's determination pursuant to Section 11(b).

12. Presumption of Entitlement. In making any Standard of Conduct Determination, the person or persons making such determination shall presume that Indemnitee has satisfied the applicable standard of conduct, and the Company may overcome such presumption only by adducing clear and convincing evidence to the contrary. For purposes of this Agreement, the termination of any claim, action, suit or proceeding by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere or its equivalent, shall not create a presumption that the Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law. Any Standard of Conduct Determination that is adverse to Indemnitee may be challenged by the Indemnitee in the Court of Chancery of the State of Delaware. No determination by the Company (including by its directors or any Independent Counsel) that Indemnitee has not satisfied any applicable standard of conduct shall be a defense to any claim by Indemnitee for indemnification or advancement of expenses by the Company hereunder or create a presumption that Indemnitee has not met any applicable standard of conduct.

13. Enforcement. Any right to indemnification or advances granted by this Agreement to Indemnitee shall be enforceable by or on behalf of Indemnitee in the Court of Chancery of the State of Delaware. Indemnitee, in such enforcement action, shall be entitled to be paid the expense of

prosecuting his or her claim, as provided for under Section 4(b) herein. It shall be a defense to any action for which a claim for indemnification is made under Sections 3, 4(a), and 4(b) hereof (other than an action brought to enforce a claim for expenses pursuant to Section 9 hereof, *provided that* the required undertaking has been tendered to the Company) that Indemnitee is not entitled to indemnification because of the limitations set forth in Section 5 hereof. Neither the failure of the Company (including its Board of Directors or its stockholders) to have made a determination prior to the commencement of such enforcement action that indemnification of Indemnitee is proper in the circumstances, nor an actual determination by the Company (including its Board of Directors or its stockholders) that such indemnification is improper shall be a defense to the action or create a presumption that Indemnitee is not entitled to indemnification under this Agreement or otherwise.

14. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all documents required and shall do all acts that may be necessary to secure such rights and to enable the Company effectively to bring suit to enforce such rights.

15. Continuation of Indemnity. All agreements and obligations of the Company contained herein shall commence upon the date that Indemnitee first became a member of the Board of Directors and/or an officer of the Company or any Subsidiary, and shall continue during the period Indemnitee is a director and/or officer of the Company or any Subsidiary (or is or was serving at the request of the Company as a director and/or officer of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise) and thereafter so long as Indemnitee shall be subject to any possible Indemnifiable Claims (including any rights of appeal thereto) and any proceeding commenced by Indemnitee, the Company or any other person or entity to enforce or interpret their respective rights under this Agreement, or any other agreement or insurance policy or provision of the Code or Bylaws now or hereafter in effect relating to Indemnifiable Claims.

16. Non-Exclusivity of Rights, Etc. The rights conferred on Indemnitee by this Agreement shall not be exclusive of any other right which Indemnitee may have or hereafter acquire under any statute, provision of the Company's Certificate of Incorporation or Bylaws, agreement, vote of stockholders or directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office; provided, however, that this Agreement shall supersede and replace any prior indemnification agreements entered into by and between the Company and Indemnitee (if any) and that any such prior indemnification agreement shall be terminated upon the execution of this Agreement. To the extent that a change in Delaware law or interpretation thereof (whether by statute or judicial decision) expands the right of a Delaware corporation to indemnify a member of its board of directors or an officer, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change.

17. Governing Law and Consent to Jurisdiction. The validity, interpretation, construction and performance of this Agreement shall be governed by and construed in accordance with the substantive laws of the State of Delaware, without giving effect to the principles of conflict of laws of such State. The Company and Indemnitee each hereby irrevocably consent to the jurisdiction of the Chancery Court of the State of Delaware for all purposes in connection with any action or proceeding which arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be brought only in the Chancery Court of the State of Delaware.

18. Successors and Binding Agreement.

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all of the business or assets of the Company, by agreement in form and substance satisfactory to Indemnitee and his or her

counsel, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement shall be binding upon and inure to the benefit of the Company and any successor to the Company, including without limitation any person acquiring directly or indirectly all or substantially all of the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor will thereafter be deemed the "**Company**" for purposes of this Agreement), but shall not otherwise be assignable or delegable by the Company.

(b) This Agreement shall inure to the benefit of and be enforceable by the Indemnitee's personal or legal representatives, executors, administrators, heirs, distributees, legatees and other successors.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 18(a) and 18(b). Without limiting the generality or effect of the foregoing, Indemnitee's right to receive payments hereunder shall not be assignable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by the Indemnitee's will or by the laws of descent and distribution, and, in the event of any attempted assignment or transfer contrary to this Section 18(c), the Company shall have no liability to pay any amount so attempted to be assigned or transferred.

19. Injunctive Relief. The Company and the Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause the Indemnitee and the Company irreparable harm. Accordingly, the parties hereto agree that the parties may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, they shall not be precluded from seeking or obtaining any other relief to which they may be entitled. The Company and the Indemnitee further agree that they shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company and the Indemnitee acknowledge that in the absence of a waiver, a bond or undertaking may be required by the Chancery Court of the State of Delaware, and they hereby waive any such requirement of such a bond or undertaking.

20. Liability Insurance and Funding. For the duration of Indemnitee's service as a director and/or officer of the Company, and thereafter for so long as Indemnitee shall be subject to any pending or possible Indemnifiable Claim, the Company shall use commercially reasonable efforts (taking into account the scope and amount of coverage available relative to the cost thereof) to cause to be maintained in effect policies of directors' and officers' liability insurance providing coverage for directors and officers of the Company that is at least substantially compatible in scope and amount to that provided by the Company's current policies of directors' and officers' liability insurance. In all policies of directors' and officers' liability insurance obtained by the Company, Indemnitee shall be covered as an insured in such a manner as to provide Indemnitee the same rights and benefits, subject to the same limitations, as are accorded to the Company's directors and officers most favorably insured by such policy. Upon request, the Company will provide to Indemnitee copies of all directors' and officers' liability insurance applications, binders, policies, declarations, endorsements and other related materials.

21. Amendment and Termination. No amendment, modification, termination or cancellation of this Agreement shall be effective unless it is in writing and is signed by both parties hereto.

22. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute but one and the same Agreement. Only one such counterpart need be produced to evidence the existence of this Agreement.

23. Severability. Each of the provisions of this Agreement is a separate and distinct agreement and independent of the others, so that if any provision hereof shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the validity or enforceability of the other provisions hereof. Furthermore, if this Agreement shall be invalidated in its entirety on any ground, then the Company shall nevertheless indemnify Indemnitee to the fullest extent provided by the Bylaws, the Code or any other applicable law.

24. Certain Interpretive Matters. No provision of this Agreement shall be interpreted in favor of, or against, either of the parties hereto by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof.

25. Headings. The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction hereof.

26. Notices. All notices, requests, demands and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given (i) upon delivery if delivered by hand to the party to whom such communication was directed or (ii) upon the third business day after the date on which such communication was mailed if mailed by certified or registered mail with postage prepaid:

(a) If to Indemnitee, at the address indicated on the signature page hereof, or to such other address as may have been furnished to the Company by Indemnitee.

(b) If to the Company, to:

Ooma, Inc.
Attn: General Counsel
1880 Embarcadero Road
Palo Alto, CA 94303

or to such other address as may have been furnished to Indemnitee by the Company.

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

OOMA, INC.,
a Delaware corporation

By: _____

Name: Eric B. Stang

Title: President and Chief Executive Officer

INDEMNITEE

_____

Name:

Address:

Exhibit 10.9

AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

THIS AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (this "**Agreement**") dated as of December 17, 2012 (the "**Effective Date**") between **SILICON VALLEY BANK**, a California corporation ("**Bank**"), and **OOMA, INC.**, a Delaware corporation ("**Borrower**"), provides the terms on which Bank shall lend to Borrower and Borrower shall repay Bank. The parties agree as follows:

RECITALS

A. Bank and Borrower have entered into that certain Loan and Security Agreement dated as of April 16, 2012 (as the same as been amended, modified, supplemented, renewed, or otherwise modified, from to time, the "**Prior Loan Agreement**"). Pursuant to the Prior Loan Agreement, Bank made a term loan in the original principal amount of Four Million Dollars ($4,000,000).

B. Borrower has requested, and Bank has agreed to replace, extend, amend and restate the Prior Loan Agreement in its entirety. The parties hereby agree that the Prior Loan Agreement is hereby amended, restated and replaced in its entirety as follows:

1 ACCOUNTING AND OTHER TERMS

Accounting terms not defined in this Agreement shall be construed following GAAP. Calculations and determinations must be made following GAAP. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 13. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein.

2 LOAN AND TERMS OF PAYMENT

2.1 Promise to Pay.

Borrower hereby unconditionally promises to pay Bank the outstanding principal amount of all Credit Extensions and accrued and unpaid interest thereon as and when due in accordance with this Agreement.

2.1.1 Revolving Advances.

(a) Availability. Subject to the terms and conditions of this Agreement, Bank shall make Advances not exceeding the Availability Amount. Amounts borrowed under the Revolving Line may be repaid and, prior to the Revolving Line Maturity Date, reborrowed, subject to the applicable terms and conditions precedent herein.

(b) Termination; Repayment. The Revolving Line terminates on the Revolving Line Maturity Date, when the principal amount of all Advances, the unpaid interest thereon, and all other Obligations relating to the Revolving Line shall be immediately due and payable.

(c) Early Termination. The Revolving Line may be terminated prior to the Revolving Line Maturity Date as follows: (i) by Borrower, effective three (3) Business Days after written notice of termination is received by Bank; or (ii) by Bank at any time from and after the occurrence and during the continuance of an Event of Default, without notice, effective immediately. If this Agreement is terminated prior to the Revolving Line Maturity Date by Borrower for any reason, Borrower shall pay to Bank a non-refundable termination fee in an amount equal to Sixty Thousand Dollars ($60,000) (the "**Early Termination Fee**"). The Early Termination Fee shall be due and payable on the effective date of such termination and if not paid in full shall bear interest at a rate equal to the highest rate applicable to any of the Obligations.

2.1.2 Existing Term Loan Facility.

(a) Outstanding Balance. Borrower hereby acknowledges that, as part of the Prior Loan Agreement, Bank made term loan advances to Borrower ("**Existing Term Loan Advances**") in an original principal amount of Four Million Dollars ($4,000,000) (the "**Existing Term Loan Facility**"), a portion of which remains outstanding as of the Effective Date. Bank and Borrower hereby agree that there is no further availability under the Existing Term Loan Facility. The Obligations owing with respect to the Existing Term Loan Facility have not been extinguished or discharged hereby and the execution of this Agreement is not intended to and shall not cause or result in a novation with respect to the Existing Term Loan Facility. Borrower acknowledges and agrees that as of the Effective Date, the outstanding principal balance on the Existing Term Loan Facility is Three Million Six Hundred Ninety Thousand Seven Hundred Seven and 22/100 Dollars ($3,690,707.22), and that such sum is not subject to any offset or defense of any kind whatsoever, and in the event Borrower has any offsets or defenses thereto, Borrower hereby irrevocably waives all such offsets and defenses. Borrower will continue to repay the outstanding balance of the Existing Term Loan Facility (including interest on the outstanding balance) in accordance with the terms set forth herein.

(b) Repayment. Borrower hereby agrees to continue to make thirty-four (34) consecutive equal monthly payments of principal and interest on the Existing Term Loan Facility of One Hundred Twenty One Thousand Three Hundred Ten and 55/100 Dollars ($121,310.55) commencing on the first (1st) calendar day of the first (1st) month after the Effective Date and continuing through the Existing Term Loan Maturity Date. All unpaid principal and accrued and unpaid interest on the Existing Term Loan Facility is due and payable in full on the Existing Term Loan Maturity Date. All unpaid principal and accrued interest is due and payable in full on the Existing Term Loan Maturity Date. The Existing Term Loan Facility may only be prepaid in accordance with Sections 2.1.2(d) and (e).

(c) Final Payment. With respect to the Existing Term Loan Facility, on the earlier of (i) the Existing Term Loan Maturity Date, (ii) the voluntary prepayment of the Existing Term Loan Facility by Borrower pursuant to Section 2.1.2(e), or (iii) the acceleration of the Existing Term Loan Facility upon the occurrence and continuance of an Event of Default, Borrower shall pay, in addition to the outstanding principal, accrued and unpaid interest, and all other amounts due on such date with respect to the Existing Term Loan Facility, an amount equal to the Final Payment.

(d) Mandatory Prepayment Upon an Acceleration. If the Existing Term Loan Facility is accelerated by Bank following the occurrence and during the continuance of an Event of Default, Borrower shall immediately pay to Bank an amount equal to the sum of: (i) all accrued and unpaid interest with respect to the Existing Term Loan Facility through the date the prepayment is made, (ii) all unpaid principal with respect to the Existing Term Loan Facility; (iii) the Final Payment; plus (iv) all other sums, if any, that shall have become due and payable as of the date of repayment, including interest at the Default Rate with respect to any past due amounts.

(e) Permitted Prepayment. Borrower shall have the option to prepay all, but not less than all, of the outstanding amounts under the Existing Term Loan Facility, provided Borrower (i) provides written notice to Bank of its election to prepay the Existing Term Loan Facility at least ten (10) days prior to such prepayment, and (ii) pays, on the date of the prepayment (A) all accrued and unpaid interest with respect to the Existing Term Loan Facility through the date the prepayment is made; plus (B) all unpaid principal with respect to the Existing Term Loan Facility; plus (C) the Final Payment; plus (D) all other sums, if any, that shall have become due and payable hereunder as of the date of prepayment with respect to this Agreement, including interest at the Default Rate with respect to any past due amounts.

2.2 Overadvances.

If, at any time, the outstanding principal amount of any Advances exceeds the lesser of either the Revolving Line or the Borrowing Base, Borrower shall immediately pay to Bank in cash the amount of such excess (such excess, the "**Overadvance**"). Without limiting Borrower's obligation to repay Bank any Overadvance, Borrower agrees to pay Bank interest on the outstanding amount of any Overadvance, on demand, at the Default Rate.

2.3 Payment of Interest on the Credit Extensions.

(a) Interest Rate.

(i) Advances. Subject to Section 2.3(b), the principal amount outstanding under the Revolving Line shall accrue interest at a floating per annum rate equal to two and three-quarters of one percent (2.75%) above the Prime Rate, which interest shall be payable monthly in accordance with Section 2.3(d) below.

(ii) Existing Term Loan Advances. Subject to Section 2.3(b), the Existing Term Loan Facility shall continue to accrue interest at a fixed per annum rate of two and one-half of one percent (2.50%) above the Prime Rate, which interest shall be payable monthly in accordance with Section 2.3(d) below.

(b) Default Rate. Immediately upon the occurrence and during the continuance of an Event of Default, Obligations shall bear interest at a rate per annum which is five percent (5.0%) above the rate that is otherwise applicable thereto (the "**Default Rate**") unless the Bank otherwise elects from time to time in its sole discretion to impose a smaller increase. Fees and expenses which are required to be paid by Borrower pursuant to the Loan Documents (including, without limitation, Bank Expenses) but are not paid when due shall bear interest until paid at a rate equal to the highest rate applicable to the Obligations. Payment or acceptance of the increased interest rate provided in this Section 2.3(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Bank.

(c) Adjustment to Interest Rate. Changes to the interest rate of any Credit Extension based on changes to the Prime Rate shall be effective on the effective date of any change to the Prime Rate and to the extent of any such change.

(d) Payment; Interest Computation; 360-Day Year. Interest is payable monthly on the first (1st) calendar day of each month and shall be computed on the basis of a 360-day year for the actual number of days elapsed. In computing interest, (i) all payments received after 12:00 p.m. Pacific time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of any Credit Extension shall be included and the date of payment shall be excluded; provided, however, that if any Credit Extension is repaid on the same day on which it is made, such day shall be included in computing interest on such Credit Extension.

2.4 Fees.

Borrower shall pay to Bank:

(a) Commitment Fee and Anniversary Fee. A fully earned, non-refundable commitment fee in the amount of Fifteen Thousand Dollars ($15,000) (the "**Commitment Fee**"), on the Effective Date, and a fully earned, non-refundable anniversary fee of Fifteen Thousand Dollars ($15,000) is due upon the first (1st) anniversary of the Effective Date (if the Revolving Line has not been terminated on or before such anniversary date);

(b) Final Payment. The Final Payment, when due hereunder;

(c) Early Termination Fee. The Early Termination Fee, when due hereunder;

(d) Good Faith Deposit. Borrower has paid to Bank a fully earned good faith deposit of Fifteen Thousand Dollars ($15,000) (the "**Good Faith Deposit**") to initiate Bank's due diligence review process. Any portion of the Good Faith Deposit not utilized to pay Bank Expenses will be applied to the Commitment Fee;

(e) Bank Expenses. All Bank Expenses (including reasonable attorneys' fees and expenses for documentation and negotiation of this Agreement which fees for the documentation and negotiation of this Agreement will not exceed Twelve Thousand Dollars ($12,000) as of the Effective Date) incurred through and after the Effective Date, when due (or, if no stated due date, upon demand by Bank); and

(f) Fees Fully Earned. Unless otherwise provided in this Agreement or in a separate writing by Bank, Borrower shall not be entitled to any credit, rebate, or repayment of any fees earned by Bank pursuant to this Agreement notwithstanding any termination of this Agreement or the suspension or termination of Bank's obligation to make loans and advances hereunder. Bank may deduct amounts owing by Borrower under the clauses of this Section 2.4 pursuant to the terms of Section 2.5(c). Bank shall provide Borrower written notice of deductions made from the Designated Deposit Account pursuant to the terms of the clauses of this Section 2.4.

2.5 Payments; Application of Payments; Debit of Accounts.

(a) All payments to be made by Borrower under any Loan Document shall be made in immediately available funds in Dollars, without setoff or counterclaim, before 12:00 p.m. Pacific time on the date when due. Payments of principal and/or interest received after 12:00 p.m. Pacific time are considered received at the opening of business on the next Business Day. When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees or interest, as applicable, shall continue to accrue until paid.

(b) Bank has the exclusive right to determine the order and manner in which all payments with respect to the Obligations may be applied. Borrower shall have no right to specify the order or the accounts to which Bank shall allocate or apply any payments required to be made by Borrower to Bank or otherwise received by Bank under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

(c) Bank may debit any of Borrower's deposit accounts maintained with Bank, including the Designated Deposit Account, for principal and interest payments or, after prior notice to Borrower, any other amounts Borrower owes Bank when due. These debits shall not constitute a set-off.

2.6 Withholding.

Payments received by Bank from Borrower under this Agreement will be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority (including any interest, additions to tax or penalties applicable thereto). Specifically, however, if at any time any Governmental Authority, applicable law, regulation or international agreement requires Borrower to make any withholding or deduction from any such payment or other sum payable hereunder to Bank, Borrower hereby covenants and agrees that the amount due from Borrower with respect to such payment or other sum payable hereunder will be increased to the extent necessary to ensure that, after the making of such required withholding or deduction, Bank receives a net sum equal to the sum which it would have received had no withholding or deduction been required, and Borrower shall pay the full amount withheld or deducted to the relevant Governmental Authority. Borrower will, upon request, furnish Bank with proof reasonably satisfactory to Bank indicating that Borrower has made such withholding payment; provided, however, that Borrower need not make any withholding payment if the amount or validity of such withholding payment is contested in good faith by appropriate and timely proceedings and as to which payment in full is bonded or reserved against by Borrower. The agreements and obligations of Borrower contained in this Section 2.6 shall survive the termination of this Agreement.

3 <u>CONDITIONS OF LOANS</u>

3.1 Conditions Precedent to Initial Credit Extension.

Bank's obligation to make the initial Credit Extension is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, such documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate, including, without limitation:

(a) duly executed original signatures to this Agreement;

(b) duly executed original signatures to the Second Warrant;

(c) duly executed original signatures to the Control Agreement;

(d) the Operating Documents and long-form good standing certificates of Borrower and its Subsidiaries certified by the Secretary of State (or equivalent agency) of Borrower's and such Subsidiaries' jurisdiction of organization or formation and each jurisdiction in which Borrower and each Subsidiary is qualified to conduct business, each as of a date no earlier than thirty (30) days prior to the Effective Date;

(e) evidence that the Credit Agreement dated as of December 31, 2010, between Borrower and MMV Finance Inc., together with all documents and agreements executed in connection therewith, shall have been terminated and all amounts thereunder shall have been paid in full;

(f) evidence that (i) the Liens securing Indebtedness owed by Borrower to MMV Finance Inc. will be terminated and (ii) the documents and/or filings evidencing the perfection of such Liens, including without limitation any financing statements and/or control agreements, have or will, concurrently with the initial Credit Extension, be terminated;

(g) certified copies, dated as of a recent date, of financing statement searches, as Bank may request, accompanied by written evidence (including any UCC termination statements) that the Liens indicated in any such financing statements either constitute Permitted Liens or have been or, in connection with the initial Credit Extension, will be terminated or released;

(h) the Perfection Certificate of Borrower, together with the duly executed original signature thereto;

(i) the completion of the Initial Audit with results satisfactory to Bank in its sole and absolute discretion;

(j) a copy of Borrower's Investors' Rights Agreement and any amendments thereto;

(k) evidence reasonably satisfactory to Bank that the insurance policies and endorsements required by Section 6.5 hereof are in full force and effect, together with appropriate evidence showing lender loss payable and/or additional insured clauses and cancellation notice to Bank (or endorsements reflecting the same) in favor of Bank; and

(l) payment of the fees and Bank Expenses then due as specified in Section 2.4 hereof.

3.2 Conditions Precedent to all Credit Extensions.

Bank's obligations to make each Credit Extension, including the initial Credit Extension, is subject to the following conditions precedent:

(a) timely receipt of an executed Payment/Advance Form;

(b) the representations and warranties in this Agreement shall be true, accurate, and complete in all material respects on the date of the Payment/Advance Form and on the Funding Date of each Credit Extension; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date, and no Event of Default shall have occurred and be continuing or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in this Agreement remain true, accurate, and complete in all material respects; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; and

(c) in Bank's sole but reasonable discretion made in good faith, there has not been any material impairment in the results of operation, financial condition or the prospect of repayment of the Obligations as and when due, or any material adverse deviation by Borrower from the most recent business plan of Borrower presented to and accepted by Bank.

3.3 Covenant to Deliver.

Borrower agrees to deliver to Bank each item required to be delivered to Bank under this Agreement as a condition precedent to any Credit Extension. Borrower expressly agrees that a Credit Extension made prior to the receipt by Bank of any such item shall not constitute a waiver by Bank of Borrower's obligation to deliver such item, and the making of any Credit Extension in the absence of a required item shall be in Bank's sole discretion.

3.4 Procedures for Borrowing.

Subject to the prior satisfaction of all other applicable conditions to the making of an Advance set forth in this Agreement, to obtain an Advance, Borrower shall notify Bank (which notice shall be irrevocable) by electronic mail, facsimile, or telephone by 12:00 p.m. Pacific time on the Funding Date of the Advance. Together with any such electronic or facsimile notification, Borrower shall deliver to Bank by electronic mail or facsimile a completed Payment/Advance Form executed by a Responsible Officer or his or her designee. Bank may rely on any telephone notice given by a person whom Bank believes is a Responsible Officer or designee. Bank shall credit Advances to the Designated Deposit Account. Bank may make Advances under this Agreement based on instructions from a Responsible Officer or his or her designee or without instructions if the Advances are necessary to meet Obligations which have become due.

4 CREATION OF SECURITY INTEREST

4.1 Grant of Security Interest.

Borrower hereby grants Bank, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Bank, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

Borrower acknowledges that it previously has entered, and/or may in the future enter, into Bank Services Agreements with Bank. Regardless of the terms of any Bank Services Agreement, Borrower agrees that any amounts Borrower owes Bank thereunder shall be deemed to be Obligations hereunder and that it is the intent of Borrower and Bank to have all such Obligations secured by the first priority perfected security interest in the Collateral granted herein (subject only to Permitted Liens that are permitted pursuant to the terms of this Agreement to have superior priority to Bank's Lien in this Agreement).

If this Agreement is terminated, Bank's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations (other than inchoate indemnity obligations) and at such time as Bank's obligation to make Credit Extensions has terminated, Bank shall, at the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall revert to Borrower. Notwithstanding the foregoing, in the event (x) all Obligations (other than inchoate indemnity obligations), except for Bank Services, are satisfied in full, and (y) this Agreement is terminated, Bank shall terminate the security interest granted herein upon Borrower providing cash collateral acceptable to Bank consistent with Bank's then current practice for Bank Services, if any. In the event such Bank Services consist of outstanding Letters of Credit, Borrower shall provide to Bank cash collateral in an amount equal to (i) if such Letters of Credit are denominated in Dollars, then at least one hundred five percent (105%); and (ii) if such Letters of Credit are denominated in a Foreign Currency, then at least one hundred ten percent (110%), of the Dollar Equivalent of the face amount of all such Letters of Credit plus all interest, fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment), to secure all of the Obligations relating to such Letters of Credit.

4.2 Priority of Security Interest.

Borrower represents, warrants, and covenants that the security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Collateral (subject only to Permitted Liens that are permitted pursuant to the terms of this Agreement to have superior priority to Bank's Lien under this Agreement). If Borrower shall acquire a commercial tort claim, Borrower shall promptly notify Bank in a writing signed by Borrower of the general details thereof and grant to Bank in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Bank.

4.3 Authorization to File Financing Statements.

Borrower hereby authorizes Bank to file financing statements, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Bank's interest or rights hereunder, including a notice that any disposition of the Collateral, by either Borrower or any other Person, shall be deemed to violate the rights of Bank under the Code.

5 REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants as follows:

5.1 Due Organization, Authorization; Power and Authority.

Borrower is duly existing and in good standing as a Registered Organization in its jurisdiction of formation and is qualified and licensed to do business and is in good standing in any jurisdiction in which the conduct of its business or its ownership of property requires that it be qualified except where the failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business. In connection with this Agreement, Borrower has delivered to Bank a completed certificate signed by Borrower, entitled "**Perfection Certificate**". Borrower represents and warrants to Bank that (a) Borrower's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (b) Borrower is an organization of the type and is organized in the jurisdiction set forth in the Perfection Certificate; (c) the Perfection Certificate accurately sets forth Borrower's organizational identification number or accurately states that Borrower has none; (d) the Perfection Certificate accurately sets forth Borrower's place of business, or, if more than one, its chief executive office as well as Borrower's mailing address (if different than its chief executive office); (e) Borrower (and each of its predecessors) has not, in the past five (5) years, changed its jurisdiction of formation, organizational structure or type, or any organizational number assigned by its jurisdiction; and (f) all other information set forth on the Perfection Certificate pertaining to Borrower and each of its Subsidiaries is accurate and complete in all material respects (it being understood and agreed that Borrower may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent permitted by one or more specific provisions in this Agreement).

The execution, delivery and performance by Borrower of the Loan Documents to which it is a party have been duly authorized, and do not (i) conflict with any of Borrower's organizational documents, (ii) contravene, conflict with, constitute a default under or violate any material Requirement of Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Borrower or any of its Subsidiaries or any of their property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or Governmental Approval from, any Governmental Authority (except such Governmental Approvals which have already been obtained and are in full force and effect) or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any material agreement by which Borrower is bound. Borrower is not in default under any agreement to which it is a party or by which it is bound in which the default could reasonably be expected to have a material adverse effect on Borrower's business.

5.2 Collateral.

Borrower has good title to, rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Borrower has no Collateral Accounts at or with any bank or financial institution other than Bank or Bank's Affiliates except for the Collateral Accounts described in the Perfection Certificate delivered to Bank in connection herewith and which Borrower has taken such actions as are necessary to give Bank a perfected security interest therein, pursuant to the term of Section 6.6(b). The Accounts are bona fide, existing obligations of the Account Debtors.

The Collateral with an aggregate value in excess of One Hundred Fifty Thousand Dollars ($150,000) is not in the possession of any third party bailee (such as a warehouse) except as otherwise provided in the Perfection Certificate. None of the components of the Collateral shall be maintained at locations other than as provided in the Perfection Certificate or as permitted pursuant to Section 7.2. All Inventory that is to be sold in the ordinary course of business is in all material respects of good and marketable quality, free from material defects.

Borrower is the sole owner of the Intellectual Property which it owns or purports to own except for (a) non-exclusive licenses granted to its customers in the ordinary course of business, (b) over-the-counter software that is commercially available to the public, and (c) material Intellectual Property licensed to Borrower and noted on the Perfection Certificate. Each Patent which it owns or purports to own and which is material to Borrower's business is valid and enforceable, and no part of the Intellectual Property which Borrower owns or purports to own and which is material to Borrower's business has been judged invalid or unenforceable, in whole or in part. To the best of Borrower's knowledge, no claim has been made that any part of the Intellectual Property violates the rights of any third party except to the extent such claim would not reasonably be expected to have a material adverse effect on Borrower's business. Except as noted on the Perfection Certificate, Borrower is not a party to, nor is it bound by, any Restricted License.

5.3 Eligible Customer Accounts.

For any Eligible Customer Account in any CMRR calculation, all statements made and all unpaid balances appearing in all invoices, instruments and other documents evidencing such Eligible Customer Accounts are and shall be true and correct and all such invoices, instruments and other documents, and all of Borrower's Books are genuine and in all respects what they purport to be. Whether or not an Event of Default has occurred and is continuing, Bank may notify any Account Debtor owing Borrower money of Bank's security interest in such funds and verify the amount of such Eligible Customer Account. All sales and other transactions underlying or giving rise to each Eligible Customer Account shall comply in all material respects with all applicable laws and governmental rules and regulations. Borrower has no knowledge of any actual or imminent Insolvency Proceeding of any Account Debtor whose accounts are

Eligible Customer Accounts in any CMRR calculation. To the best of Borrower's knowledge, all signatures and endorsements on all documents, instruments, and agreements relating to all Eligible Customer Accounts are genuine, and all such documents, instruments and agreements are legally enforceable in accordance with their terms. Borrower is the owner of and has the legal right to sell, transfer, assign and encumber each Eligible Customer Account, and there are no defenses, offsets, counterclaims or agreements for which the Account Debtor may claim any deduction or discount.

5.4 Litigation.

There are no actions or proceedings pending or, to the knowledge of any Responsible Officer, threatened in writing by or against Borrower or any of its Subsidiaries that is reasonably likely to be adversely determined involving more than, individually or in the aggregate, One Hundred Thousand Dollars ($100,000).

5.5 Financial Statements; Financial Condition.

All consolidated financial statements for Borrower and any of its Subsidiaries delivered to Bank fairly present in all material respects Borrower's consolidated financial condition and Borrower's consolidated results of operations. There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to Bank.

5.6 Solvency.

The fair salable value of Borrower's consolidated assets (including goodwill minus disposition costs) exceeds the fair value of Borrower's liabilities; Borrower is not left with unreasonably small capital after the transactions in this Agreement; and Borrower is able to pay its debts (including trade debts) as they mature.

5.7 Regulatory Compliance.

Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Borrower (a) has complied in all material respects with all Requirements of Law, and (b) has not violated any Requirements of Law the violation of which could reasonably be expected to have a material adverse effect on its business. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Government Authorities that are necessary to continue their respective businesses as currently conducted, except to the extent that failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business or impair Borrower's performance of the Obligations.

5.8 Subsidiaries; Investments.

Borrower does not own any stock, partnership, or other ownership interest or other equity securities except for Permitted Investments.

5.9 Tax Returns and Payments; Pension Contributions.

Borrower has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except to the extent such taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor.

To the extent Borrower defers payment of any contested taxes, Borrower shall (i) notify Bank in writing of the commencement of, and any material development in, the proceedings, and (ii) post bonds or take any other steps required to prevent the governmental authority levying such contested taxes from obtaining a Lien upon any of the Collateral that is other than a "Permitted Lien." Borrower is unaware of any claims or adjustments proposed for any of Borrower's prior tax years which could result in additional taxes becoming due and payable by Borrower. Borrower has paid all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms, and Borrower has not withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

5.10 Use of Proceeds.

Borrower shall use the proceeds of the Credit Extensions solely as working capital, and to fund its general business requirements and not for personal, family, household or agricultural purposes.

5.11 Full Disclosure.

No written representation, warranty or other statement of Borrower in any certificate or written statement given to Bank, as of the date such representation, warranty, or other statement was made, taken together with all such written certificates and written statements given to Bank, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the certificates or statements not misleading (it being recognized by Bank that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

5.12 Definition of "Knowledge."

For purposes of the Loan Documents, whenever a representation or warranty is made to Borrower's knowledge or awareness, to the "best of Borrower's knowledge, or with a similar qualification, knowledge or awareness means the actual knowledge, after reasonable investigation, of any Responsible Officer.

6 AFFIRMATIVE COVENANTS

Borrower shall do all of the following:

6.1 Government Compliance.

(a) Maintain its and all its Subsidiaries' legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify would reasonably be expected to have a material adverse effect on Borrower's business or operations. Borrower shall comply, and have each Subsidiary comply with all laws, ordinances and regulations to which it is subject, noncompliance with which could reasonably be expected to have a material adverse effect on Borrower's business.

(b) Use commercially reasonable efforts to obtain all of the Governmental Approvals necessary for the performance by Borrower of its obligations under the Loan Documents to which it is a party and the grant of a security interest to Bank in all of its property. Borrower shall promptly provide copies of any such obtained Governmental Approvals to Bank.

6.2 Financial Statements, Reports, Certificates.

Provide Bank with the following:

(a) Monthly Financial Statements. As soon as available, but no later than forty (40) days after the last day of each month, a company prepared consolidated balance sheet and income statement covering Borrower's consolidated and Borrower's and each of its Subsidiary's operations for such month certified by a Responsible Officer and in a form acceptable to Bank (the "**Monthly Financial Statements**");

(b) Monthly Compliance Certificate. Within forty (40) days after the last day of each month and together with the Monthly Financial Statements, a duly completed Compliance Certificate signed by a Responsible Officer, certifying that as of the end of such month, Borrower was in full compliance with all of the terms and conditions of this Agreement, and setting forth calculations showing compliance with the financial covenants set forth in this Agreement and such other information as Bank shall reasonably request;

(c) Annual Audited Financial Statements. As soon as available, but no later than two hundred ten (210) days after the last day of Borrower's fiscal year, audited consolidated financial statements prepared under GAAP, consistently applied, together with an unqualified opinion on the financial statements from an independent certified public accounting firm acceptable to Bank in its reasonable discretion;

(d) Annual Projections. Balance sheet and income statement projections for the following fiscal year in a monthly or quarterly format approved by Borrower's Board of Directors consistent in form and detail with those provided to Borrower's venture capital investors, as soon as available, but no later than seven (7) days after the approval thereof by Borrower's Board of Directors;

(e) SaaS Metrics. As soon as available, but no later than forty (40) days after the last day of each month, SaaS based metrics certified by a Responsible Officer and in a form acceptable to Bank in its reasonable discretion;

(f) Other Statements. Within five (5) days of delivery, copies of all statements, reports and notices made available to Borrower's security holders generally or to any holders of Subordinated Debt in their capacity as such;

(g) SEC Filings. In the event that Borrower becomes subject to the reporting requirements under the Exchange Act within five (5) days of filing, copies of all periodic and other reports, proxy statements and other materials filed by Borrower with the SEC, any Governmental Authority succeeding to any or all of the functions of the SEC or with any national securities exchange, or distributed to its shareholders, as the case may be. Documents required to be delivered pursuant to the terms hereof (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Borrower posts such documents, or provides a link thereto, on Borrower's website on the Internet at Borrower's website address; provided, however, Borrower shall promptly notify Bank in writing (which may be by electronic mail) of the posting of any such documents;

(h) Legal Action Notice. A prompt report of any legal actions pending or threatened in writing against Borrower or any of its Subsidiaries that could reasonably be expected to result in damages or costs to Borrower or any of its Subsidiaries of, individually or in the aggregate, One Hundred Thousand Dollars ($100,000) or more; and

(i) Other Financial Information. Other financial information reasonably requested by Bank.

6.3 Inventory; Returns.

Keep all Inventory in good and marketable condition, free from material defects. Returns and allowances between Borrower and its Account Debtors shall follow Borrower's customary practices as they exist at the Effective Date. Borrower must promptly notify Bank of all returns, recoveries, disputes and claims that involve more than One Hundred Fifty Thousand Dollars ($150,000).

6.4 Taxes; Pensions.

Timely file, and require each of its Subsidiaries to timely file, all required tax returns and reports and timely pay, and require each of its Subsidiaries to timely pay, all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower and each of its Subsidiaries, except for deferred payment of any taxes contested pursuant to the terms of Section 5.9 hereof, and shall deliver to Bank, after written demand, appropriate certificates attesting to such payments, and pay all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms.

6.5 Insurance.

(a) Keep its business and the Collateral insured for risks and in amounts standard for companies in Borrower's industry and location and as Bank may reasonably request. Insurance policies shall be in a form, with financially sound and reputable insurance companies that are not Affiliates of Borrower, and in amounts that are satisfactory to Bank in its reasonable discretion. All property policies shall have a lender's loss payable endorsement showing Bank as the sole lender loss payee. All liability policies shall show, or have endorsements showing, Bank as an additional insured. Bank shall be named as lender loss payee and/or additional insured with respect to any such insurance providing coverage in respect of any Collateral.

(b) Ensure that proceeds payable under any property policy are, at Bank's option, payable to Bank on account of the Obligations. Notwithstanding the foregoing, (a) so long as no Event of Default has occurred and is continuing, Borrower shall have the option of applying the proceeds of any casualty policy up to One Hundred Thousand Dollars ($100,000) in the aggregate, toward the replacement or repair of destroyed or damaged property; provided that any such replaced or repaired property (i) shall be of equal or like value as the replaced or repaired Collateral and (ii) shall be deemed Collateral in which Bank has been granted a first priority security interest, and (b) after the occurrence and during the continuance of an Event of Default, all proceeds payable under such casualty policy shall, at the option of Bank, be payable to Bank on account of the Obligations.

(c) At Bank's request, Borrower shall deliver certified copies of insurance policies and evidence of all premium payments. Each provider of any such insurance required under this Section 6.5 shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to Bank, that it will give Bank twenty (20) days prior written notice before any such policy or policies shall be materially altered or canceled. If Borrower fails to obtain insurance as required under this Section 6.5 or to pay any amount or furnish any required proof of payment to third persons and Bank, Bank may make all or part of such payment or obtain such insurance policies required in this Section 6.5, and take any action under the policies Bank deems prudent.

6.6 Operating Accounts.

(a) Maintain its primary operating and domestic accounts and securities accounts with Bank and Bank's Affiliates and conduct its primary domestic and international banking services (i.e., foreign currency exchange, cash management (but excluding credit card merchant services), and letters of credit) through Bank and Bank's Affiliates.

(b) Provide Bank five (5) days prior written notice before establishing any Collateral Account at or with any bank or financial institution other than Bank or Bank's Affiliates. For each Collateral Account that Borrower at any time maintains, Borrower shall cause the applicable bank or financial institution (other than Bank) at or with which any

Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Bank's Lien in such Collateral Account in accordance with the terms hereunder which Control Agreement may not be terminated without the prior written consent of Bank. The provisions of the previous sentence shall not apply to: (i) deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Bank by Borrower as such, or (ii) deposit accounts located outside the United States so long as the aggregate amount of funds in all such accounts does not exceed the Dollar Equivalent of One Hundred Thousand Dollars ($100,000) at any time.

6.7 Financial Covenants.

(a) Minimum Registered Subscribers. Borrower shall maintain as of the last day of each fiscal quarter minimum cumulative registered subscribers for such quarter of at least the following amounts:

Fiscal Quarter	Minimum Cumulative Registered Subscribers
Quarter ending January 31, 2013	326,000
Quarter ending April 30, 2013	350,000
Quarter ending July 31, 2013	370,000
Quarter ending October 31, 2013	395,000
Quarter ending January 31, 2014	425,000
Quarter ending April 30, 2014 and each quarter thereafter	To be determined after consultation with Borrower based on the business plan approved by Borrower's Board of Directors and reasonably acceptable to Bank but no less than 425,000.

6.8 Protection of Intellectual Property Rights.

(a) (i) Protect, defend and maintain the validity and enforceability of its Intellectual Property material to Borrower's business; (ii) promptly advise Bank in writing of material infringements or any other event that could reasonably be expected to materially and adversely affect the value of its Intellectual Property material to Borrower's business; and (iii) not allow any Intellectual Property material to Borrower's business to be abandoned, forfeited or dedicated to the public without Bank's written consent (not to be unreasonably withheld).

(b) Provide written notice to Bank within ten (10) days of entering or becoming bound by any Restricted License (other than over-the-counter software that is commercially available to the public). Borrower shall take such steps as Bank requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (i) any Restricted License to be deemed "**Collateral**" and for Bank to have a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such Restricted License, whether now existing or entered into in the future, and (ii) Bank to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Bank's rights and remedies under this Agreement and the other Loan Documents.

6.9 Litigation Cooperation.

From the date hereof and continuing through the termination of this Agreement, make available to Bank, without expense to Bank, Borrower and its officers, employees and agents and Borrower's books and records, to the extent that Bank may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Bank with respect to any Collateral or relating to Borrower.

6.10 Access to Collateral; Books and Records.

Allow Bank, or its agents, to inspect the Collateral and audit and copy Borrower's Books. Such inspections or audits shall be conducted no more often than once every twelve (12) months unless an Event of Default has occurred and is continuing in which case such inspections and audits shall occur as often as Bank shall determine is necessary (or more frequently as Bank shall determine conditions warrant, in its sole discretion). The foregoing inspections and audits shall be at Borrower's expense, and the charge therefor shall be Eight Hundred Fifty Dollars ($850) per person per day (or such higher amount as shall represent Bank's then-current standard charge for the same), plus reasonable out-of-pocket expenses. In the event Borrower and Bank schedule an audit more than ten (10) days in advance, and Borrower cancels or seeks to reschedule the audit with less than ten (10) days written notice to Bank, then (without limiting any of Bank's rights or remedies), Borrower shall pay Bank a fee of One Thousand Dollars ($1,000) plus any out-of-pocket expenses incurred by Bank to compensate Bank for the anticipated costs and expenses of the cancellation or rescheduling. Borrower hereby acknowledges and agrees that the Initial Audit will be conducted not later than December 31, 2012.

6.11 Further Assurances.

Execute any further instruments and take further action as Bank reasonably requests to perfect or continue Bank's Lien in the Collateral or to effect the purposes of this Agreement.

7 NEGATIVE COVENANTS

Borrower shall not do any of the following without Bank's prior written consent:

7.1 Dispositions.

Convey, sell, lease, transfer, assign, or otherwise dispose of (collectively, "Transfer"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, except for Transfers (a) of Inventory in the ordinary course of business; (b) of worn-out, surplus or obsolete Equipment that is, in the reasonable judgment of Borrower, no longer economically practicable to maintain or useful in the ordinary course of business of Borrower; (c) consisting of Permitted Liens and Permitted Investments; (d) consisting of the sale or issuance of any stock of Borrower permitted under Section 7.2 of this Agreement; (e) consisting of Borrower's use or transfer of money or Cash Equivalents in the ordinary course of its business for the payment of ordinary course business expenses in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents; and (f) of non-exclusive licenses for the use of the property of Borrower or its Subsidiaries in the ordinary course of business.

7.2 Changes in Business, Management, Ownership, or Business Locations.

(a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses currently engaged in by Borrower and such Subsidiary, as applicable, or reasonably related thereto; (b) liquidate or dissolve; or (c) (i) terminate its Key Person unless a replacement for such Key Person is approved by Borrower's Board of Directors, including a majority of those members of the Board of Directors who are not employees of Borrower as of the date of such approval, within one hundred twenty (120) days of the date of resignation or termination of such Key Person; or (ii) enter into any transaction or series of related transactions in which the stockholders of Borrower who were not stockholders immediately prior to the first such transaction own more than forty-nine percent (49%) of the voting stock of Borrower immediately after giving effect to such transaction or related series of such transactions (other than by the sale of Borrower's equity securities in a public offering or to venture capital, private equity or strategic investors so long as Borrower identifies to Bank the venture capital, private equity or strategic investors at least seven (7) Business Days prior to the closing of the transaction and provides to Bank a description of the material terms of the transaction).

Borrower shall not, without at least ten (10) days prior written notice to Bank: (1) add any new offices or business locations, including warehouses (unless such new offices or business locations contain less than One Hundred Fifty Thousand Dollars ($150,000) in Borrower's assets or property) or deliver any portion of the Collateral valued, individually or in the aggregate, in excess of One Hundred Fifty Thousand Dollars ($150,000) to a bailee at a location other than to a bailee and at a location already disclosed in the Perfection Certificate, (2) change its jurisdiction of organization, (3) change its organizational structure or type, (4) change its legal name, or (5) change any organizational number (if any) assigned by its jurisdiction of organization. If Borrower intends to deliver any portion of the Collateral valued, individually or in the aggregate, in excess of One Hundred Fifty Thousand Dollars ($150,000) to a bailee, and Bank and such bailee are not already parties to a bailee agreement governing both the Collateral and the location to which Borrower intends to deliver the Collateral, then Borrower will first receive the written consent of Bank, and such bailee shall execute and deliver a bailee agreement in form and substance reasonably satisfactory to Bank. Borrower shall use reasonable business efforts to obtain a bailee acknowledgment for the three (3) California locations listed in the Perfection Certificate (*i.e.*, Mom, FedEx and Equinix).

7.3 Mergers or Acquisitions.

Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any other Person, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person (including, without limitation, by the formation of any Subsidiary), except for acquisitions by Borrower where (a) total consideration including cash and the value of any non-cash consideration (other than capital stock of Borrower), for all such transactions does not in the aggregate exceed Two Hundred Thousand Dollars ($200,000) in any fiscal year of Borrower for the assets acquired and on an ongoing basis; (b) such transactions are not otherwise prohibited by Section 7 of this Agreement; (c) no Event of Default has occurred and is continuing or would exist after giving effect to the transactions; and (d) Borrower is the surviving legal entity. A Subsidiary may merge or consolidate into another Subsidiary or into Borrower.

7.4 Indebtedness.

Create, incur, assume, or be liable for any Indebtedness, or permit any Subsidiary to do so, other than Permitted Indebtedness.

7.5 Encumbrance.

Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, permit any Collateral not to be subject to the first priority security interest granted herein, or enter into any agreement, document, instrument or other arrangement (except with or in favor of Bank) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower or any Subsidiary from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or any Subsidiary's Intellectual Property, except as is otherwise permitted in Section 7.1 hereof and the definition of "Permitted Liens" herein.

7.6 Maintenance of Collateral Accounts.

Maintain any Collateral Account except pursuant to the terms of Section 6.6 hereof.

7.7 Distributions; Investments.

(a) Pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock provided that (i) Borrower may convert any of its convertible securities into other securities pursuant to the terms of such convertible securities or otherwise in exchange thereof, (ii) Borrower may pay dividends solely in common stock; and (iii) Borrower may repurchase the stock of former employees, officers, directors or consultants pursuant to stock repurchase agreements so long as an Event of Default does not exist at the time of such repurchase and would not exist after giving effect to such repurchase, provided that the aggregate amount of all such repurchases does not exceed One Hundred Thousand Dollars ($100,000) per fiscal year; or (b) directly or indirectly make any Investment (including, without limitation, by the formation of any Subsidiary) other than Permitted Investments, or permit any of its Subsidiaries to do so.

7.8 Transactions with Affiliates.

Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower, except for transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person.

7.9 Subordinated Debt.

(a) Make or permit any payment on any Subordinated Debt, except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or (b) amend any provision in any document relating to the Subordinated Debt which would increase the amount thereof, provide for earlier or greater principal, interest, or other payments thereon, or adversely affect the subordination thereof to Obligations owed to Bank.

7.10 Compliance.

Become an "investment company" or a company controlled by an "investment company", under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose; fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur; fail to comply with the Federal Fair Labor Standards Act or violate any other law or regulation, if the violation could reasonably be expected to have a material adverse effect on Borrower's business, or permit any of its Subsidiaries to do so; withdraw or permit any Subsidiary to withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

8 EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "**Event of Default**") under this Agreement:

8.1 Payment Default.

Borrower fails to (a) make any payment of principal or interest on any Credit Extension when due, or (b) pay any other Obligations within three (3) Business Days after such Obligations are due and payable (which three (3) Business Day cure period shall not apply to payments due on the Revolving Line Maturity Date and the Existing Term Loan Maturity Date). During the cure period, the failure to make or pay any payment specified under clause (b) hereunder is not an Event of Default (but no Credit Extension will be made during the cure period);

8.2 Covenant Default.

(a) Borrower fails or neglects to perform any obligation in Sections 2.2, 6.2, 6.4, 6.5, 6.6, 6.7, 6.8(b), 6.10 or violates any covenant in Section 7; or

(b) Borrower fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement or any Loan Documents, and as to any default (other than those specified in this Section 8) under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within ten (10) days after the occurrence thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) day period or cannot after diligent attempts by Borrower be cured within such ten (10) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default (but no Credit Extensions shall be made during such cure period). Cure periods provided under this section shall not apply, among other things, to financial covenants or any other covenants set forth in clause (a) above;

8.3 Investor Abandonment.

Bank determines, in its good faith business judgment, that it is the clear intention of Borrower's equity investors, taken as a whole, to not continue to fund the Borrower in the amounts and timeframe necessary to enable Borrower to satisfy the Obligations as they become due and payable;

8.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of Borrower or of any entity under the control of Borrower (including a Subsidiary), or (ii) a notice of lien or levy is filed against any of Borrower's assets by any Governmental Authority, and the same under subclauses (i)and (ii) hereof are not, within ten (10) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); provided, however, no Credit Extensions shall be made during any ten (10) day cure period; or

(b) (i) any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower from conducting all or any material part of its business;

8.5 Insolvency

(a) Borrower is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent; (b) Borrower begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against Borrower and is not dismissed or stayed within forty-five (45) days (but no Credit Extensions shall be made while any of the conditions described in clause (a) exist and/or until any Insolvency Proceeding is dismissed);

8.6 Other Agreements.

There is, under any agreement to which Borrower or any Guarantor is a party with a third party or parties, (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of One Hundred Fifty Thousand Dollars ($150,000); or (b) any breach or default by Borrower or Guarantor, the result of which could have a material adverse effect on Borrower's or any Guarantor's business;

8.7 Judgments; Penalties.

One or more fines, penalties or final judgments, orders or decrees for the payment of money in an amount, individually or in the aggregate, of at least Two Hundred Thousand Dollars ($200,000) (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall be rendered against Borrower by any Governmental Authority, and the same are not, within ten (10) days after the entry, assessment or issuance thereof, discharged, satisfied, or paid, or after execution thereof, stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay (provided that no Credit Extensions will be made prior to the satisfaction, payment, discharge, stay, or bonding of such fine, penalty, judgment, order or decree);

8.8 Misrepresentations.

Borrower or any Person acting for Borrower makes any representation, warranty, or other statement now or later in this Agreement, any Loan Document or in any writing delivered to Bank or to induce Bank to enter this Agreement or any Loan Document, and such representation, warranty, or other statement is incorrect in any material respect when made;

8.9 Subordinated Debt.

Any document, instrument, or agreement evidencing any Subordinated Debt shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect, any Person shall be in breach thereof or contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement; or

8.10 Lien Priority.

There is a material impairment in the priority of Bank's security interest in the Collateral.

9 BANK'S RIGHTS AND REMEDIES

9.1 Rights and Remedies.

Upon the occurrence and during the continuance of an Event of Default, Bank may, without notice or demand, do any or all of the following:

(a) declare all Obligations immediately due and payable (but if an Event of Default described in Section 8.5 occurs all Obligations are immediately due and payable without any action by Bank);

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement between Borrower and Bank;

(c) for any Letters of Credit, demand that Borrower (i) deposit cash with Bank in an amount equal to at least one hundred five percent (105%) of the Dollar Equivalent (or one hundred ten percent (110%) if the Dollar Equivalent is denominated in Foreign Currency) of the aggregate face amount of all Letters of Credit remaining undrawn (plus all interest, fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment)), to secure all of the Obligations relating to such Letters of Credit, as collateral security for the repayment of any future drawings under such Letters of Credit, and Borrower shall forthwith deposit and pay such amounts, and (ii) pay in advance all letter of credit fees scheduled to be paid or payable over the remaining term of any Letters of Credit;

(d) terminate any FX Contract;

(e) verify the amount of, demand payment of and performance under, and collect any Accounts and General Intangibles, settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that Bank considers advisable, and notify any Person owing Borrower money of Bank's security interest in such funds;

(f) make any payments and do any acts it considers necessary or reasonable to protect the Collateral and/or its security interest in the Collateral. Borrower shall assemble the Collateral if Bank requests and make it available as Bank designates. Bank may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred. Borrower grants Bank a license to enter and occupy any of its premises, without charge, to exercise any of Bank's rights or remedies;

(g) apply to the Obligations any (i) balances and deposits of Borrower it holds, or (ii) any amount held by Bank owing to or for the credit or the account of Borrower;

(h) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. Bank is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, Patents, Copyrights, mask works, rights of use of any name, trade secrets, trade names, Trademarks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section, Borrower's rights under all licenses and all franchise agreements inure to Bank's benefit;

(i) place a "hold" on any account maintained with Bank and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(j) demand and receive possession of Borrower's Books; and

(k) exercise all rights and remedies available to Bank under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 Power of Attorney.

Borrower hereby irrevocably appoints Bank as its lawful attorney-in-fact, exercisable upon the occurrence and during the continuance of an Event of Default, to (a) endorse Borrower's name on any checks or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) settle and adjust disputes and claims about the Accounts directly with Account Debtors, for amounts and on terms Bank determines reasonable; (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Bank or a third party as the Code permits. Borrower hereby appoints Bank as its lawful attorney-in-fact to sign Borrower's name on any documents necessary to perfect or continue the perfection of Bank's security interest in the Collateral regardless of whether an Event of Default has occurred until all Obligations have been satisfied in full and Bank is under no further obligation to make Credit Extensions hereunder. Bank's foregoing appointment as Borrower's attorney in fact, and all of Bank's rights and powers, coupled with an interest, are irrevocable until all Obligations have been fully repaid and performed and Bank's obligation to provide Credit Extensions terminates.

9.3 Protective Payments.

If Borrower fails to obtain the insurance called for by Section 6.5 or fails to pay any premium thereon or fails to pay any other amount which Borrower is obligated to pay under this Agreement or any other Loan Document or which may be required to preserve the Collateral, Bank may obtain such insurance or make such payment, and all amounts so paid by Bank are Bank Expenses and immediately due and payable, bearing interest at the then highest rate applicable to the Obligations, and secured by the Collateral. Bank will make reasonable efforts to provide Borrower with notice of Bank obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Bank are deemed an agreement to make similar payments in the future or Bank's waiver of any Event of Default.

9.4 Application of Payments and Proceeds Upon Default.

If an Event of Default has occurred and is continuing, Bank shall have the right to apply in any order any funds in its possession, whether from Borrower account balances, payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, to the Obligations. Bank shall pay any surplus to Borrower by credit to the Designated Deposit Account or to other Persons legally entitled thereto; Borrower shall remain liable to Bank for any deficiency. If Bank, in its good faith business judgment, directly or indirectly, enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Bank shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Bank of cash therefor.

9.5 Bank's Liability for Collateral.

So long as Bank complies with reasonable banking practices regarding the safekeeping of the Collateral in the possession or under the control of Bank, Bank shall not be liable or responsible for (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bears all risk of loss, damage or destruction of the Collateral.

9.6 No Waiver; Remedies Cumulative.

Bank's failure, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Bank thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Bank's rights and remedies under this Agreement and the other Loan Documents are cumulative. Bank has all rights and remedies provided under the Code, by law, or in equity. Bank's exercise of one right or remedy is not an election and shall not preclude Bank from exercising any other remedy under this Agreement or other remedy available at law or in equity, and Bank's waiver of any Event of Default is not a continuing waiver. Bank's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.7 Demand Waiver.

Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Bank on which Borrower is liable.

10 NOTICES

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail or facsimile transmission; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Bank or Borrower may change its mailing or electronic mail address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Section 10.

If to Borrower:	Ooma, Inc. 1840 Embarcadero Road (until Dec. 15, 2012) 1880 Embarcadero Road (on and after Dec. 15, 2012) Palo Alto, California 94303 Attn: Eric Stang Fax: _____ Email: _____ Website URL: _____
If to Bank:	Silicon Valley Bank 2400 Hanover Street Palo Alto, California 94304 Attn: Matthew Wright Fax: _____ Email: _____

11 CHOICE OF LAW, VENUE, JURY TRIAL WAIVER, AND JUDICIAL REFERENCE

California law governs the Loan Documents without regard to principles of conflicts of law. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in Santa Clara County, California; provided, however, that nothing in this Agreement shall be deemed to operate to preclude Bank from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Bank. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided by Borrower in accordance with, Section 10 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of the Santa Clara County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in Santa Clara County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the Santa Clara County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph. This Section 11 shall survive the termination of this Agreement.

12 GENERAL PROVISIONS

12.1 Termination Prior to Revolving Line Maturity Date; Survival.

All covenants, representations and warranties made in this Agreement continue in full force until this Agreement has terminated pursuant to its terms and all Obligations have been satisfied. So long as Borrower has satisfied the Obligations (other than inchoate indemnity obligations, and any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement), this Agreement may be terminated prior to the Revolving Line Maturity Date by Borrower, effective three (3) Business Days after written notice of termination is given to Bank. Those obligations that are expressly specified in this Agreement as surviving this Agreement's termination shall continue to survive notwithstanding this Agreement's termination.

12.2 Successors and Assigns.

This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower may not assign this Agreement or any rights or obligations under it without Bank's prior written consent (which may be granted or withheld in Bank's discretion). Bank has the right, without the consent of or notice to Borrower, to sell, transfer, assign, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights, and benefits under this Agreement and the other Loan Documents (other than the Warrants, as to which assignment, transfer and other such actions are governed by the terms of the Warrants).

12.3 Indemnification.

Borrower agrees to indemnify, defend and hold Bank and its directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Bank (each, an "**Indemnified Person**") harmless against: (a) all obligations, demands, claims, and liabilities (collectively, "**Claims**") claimed or asserted by any other party in connection with the transactions contemplated by the Loan Documents; and (b) all losses or expenses (including Bank Expenses) in any way suffered, incurred, or paid by such Indemnified Person as a result of, following from, consequential to, or arising from transactions between Bank and Borrower contemplated by the Loan Documents (including reasonable attorneys' fees and expenses), except for Claims and/or losses directly caused by such Indemnified Person's gross negligence or willful misconduct. This Section 12.3 shall survive until all statutes of limitation with respect to the Claims, losses, and expenses for which indemnity is given shall have run.

12.4 Time of Essence.

Time is of the essence for the performance of all Obligations in this Agreement.

12.5 Severability of Provisions.

Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.6 Correction of Loan Documents.

Upon prior written notice to Borrower, Bank may correct patent errors and fill in any blanks in the Loan Documents consistent with the agreement of the parties.

12.7 Amendments in Writing; Waiver; Integration.

No purported amendment or modification of any Loan Document, or waiver, discharge or termination of any obligation under any Loan Document, shall be enforceable or admissible unless, and only to the extent, expressly set forth in a writing signed by the party against which enforcement or admission is sought. Without limiting the generality of the foregoing, no oral promise or statement, nor any action, inaction, delay, failure to require performance or course of conduct shall operate as, or evidence, an amendment, supplement or waiver or have any other effect on any Loan Document. Any waiver granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether

similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver. The Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of the Loan Documents merge into the Loan Documents.

12.8 Counterparts.

This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

12.9 Confidentiality.

In handling any confidential information, Bank shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: (a) to Bank's Subsidiaries or Affiliates (such Subsidiaries and Affiliates, together with Bank, collectively, "**Bank Entities**"); (b) to prospective transferees or purchasers of any interest in the Credit Extensions (provided, however, Bank shall use its best efforts to obtain any prospective transferee's or purchaser's agreement to the terms of this provision); (c) as required by law, regulation, subpoena, or other order; (d) to Bank's regulators or as otherwise required in connection with Bank's examination or audit; (e) as Bank considers appropriate in exercising remedies under the Loan Documents; and (f) to third-party service providers of Bank so long as such service providers have executed a confidentiality agreement with Bank with terms no less restrictive than those contained herein. Confidential information does not include information that is either: (i) in the public domain or in Bank's possession when disclosed to Bank, or becomes part of the public domain (other than as a result of its disclosure by Bank in violation of this Agreement) after disclosure to Bank; or (ii) disclosed to Bank by a third party, if Bank does not know that the third party is prohibited from disclosing the information.

Bank Entities may use confidential information for the development of databases, reporting purposes, and market analysis so long as such confidential information is aggregated and anonymized prior to distribution unless otherwise expressly permitted by Borrower. The provisions of the immediately preceding sentence shall survive the termination of this Agreement.

12.10 Attorneys' Fees, Costs and Expenses.

In any action or proceeding between Borrower and Bank arising out of or relating to the Loan Documents, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled.

12.11 Electronic Execution of Documents.

The words "execution," "signed," "signature" and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act.

12.12 Captions.

The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

12.13 Construction of Agreement.

The parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist.

12.14 Relationship.

The relationship of the parties to this Agreement is determined solely by the provisions of this Agreement. The parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm's-length contract.

12.15 Third Parties.

Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

12.16 Transitional Arrangements.

On the Effective Date, this Agreement shall amend, restate and supersede the Prior Loan Agreement in its entirety, except as provided in this Section. On the Effective Date, the rights and obligations of the parties evidenced by the Prior Loan Agreement shall be evidenced by this Agreement and the other Loan Documents and the grant of security interest in the Collateral by the Borrower under the Prior Loan Agreement and the other "Loan Documents" (as defined in the Prior Loan Agreement) shall continue under this Agreement and the other Loan Documents, and shall not in any event be terminated, extinguished or annulled but shall hereafter be governed by this Agreement and the other Loan Documents. All references to the Prior Loan Agreement in any Loan Document or other document or instrument delivered in connection therewith shall be deemed to refer to this Agreement and the provisions hereof.

13 DEFINITIONS

13.1 Definitions.

As used in the Loan Documents, the word "shall" is mandatory, the word "may" is permissive, the word "or" is not exclusive, the words "includes" and "including" are not limiting, the singular includes the plural, and numbers denoting amounts that are set off in brackets are negative. As used in this Agreement, the following capitalized terms have the following meanings:

"**Account**" is any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all Customer Accounts, all Accounts containing Recurring Revenue and all accounts receivable and other sums owing to Borrower.

"**Account Debtor**" is any "account debtor" as defined in the Code with such additions to such term as may hereafter be made.

"**Advance**" or "**Advances**" means a revolving credit loan (or revolving credit loans) under the Revolving Line.

"**Advance Rate**" means a percentage calculated by multiplying (i) (a) three (3), if the Trailing Twelve-Month Renewal Rate is equal to or greater than eighty-eight percent (88%), by (b) the Customer Retention Percentage, and (ii) (a) two (2), if the Trailing-Twelve Month Renewal Rate is less than eighty-eight percent (88%), by (b) the Customer Retention Percentage; provided, however, that Bank may, upon prior written notice to Borrower, decrease the foregoing percentages in its good faith business judgment based on events, conditions, contingencies, or risks which, as determined by Bank, may adversely affect Collateral. The Advance Rate shall be calculated by Bank based on information provided by Borrower and acceptable to Bank, in its sole discretion, monthly, on the last day of each month, or such earlier time as Bank may determine necessary, in its sole discretion. For example purposes only, if the Trailing Twelve-Month Renewal Rate is equal to or greater than 88% and the applicable Customer Retention Percentage for the month ended December 31, 2012 is 94%, then the Advance Rate would be 282%, calculated as 3 multiplied by 94%.

"**Affiliate**" is, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person's senior executive officers, directors, partners and, for any Person that is a limited liability company, that Person's managers and members.

"**Agreement**" is defined in the preamble hereof.

"**ARPU**" is, as of any date of determination, (a) (i) Recurring Revenue of Borrower from Existing Customer Accounts, plus New Customer Accounts, minus (ii) Recurring Cost of Borrower from Existing Customer Accounts, plus New Customer Accounts, in each case measured on a trailing one-month basis ending as of the date of determination, divided by (b) the total number of Eligible Customer Accounts of Borrower as of such date of determination.

"**Availability Amount**" is (a) the lesser of (i) the Revolving Line or (ii) the amount available under the Borrowing Base minus (b) the outstanding principal balance of any Advances.

"**Bank**" is defined in the preamble hereof.

"**Bank Entities**" is defined in Section 12.9.

"**Bank Expenses**" are all reasonable audit fees and expenses, costs, and expenses (including reasonable attorneys' fees and expenses) for preparing, amending, negotiating, administering, defending and enforcing the Loan Documents (including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred with respect to Borrower in connection with the Loan Documents.

"**Bank Services**" are any products, credit services, and/or financial accommodations previously, now, or hereafter provided to Borrower or any of its Subsidiaries by Bank or any Bank Affiliate, including, without limitation, any letters of credit, cash management services (including, without limitation, merchant services, direct deposit of payroll, business credit cards, and check cashing services), interest rate swap arrangements, and foreign exchange services as any such products or services may be identified in Bank's various agreements related thereto (each, a "**Bank Services Agreement**").

"**Borrower**" is defined in the preamble hereof.

"**Borrower's Books**" are all Borrower's books and records including ledgers, federal and state tax returns, records regarding Borrower's assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

"**Borrowing Base**" is, as of any date of determination, the Advance Rate multiplied by the CMRR for the immediately preceding month.

"**Business Day**" is any day that is not a Saturday, Sunday or a day on which Bank is closed.

"**Cash Equivalents**" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and having the highest rating from either Standard & Poor's Ratings Group or Moody's Investors Service, Inc.; (c) Bank's certificates of deposit issued maturing no more than one (1) year after issue; and (d) money market funds at least ninety five percent (95%) of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (c) of this definition.

"**Churn Rate**" is, as of any date of determination, the Lost Customer Account Percentage, multiplied by twelve (12). For example purposes only, if the Lost Customer Account Percentage, for the month ending December 31, 2012 is 0.5%, the applicable Churn Rate would be 6.0%, calculated as 0.5% multiplied by 12.

"**Claims**" is defined in Section 12.3.

"**CMRR**" is the product of (a) the sum of Existing Customer Accounts plus New Customer Accounts multiplied by (b) the applicable ARPU.

"**Code**" is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of California; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Bank's Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of California, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

"**Collateral**" is any and all properties, rights and assets of Borrower described on Exhibit A.

"**Collateral Account**" is any Deposit Account, Securities Account, or Commodity Account.

"**Commitment Fee**" is defined in Section 2.4(a).

"**Commodity Account**" is any "commodity account" as defined in the Code with such additions to such term as may hereafter be made.

"**Compliance Certificate**" is that certain certificate in the form attached hereto as Exhibit B.

"**Contingent Obligation**" is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation, in each case, directly or indirectly guaranteed, endorsed, co made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but "Contingent Obligation" does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith; but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

"**Control Agreement**" is any control agreement entered into among the depository institution at which Borrower maintains a Deposit Account or the securities intermediary or commodity intermediary at which Borrower maintains a Securities Account or a Commodity Account, Borrower, and Bank pursuant to which Bank obtains control (within the meaning of the Code) over such Deposit Account, Securities Account, or Commodity Account.

"**Copyrights**" are any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret.

"**Credit Extension**" is any Advance, Overadvance, Existing Term Loan Advances, or any other extension of credit by Bank for Borrower's benefit under this Agreement.

"**Customer Accounts**" are, on any date of determination, all Existing Customer Accounts and New Customer Accounts that are Eligible Customer Accounts.

"**Customer Retention Percentage**" is, for any period of measurement as of any date of determination, one hundred percent (100%) minus the applicable Churn Rate. For example purposes only, if the applicable Churn Rate for the month ending December 31, 2012 is 6.0%, then the Customer Retention Percentage would be 94%, calculated by taking the difference of 100% minus 6.0%.

"**Default Rate**" is defined in Section 2.3(b).

"**Deposit Account**" is any "deposit account" as defined in the Code with such additions to such term as may hereafter be made.

"**Designated Deposit Account**" is the multicurrency account denominated in Dollars, account number , maintained by Borrower with Bank.

"**Dollar Equivalent**" is, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in a Foreign Currency, the equivalent amount therefor in Dollars as determined by Bank at such time on the basis of the then-prevailing rate of exchange in San Francisco, California, for sales of the Foreign Currency for transfer to the country issuing such Foreign Currency.

"**Dollars**," "**dollars**" or use of the sign "**$**" means only lawful money of the United States and not any other currency, regardless of whether that currency uses the "$" sign to denote its currency or may be readily converted into lawful money of the United States.

"**Early Termination Fee**" is defined in Section 2.1.1(c).

"**Effective Date**" is defined in the preamble hereof.

"**Eligible Customer Accounts**" means Accounts of Borrower generated from expected receipt of Recurring Revenue which arise in the ordinary course of Borrower's business that (i) meet all of Borrower's representations and warranties described in Section 5.3 and (ii) are or may be due and owing from Account Debtors deemed acceptable to Bank in its sole discretion; provided that Bank reserves the right in its good faith business judgment at any time and from time to time, upon prior written notice to Borrower, to exclude and/or remove any Account from the definition of Eligible Customer Accounts, in its sole discretion.

"**Equipment**" is all "equipment" as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"**ERISA**" is the Employee Retirement Income Security Act of 1974, and its regulations.

"**Event of Default**" is defined in Section 8.

"**Exchange Act**" is the Securities Exchange Act of 1934, as amended.

"**Existing Customer Accounts**" are, on any date of determination, all Eligible Customer Accounts consisting of customers who have executed a subscription commitment with Borrower that are not New Customer Accounts or Lost Customer Accounts.

"**Existing Term Loan Advances**" is defined in Section 2.1.2(a).

"**Existing Term Loan Facility**" is defined in Section 2.1.2(a).

"**Existing Term Loan Maturity Date**" is September 1, 2015.

"**Final Payment**" is, for the Existing Term Loan Facility, a payment (in addition to and not a substitution for the regular monthly payments of principal and accrued interest) due on the date set forth in 2.1.2(c), 2.1.2(d), and 2.1.2(e), equal to Forty Thousand Dollars ($40,000).

"**Foreign Currency**" means lawful money of a country other than the United States.

"**Funding Date**" is any date on which a Credit Extension is made to or for the account of Borrower which shall be a Business Day.

"**FX Contract**" is any foreign exchange contract by and between Borrower and Bank under which Borrower commits to purchase from or sell to Bank a specific amount of Foreign Currency on a specified date.

"**GAAP**" is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"**General Intangibles**" is all "general intangibles" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation, all Intellectual Property, claims, income and other tax refunds, security and other deposits, payment intangibles, contract rights, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

"**Good Faith Deposit**" is defined in Section 2.4(c).

"**Governmental Approval**" is any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

"**Governmental Authority**" is any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"**Guarantor**" is any present or future guarantor of the Obligations.

"**Indebtedness**" is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and letters of credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) capital lease obligations, and (d) Contingent Obligations.

"**Indemnified Person**" is defined in Section 12.3.

"**Initial Audit**" is Bank's inspection of Borrower's Accounts, the Collateral, and Borrower's Books.

"**Insolvency Proceeding**" is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

"**Intellectual Property**" means, with respect to any Person, means all of such Person's right, title, and interest in and to the following:

(a) its Copyrights, Trademarks and Patents;

(b) any and all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how, operating manuals;

(c) any and all source code;

(d) any and all design rights which may be available to such Person;

(e) any and all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the Intellectual Property rights identified above; and

(f) all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents.

"**Inventory**" is all "inventory" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Borrower's custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

"**Investment**" is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

"**Key Person**" is each of Borrower's Chief Executive Officer, who is Eric Stang as of the Effective Date.

"**Letter of Credit**" is a standby or commercial letter of credit issued by Bank upon request of Borrower based upon an application, guarantee, indemnity, or similar agreement.

"**Lien**" is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

"**Loan Documents**" are, collectively, this Agreement and any schedules, exhibits, certificates, notices, and any other documents related to this Agreement, the Warrants, any Bank Services Agreement, any subordination agreement, any note, or notes or guaranties executed by Borrower or any Guarantor, and any other present or future agreement by Borrower and/or any Guarantor with or for the benefit of Bank in connection with this Agreement, all as amended, restated, or otherwise modified.

"**Lost Customer Account Percentage**" is, measured on a trailing one-month basis ending as of any date of determination, (i) the applicable Lost Customer Accounts lost during such month divided by (ii) the total number of monthly subscription Accounts of Borrower as of the first day of such measurement period.

"**Lost Customer Accounts**" is, as of any date of determination, the total number of Eligible Customer Accounts of Borrower that were lost in the immediately preceding month of such date of determination.

"**Monthly Financial Statements**" is defined in Section 6.2(a).

"**Monthly Renewal Rate**" is, for any month, the percentage of the Eligible Customer Accounts of Borrower during such month which represents a renewal of Eligible Customer Accounts from the immediately preceding month.

"**New Customer Accounts**" are, on any date of determination, all Eligible Customer Accounts consisting of customers who will execute a subscription commitment with Borrower that will be activated and billed within the succeeding thirty (30) day period after such date of determination that are not Existing Customer Accounts or Lost Customer Accounts.

"**Obligations**" are Borrower's obligations to pay when due any debts, principal, interest, fees, Bank Expenses, and other amounts Borrower owes Bank now or later, whether under this Agreement, the other Loan Documents (other than the Warrants), or otherwise, including, without limitation, all obligations relating to letters of credit (including reimbursement obligations for drawn and undrawn letters of credit), cash management services, and foreign exchange contracts, if any, and including interest accruing after Insolvency Proceedings begin and debts, liabilities, or obligations of Borrower assigned to Bank, and to perform Borrower's duties under the Loan Documents (other than the Warrants).

"**Operating Documents**" are, for any Person, such Person's formation documents, as certified by the Secretary of State (or equivalent agency) of such Person's jurisdiction of organization on a date that is no earlier than thirty (30) days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

"**Overadvance**" is defined in Section 2.2.

"**Patents**" means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

"**Payment/Advance Form**" is that certain form attached hereto as Exhibit C.

"**Perfection Certificate**" is defined in Section 5.1.

"**Permitted Indebtedness**" is:

(a) Borrower's Indebtedness to Bank under this Agreement and the other Loan Documents;

(b) Indebtedness existing on the Effective Date and shown on the Perfection Certificate;

(c) Subordinated Debt;

(d) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;

(e) Indebtedness to banks and other financial institutions (other than Bank or Bank's Affiliates) under credit card merchant services agreements arising in the ordinary course of Borrower's business in an aggregate principal amount not to exceed Four Hundred Thousand Dollars ($400,000);

(f) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(g) Indebtedness secured by Liens permitted under clauses (a) and (c) of the definition of "Permitted Liens" hereunder; and

(h) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (a) through (g) above, provided that the principal amount thereof is not increased or the terms thereof are not modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"**Permitted Investments**" are:

(a) Investments (including, without limitation, Subsidiaries) existing on the Effective Date and shown on the Perfection Certificate;

(b) (i) Investments consisting of Cash Equivalents, and (ii) any Investments permitted by Borrower's investment policy, as amended from time to time, provided that such investment policy (and any such amendment thereto) has been approved in writing by Bank;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower;

(d) Investments consisting of deposit accounts in which Bank has a perfected security interest;

(e) Investments accepted in connection with Transfers permitted by Section 7.1;

(f) Investments consisting of the creation of a Subsidiary for the purpose of consummating a merger transaction permitted by Section 7.3 of this Agreement, which is otherwise a Permitted Investment;

(g) Investments (i) by Borrower in Subsidiaries not to exceed One Hundred Thousand Dollars ($100,000) in the aggregate in any fiscal year and (ii) by Subsidiaries in other Subsidiaries or in Borrower;

(h) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the ordinary course of business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrower or its Subsidiaries pursuant to employee stock purchase plans or agreements approved by Borrower's Board of Directors;

(i) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business; and

(j) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business; provided that this paragraph (i) shall not apply to Investments of Borrower in any Subsidiary.

"**Permitted Liens**" are:

(a) Liens existing on the Effective Date and shown on the Perfection Certificate or arising under this Agreement and the other Loan Documents;

(b) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which Borrower maintains adequate reserves on its Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;

(c) purchase money Liens (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment securing no more than Seven Hundred Fifty Thousand Dollars ($750,000) in the aggregate amount outstanding, or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment;

(d) Liens of carriers, warehousemen, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as such Liens attach only to Inventory and which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto;

(e) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by ERISA);

(f) Liens incurred in the extension, renewal or refinancing of the indebtedness secured by Liens described in (a) through (c), but any extension, renewal or replacement Lien must be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness may not increase;

(g) leases or subleases of real property granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), and leases, subleases, non-exclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), if the leases, subleases, licenses and sublicenses do not prohibit granting Bank a security interest therein;

(h) non-exclusive license of Intellectual Property granted to third parties in the ordinary course of business;

(i) Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under Sections 8.4 and 8.7;

(j) Liens in favor of other financial institutions arising in connection with Borrower's securities accounts held at such institutions, provided that Bank has a perfected security interest in the amounts held in such deposit and/or securities accounts as required by Section 6.6

(k) Liens in the form of security deposits maintained in China in favor of Borrower's manufacturers and suppliers located in China to secure Borrower's ongoing purchase obligations with such manufacturers and suppliers provided that the aggregate amount of such security deposits outstanding at anytime does not exceed Six Hundred Thousand Dollars ($600,000);

(l) Liens in favor of banks or other financial institutions (other than Bank or Bank's Affiliates) on cash secured deposits in an aggregate amount not to exceed Four Hundred Thousand Dollars ($400,000) to secure Indebtedness under credit card merchant services agreements arising in the ordinary course of Borrower's business and referenced in clause (e) of the definition of Permitted Indebtedness; and

(m) Liens in the form of security deposits in favor of Borrower's landlords, provided that the aggregate amount of such security deposits outstanding at anytime does not exceed Two Hundred Fifty Thousand Dollars ($250,000).

"**Person**" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"**Prime Rate**" is the rate of interest per annum from time to time published in the money rates section of The Wall Street Journal or any successor publication thereto as the "prime rate" then in effect; provided that if such rate of interest, as set forth from time to time in the money rates section of The Wall Street Journal, becomes unavailable for any reason as determined by Bank, the "Prime Rate" shall mean the rate of interest per annum announced by Bank as its prime rate in effect at its principal office in the State of California (such Bank announced Prime Rate not being intended to be the lowest rate of interest charged by Bank in connection with extensions of credit to debtors).

"**Prior Loan Agreement**" is defined in Recital A.

"**Recurring Cost**" is the cost for Borrower to provide its services to customers (including, without limitation, technical support/service) continuously charged to Borrower on a regular basis. Examples of Recurring Cost include, without limitation, engineering for network operations and carrier operations.

"**Recurring Revenue**" is subscription revenue of Borrower received or anticipated from the execution or the anticipated execution of customer contracts in the ordinary course of Borrower's business, in each case determined in accordance with GAAP and specifically excluding revenue or accounts receivable based on (i) sales of inventory, goods, or equipment, (ii) transaction revenue not received in the ordinary course of business, (iii) sales of services not in the ordinary course of business, (iv) revenue received due to one-time, non-recurring transactions, installation and/or set-up fees, (v) add-on purchases by Borrower's existing customers not resulting in a continuing stream of revenue and (vi) such other exclusions as Bank shall determine, in its reasonable discretion.

"**Registered Organization**" is any "registered organization" as defined in the Code with such additions to such term as may hereafter be made.

"**Requirement of Law**" is as to any Person, the organizational or governing documents of such Person, and any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Responsible Officer**" is any of the Chief Executive Officer, President, Chief Financial Officer and Controller of Borrower.

"**Restricted License**" is any material license or other agreement with respect to which Borrower is the licensee (a) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or any other property, or (b) for which a default under or termination of could interfere with the Bank's right to sell any Collateral.

"**Revolving Line**" is an aggregate principal amount equal to Six Million Dollars ($6,000,000).

"**Revolving Line Maturity Date**" is December 17, 2014.

"**SEC**" shall mean the Securities and Exchange Commission, any successor thereto, and any analogous Governmental Authority.

"**Securities Account**" is any "securities account" as defined in the Code with such additions to such term as may hereafter be made.

"**Subordinated Debt**" is indebtedness incurred by Borrower subordinated to all of Borrower's now or hereafter indebtedness to Bank (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Bank entered into between Bank and the other creditor), on terms acceptable to Bank.

"**Subsidiary**" is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

"**Trademarks**" means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

"**Trailing Twelve-Month Renewal Rate**" is, as of any date of determination, an amount equal to the cumulative Monthly Renewal Rates for the immediately preceding twelve (12) months.

"**Transfer**" is defined in Section 7.1.

"**Warrants**" means, collectively, (i) that certain Warrant to Purchase Stock dated as of April 16, 2012 executed by Borrower in favor of Bank and (ii) that certain Warrant to Purchase Stock dated as of even date herewith executed by Borrower in favor of Bank (the "**Second Warrant**"), as each may be from time to time be amended, modified, supplemented or restated.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

BORROWER:

OOMA, INC.

By: /s/ Eric Stang
Name: Eric Stang
Title: CEO

BANK:

SILICON VALLEY BANK

By: /s/ Matthew Wright
Name: Matthew Wright
Title

[Signature Page to Amended and Restated Loan and Security Agreement]

EXHIBIT A – COLLATERAL DESCRIPTION

The Collateral consists of all of Borrower's right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles (except as provided below), commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and all Borrower's Books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

Notwithstanding the foregoing, the Collateral does not include any Intellectual Property, URLS or domain names; provided, however, the Collateral shall include all Accounts and all proceeds of Intellectual Property, URLS or domain names. If a judicial authority (including a U.S. Bankruptcy Court) would hold that a security interest in the underlying Intellectual Property, URLS or domain names is necessary to have a security interest in such Accounts and such property that are proceeds of Intellectual Property, URLS or domain names, then the Collateral shall automatically, and effective as of the Effective Date, include the Intellectual Property, URLS or domain names to the extent necessary to permit perfection of Bank's security interest in such Accounts and such other property of Borrower that are proceeds of the Intellectual Property, URLS or domain names.

Pursuant to the terms of a certain negative pledge arrangement with Bank, Borrower has agreed not to encumber any of its Intellectual Property without Bank's prior written consent.

EXHIBIT B

COMPLIANCE CERTIFICATE

TO: SILICON VALLEY BANK
FROM: OOMA, INC.

Date: _____

The undersigned authorized officer of OOMA, INC. ("Borrower") certifies that under the terms and conditions of the Amended and Restated Loan and Security Agreement between Borrower and Bank (the "Agreement"):

(1) Borrower is in complete compliance for the period ending with all required covenants except as noted below; (2) there are no Events of Default; (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.9 of the Agreement; and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank.

Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance status by circling Yes/No under "Complies" column.

Reporting Covenants	Required	Complies
Monthly financial statements with Compliance Certificate ("CC")	Monthly within 40 days	Yes No
Annual financial statement (CPA Audited) + CC	FYE within 210 days	Yes No
SaaS Metrics	Monthly within 40 days	Yes No
Annual projections	Within 7 days of Board approval	Yes No
10-Q, 10-K and 8-K	Within 5 days after filing with SEC	Yes No

Financial Covenant	Required	Actual	Complies
Minimum Registered Subscribers			
Maintain as indicated:			
As of the last day of each fiscal quarter, minimum cumulative registered subscribers for such quarter of at least the following amounts:			
Quarter ending January 31, 2013	326,000	_____	Yes No
Quarter ending April 30, 2013	350,000		
Quarter ending July 31, 2013	370,000	_____	Yes No
Quarter ending October 31, 2013	395,000	_____	Yes No
Quarter ending January 31, 2014	425,000	_____	Yes No
Quarter ending April 30, 2014 and each quarter thereafter	To be determined after consultation with Borrower based on the business plan approved by Borrower's Board of Directors and reasonably acceptable to Bank but no less than 425,000	_____	Yes No

The following financial covenant analysis is true and accurate as of the date of this Certificate.

Other Matters

Have there been any amendments of or other changes to the capitalization table of Borrower as a result of any equity financing closings and to the Operating Documents of Borrower or any of its Subsidiaries? If yes, provide copies of any such amendments or changes with this Compliance Certificate.	Yes	No

The following are the exceptions with respect to the certification above: (If no exceptions exist, state "No exceptions to note.")

OOMA, INC.

By: _____
Name: _____
Title: _____

BANK USE ONLY

Received by: _____
AUTHORIZED SIGNER

Date: _____

Verified: _____
AUTHORIZED SIGNER

Date: _____

Compliance Status: Yes No

EXHIBIT C – LOAN PAYMENT/ADVANCE REQUEST FORM

DEADLINE FOR SAME DAY PROCESSING IS NOON PACIFIC TIME

Fax To: **Date:** _____

LOAN PAYMENT: OOMA, INC.

From Account # _____ To Account # _____

(Deposit Account #) (Loan Account #)

Principal $ _____ an/or Interest $ _____

Authorized Signature: _____ Phone Number: _____

Print Name/Title: _____

LOAN ADVANCE:

Complete *Outgoing Wire Request* section below if all or a portion of the funds from this loan advance are for an outgoing wire.

From Account # _____ To Account # _____

(Loan Account #) (Deposit Account #)

Amount of Advance $ _____

All Borrower's representations and warranties in the Amended and Restated Loan and Security Agreement are true, correct and complete in all material respects on the date of the request for an advance; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date:

Authorized Signature: _____ Phone Number: _____

Print Name/Title: _____

OUTGOING WIRE REQUEST:

Complete only if all or a portion of funds from the loan advance is to be wired.
Deadline for same day processing is noon, Pacific Time

Beneficiary Name: _____ Amount of Wire: $ _____
Beneficiary Bank: _____ Account Number: _____
City and State: _____

Beneficiary Bank Transit (ABA) #: _____ Beneficiary Bank Code (Swift, Sort, Chip, etc.): _____
(For Internal Wire Only)

Intermediary Bank: _____ Transit (ABA) #: _____
For Further Credit to: _____

Special Instruction: _____

By signing below, I (we) acknowledge and agree that my (our) funds transfer request shall be processed in accordance with and subject to the terms and conditions set forth in the agreements(s) covering funds transfer service(s), which agreements(s) were previously received and executed by me (us).

Authorized Signature: _____ 2nd Signature (if required): _____
Print Name/Title: _____ Print Name/Title: _____
Telephone #: _____ Telephone #: _____

Exhibit 10.10.1

FIRST AMENDMENT
TO
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

THIS FIRST AMENDMENT TO AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (this "**Amendment**") is entered into this 21st day of July, 2014, by and between **SILICON VALLEY BANK**, a California corporation ("**Bank**") and **OOMA, INC.**, a Delaware corporation ("**Borrower**") whose address is 1880 Embarcadero Road, Palo Alto, California 94303.

RECITALS

A. Bank and Borrower have entered into that certain Amended and Restated Loan and Security Agreement dated as of December 17, 2012 (as the same may from time to time be amended, modified, supplemented or restated, the "**Loan Agreement**").

B. Bank has extended credit to Borrower for the purposes permitted in the Loan Agreement.

C. Borrower has requested that Bank amend the Loan Agreement to (i) increase the Revolving Line, (ii) extend the Revolving Line Maturity Date, (iii) adjust the Minimum Registered Subscribers covenant, and (iv) make certain other revisions to the Loan Agreement as more fully set forth herein.

D. Bank has agreed to so amend certain provisions of the Loan Agreement, but only to the extent, in accordance with the terms, subject to the conditions and in reliance upon the representations and warranties set forth below.

AGREEMENT

NOW, **THEREFORE**, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Definitions. Capitalized terms used but not defined in this Amendment shall have the meanings given to them in the Loan Agreement.

2. Amendments to Loan Agreement.

2.1 Section 2.1.1(c) (Early Termination). The second sentence of Section 2.1.1(c) is amended in its entirety and replaced with the following:

If this Agreement is terminated prior to the Revolving Line Maturity Date by Borrower for any reason, Borrower shall pay to Bank a non-refundable termination fee in an amount equal to Thirty Thousand Dollars ($30,000) (the "**Early Termination Fee**").

2.2 Section 2.4 (Fees). Section 2.4(a) of the Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

(a) Pro-Rated Commitment Fee; Anniversary Fee. A fully earned, non-refundable commitment fee of Twenty Thousand Dollars ($20,000) is due to Bank on the First Amendment Closing Date (provided, however, that this fee will be pro-rated based on the number of days remaining from and after December 17, 2014 until the first (1st) anniversary date of the First Amendment Closing Date (the "**Pro-Rated Commitment Fee**")), and an additional fully-earned, non-refundable anniversary fee of Twenty Thousand Dollars ($20,000) is due to Bank upon the first (1st) anniversary date of the First Amendment Closing Date;

2.3 2014 Audited Financial Statements. Notwithstanding the requirements of Section 6.2(c) of the Loan Agreement to the contrary, Borrower shall deliver to Bank its audited financial statements for the fiscal year ended January 31, 2014 on or before December 15, 2014.

2.4 Section 6.6(b) (Operating Accounts). The last sentence of Section 6.6(b) of the Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

The provisions of the previous sentence shall not apply to: (i) deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Bank by Borrower as such, (ii) deposit accounts located outside the United States so long as the aggregate amount of funds in all such accounts does not exceed the Dollar Equivalent of One Hundred Thousand Dollars ($100,000) on average per day during each month, and (iii) deposit accounts located within the United States with banks and/or financial institutions (other than Bank and Bank's Affiliates) described on the Perfection Certificate so long as the aggregate amount of funds in all such accounts does not exceed Fifty Thousand Dollars ($50,000) on average per day during each month.

2.5 Section 6.7(a) (Minimum Registered Subscribers). Section 6.7(a) is amended in its entirety and replaced with the following:

(a) Minimum Registered Subscribers. Borrower shall maintain as of the last day of each fiscal quarter minimum cumulative registered subscribers for such quarter of at least the following amounts:

Fiscal Quarter	Minimum Cumulative Registered Subscribers
Quarter ending April 30, 2014	480,700
Quarter ending July 31, 2014	510,700
Quarter ending October 31, 2014	540,700
Quarter ending January 31, 2015	570,700
Quarter ending April 30, 2015	95% of actual cumulative registered subscribers for the fiscal quarter-ending January 31, 2015, plus 30,000
Quarter ending July 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending April 30, 2015, plus 30,000
Quarter ending October 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending July 31, 2015, plus 30,000
Quarter ending January 31, 2016	Actual minimum cumulative registered subscribers for the fiscal quarter-ending October 31, 2015, plus 30,000
Quarter ending April 30, 2016 and each quarter thereafter	95% of actual cumulative registered subscribers for the fiscal quarter-ending January 31, 2016, plus 30,000

2.6 Section 13 (Definitions).

(a) The following terms and their respective definitions set forth in Section 13.1 are amended in their entirety and replaced with the following:

"**Revolving Line**" is an aggregate principal amount equal to Ten Million Dollars ($10,000,000).

"**Revolving Line Maturity Date**" is July , 2016.

(b) The definition of "**Permitted Liens**" set forth in Section 13.1 of the Loan Agreement is hereby amended by deleting clauses (c) and (k) in their entirety and replacing them with the following:

(c) purchase money Liens (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment securing no more than One Million Two Hundred Thousand Dollars ($1,200,000) in the aggregate amount outstanding, or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment;

(d) Liens in the form of security deposits maintained in China in favor of Borrower's manufacturers and suppliers located in China to secure Borrower's ongoing purchase obligations with such manufacturers and suppliers provided that the aggregate amount of such security deposits outstanding at anytime does not exceed Nine Hundred Thousand Dollars ($900,000);

(e) The following term and its definition are hereby added in alphabetical order to Section 13.1 of the Loan Agreement as follows:

"**First Amendment Closing Date**" means July , 2014.

2.7 Exhibit B (Compliance Certificate). The Compliance Certificate is amended in its entirety and replaced with the Compliance Certificate in the form of Exhibit B attached hereto.

3. Limitation of Amendments.

3.1 The amendments set forth in Section 2, above, are effective for the purposes set forth herein and shall be limited precisely as written and shall not be deemed to (a) be a consent to any amendment, waiver or modification of any other term or condition of any Loan Document, or (b) otherwise prejudice any right or remedy which Bank may now have or may have in the future under or in connection with any Loan Document.

3.2 This Amendment shall be construed in connection with and as part of the Loan Documents and all terms, conditions, representations, warranties, covenants and agreements set forth in the Loan Documents, except as herein amended, are hereby ratified and confirmed and shall remain in full force and effect.

4. Representations and Warranties. To induce Bank to enter into this Amendment, Borrower hereby represents and warrants to Bank as follows:

4.1 Immediately after giving effect to this Amendment (a) the representations and warranties contained in the Loan Documents are true, accurate and complete in all material respects as of the date hereof (except to the extent such representations and warranties relate to an earlier date, in which case they are true and correct as of such date), and (b) no Event of Default has occurred and is continuing;

4.2 Borrower has the power and authority to execute and deliver this Amendment and to perform its obligations under the Loan Agreement, as amended by this Amendment;

4.3 The organizational documents of Borrower delivered to Bank on the Effective Date remain true, accurate and complete and have not been amended, supplemented or restated and are and continue to be in full force and effect;

4.4 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, have been duly authorized;

4.5 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not and will not contravene (a) any law or regulation binding on or affecting Borrower, (b) any contractual restriction with a Person binding on Borrower, (c) any order, judgment or decree of any court or other governmental or public body or authority, or subdivision thereof, binding on Borrower, or (d) the organizational documents of Borrower;

4.6 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not require any order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by any governmental or public body or authority, or subdivision thereof, binding on Borrower, except as already has been obtained or made; and

4.7 This Amendment has been duly executed and delivered by Borrower and is the binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws of general application and equitable principles relating to or affecting creditors' rights.

5. Integration. This Amendment and the Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Amendment and the Loan Documents merge into this Amendment and the Loan Documents.

6. Counterparts. This Amendment may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

7. Effectiveness. This Amendment shall be deemed effective upon (a) the due execution and delivery to Bank of this Amendment by each party hereto, (b) Borrower's payment of the Pro-Rated Commitment Fee; and (c) payment of Bank's legal fees and expenses in connection with the negotiation and preparation of this Amendment.

[Signature page follows.]

WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first written above.

BORROWER:

OOMA, INC.

By: /s/ Eric Stang
Name: Eric Stang
Title: CEO

BANK:

SILICON VALLEY BANK

By: /s/ Julian Nash
Name: Julian Nash
Title: Vice President

EXHIBIT B

COMPLIANCE CERTIFICATE

TO: SILICON VALLEY BANK
FROM: OOMA, INC.

Date: _____

The undersigned authorized officer of OOMA, INC. ("Borrower") certifies that under the terms and conditions of the Amended and Restated Loan and Security Agreement between Borrower and Bank (the "Agreement"):

(1) Borrower is in complete compliance for the period ending with all required covenants except as noted below; (2) there are no Events of Default; (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.9 of the Agreement; and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank.

Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance status by circling Yes/No under "Complies" column.

Reporting Covenants	Required	Complies
Monthly financial statements with Compliance Certificate ("CC")	Monthly within 40 days	Yes No
Annual financial statement (CPA Audited) + CC	FYE within 210 days*	Yes No
SaaS Metrics	Monthly within 40 days	Yes No
Annual projections	Within 7 days of Board approval	Yes No
10-Q, 10-K and 8-K	Within 5 days after filing with SEC	Yes No

* FYE 2014 audited financial statements due on 12/15/2014.

Financial Covenant	Required	Actual	Complies
Minimum Registered Subscribers			
Maintain as indicated:			
As of the last day of each fiscal quarter, minimum cumulative registered subscribers for such quarter of at least the following amounts:			
Quarter ending April 30, 2014	480,700	_____	Yes No
Quarter ending July 31, 2014	510,700	_____	Yes No
Quarter ending October 31, 2014	540,700	_____	Yes No
Quarter ending January 31, 2015	570,700	_____	Yes No
Quarter ending April 30, 2015	95% of actual cumulative registered subscribers for the fiscal quarter-ending January 31, 2015, plus 30,000	_____	Yes No
Quarter ending July 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending April 30, 2015, plus 30,000	_____	Yes No
Quarter ending October 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending July 31, 2015, plus 30,000	_____	Yes No

Quarter ending January 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending October 31, 2015, plus 30,000	_____	Yes No
Quarter ending April 30, 2016 and each quarter thereafter	95% of actual cumulative registered subscribers for the fiscal quarter-ending January 31, 2016, plus 30,000	_____	Yes No

The following financial covenant analysis is true and accurate as of the date of this Certificate.

Other Matters

Have there been any amendments of or other changes to the capitalization table of Borrower as a result of any equity financing closings and to the Operating Documents of Borrower or any of its Subsidiaries? If yes, provide copies of any such amendments or changes with this Compliance Certificate. Yes No

The following are the exceptions with respect to the certification above: (If no exceptions exist, state “No exceptions to note.”)

OOMA, INC.

By: _____
Name: _____
Title: _____

BANK USE ONLY

Received by: _____
AUTHORIZED SIGNER

Date: _____

Verified: _____
AUTHORIZED SIGNER

Date: _____

Compliance Status: Yes No

SECOND AMENDMENT
TO
AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT

This Second Amendment to Amended and Restated Loan and Security Agreement (this "**Amendment**") is entered into this 5th day of January, 2015, by and between **SILICON VALLEY BANK** ("Bank") and **OOMA, INC**., a Delaware corporation ("**Borrower**") whose address is 1880 Embarcadero Road, Palo Alto, California 94303.

RECITALS

A. Bank and Borrower have entered into that certain Amended and Restated Loan and Security Agreement dated as of December 17, 2012, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement by and between Bank and Borrower dated as of July 21, 2014 (as the same may be further amended, modified, supplemented or restated from time to time, the "**Loan Agreement**").

B. Bank has extended credit to Borrower for the purposes permitted in the Loan Agreement.

C. Borrower has requested that Bank amend the Loan Agreement to make certain revisions to the Loan Agreement as more fully set forth herein.

D. Bank has agreed to so amend certain provisions of the Loan Agreement, but only to the extent, in accordance with the terms, subject to the conditions and in reliance upon the representations and warranties set forth below.

AGREEMENT

Now, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, and intending to be legally bound, the parties hereto agree as follows:

1. Definitions. Capitalized terms used but not defined in this Amendment shall have the meanings given to them in the Loan Agreement.

2. Amendments to Loan Agreement.

2.1 2013 and 2014 Audited Financial Statements. Notwithstanding the requirements of Section 6.2(c) of the Loan Agreement to the contrary, Borrower shall deliver to Bank, on or before February 28, 2015, its audited financial statements (i) for the fiscal year ended January 31, 2013, and (ii) for the fiscal year ended January 31, 2014.

2.2 Section 2.4 (Fees). Section 2.4(a) of the Loan Agreement is hereby amended by deleting it in its entirety and replacing it with the following:

"(a) Pro-Rated Commitment Fee; Anniversary Fee. A fully earned, non-refundable commitment fee of Twenty Thousand Dollars ($20,000) is due to Bank on the First Amendment Closing Date (provided, however, that this fee will be pro-rated based on the number of days remaining from and after December 17, 2014 until the first (1st) anniversary date of the First Amendment Closing Date (the "**Pro-Rated Commitment Fee**")), and an additional fully-earned, non-refundable anniversary fee of Twenty-Four Thousand Dollars ($24,000) is due to Bank upon the first (1st) anniversary date of the First Amendment Closing Date;"

2.3 Section 5.2 (Collateral). The Loan Agreement is amended by deleting the words "One Hundred Fifty Thousand Dollars ($150,000)" appearing in Section 5.2 and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.4 Section 5.4 (Litigation). The Loan Agreement is amended by deleting the words "One Hundred Thousand Dollars ($100,000)" appearing in Section 5.4 and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.5 Section 6.2(a) (Monthly Financial Statements). The Loan Agreement is amended by deleting the words "forty (40)" appearing in Section 6.2(a) and inserting in lieu thereof the words "forty-five (45)".

2.6 Section 6.2(b) (Monthly Compliance Certificate). The Loan Agreement is amended by deleting the words "forty (40)" appearing in Section 6.2(b) and inserting in lieu thereof the words "forty-five (45)".

2.7 Section 6.2(d) (Annual Projections). The Loan Agreement is amended by inserting the words "and at least annually" immediately after the words "after the approval thereof by Borrower's Board of Directors" appearing in Section 6.2(d) thereof.

2.8 Section 6.2(e) (SaaS Metrics). The Loan Agreement is amended by deleting the words "forty (40)" appearing in Section 6.2(e) and inserting in lieu thereof the words "forty-five (45)".

2.9 Section 6.2(h) (Legal Action Notice). The Loan Agreement is amended by deleting the words "One Hundred Thousand Dollars ($100,000)" appearing in Section 6.2(h) and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.10 Section 6.3 (Inventory; Returns). The Loan Agreement is amended by deleting the words "One Hundred Fifty Thousand Dollars ($150,000)" appearing in Section 6.3 and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.11 Section 6.5(b) (Insurance). The Loan Agreement is amended by deleting the words "One Hundred Thousand Dollars ($100,000)" appearing in Section 6.5(b) and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.12 Section 6.6 (Operating Accounts). Section 6.6 is amended in its entirety and replaced it with the following:

"**6.6 Operating Accounts**.

(a) Maintain all of its and all of its Subsidiaries' operating, depository and securities accounts with Bank and Bank's Affiliates. Notwithstanding the foregoing, Borrower shall be permitted to maintain deposit accounts located outside the United States so long as the aggregate amount of funds in all such accounts does not exceed the Dollar Equivalent of One Hundred Thousand Dollars ($100,000) on average per day during each month (the "**Foreign Accounts**"). In addition to the foregoing, after the occurrence of an Initial Public Offering, Borrower may maintain securities accounts with banks and/or financial institutions (other than Bank and Bank's Affiliates) described on the Perfection Certificate so long as (i) the aggregate amount of funds in all such accounts does not exceed seventy-five percent (75%) of the dollar value of Borrower's, its Subsidiaries', and its parent's accounts at all financial institutions, and (ii) Borrower, in its own name, maintains cash and investments in accounts with Bank and Bank's Affiliates in an amount equal to or greater than the Commitment Amount (the "**Outside Accounts**" and together with the Foreign Accounts, collectively, the "**Permitted Accounts**").

(b) Provide Bank five (5) days prior written notice before establishing any Collateral Account at or with any bank or financial institution other than Bank or Bank's Affiliates. For each Collateral Account that Borrower at any time maintains, Borrower shall cause the applicable bank or financial institution (other than Bank) at or with which any Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Bank's Lien in such Collateral Account in accordance with the terms hereunder which Control Agreement may not be terminated without the prior written consent of Bank. The provisions of the previous sentence shall not apply to (i) the Permitted Accounts, or (ii) deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Bank by Borrower as such."

2.13 Section 6.8 (Protection and Registration of Intellectual Property Rights). The Loan Agreement is amended by renaming Section 6.8 as "Protection and Registration of Intellectual Property Rights" and inserting the following new subsection (c) to appear at the end of Section 6.8 thereof:

"(c) Prior to the occurrence of the IP Release Event, to the extent not already disclosed in writing to Bank, if Borrower (i) obtains any Patent, registered Trademark, registered Copyright, registered mask work, or any pending application for any of the foregoing, whether as owner, licensee or otherwise, or (ii) applies for any Patent or the registration of any Trademark, then Borrower shall immediately provide written notice thereof to Bank and shall execute such intellectual property security agreements and other documents and take such other actions as Bank may request in its good faith business judgment to perfect and maintain a first priority perfected security interest in favor of Bank in such

property. Prior to the occurrence of the IP Release Event, if Borrower decides to register any Copyrights or mask works in the United States Copyright Office, Borrower shall: (x) provide Bank with at least five (5) days prior written notice of Borrower's intent to register such Copyrights or mask works together with a copy of the application it intends to file with the United States Copyright Office (excluding exhibits thereto); (y) execute an intellectual property security agreement and such other documents and take such other actions as Bank may request in its good faith business judgment to perfect and maintain a first priority perfected security interest in favor of Bank in the Copyrights or mask works intended to be registered with the United States Copyright Office; and (z) record such intellectual property security agreement with the United States Copyright Office contemporaneously with filing the Copyright or mask work application(s) with the United States Copyright Office. Prior to the occurrence of the IP Release Event, Borrower shall promptly provide to Bank copies of all applications that it files for Patents or for the registration of Trademarks, Copyrights or mask works, together with evidence of the recording of the intellectual property security agreement required for Bank to perfect and maintain a first priority perfected security interest in such property."

2.14 Section 6.10 (Access to Collateral; Books and Records). The last sentence set forth in Section 6.10 is amended in its entirety and replaced it with the following:

"Borrower hereby acknowledges and agrees that the Initial Audit will be completed no later than February 28, 2015."

2.15 Section 7.2 (Changes in Business, Management, Ownership, or Business Locations). The Loan Agreement is amended by deleting each reference to "One Hundred Fifty Thousand Dollars ($150,000)" appearing in Section 7.2 and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.16 Section 7.7 (Distributions; Investments). The Loan Agreement is amended by deleting the words "One Hundred Thousand Dollars ($100,000)" appearing in Section 7.7 and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.17 Section 7.9 (Subordinated Debt). Section 7.9 of the Loan Agreement is amended by inserting the following at the end thereof:

"Notwithstanding anything to the contrary contained herein or in any other Loan Document, Borrower may make payments and prepayments at any time and from time to time under the Mezzanine Loan Agreement in its sole discretion."

2.18 Section 8.3 (Investor Abandonment). Section 8.3 is amended in its entirety and replaced with the following:

"**8.3 Investor Abandonment**. The Bank determines in its good faith business judgment that there is a lack of Investor Support, or Investor Support ceases to be provided to Borrower for any reason."

2.19 Section 8.6 (Other Agreements). Section 8.6 is amended in its entirety and replaced with the following:

"**8.6 Other Agreements**. There is, under any agreement to which Borrower or any Guarantor is a party with a third party or parties (other than the Mezzanine Loan Agreement), (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of Five Hundred Thousand Dollars ($500,000); or (b) any breach or default by Borrower or Guarantor, the result of which could have a material adverse effect on Borrower's or any Guarantor's business;"

2.20 Section 8.7 (Judgments; Penalties). The Loan Agreement is amended by deleting the words "Two Hundred Thousand Dollars ($200,000)" appearing in Section 8.7 and inserting in lieu thereof the words "Five Hundred Thousand Dollars ($500,000)".

2.21 Section 10 (Notice). The Loan Agreement is amended by deleting the words "Email: Eric.Stanggooma.com" appearing in Section 10 and inserting in lieu thereof the words "Email: Eric.Stang@ooma.corn".

2.22 Section 12.9 (Confidentiality). The second paragraph of Section 12.9 is amended in its entirety and replaced with the following:

"Bank Entities may use anonymous forms of confidential information for aggregate datasets, for analyses or reporting, and for any other uses not expressly prohibited in writing by Borrower. The provisions of the immediately preceding sentence shall survive termination of this Agreement."

2.23 Section 12.17 (Release of Intellectual Property). The Loan Agreement is amended by inserting the following new provision to appear as Section 12.17 (Release of Intellectual Property) thereof:

"**12.17 Release of Intellectual Property**. Upon the occurrence of the IP Release Event, provided that no Event of Default exists, the Collateral set forth in Exhibit A hereto shall be deemed amended to simultaneously replace Exhibit A hereto in its entirety and inserting in lieu thereof Exhibit C attached hereto. Borrower has granted to the Bank a continuing security interest in the assets described in Exhibit C at all times hereunder. At Borrower's sole cost and expense, upon the occurrence of the JP Release Event, provided that no Event of Default exists, Bank shall execute and deliver to Borrower all releases, amendments, terminations, and other instruments as may be necessary or proper to release its Liens in the Intellectual Property of Borrower, granted herein, including, without limitation, UCC financing termination statements and appropriate filings with the U.S. Copyright Office or the U.S. Patent and Trademark Office."

2.24 Section 13 (Definitions). The following provision appearing as clause (a) in the definition of Permitted Indebtedness set forth in Section 13.1 is amended in its entirety and replaced with the following:

"(a) Borrower's Indebtedness to Bank under this Agreement, the Mezzanine Loan Agreement, and the other Loan Documents;"

2.25 Section 13 (Definitions). The following provision appearing as clause (e) in the definition of Permitted Indebtedness set forth in Section 13.1 is amended in its entirety and replaced with the following:

"(e) Indebtedness to banks and other financial institutions (other than Bank or Bank's Affiliates) under credit card merchant services agreements arising in the ordinary course of Borrower's business in an aggregate principal amount not to exceed Six Hundred Thousand Dollars ($600,000);"

2.26 Section 13 (Definitions). The following provision appearing as clause (g) in the definition of Permitted Investments set forth in Section 13.1 is amended in its entirety and replaced with the following:

"(g) Investments (i) by Borrower in Subsidiaries not to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate in any fiscal year and (ii) by Subsidiaries in other Subsidiaries or in Borrower;"

2.27 Section 13 (Definitions). The following provision appearing as clause (a) in the definition of Permitted Liens set forth in Section 13.1 is amended in its entirety and replaced with the following:

"(a) Liens existing on the Effective Date and shown on the Perfection Certificate or arising under this Agreement, the Mezzanine Loan Agreement, and the other Loan Documents;"

2.28 Section 13 (Definitions). The following provision appearing as clause (c) in the definition of Permitted Liens set forth in Section 13.1 is amended in its entirety and replaced with the following:

"(c) purchase money Liens and capital leases (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment securing no more than Two Million Five Hundred Thousand Dollars ($2,500,000) in the aggregate amount outstanding, or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment;"

2.29 Section 13 (Definitions). The following provisions appearing as clauses (k)-(m) in the definition of Permitted Liens set forth in Section 13.1 are amended in their entirety and replaced with the following:

"(k) Liens in the form of security deposits maintained in China in favor of Borrower's manufacturers and suppliers located in China to secure Borrower's ongoing purchase obligations with such manufacturers and suppliers provided that the aggregate amount of such security deposits outstanding at anytime does not exceed One Million Two Hundred Thousand Dollars ($1,200,000);

(1) Liens in favor of banks or other financial institutions (other than Bank or Bank's Affiliates) on cash secured deposits in an aggregate amount not to exceed Six Hundred Thousand Dollars ($600,000) to secure Indebtedness under credit card merchant services agreements arising in the ordinary course of Borrower's business and referenced in clause (e) of the definition of Permitted Indebtedness; and

(m) Liens in the form of security deposits in favor of Borrower's landlords, provided that the aggregate amount of such security deposits outstanding at any time does not exceed Three Hundred Thousand Dollars ($300,000)."

2.30 Section 13 (Definitions). The following terms and their respective definitions set forth in Section 13.1 are amended in their entirety and replaced with the following:

""Collateral" is any and all properties, rights and assets of Borrower described on (a) prior to the occurrence of the IP Release Event, Exhibit A, and (b) on and after the occurrence of the IP Release Event, Exhibit C."

'**""Loan Documents**" are, collectively, this Agreement and any schedules, exhibits, certificates, notices, and any other documents related to this Agreement, the Perfection Certificate, the Warrant, any Bank Services Agreement, the IP Security Agreement (but only prior to the IP Release Event), any subordination agreement, any note, or notes or guaranties executed by Borrower or any Guarantor, and any other present or future agreement by Borrower and/or any Guarantor with or for the benefit of Bank in connection with this Agreement, all as amended, restated, or otherwise modified."

"**Revolving Line**" is an aggregate principal amount equal to Twelve Million Dollars ($12,000,000).

2.31 Section 13 (Definitions). The Loan Agreement shall be amended by inserting the following new definitions to appear alphabetically in Section 13.1 thereof:

""2015 Effective Date" means January 5, 2015."

"**Commitment Amount**" means the sum of (a) (i) the aggregate outstanding principal balance of any Advances, plus (ii) the unused Availability Amount, plus (b) (i) the Maximum Term Loan Amount (as defined in the Mezzanine Loan Agreement), less (ii) dollar-for-dollar, the principal portion of any Term Loan Advances (as defined in the Mezzanine Loan Agreement) repaid by Borrower to Bank.

““Foreign Accounts” is defined in Section 6.6(a).”

““Initial Public Offering” is the initial, underwritten offering and sale of Borrower’s common stock to the public pursuant to an effective registration statement under the Securities Act of 1933, as amended.”

““Investor Support” means it is the clear intention of Borrower’s investors to continue to fund Borrower in the amounts and timeframe necessary to enable Borrower to satisfy the Obligations as they become due and payable.”

“**IP Release Event**” means, provided no Event of Default exists, confirmation by Bank that an Initial Public Offering has occurred.”

““IP Security Agreement” means that certain Intellectual Property Security Agreement executed and delivered by Borrower to Bank dated as of the 2015 Effective Date, as may be amended, modified or restated from time to time.”

““Mezzanine Loan Agreement” means that certain Mezzanine Loan and Security Agreement between Borrower and Bank dated as of the 2015 Effective Date, as may be amended, modified or restated from time to time.”

““Outside Accounts” is defined in Section 6.6(a).”

“**Permitted Accounts**” is defined in Section 6.6(a).”

2.32 Exhibit A (Collateral Description). The Loan Agreement shall be amended by substituting the Collateral description appearing on Exhibit A thereto for the Collateral description on Schedule 1 hereto. Borrower hereby grants Bank, to secure the payment and performance in full of all of the Obligations and the performance of each of Borrower’s duties under the Loan Documents, a continuing security interest in, and pledges to Bank, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

2.33 Exhibit B (Compliance Certificate). The Compliance Certificate is amended in its entirety and replaced with the Compliance Certificate in the form of Schedule 2 attached hereto.

2.34 Exhibit C (Collateral Description). The Loan Agreement shall be amended by adding a new Exhibit C to the Loan Agreement, attached as Schedule 3 hereto.

3. Limitation of Amendments.

3.1 The amendments set forth in Section 2, above, are effective for the purposes set forth herein and shall be limited precisely as written and shall not be deemed to (a) be a consent to any amendment, waiver or modification of any other term or condition of any Loan Document, or (b) otherwise prejudice any right or remedy which Bank may now have or may have in the future under or in connection with any Loan Document.

3.2 This Amendment shall be construed in connection with and as part of the Loan Documents and all terms, conditions, representations, warranties, covenants and agreements set forth in the Loan Documents, except as herein amended, are hereby ratified and confirmed and shall remain in full force and effect.

4. Representations and Warranties. To induce Bank to enter into this Amendment, Borrower hereby represents and warrants to Bank as follows:

4.1 Immediately after giving effect to this Amendment (a) the representations and warranties contained in the Loan Documents are true, accurate and complete in all material respects as of the date hereof (except to the extent such representations and warranties relate to an earlier date, in which case they are true and correct in all material respects as of such date), and (b) no Event of Default has occurred and is continuing;

4.2 Borrower has the power and authority to execute and deliver this Amendment and to perform its obligations under the Loan Agreement, as amended by this Amendment;

4.3 The organizational documents of Borrower delivered to Bank on the Effective Date remain true, accurate and complete and have not been amended, supplemented or restated and are and continue to be in full force and effect;

4.4 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, have been duly authorized;

4.5 The execution and delivery by Borrower of this Amendment and the performance by Borrower of, its obligations under the Loan Agreement, as amended by this Amendment, do not and will not contravene (a) any material Requirement of Law binding on or affecting Borrower, (b) any contractual restriction with a Person binding on Borrower, or (c) any order, judgment or decree of any court or other governmental or public body or authority, or subdivision thereof, binding on Borrower;

4.6 The execution and delivery by Borrower of this Amendment and the performance by Borrower of its obligations under the Loan Agreement, as amended by this Amendment, do not require any order, consent, approval, license, authorization or validation of, or filing, recording or registration with, or exemption by any governmental or public body or authority, or subdivision thereof, binding on Borrower, except as already has been obtained or made; and

4.7 This Amendment has been duly executed and delivered by Borrower and is the binding obligation of Borrower, enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, liquidation, moratorium or other similar laws of general application and equitable principles relating to or affecting creditors' rights.

5. Ratification of Perfection Certificate. Borrower hereby ratifies, confirms and reaffirms, all and singular, the terms and disclosures contained in a certain Perfection Certificate dated as of July 21, 2014 between Borrower and Bank, and acknowledges, confirms and agrees the disclosures and information Borrower provided to Bank in said Perfection Certificate have not changed, as of the date hereof, except as set forth on Schedule 4 hereto.

6. Integration. This Amendment and the Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Amendment and the Loan Documents merge into this Amendment and the Loan Documents.

7. Counterparts. This Amendment may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

8. Effectiveness. This Amendment shall be deemed effective upon (a) the due execution and delivery to Bank of this Amendment by each party hereto, and (b) Borrower's payment of (i) a commitment fee in the amount of Two Thousand Dollars ($2,000.00), and (ii) Bank's legal fees and expenses incurred in connection with this Amendment.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first written above.

BANK	**BORROWER**
SILICON VALLEY BANK	OOMA, INC.
By: /s/ Julian Nash	By: /s/ Spencer Jackson
Name: Julian Nash	Name: Spencer Jackson
Title: Vice President	Title: VP and General Counsel

EXHIBIT A — COLLATERAL DESCRIPTION

The Collateral consists of all of Borrower's right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles, commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, certificates of deposit, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and

all Borrower's Books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

Schedule 2

EXHIBIT B — COMPLIANCE CERTIFICATE

TO: SILICON VALLEY BANK Date:_____
FROM OOMA, INC.

The undersigned authorized officer of OOMA, INC. ("Borrower") certifies that under the terms and conditions of the Amended and Restated Loan and Security Agreement between Borrower and Bank (the "Agreement"):

(1) Borrower is in complete compliance for the period ending with all required covenants except as noted below; (2) there are no Events of Default; (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.9 of the Agreement; and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank.

Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance status by circling Yes/No under "Complies" column.

Reporting Covenants	**Required**	**Complies**
Monthly financial statements with Compliance Certificate ("CC")	Monthly within 45 days	Yes No
Annual financial statement (CPA Audited) + CC	FYE within 210 days*	Yes No
SaaS Metrics	Monthly within 45 days	Yes No
Annual projections	Within 7 days of Board approval and at least annually	Yes No
10-Q, 10-K and 8-K	Within 5 days after filing with SEC	Yes No

*FYE 2013 and 2014 audited financial statements due on 2/28/2015.

The following Intellectual Property was registered (or a registration application submitted) after the 2015 Effective Date (if no registrations, state "None"):

Financial Covenant	Required	Actual	Complies
Minimum Registered			
Maintained as indicated:			
As of the last day of each fiscal quarter, minimum cumulative registered subscribers for such quarter of at least the following amounts:			
Quarter ending April 30, 2014	480,700		Yes No
Quarter ending July 31, 2014	510,700		Yes No
Quarter ending October 31, 2014	540,700		Yes No
Quarter ending January 31, 2014	570,700		Yes No
Quarter ending April 30, 2015	95% of actual cumulative registered subscribers for the fiscal quarter-ending January 31, 2015 plus 30,000		Yes No
Quarter ending July 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending April 30, 2015 plus 30,000		Yes No
Quarter ending October 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending July 31, 2015 plus 30,000		Yes No

Quarter ending January 31, 2015	Actual minimum cumulative registered subscribers for the fiscal quarter-ending October 31, 2015 plus 30,000	Yes No
Quarter ending April 30, 2016 and each quarter thereafter	95% of actual cumulative registered subscribers for the fiscal quarter-ending January 31, 2016 plus 30,000	Yes No

The following financial covenant analysis is true and accurate as of the date of this Certificate.

Other Matters

Have there been any amendments of or other changes to the capitalization table of Borrower as a result of any equity financing closings and to the Operating Documents of Borrower or any of its Subsidiaries? If yes, provide copies of any such amendments or changes with this Compliance Certificate. Yes No

The following are the exceptions with respect to the certification above: (If no exceptions exist, state "No exceptions to note"):

_____

_____

_____

OOMA, INC.

By: _____
Name: _____
Title: _____

BANK USE ONLY

Received by: _____
AUTHORIZED SIGNER
Date: _____

Verified: _____
AUTHORIZED SIGNER
Date: _____

Compliance Status: Yes No

Schedule 3

EXHIBIT C —COLLATERAL DESCRIPTION

The Collateral consists of all of Borrower's right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license as elements, franchise agreements, General Intangibles (except as provided below), commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and all Borrower's Books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

Notwithstanding the foregoing, the Collateral does not include any Intellectual Property, URLs or domain names; provided, however, the Collateral shall include all Accounts and all proceeds of Intellectual Property, URLs or domain names. If a judicial authority (including a U.S. Bankruptcy Court) would hold that a security interest in the underlying Intellectual Property, URLs or domain names is necessary to have a security interest in such Accounts and such property that are proceeds of Intellectual Property, URLs or domain names, then the Collateral shall automatically, and effective as of the Effective Date, include the Intellectual Property, URLs or domain names to the extent necessary to permit perfection of Bank's security interest in such Accounts and such other property of Borrower that are proceeds of the Intellectual Property, URLs or domain names.

Pursuant to the terms of a certain negative pledge arrangement with Bank, Borrower has agreed not to encumber any of its Intellectual Property without Bank's prior written consent.

Schedule 4

PERFECTION CERTIFICATE UPDATES

The following Sections of the Perfection Certificate are hereby modified as set forth below. All other sections of the Perfection Certificate remain unmodified and in full force and effect.

2. EQUITY-RELATED MATTERS. A summary capitalization table as of January 31, 2014 is attached hereto as Exhibit A.

3. PARENT/SUBSIDIARIES OF THE COMPANY

a. The legal name of each subsidiary and parent of the Company is as follows. (A "parent" is an entity directly owning more than 50% of the outstanding capital stock of the Company. A "subsidiary" is an entity, 50% or more of the outstanding capital stock of which is directly owned by the Company.)

Name	Subsidiary	Fed. Employer ID
Talk atone, LLC	Sub X Parent ☐	47-1237768
	Sub ☐ Parent ☐	
	Sub ☐ Parent ☐	

b. The following is a list of the respective jurisdictions and dates of formation of the parent and each subsidiary of the Company:

Name	Jurisdiction	Date of Formation
Talkatone, LLC	Delaware	April 29, 2014

4. LOCATIONS OF COMPANY AND ITS SUBSIDIARIES

c. The following are the names and addresses of all warehousemen, baileys, or other third parties who have possession of any of the Company's inventory, equipment, or other property or that of its subsidiaries:

Name and complete mailing address of third party	Description of assets held with third party including estimated FM	Name of Company Subsidiary
MiTEC International Corp 200 Wen Hua 2nd Road Key San Hsiang Taoyuan, Taiwan	Inventory: Est FM = $1,700k	Ooma, Inc.
S.Z. Hualin Electronic Precision Technology Co. Ltd. 4 Tian Cheng Rd Dalang Town, Bao An District Shenzhen,P.R.C.	Inventory; est FMV = $400k	Ooma, Inc.
FedEx Trade Networks Transport & Brokerage, Inc. 50 Cypress Ln Brisbane, CA 94005	Inventory; est FMV = $5,670k	Ooma, Inc.
Universal Network Group 35 New Road Belize City, Belize	Inventory; est FMV = $144k	Ooma, Inc.
Equinix 255 Caspian Dr. Sunnyvale, CA 94089	Server equipment; est FMV = $200k	Ooma, Inc.
KENMEC Technology Inc. No. 2 East Taihu Road. Wangshan Industry Park Wuzhong District Suzhou, China	Inventory; est FMV = $316k	Ooma, Inc.
Han Electronic &Marketing Inc 8F,-1, No.59, Sec. 1, Zhonghue Rd Zhongzheng Dist Taipei City 10042 Taiwan	Inventory; est FMV = $171k	Ooma, Inc.

5. SPECIAL TYPES OF COLLATERAL.

a. An updated copy of Schedule 5(a) is attached hereto as Exhibit B.

b. As of December 26, 2014 the Company no longer maintains a depository account at Bridge Bank.

Exhibit 10.11

MEZZANINE LOAN AND SECURITY AGREEMENT

THIS MEZZANINE LOAN AND SECURITY AGREEMENT (this "Agreement") dated as of January 5, 2015 (the "**Effective Date**") between **SILICON VALLEY BANK**, a California corporation ("**Bank**"), and **OOMA, INC.**, a Delaware corporation ("**Borrower**"), provides the terms on which Bank shall lend to Borrower and Borrower shall repay Bank. The parties agree as follows:

1 ACCOUNTING AND OTHER TERMS

Accounting terms not defined in this Agreement shall be construed following GAAP. Calculations and determinations must be made following GAAP. Capitalized terms not otherwise defined in this Agreement shall have the meanings set forth in Section 13. All other terms contained in this Agreement, unless otherwise indicated, shall have the meaning provided by the Code to the extent such terms are defined therein.

2 LOAN AND TERMS OF PAYMENT

2.1 Promise to Pay.

Borrower hereby unconditionally promises to pay Bank the outstanding principal amount of all Credit Extensions and accrued and unpaid interest thereon as and when due in accordance with this Agreement.

2.1.1 Term Loan Advances.

(a) Availability. Subject to the terms and conditions of this Agreement, Bank shall make one (1) advance (the "**Term A Loan Advance**") available to Borrower in the amount of Five Million Dollars ($5,000,000) on the Effective Date. Subject to the terms and conditions of this Agreement, during the Draw Period, Bank shall make advances (each, a "**Term B Loan Advance**" and collectively, the "**Term B Loan Advances**") available to Borrower in an aggregate amount of up to Five Million Dollars ($5,000,000). Each Term B Loan Advance shall be in a minimum amount of at least One Million Dollars ($1,000,000). The Term A Loan Advance and the Term B Loan Advances are hereinafter referred to singly as the "**Term Loan Advance**" and collectively as the "**Term Loan Advances**." The aggregate amount of all Term Loan Advances shall not exceed Ten Million Dollars ($10,000,000) (the "**Maximum Term Loan Amount**"). After repayment, no Term Loan Advance may be reborrowed.

(b) Interest Period. Commencing on the first Payment Date of the month following the month in which the Funding Date for the applicable Term Loan Advance occurs and continuing on each Payment Date thereafter, Borrower shall make monthly payments of interest, in arrears, on the principal amount of each Term Loan Advance at the rate set forth in Section 2.2(a).

(c) Repayment. All outstanding principal and accrued and unpaid interest with respect to the Term Loan Advances, and all other outstanding Obligations with respect to the Term Loan Advances, are due and payable in full on the Term Loan Maturity Date.

(d) Permitted Prepayment of Term Loan Advances. Borrower shall have the option to prepay all, but not less than all, of the Term Loan Advances advanced by Bank under this Agreement, provided Borrower (i) provides written notice to Bank of its election to prepay the Term Loan Advances at least ten (10) days prior to such prepayment, and (ii) pays, on the date of such prepayment (A) all outstanding principal plus accrued and unpaid interest, (B) the applicable Prepayment Premium (if any), and (C) all other sums, if any, that shall have become due and payable, including interest at the Default Rate with respect to any past due amounts.

(e) Mandatory Prepayment Upon an Acceleration. If the Term Loan Advances are accelerated following the occurrence and during the continuance of an Event of Default, Borrower shall immediately pay to Bank an amount equal to the sum of: (i) all outstanding principal plus accrued and unpaid interest, (ii) the applicable Prepayment Premium (if any), plus (iii) all other sums, if any, that shall have become due and payable, including interest at the Default Rate with respect to any past due amounts.

2.2 Payment of Interest on the Credit Extensions.

(a) Interest Rate. Subject to Section 2.2(b), the principal amount outstanding for each Term Loan Advance shall accrue interest at a fixed per annum rate equal to eleven percent (11.0%), which interest shall be payable monthly in accordance with Section 2.2(c) below.

(b) Default Rate. Immediately upon the occurrence and during the continuance of an Event of Default, Obligations shall bear interest at a rate per annum which is five percent (5.0%) above the rate that is otherwise applicable thereto (the "**Default Rate**") unless the Bank otherwise elects from time to time in its sole discretion to impose a smaller increase. Fees and expenses which are required to be paid by Borrower pursuant to the Loan Documents (including, without limitation, Bank Expenses) but are not paid when due shall bear interest until paid at a rate equal to the highest rate applicable to the Obligations. Payment or acceptance of the increased interest rate provided in this Section 2.2(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Bank.

(c) Payment; Interest Computation; 360-Day Year. Interest is payable monthly on the Payment Date and shall be computed on the basis of a 360-day year for the actual number of days elapsed. In computing interest, (i) all payments received after 12:00 p.m. Pacific time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of any Credit Extension shall be included and the date of payment shall be excluded; provided, however, that if any Credit Extension is repaid on the same day on which it is made, such day shall be included in computing interest on such Credit Extension.

2.3 Fees. Borrower shall pay to Bank:

(a) Commitment Fee. A fully earned, non-refundable commitment fee of Thirty-Seven Thousand Five Hundred Dollars ($37,500), on the Effective Date;

(b) Term B Loan Advance Commitment Fee. A fully earned, non-refundable fee of Thirty-Seven Thousand Five Hundred Dollars ($37,500), which shall be payable on the Funding Date of the initial Term B Loan Advance or any portion thereof (the "**Term B Loan Advance Commitment Fee**");

(c) Prepayment Premium. The Prepayment Premium, when due hereunder;

(d) Bank Expenses. All Bank Expenses incurred through and after the Effective Date, when due (or, if no stated due date, upon demand by Bank); and

(e) Fees Fully Earned. Unless otherwise provided in this Agreement or in a separate writing by Bank, Borrower shall not be entitled to any credit, rebate, or repayment of any fees earned by Bank pursuant to this Agreement notwithstanding any termination of this Agreement or the suspension or termination of Bank's obligation to make loans and advances hereunder. Bank may deduct amounts owing by Borrower under the clauses of this Section 2.3 pursuant to the terms of Section 2.4(c). Bank shall provide Borrower written notice of deductions made from the Designated Deposit Account pursuant to the terms of the clauses of this Section 2.3.

2.4 Payments; Application of Payments; Debit of Accounts.

(a) All payments to be made by Borrower under any Loan Document shall be made in immediately available funds in Dollars, without setoff or counterclaim, before 12:00 p.m. Pacific time on the date when due. Payments of principal and/or interest received after 12:00 p.m. Pacific time are considered received at the opening of business on the next Business Day. When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees or interest, as applicable, shall continue to accrue until paid.

(b) Bank has the exclusive right to determine the order and manner in which all payments with respect to the Obligations may be applied. Borrower shall have no right to specify the order or the accounts to which Bank shall allocate or apply any payments required to be made by Borrower to Bank or otherwise received by Bank under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

(c) Bank may debit any of Borrower's deposit accounts maintained with Bank, including the Designated Deposit Account, for principal and interest payments or, after prior notice to Borrower, any other amounts Borrower owes Bank when due. These debits shall not constitute a set-off.

3 CONDITIONS OF LOANS

3.1 Conditions Precedent to Initial Credit Extension.

Bank's obligation to make the initial Credit Extension is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, such documents, and completion of such other matters, as Bank may reasonably deem necessary or appropriate, including, without limitation:

(a) delivery of the Second Amendment and satisfactory completion of all conditions precedent thereto;

(b) duly executed original signatures to the Loan Documents;

(c) duly executed original signatures to the Control Agreement(s);

(d) the Operating Documents and long-form good standing certificates of Borrower certified by the Secretary of State (or equivalent agency) of Borrower's jurisdiction of organization or formation and each jurisdiction in which Borrower is qualified to conduct business, each as of a date no earlier than thirty (30) days prior to the Effective Date;

(e) duly executed original signatures to the completed Borrowing Resolutions for Borrower;

(f) certified copies, dated as of a recent date, of financing statement searches, as Bank may request, accompanied by written evidence (including any UCC termination statements) that the Liens indicated in any such financing statements either constitute Permitted Liens or have been or, in connection with the initial Credit Extension, will be terminated or released;

(g) the Perfection Certificate of Borrower, together with the duly executed original signature thereto;

(h) a landlord's consent in favor of Bank for each of Borrower's leased locations by the respective landlord thereof, together with the duly executed original signatures thereto;

(i) a bailee's waiver in favor of Bank for each location where Borrower maintains property with a third party, by each such third party, together with the duly executed original signatures thereto;

(j) evidence reasonably satisfactory to Bank that the insurance policies and endorsements required by Section 6.5 hereof are in full force and effect, together with appropriate evidence showing lender loss payable and/or additional insured clauses and cancellation notice to Bank (or endorsements reflecting the same) in favor of Bank; and

(k) payment of the fees and Bank Expenses then due as specified in Section 2.3 hereof.

3.2 Conditions Precedent to all Credit Extensions.

Bank's obligations to make each Credit Extension, including the initial Credit Extension, is subject to the following conditions precedent:

(a) timely receipt of an executed Payment/Advance Form;

(b) the representations and warranties in this Agreement shall be true, accurate, and complete in all material respects on the date of the Payment/Advance Form and on the Funding Date of each Credit Extension; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date, and no Event of Default shall have occurred and be continuing or result from the Credit Extension. Each Credit Extension is Borrower's representation and warranty on that date that the representations and warranties in this Agreement remain true, accurate, and complete in all material respects; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; and

(c) in Bank's sole but reasonable discretion made in good faith, there has not been any material impairment in the results of operation, financial condition or the prospect of repayment of the Obligations as and when due, or any material adverse deviation by Borrower from the most recent business plan of Borrower presented to and accepted by Bank.

3.3 Covenant to Deliver.

Borrower agrees to deliver to Bank each item required to be delivered to Bank under this Agreement as a condition precedent to any Credit Extension. Borrower expressly agrees that a Credit Extension made prior to the receipt by Bank of any such item shall not constitute a waiver by Bank of Borrower's obligation to deliver such item, and the making of any Credit Extension in the absence of a required item shall be in Bank's sole discretion.

3.4 Procedures for Borrowing.

Subject to the prior satisfaction of all other applicable conditions to the making of a Credit Extension set forth in this Agreement, to obtain a Credit Extension, Borrower shall notify Bank (which notice shall be irrevocable) by electronic mail, facsimile, or telephone by 12:00 p.m. Pacific time two (2) Business Days prior to the proposed Funding Date of the Credit Extension. Together with any such electronic or facsimile notification, Borrower shall deliver to Bank by electronic mail or facsimile a completed Payment/Advance Form executed by a Responsible Officer or his or her designee. Bank may rely on any telephone notice given by a person whom Bank believes is a Responsible Officer or designee. Bank shall credit the proceeds of a Credit Extension to the Designated Deposit Account. Bank may make Credit Extensions under this Agreement based on instructions from a Responsible Officer or his or her designee or without instructions if the Credit Extensions are necessary to meet Obligations which have become due.

4 CREATION OF SECURITY INTEREST

4.1 Grant of Security Interest.

Borrower hereby grants Bank, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Bank, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

Borrower acknowledges that it previously has entered, and/or may in the future enter, into Bank Services Agreements with Bank. Regardless of the terms of any Bank Services Agreement, Borrower agrees that any amounts Borrower owes Bank thereunder shall be deemed to be Obligations hereunder and that it is the intent of Borrower and Bank to have all such Obligations secured by the first priority perfected security interest in the Collateral granted herein (subject only to Permitted Liens that are permitted pursuant to the terms of this Agreement to have superior priority to Bank's Lien in this Agreement).

If this Agreement is terminated, Bank's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations (other than inchoate indemnity obligations) and at such time as Bank's obligation to make Credit Extensions has terminated, Bank shall, at the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall revert to Borrower. Notwithstanding the foregoing, in the event (x) all Obligations (other than inchoate indemnity obligations), except for Bank Services, are satisfied in full, and (y) this Agreement is terminated, Bank shall terminate the security interest granted herein upon Borrower providing cash collateral acceptable to Bank consistent with Bank's then current practice for Bank Services, if any. In the event such Bank Services consist of outstanding Letters of Credit, Borrower shall provide to Bank cash collateral in an amount equal to (i) if such Letters of Credit are denominated in Dollars, then at least one hundred five percent (105%); and (ii) if such Letters of Credit are denominated in a Foreign Currency, then at least one hundred ten percent (110%), of the Dollar Equivalent of the face amount of all such Letters of Credit plus all interest, fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment), to secure all of the Obligations relating to such Letters of Credit.

Bank's security interest in the assets of Borrower securing the Obligations of Borrower to Bank under this Agreement shall be junior and subordinate to Bank's security interest in the assets of Borrower securing the Obligations of Borrower to Bank under the Senior Loan Agreement.

4.2 Priority of Security Interest.

Borrower represents, warrants, and covenants that the security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Collateral (subject only to Permitted Liens that are permitted pursuant to the terms of this Agreement to have superior priority to Bank's Lien under this Agreement). If Borrower shall acquire a commercial tort claim, Borrower shall promptly notify Bank in a writing signed by Borrower of the general details thereof and grant to Bank in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Bank.

4.3 Authorization to File Financing Statements.

Borrower hereby authorizes Bank to file financing statements, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Bank's interest or rights hereunder, including a notice that any disposition of the Collateral, by either Borrower or any other Person, shall be deemed to violate the rights of Bank under the Code.

5 REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants as follows:

5.1 Due Organization, Authorization; Power and Authority.

Borrower is duly existing and in good standing as a Registered Organization in its jurisdiction of formation and is qualified and licensed to do business and is in good standing in any jurisdiction in which the conduct of its business or its ownership of property requires that it be qualified except where the failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business. In connection with this Agreement, Borrower has previously delivered to Bank a completed certificate signed by Borrower, entitled "**Perfection Certificate**". Borrower represents and warrants to Bank that (a) Borrower's exact legal name is that indicated on the Perfection Certificate and on the signature page hereof; (b) Borrower is an organization of the type and is organized in the jurisdiction set forth in the Perfection Certificate; (c) the Perfection Certificate accurately sets forth Borrower's organizational identification number or accurately states that Borrower has none; (d) the Perfection Certificate accurately sets forth Borrower's place of business, or, if more than one, its chief executive office as well as Borrower's mailing address (if different than its chief executive office); (e) Borrower (and each of its predecessors) has not, in the past five (5) years, changed its jurisdiction of formation, organizational structure or type, or any organizational number assigned by its jurisdiction; and (f) all other information set forth on the Perfection Certificate pertaining to Borrower and each of its Subsidiaries is accurate and complete in all material respects (it being understood and agreed that Borrower may from time to time update certain information in the Perfection Certificate after the Effective Date to the extent permitted by one or more specific provisions in this Agreement).

The execution, delivery and performance by Borrower of the Loan Documents to which it is a party have been duly authorized, and do not (i) conflict with any of Borrower's organizational documents, (ii) contravene, conflict with, constitute a default under or violate any material Requirement of Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Borrower or any of its Subsidiaries or any of their property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or Governmental Approval from, any Governmental Authority (except such Governmental Approvals which have already been obtained and are in full force and effect) or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any material agreement by which Borrower is bound. Borrower is not in default under any agreement to which it is a party or by which it is bound in which the default could reasonably be expected to have a material adverse effect on Borrower's business.

5.2 Collateral.

Borrower has good title to, rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Borrower has no Collateral Accounts at or with any bank or financial institution other than Bank or Bank's Affiliates except for the Collateral Accounts described in the Perfection Certificate delivered to Bank in connection herewith and which Borrower has taken such actions as are necessary to give Bank a perfected security interest therein, pursuant to the terms of Section 6.6(b). The Accounts are bona fide, existing obligations of the Account Debtors.

The Collateral with an aggregate value in excess of Five Hundred Thousand Dollars ($500,000) is not in the possession of any third party bailee (such as a warehouse) except as otherwise provided in the Perfection Certificate. None of the components of the Collateral shall be maintained at locations other than as provided in the Perfection Certificate or as permitted pursuant to Section 7.2. All Inventory that is to be sold in the ordinary course of business is in all material respects of good and marketable quality, free from material defects.

Borrower is the sole owner of the Intellectual Property which it owns or purports to own except for (a) non-exclusive licenses granted to its customers in the ordinary course of business, (b) over-the-counter software that is commercially available to the public, and (c) material Intellectual Property licensed to Borrower and noted on the Perfection Certificate. Each Patent which it owns or purports to own and which is material to Borrower's business is valid and enforceable, and no part of the Intellectual Property which Borrower owns or purports to own and which is material to Borrower's business has been judged invalid or unenforceable, in whole or in part. To the best of Borrower's knowledge, no claim has been made that any part of the Intellectual Property violates the rights of any third party except to the extent such claim would not reasonably be expected to have a material adverse effect on Borrower's business. Except as noted on the Perfection Certificate, Borrower is not a party to, nor is it bound by, any Restricted License.

5.3 Litigation.

There are no actions or proceedings pending or, to the knowledge of any Responsible Officer, threatened in writing by or against Borrower or any of its Subsidiaries that is reasonably likely to be adversely determined involving more than, individually or in the aggregate, Five Hundred Thousand Dollars ($500,000).

5.4 Financial Statements; Financial Condition.

All consolidated financial statements for Borrower and any of its Subsidiaries delivered to Bank fairly present in all material respects Borrower's consolidated financial condition and Borrower's consolidated results of operations. There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to Bank.

5.5 Solvency.

The fair salable value of Borrower's consolidated assets (including goodwill minus disposition costs) exceeds the fair value of Borrower's liabilities; Borrower is not left with unreasonably small capital after the transactions in this Agreement; and Borrower is able to pay its debts (including trade debts) as they mature.

5.6 Regulatory Compliance.

Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in extending credit for margin stock (under Regulations X, T and U of the Federal Reserve Board of Governors). Borrower (a) has complied in all material respects with all Requirements of Law, and (b) has not violated any Requirements of Law the violation of which could reasonably be expected to have a material adverse effect on its business. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Government Authorities that are necessary to continue their respective businesses as currently conducted, except to the extent that failure to do so could not reasonably be expected to have a material adverse effect on Borrower's business or impair Borrower's performance of the Obligations.

5.7 Subsidiaries; Investments.

Borrower does not own any stock, partnership, or other ownership interest or other equity securities except for Permitted Investments.

5.8 Tax Returns and Payments; Pension Contributions.

Borrower has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except to the extent such taxes are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, so long as such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made therefor.

To the extent Borrower defers payment of any contested taxes, Borrower shall (i) notify Bank in writing of the commencement of, and any material development in, the proceedings, and (ii) post bonds or take any other steps required to prevent the governmental authority levying such contested taxes from obtaining a Lien upon any of the Collateral that is other than a "Permitted Lien." Borrower is unaware of any claims or adjustments proposed for any of Borrower's prior tax years which could result in additional taxes becoming due and payable by Borrower. Borrower has paid all amounts necessary to fund all present pension, profit sharing

and deferred compensation plans in accordance with their terms, and Borrower has not withdrawn from participation in, and has not permitted partial or complete termination of, or permitted the occurrence of any other event with respect to, any such plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

5.9 Use of Proceeds.

Borrower shall use the proceeds of the Credit Extensions to fund its general business requirements and not for personal, family, household or agricultural purposes.

5.10 Full Disclosure.

No written representation, warranty or other statement of Borrower in any certificate or written statement given to Bank, as of the date such representation, warranty, or other statement was made, taken together with all such written certificates and written statements given to Bank, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the certificates or statements not misleading (it being recognized by Bank that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

5.11 Definition of "Knowledge."

For purposes of the Loan Documents, whenever a representation or warranty is made to Borrower's knowledge or awareness, to the "best of Borrower's knowledge, or with a similar qualification, knowledge or awareness means the actual knowledge, after reasonable investigation, of any Responsible Officer.

6 AFFIRMATIVE COVENANTS

Borrower shall do all of the following:

6.1 Government Compliance.

(a) Maintain its and all its Subsidiaries' legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify would reasonably be expected to have a material adverse effect on Borrower's business or operations. Borrower shall comply, and have each Subsidiary comply with all laws, ordinances and regulations to which it is subject, noncompliance with which could reasonably be expected to have a material adverse effect on Borrower's business.

(b) Use commercially reasonable efforts to obtain all of the Governmental Approvals necessary for the performance by Borrower of its obligations under the Loan Documents to which it is a party and the grant of a security interest to Bank in all of its property. Borrower shall promptly provide copies of any such obtained Governmental Approvals to Bank.

6.2 Financial Statements, Reports, Certificates.

Provide Bank with the following:

(a) Monthly Financial Statements. As soon as available, but no later than forty-five (45) days after the last day of each month, a company prepared consolidated balance sheet and income statement covering Borrower's consolidated and Borrower's and each of its Subsidiary's operations for such month certified by a Responsible Officer and in a form acceptable to Bank (the "**Monthly Financial Statements**");

(b) Monthly Compliance Certificate. Within forty-five (45) days after the last day of each month and together with the Monthly Financial Statements, a duly completed Compliance Certificate signed by a Responsible Officer, certifying that as of the end of such month, Borrower was in full compliance with all of the terms and conditions of this Agreement, and setting forth such other information as Bank shall reasonably request;

(c) Annual Audited Financial Statements. As soon as available, but no later than two hundred ten (210) days after the last day of Borrower's fiscal year, audited consolidated financial statements prepared under GAAP, consistently applied, together with an unqualified opinion on the financial statements from an independent certified public accounting firm acceptable to Bank in its reasonable discretion. Notwithstanding the foregoing, Borrower shall deliver to Bank, on or before February 28, 2015, its audited financial statements (i) for the fiscal year ended January 31, 2013, and (ii) for the fiscal year ended January 31, 2014.

(d) Annual Projections. Balance sheet and income statement projections for the following fiscal year in a monthly or quarterly format approved by Borrower's Board of Directors consistent in form and detail with those provided to Borrower's venture capital investors, as soon as available, but no later than seven (7) days after the approval thereof by Borrower's Board of Directors, and at least annually;

(e) SaaS Metrics. As soon as available, but no later than forty-five (45) days after the last day of each month, SaaS based metrics certified by a Responsible Officer and in a form acceptable to Bank in its reasonable discretion;

(f) Other Statements. Within five (5) days of delivery, copies of all statements, reports and notices made available to Borrower's security holders generally or to any holders of Subordinated Debt in their capacity as such;

(g) SEC Filings. In the event that Borrower becomes subject to the reporting requirements under the Exchange Act within five (5) days of filing, copies of all periodic and other reports, proxy statements and other materials filed by Borrower with the SEC, any Governmental Authority succeeding to any or all of the functions of the SEC or with any national securities exchange, or distributed to its shareholders, as the case may be. Documents required to be delivered pursuant to the terms hereof (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Borrower posts such documents, or provides a link thereto, on Borrower's website on the Internet at Borrower's website address; provided, however, Borrower shall promptly notify Bank in writing (which may be by electronic mail) of the posting of any such documents;

(h) Legal Action Notice. A prompt report of any legal actions pending or threatened in writing against Borrower or any of its Subsidiaries that could reasonably be expected to result in damages or costs to Borrower or any of its Subsidiaries of, individually or in the aggregate, Five Hundred Thousand Dollars ($500,000) or more;

(i) 409 Valuation Reports. As soon as available after completion, and at least annually, any 409A valuation report prepared by or at the direction of Borrower; and

(j) Other Financial Information. Other financial information reasonably requested by Bank.

6.3 Inventory; Returns.

Keep all Inventory in good and marketable condition, free from material defects. Returns and allowances between Borrower and its Account Debtors shall follow Borrower's customary practices as they exist at the Effective Date. Borrower must promptly notify Bank of all returns, recoveries, disputes and claims that involve more than Five Hundred Thousand Dollars ($500,000).

6.4 Taxes; Pensions.

Timely file, and require each of its Subsidiaries to timely file, all required tax returns and reports and timely pay, and require each of its Subsidiaries to timely pay, all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower and each of its Subsidiaries, except for deferred payment of any taxes contested pursuant to the terms of Section 5.8 hereof, and shall deliver to Bank, after written demand, appropriate certificates attesting to such payments, and pay all amounts necessary to fund all present pension, profit sharing and deferred compensation plans in accordance with their terms.

6.5 Insurance.

(a) Keep its business and the Collateral insured for risks and in amounts standard for companies in Borrower's industry and location and as Bank may reasonably request. Insurance policies shall be in a form, with financially sound and reputable insurance companies that are not Affiliates of Borrower, and in amounts that are satisfactory to Bank in its reasonable discretion. All property policies shall have a lender's loss payable endorsement showing Bank as the sole lender loss payee. All liability policies shall show, or have endorsements showing, Bank as an additional insured. Bank shall be named as lender loss payee and/or additional insured with respect to any such insurance providing coverage in respect of any Collateral.

(b) Ensure that proceeds payable under any property policy are, at Bank's option, payable to Bank on account of the Obligations. Notwithstanding the foregoing, (a) so long as no Event of Default has occurred and is continuing, Borrower shall have the option of applying the proceeds of any casualty policy up to Five Hundred Thousand Dollars ($500,000) in the aggregate, toward the replacement or repair of destroyed or damaged property; provided that

any such replaced or repaired property (i) shall be of equal or like value as the replaced or repaired Collateral and (ii) shall be deemed Collateral in which Bank has been granted a first priority security interest, and (b) after the occurrence and during the continuance of an Event of Default, all proceeds payable under such casualty policy shall, at the option of Bank, be payable to Bank on account of the Obligations.

(c) At Bank's request, Borrower shall deliver certified copies of insurance policies and evidence of all premium payments. Each provider of any such insurance required under this Section 6.5 shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to Bank, that it will give Bank twenty (20) days prior written notice before any such policy or policies shall be materially altered or canceled. If Borrower fails to obtain insurance as required under this Section 6.5 or to pay any amount or furnish any required proof of payment to third persons and Bank, Bank may make all or part of such payment or obtain such insurance policies required in this Section 6.5, and take any action under the policies Bank deems prudent.

6.6 Operating Accounts.

(a) Maintain all of its and all of its Subsidiaries' operating, depository and securities accounts with Bank and Bank's Affiliates. Notwithstanding the foregoing, Borrower shall be permitted to maintain deposit accounts located outside the United States so long as the aggregate amount of funds in all such accounts does not exceed the Dollar Equivalent of One Hundred Thousand Dollars ($100,000) on average per day during each month (the "**Foreign Accounts**"). In addition to the foregoing, after the occurrence of an Initial Public Offering, Borrower may maintain securities accounts with banks and/or financial institutions (other than Bank and Bank's Affiliates) described on the Perfection Certificate so long as (i) the aggregate amount of funds in all such accounts does not exceed seventy-five percent (75%) of the dollar value of Borrower's, its Subsidiaries', and its parent's accounts at all financial institutions, and (ii) Borrower, in its own name, maintains cash and investments in accounts with Bank and Bank's Affiliates in an amount equal to or greater than the Commitment Amount (the "**Outside Accounts**" and together with the Foreign Accounts, collectively, the "**Permitted Accounts**").

(b) Provide Bank five (5) days prior written notice before establishing any Collateral Account at or with any bank or financial institution other than Bank or Bank's Affiliates. For each Collateral Account that Borrower at any time maintains, Borrower shall cause the applicable bank or financial institution (other than Bank) at or with which any Collateral Account is maintained to execute and deliver a Control Agreement or other appropriate instrument with respect to such Collateral Account to perfect Bank's Lien in such Collateral Account in accordance with the terms hereunder which Control Agreement may not be terminated without the prior written consent of Bank. The provisions of the previous sentence shall not apply to (i) the Permitted Accounts, or (ii) deposit accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and identified to Bank by Borrower as such.

6.7 Protection and Registration of Intellectual Property Rights.

(a) (i) Protect, defend and maintain the validity and enforceability of its Intellectual Property material to Borrower's business; (ii) promptly advise Bank in writing of material infringements or any other event that could reasonably be expected to materially and adversely affect the value of its Intellectual Property material to Borrower's business; and (iii) not allow any Intellectual Property material to Borrower's business to be abandoned, forfeited or dedicated to the public without Bank's written consent (not to be unreasonably withheld).

(b) Provide written notice to Bank within ten (10) days of entering or becoming bound by any Restricted License (other than over-the-counter software that is commercially available to the public). Borrower shall take such steps as Bank requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (i) any Restricted License to be deemed "**Collateral**" and for Bank to have a security interest in it that might otherwise be restricted or prohibited by law or by the terms of any such Restricted License, whether now existing or entered into in the future, and (ii) Bank to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Bank's rights and remedies under this Agreement and the other Loan Documents.

(c) Prior to the occurrence of the IP Release Event, to the extent not already disclosed in writing to Bank, if Borrower (i) obtains any Patent, registered Trademark, registered Copyright, registered mask work, or any pending application for any of the foregoing, whether as owner, licensee or otherwise, or (ii) applies for any Patent or the registration of any Trademark, then Borrower shall immediately provide written notice thereof to Bank and shall execute such intellectual property security agreements and other documents and take such other actions as Bank may request in its good faith business judgment to perfect and maintain a first priority perfected security interest in favor of Bank in such property. Prior to the occurrence of the IP Release Event, if Borrower decides to register any Copyrights or mask works in the United States Copyright Office, Borrower shall: (x) provide Bank with at least five (5) days prior written notice of Borrower's intent to register such Copyrights or mask works together with a copy of the application it intends to file with the United States Copyright Office (excluding exhibits thereto); (y) execute an intellectual property security agreement and such other documents and take such other actions as Bank may request in its good faith business judgment to perfect and maintain a first priority perfected security interest in favor of Bank in the Copyrights or mask works intended to be registered with the United States Copyright Office; and (z) record such intellectual property security agreement with the United States Copyright Office contemporaneously with filing the Copyright or mask work application(s) with the United States Copyright Office. Prior to the occurrence of the IP Release Event, Borrower shall promptly provide to Bank copies of all applications that it files for Patents or for the registration of Trademarks, Copyrights or mask works, together with evidence of the recording of the intellectual property security agreement required for Bank to perfect and maintain a first priority perfected security interest in such property.

6.8 Litigation Cooperation.

From the date hereof and continuing through the termination of this Agreement, make available to Bank, without expense to Bank, Borrower and its officers, employees and agents and Borrower's books and records, to the extent that Bank may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Bank with respect to any Collateral or relating to Borrower.

6.9 Access to Collateral; Books and Records.

Allow Bank, or its agents, to inspect the Collateral and audit and copy Borrower's Books. Such inspections or audits shall be conducted no more often than once every twelve (12) months unless an Event of Default has occurred and is continuing in which case such inspections and audits shall occur as often as Bank shall determine is necessary (or more frequently as Bank shall determine conditions warrant, in its sole discretion). The foregoing inspections and audits shall be at Borrower's expense, and the charge therefor shall be Eight Hundred Fifty Dollars ($850) per person per day (or such higher amount as shall represent Bank's then-current standard charge for the same), plus reasonable out-of-pocket expenses. In the event Borrower and Bank schedule an audit more than ten (10) days in advance, and Borrower cancels or seeks to reschedule the audit with less than ten (10) days written notice to Bank, then (without limiting any of Bank's rights or remedies), Borrower shall pay Bank a fee of One Thousand Dollars ($1,000) plus any out-of-pocket expenses incurred by Bank to compensate Bank for the anticipated costs and expenses of the cancellation or rescheduling.

6.10 Further Assurances.

Execute any further instruments and take further action as Bank reasonably requests to perfect or continue Bank's Lien in the Collateral or to effect the purposes of this Agreement.

7 NEGATIVE COVENANTS

Borrower shall not do any of the following without Bank's prior written consent:

7.1 Dispositions.

Convey, sell, lease, transfer, assign, or otherwise dispose of (collectively, "**Transfer**"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, except for Transfers (a) of Inventory in the ordinary course of business; (b) of worn-out, surplus or obsolete Equipment that is, in the reasonable judgment of Borrower, no longer economically practicable to maintain or useful in the ordinary course of business of Borrower; (c) consisting of Permitted Liens and Permitted Investments; (d) consisting of the sale or issuance of any stock of Borrower permitted under Section 7.2 of this Agreement; (e) consisting of Borrower's use or transfer of money or Cash Equivalents in the ordinary course of its business for the payment of ordinary course business expenses in a manner that is not prohibited by the terms of this Agreement or the other Loan Documents; and (f) of non-exclusive licenses for the use of the property of Borrower or its Subsidiaries in the ordinary course of business.

7.2 Changes in Business, Management, Ownership, or Business Locations.

(a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses currently engaged in by Borrower and such Subsidiary, as applicable, or reasonably related thereto; (b) liquidate or dissolve; or (c) (i) terminate its Key Person unless a replacement for such Key Person is approved by Borrower's Board of Directors, including a majority of those members of the Board of Directors who are not employees of Borrower as of the date of such approval, within one hundred twenty (120) days of the date of resignation or termination of such Key Person; or (ii) enter into any transaction or series of related transactions in which the stockholders of Borrower who were not stockholders immediately prior to the first such transaction own more than forty-nine percent (49%) of the voting stock of Borrower immediately after giving effect to such transaction or related series of such transactions (other than by the sale of Borrower's equity securities in a public offering or to venture capital, private equity or strategic investors so long as Borrower identifies to Bank the venture capital, private equity or strategic investors at least seven (7) Business Days prior to the closing of the transaction and provides to Bank a description of the material terms of the transaction).

Borrower shall not, without at least ten (10) days prior written notice to Bank: (1) add any new offices or business locations, including warehouses (unless such new offices or business locations contain less than Five Hundred Thousand Dollars ($500,000) in Borrower's assets or property) or deliver any portion of the Collateral valued, individually or in the aggregate, in excess of Five Hundred Thousand Dollars ($500,000) to a bailee at a location other than to a bailee and at a location already disclosed in the Perfection Certificate, (2) change its jurisdiction of organization, (3) change its organizational structure or type, (4) change its legal name, or (5) change any organizational number (if any) assigned by its jurisdiction of organization. If Borrower intends to deliver any portion of the Collateral valued, individually or in the aggregate, in excess of Five Hundred Thousand Dollars ($500,000) to a bailee, and Bank and such bailee are not already parties to a bailee agreement governing both the Collateral and the location to which Borrower intends to deliver the Collateral, then Borrower will first receive the written consent of Bank, and such bailee shall execute and deliver a bailee agreement in form and substance reasonably satisfactory to Bank. Borrower shall use reasonable business efforts to obtain a bailee acknowledgment for the three (3) California locations listed in the Perfection Certificate (i.e., Alom, FedEx and Equinix).

7.3 Mergers or Acquisitions.

Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any other Person, or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person (including, without limitation, by the formation of any Subsidiary), except for acquisitions by Borrower where (a) total consideration including cash and the value of any non-cash consideration (other than capital stock of Borrower), for all such transactions does not in the aggregate exceed Two Hundred Thousand Dollars ($200,000) in any fiscal year of Borrower for the assets acquired and on an ongoing basis; (b) such transactions are not otherwise prohibited by Section 7 of this Agreement; (c) no Event of Default has occurred and is continuing or would exist after giving effect to the transactions; and (d) Borrower is the surviving legal entity. A Subsidiary may merge or consolidate into another Subsidiary or into Borrower.

7.4 Indebtedness.

Create, incur, assume, or be liable for any Indebtedness, or permit any Subsidiary to do so, other than Permitted Indebtedness.

7.5 Encumbrance.

Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, permit any Collateral not to be subject to the first priority security interest granted herein, or enter into any agreement, document, instrument or other arrangement (except with or in favor of Bank) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower or any Subsidiary from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or any Subsidiary's Intellectual Property, except as is otherwise permitted in Section 7.1 hereof and the definition of "Permitted Liens" herein.

7.6 Maintenance of Collateral Accounts.

Maintain any Collateral Account except pursuant to the terms of Section 6.6 hereof.

7.7 Distributions; Investments.

(a) Pay any dividends or make any distribution or payment or redeem, retire or purchase any capital stock provided that (i) Borrower may convert any of its convertible securities into other securities pursuant to the terms of such convertible securities or otherwise in exchange thereof, (ii) Borrower may pay dividends solely in common stock; and (iii) Borrower may repurchase the stock of former employees, officers, directors or consultants pursuant to stock repurchase agreements so long as an Event of Default does not exist at the time of such repurchase and would not exist after giving effect to such repurchase, provided that the aggregate amount of all such repurchases does not exceed Five Hundred Thousand Dollars ($500,000) per fiscal year; or (b) directly or indirectly make any Investment (including, without limitation, by the formation of any Subsidiary) other than Permitted Investments, or permit any of its Subsidiaries to do so.

7.8 Transactions with Affiliates.

Directly or indirectly enter into or permit to exist any material transaction with any Affiliate of Borrower, except for transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are no less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person.

7.9 Subordinated Debt.

(a) Make or permit any payment on any Subordinated Debt, except under the terms of the subordination, intercreditor, or other similar agreement to which such Subordinated Debt is subject, or (b) amend any provision in any document relating to the Subordinated Debt which would increase the amount thereof, provide for earlier or greater principal, interest, or other payments thereon, or adversely affect the subordination thereof to Obligations owed to Bank.

7.10 Compliance.

Become an "investment company" or a company controlled by an "investment company", under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation LI of the Board of Governors of the Federal Reserve System), or use the proceeds of any Credit Extension for that purpose; fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur; fail to comply with the Federal Fair Labor Standards Act or violate any other law or regulation, if the violation could reasonably be expected to have a material adverse effect on Borrower's business, or permit any of its Subsidiaries to do so; withdraw or permit any Subsidiary to withdraw from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan which could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

8 EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "**Event of Default**") under this Agreement:

8.1 Payment Default.

Borrower fails to (a) make any payment of principal or interest on any Credit Extension when due, or (b) pay any other Obligations within three (3) Business Days after such Obligations are due and payable (which three (3) Business Day cure period shall not apply to payments due on the Term Loan Maturity Date). During the cure period, the failure to make or pay any payment specified under clause (b) hereunder is not an Event of Default (but no Credit Extension will be made during the cure period);

8.2 Covenant Default.

(a) Borrower fails or neglects to perform any obligation in Sections 6.2, 6.4, 6.5, 6.6, 6.7(b), 6.10 or violates any covenant in Section 7; or

(b) Borrower fails or neglects to perform, keep, or observe any other term, provision, condition, covenant or agreement contained in this Agreement or any Loan Documents, and as to any default (other than those specified in this Section 8) under such other term, provision, condition, covenant or agreement that can be cured, has failed to cure the default within ten (10) days after the occurrence thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) day period or cannot after diligent attempts by Borrower be cured within such ten (10) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default (but no Credit Extensions shall be made during such cure period). Cure periods provided under this section shall not apply, among other things, to financial covenants or any other covenants set forth in clause (a) above;

8.3 Investor Abandonment. The Bank determines in its good faith business judgment that there is a lack of Investor Support, or Investor Support ceases to be provided to Borrower for any reason;

8.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of Borrower or of any entity under the control of Borrower (including a Subsidiary), or (ii) a notice of lien or levy is filed against any of Borrower's assets by any Governmental Authority, and the same under subclauses (i) and (ii) hereof are not, within ten (10) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); provided, however, no Credit Extensions shall be made during any ten (10) day cure period; or

(b) (i) any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower from conducting all or any material part of its business;

8.5 Insolvency.

(a) Borrower is unable to pay its debts (including trade debts) as they become due or otherwise becomes insolvent; (b) Borrower begins an Insolvency Proceeding; or (c) an Insolvency Proceeding is begun against Borrower and is not dismissed or stayed within forty-five (45) days (but no Credit Extensions shall be made while any of the conditions described in clause (a) exist and/or until any Insolvency Proceeding is dismissed);

8.6 Other Agreements.

There is, under any agreement to which Borrower or any Guarantor is a party with a third party or parties (other than the Senior Loan Agreement), (a) any default resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount individually or in the aggregate in excess of Five Hundred Thousand Dollars ($500,000); or (b) any breach or default by Borrower or Guarantor, the result of which could have a material adverse effect on Borrower's or any Guarantor's business;

8.7 Judgments; Penalties.

One or more fines, penalties or final judgments, orders or decrees for the payment of money in an amount, individually or in the aggregate, of at least Five Hundred Thousand Dollars ($500,000) (not covered by independent third-party insurance as to which liability has been accepted by such insurance carrier) shall be rendered against Borrower by any Governmental Authority, and the same are not, within ten (10) days after the entry, assessment or issuance thereof, discharged, satisfied, or paid, or after execution thereof, stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay (provided that no Credit Extensions will be made prior to the satisfaction, payment, discharge, stay, or bonding of such fine, penalty, judgment, order or decree);

8.8 Misrepresentations.

Borrower or any Person acting for Borrower makes any representation, warranty, or other statement now or later in this Agreement, any Loan Document or in any writing delivered to Bank or to induce Bank to enter this Agreement or any Loan Document, and such representation, warranty, or other statement is incorrect in any material respect when made;

8.9 Subordinated Debt.

Any document, instrument, or agreement evidencing any Subordinated Debt shall for any reason be revoked or invalidated or otherwise cease to be in full force and effect, any Person shall be in breach thereof or contest in any manner the validity or enforceability thereof or deny that it has any further liability or obligation thereunder, or the Obligations shall for any reason be subordinated or shall not have the priority contemplated by this Agreement; or

8.10 Lien Priority.

There is a material impairment in the priority of Bank's security interest in the Collateral.

9 BANK'S RIGHTS AND REMEDIES

9.1 Rights and Remedies.

Upon the occurrence and during the continuance of an Event of Default, Bank may, without notice or demand, do any or all of the following:

(a) declare all Obligations immediately due and payable (but if an Event of Default described in Section 8.5 occurs all Obligations are immediately due and payable without any action by Bank);

(b) stop advancing money or extending credit for Borrower's benefit under this Agreement or under any other agreement between Borrower and Bank;

(c) for any Letters of Credit, demand that Borrower (i) deposit cash with Bank in an amount equal to at least one hundred five percent (105%) of the Dollar Equivalent (or one hundred ten percent (110%) if the Dollar Equivalent is denominated in Foreign Currency) of the aggregate face amount of all Letters of Credit remaining undrawn (plus all interest, fees, and costs due or to become due in connection therewith (as estimated by Bank in its good faith business judgment)), to secure all of the Obligations relating to such Letters of Credit, as collateral security for the repayment of any future drawings under such Letters of Credit, and Borrower shall forthwith deposit and pay such amounts, and (ii) pay in advance all letter of credit fees scheduled to be paid or payable over the remaining term of any Letters of Credit;

(d) terminate any FX Contract;

(e) verify the amount of, demand payment of and performance under, and collect any Accounts and General Intangibles, settle or adjust disputes and claims directly with Account Debtors for amounts on terms and in any order that Bank considers advisable, and notify any Person owing Borrower money of Bank's security interest in such funds;

(f) make any payments and do any acts it considers necessary or reasonable to protect the Collateral and/or its security interest in the Collateral. Borrower shall assemble the Collateral if Bank requests and make it available as Bank designates. Bank may enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred. Borrower grants Bank a license to enter and occupy any of its premises, without charge, to exercise any of Bank's rights or remedies;

(g) apply to the Obligations any (i) balances and deposits of Borrower it holds, or (ii) amount held by Bank owing to or for the credit or the account of Borrower;

(h) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral. Bank is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, Patents, Copyrights, mask works, rights of use of any name, trade secrets, trade names, Trademarks, and advertising matter, or any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section, Borrower's rights under all licenses and all franchise agreements inure to Bank's benefit;

(i) place a "hold" on any account maintained with Bank and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any Control Agreement or similar agreements providing control of any Collateral;

(j) demand and receive possession of Borrower's Books; and

(k) exercise all rights and remedies available to Bank under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof).

9.2 Power of Attorney.

Borrower hereby irrevocably appoints Bank as its lawful attorney-in-fact, exercisable upon the occurrence and during the continuance of an Event of Default, to (a) endorse Borrower's name on any checks or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) settle and adjust disputes and claims about the Accounts directly with Account Debtors, for amounts and on terms Bank determines reasonable; (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Bank or a third party as the Code permits. Borrower hereby appoints Bank as its lawful attorney-in-fact to sign Borrower's name on any documents necessary to perfect or continue the perfection of Bank's security interest in the Collateral regardless of whether an Event of Default has occurred until all Obligations have been satisfied in full and Bank is under no further obligation to make Credit

Extensions hereunder. Bank's foregoing appointment as Borrower's attorney in fact, and all of Bank's rights and powers, coupled with an interest, are irrevocable until all Obligations have been fully repaid and performed and Bank's obligation to provide Credit Extensions terminates.

9.3 Protective Payments.

If Borrower fails to obtain the insurance called for by Section 6.5 or fails to pay any premium thereon or fails to pay any other amount which Borrower is obligated to pay under this Agreement or any other Loan Document or which may be required to preserve the Collateral, Bank may obtain such insurance or make such payment, and all amounts so paid by Bank are Bank Expenses and immediately due and payable, bearing interest at the then highest rate applicable to the Obligations, and secured by the Collateral. Bank will make reasonable efforts to provide Borrower with notice of Bank obtaining such insurance at the time it is obtained or within a reasonable time thereafter. No payments by Bank are deemed an agreement to make similar payments in the future or Bank's waiver of any Event of Default.

9.4 Application of Payments and Proceeds Upon Default.

If an Event of Default has occurred and is continuing, Bank shall have the right to apply in any order any funds in its possession, whether from Borrower account balances, payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, to the Obligations. Bank shall pay any surplus to Borrower by credit to the Designated Deposit Account or to other Persons legally entitled thereto; Borrower shall remain liable to Bank for any deficiency. If Bank, in its good faith business judgment, directly or indirectly, enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Bank shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Bank of cash therefor.

9.5 Bank's Liability for Collateral.

So long as Bank complies with reasonable banking practices regarding the safekeeping of the Collateral in the possession or under the control of Bank, Bank shall not be liable or responsible for (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bears all risk of loss, damage or destruction of the Collateral.

9.6 No Waiver; Remedies Cumulative.

Bank's failure, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Bank thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by the party granting the waiver and then is only effective for the specific instance and purpose for which it is given. Bank's rights and remedies under this Agreement and the other Loan Documents are cumulative. Bank has all rights and remedies provided under the Code, by law, or in equity. Bank's exercise of one right or remedy is not an election and shall not preclude Bank from exercising any other remedy under this Agreement or other remedy available at law or in equity, and Bank's waiver of any Event of Default is not a continuing waiver. Bank's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.7 Demand Waiver.

Borrower waives demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Bank on which Borrower is liable.

10 NOTICES

All notices, consents, requests, approvals, demands, or other communication by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by electronic mail or facsimile transmission; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand-delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Bank or Borrower may change its mailing or electronic mail address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Section 10.

If to Borrower:	Ooma, Inc. 1880 Embarcadero Road Palo Alto, California 94303 Attn: Eric Stang Fax: Email: Website URL:
If to Bank:	Silicon Valley Bank 901 Fifth Avenue, Suite 3900 Seattle, Washington 98614 Attn: Jim Ellison Telephone: Fax: E-mail:

11 CHOICE OF LAW, VENUE, JURY TRIAL WAIVER AND JUDICIAL REFERENCE

California law governs the Loan Documents without regard to principles of conflicts of law. Borrower and Bank each submit to the exclusive jurisdiction of the State and Federal courts in Santa Clara County, California; provided, however, that nothing in this Agreement shall be

deemed to operate to preclude Bank from bringing suit or taking other legal action in any other jurisdiction to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favor of Bank. Borrower expressly submits and consents in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower hereby waives any objection that it may have based upon lack of personal jurisdiction, improper venue, or forum non conveniens and hereby consents to the granting of such legal or equitable relief as is deemed appropriate by such court. Borrower hereby waives personal service of the summons, complaints, and other process issued in such action or suit and agrees that service of such summons, complaints, and other process may be made by registered or certified mail addressed to Borrower at the address set forth in, or subsequently provided by Borrower in accordance with, Section 10 of this Agreement and that service so made shall be deemed completed upon the earlier to occur of Borrower's actual receipt thereof or three (3) days after deposit in the U.S. mails, proper postage prepaid.

TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, BORROWER AND BANK EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF OR BASED UPON THIS AGREEMENT, THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

WITHOUT INTENDING IN ANY WAY TO LIMIT THE PARTIES' AGREEMENT TO WAIVE THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY, if the above waiver of the right to a trial by jury is not enforceable, the parties hereto agree that any and all disputes or controversies of any nature between them arising at any time shall be decided by a reference to a private judge, mutually selected by the parties (or, if they cannot agree, by the Presiding Judge of the Santa Clara County, California Superior Court) appointed in accordance with California Code of Civil Procedure Section 638 (or pursuant to comparable provisions of federal law if the dispute falls within the exclusive jurisdiction of the federal courts), sitting without a jury, in Santa Clara County, California; and the parties hereby submit to the jurisdiction of such court. The reference proceedings shall be conducted pursuant to and in accordance with the provisions of California Code of Civil Procedure §§ 638 through 645.1, inclusive. The private judge shall have the power, among others, to grant provisional relief, including without limitation, entering temporary restraining orders, issuing preliminary and permanent injunctions and appointing receivers. All such proceedings shall be closed to the public and confidential and all records relating thereto shall be permanently sealed. If during the course of any dispute, a party desires to seek provisional relief, but a judge has not been appointed at that point pursuant to the judicial reference procedures, then such party may apply to the Santa Clara County, California Superior Court for such relief. The proceeding before the private judge shall be conducted in the same manner as it would be before a court under the rules of evidence applicable to judicial proceedings. The parties shall be entitled to discovery which shall be conducted in the same manner as it would be before a court under the rules of discovery applicable to judicial proceedings. The private judge shall oversee discovery and may enforce all discovery rules and orders applicable to judicial proceedings in the same manner as a trial court judge. The parties agree that the selected or appointed private judge shall have the power to decide all issues in the

action or proceeding, whether of fact or of law, and shall report a statement of decision thereon pursuant to California Code of Civil Procedure § 644(a). Nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral, or obtain provisional remedies. The private judge shall also determine all issues relating to the applicability, interpretation, and enforceability of this paragraph. This Section 11 shall survive the termination of this Agreement.

12 GENERAL PROVISIONS

12.1 Termination Prior to Term Loan Maturity Date; Survival.

All covenants, representations and warranties made in this Agreement continue in full force until this Agreement has terminated pursuant to its terms and all Obligations have been satisfied. So long as Borrower has satisfied the Obligations (other than inchoate indemnity obligations, and any other obligations which, by their terms, are to survive the termination of this Agreement, and any Obligations under Bank Services Agreements that are cash collateralized in accordance with Section 4.1 of this Agreement), this Agreement may be terminated prior to the Term Loan Maturity Date by Borrower, effective three (3) Business Days after written notice of termination is given to Bank. Those obligations that are expressly specified in this Agreement as surviving this Agreement's termination shall continue to survive notwithstanding this Agreement's termination.

12.2 Successors and Assigns.

This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower may not assign this Agreement or any rights or obligations under it without Bank's prior written consent (which may be granted or withheld in Bank's discretion). Bank has the right, without the consent of or notice to Borrower, to sell, transfer, assign, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights, and benefits under this Agreement and the other Loan Documents (other than the Warrant, as to which assignment, transfer and other such actions are governed by the terms of the Warrant). Bank may elect to participate all or a portion of its interest under this Agreement to any Person, at no cost to Borrower and in consultation with Borrower, provided, however, that if such Person is not a banking institution, financial institution or other lender in the primary business of making loans, Borrower must consent to such Person, which consent shall not be unreasonably withheld or delayed (it being acknowledged by Borrower that Borrower's consent is not required for a participation by WestRiver Mezzanine Loans, LLC, and that Bank has consulted with Borrower in connection with a participation by WestRiver Mezzanine Loans, LLC).

12.3 Indemnification.

Borrower agrees to indemnify, defend and hold Bank and its directors, officers, employees, agents, attorneys, or any other Person affiliated with or representing Bank (each, an "Indemnified Person") harmless against: (a) all obligations, demands, claims, and liabilities (collectively, "Claims") claimed or asserted by any other party in connection with the transactions contemplated by the Loan Documents; and (b) all losses or expenses (including Bank Expenses) in any way suffered, incurred, or paid by such Indemnified Person as a result of,

following from, consequential to, or arising from transactions between Bank and Borrower contemplated by the Loan Documents (including reasonable attorneys' fees and expenses), except for Claims and/or losses directly caused by such Indemnified Person's gross negligence or willful misconduct. This Section 12.3 shall survive until all statutes of limitation with respect to the Claims, losses, and expenses for which indemnity is given shall have run.

12.4 Time of Essence.

Time is of the essence for the performance of all Obligations in this Agreement.

12.5 Severability of Provisions.

Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.6 Correction of Loan Documents.

Upon prior written notice to Borrower, Bank may correct patent errors and fill in any blanks in the Loan Documents consistent with the agreement of the parties.

12.7 Amendments in Writing; Waiver; Integration.

No purported amendment or modification of any Loan Document, or waiver, discharge or termination of any obligation under any Loan Document, shall be enforceable or admissible unless, and only to the extent, expressly set forth in a writing signed by the party against which enforcement or admission is sought. Without limiting the generality of the foregoing, no oral promise or statement, nor any action, inaction, delay, failure to require performance or course of conduct shall operate as, or evidence, an amendment, supplement or waiver or have any other effect on any Loan Document. Any waiver granted shall be limited to the specific circumstance expressly described in it, and shall not apply to any subsequent or other circumstance, whether similar or dissimilar, or give rise to, or evidence, any obligation or commitment to grant any further waiver. The Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of the Loan Documents merge into the Loan Documents.

12.8 Counterparts.

This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement.

12.9 Confidentiality.

In handling any confidential information, Bank shall exercise the same degree of care that it exercises for its own proprietary information, but disclosure of information may be made: (a) to Bank's Subsidiaries or Affiliates (such Subsidiaries and Affiliates, together with Bank, collectively, "**Bank Entities**"); (b) to prospective transferees or purchasers of any interest in the

Credit Extensions (provided, however, Bank shall use its best efforts to obtain any prospective transferee's or purchaser's agreement to the terms of this provision); (c) as required by law, regulation, subpoena, or other order; (d) to Bank's regulators or as otherwise required in connection with Bank's examination or audit; (e) as Bank considers appropriate in exercising remedies under the Loan Documents; and (f) to third-party service providers of Bank so long as such service providers have executed a confidentiality agreement with Bank with terms no less restrictive than those contained herein. Confidential information does not include information that is either: (i) in the public domain or in Bank's possession when disclosed to Bank, or becomes part of the public domain (other than as a result of its disclosure by Bank in violation of this Agreement) after disclosure to Bank; or (ii) disclosed to Bank by a third party, if Bank does not know that the third party is prohibited from disclosing the information.

Bank Entities may use anonymous forms of confidential information for aggregate datasets, for analyses or reporting, and for any other uses not expressly prohibited in writing by Borrower. The provisions of the immediately preceding sentence shall survive termination of this Agreement.

12.10 Attorneys' Fees, Costs and Expenses.

In any action or proceeding between Borrower and Bank arising out of or relating to the Loan Documents, the prevailing party shall be entitled to recover its reasonable attorneys' fees and other costs and expenses incurred, in addition to any other relief to which it may be entitled.

12.11 Electronic Execution of Documents.

The words "execution," "signed," "signature" and words of like import in any Loan Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act.

12.12 Captions.

The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.

12.13 Construction of Agreement.

The parties mutually acknowledge that they and their attorneys have participated in the preparation and negotiation of this Agreement. In cases of uncertainty this Agreement shall be construed without regard to which of the parties caused the uncertainty to exist.

12.14 Relationship.

The relationship of the parties to this Agreement is determined solely by the provisions of this Agreement. The parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm's-length contract.

12.15 Third Parties.

Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

12.16 Release of Intellectual Property. Upon the occurrence of the IP Release Event, provided that no Event of Default exists, the Collateral set forth in Exhibit A hereto shall be deemed amended to simultaneously replace Exhibit A hereto in its entirety and inserting in lieu thereof Exhibit D attached hereto. Borrower has granted to the Bank a continuing security interest in the assets described in Exhibit D at all times hereunder. At Borrower's sole cost and expense, upon the occurrence of the JP Release Event, provided that no Event of Default exists, Bank shall execute and deliver to Borrower all releases, amendments, terminations, and other instruments as may be necessary or proper to release its Liens in the Intellectual Property of Borrower, granted herein, including, without limitation, UCC financing termination statements and appropriate filings with the U.S. Copyright Office or the U.S. Patent and Trademark Office.

12.17 Ratification of Perfection Certificate. Borrower hereby ratifies, confirms and reaffirms, all and singular, the terms and disclosures contained in a certain Perfection Certificate dated as of July 21, 2014 between Borrower and Bank, and acknowledges, confirms and agrees (a) the disclosures and information above Borrower provided to Bank in said Perfection Certificate have not changed, as of the date hereof, except as set forth on Exhibit E, and (b) Borrower agrees that all references in this Agreement to "Perfection Certificate" shall hereinafter be deemed to refer to such Perfection Certificate, as amended as set forth on Exhibit E.

13 DEFINITIONS

13.1 Definitions.

As used in the Loan Documents, the word "shall" is mandatory, the word "may" is permissive, the word "or" is not exclusive, the words "includes" and "including" are not limiting, the singular includes the plural, and numbers denoting amounts that are set off in brackets are negative. As used in this Agreement, the following capitalized terms have the following meanings:

"**Account**" is any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes, without limitation, all accounts receivable and other sums owing to Borrower.

"**Account Debtor**" is any "account debtor" as defined in the Code with such additions to such term as may hereafter be made.

"**Affiliate**" is, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person's senior executive officers, directors, partners and, for any Person that is a limited liability company, that Person's managers and members.

"**Agreement**" is defined in the preamble hereof.

"**Bank**" is defined in the preamble hereof.

"**Bank Entities**" is defined in Section 12.9.

"**Bank Expenses**" are all reasonable audit fees and expenses, costs, and expenses (including reasonable attorneys' fees and expenses) for preparing, amending, negotiating, administering, defending and enforcing the Loan Documents (including, without limitation, those incurred in connection with appeals or Insolvency Proceedings) or otherwise incurred with respect to Borrower in connection with the Loan Documents.

"**Bank Services**" are any products, credit services, and/or financial accommodations previously, now, or hereafter provided to Borrower or any of its Subsidiaries by Bank or any Bank Affiliate, including, without limitation, any letters of credit, cash management services (including, without limitation, merchant services, direct deposit of payroll, business credit cards, and check cashing services), interest rate swap arrangements, and foreign exchange services as any such products or services may be identified in Bank's various agreements related thereto (each, a "Bank Services Agreement").

"**Bank Services Agreement**" is defined in the definition of Bank Services.

"**Borrower**" is defined in the preamble hereof.

"**Borrower's Books**" are all Borrower's books and records including ledgers, federal and state tax returns, records regarding Borrower's assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

"**Borrowing Resolutions**" are, with respect to any Person, those resolutions adopted by such Person's board of directors (and, if required under the terms of such Person's Operating Documents, stockholders) and delivered by such Person to Bank approving the Loan Documents to which such Person is a party and the transactions contemplated thereby, together with a certificate executed by its secretary or assistant secretary on behalf of such Person certifying (a) such Person has the authority to execute, deliver, and perform its obligations under each of the Loan Documents to which it is a party, (b) that set forth as a part of or attached as an exhibit to such certificate is a true, correct, and complete copy of the resolutions then in full force and effect authorizing and ratifying the execution, delivery, and performance by such Person of the Loan Documents to which it is a party, (c) the name(s) of the Person(s) authorized to execute the Loan Documents, including any Credit Extension request, on behalf of such Person, together with a sample of the true signature(s) of such Person(s), and (d) that Bank may conclusively rely on such certificate unless and until such Person shall have delivered to Bank a further certificate canceling or amending such prior certificate.

"**Business Day**" is any day that is not a Saturday, Sunday or a day on which Bank is closed.

"**Cash Equivalents**" means (a) marketable direct obligations issued or unconditionally guaranteed by the United States or any agency or any State thereof having maturities of not more than one (1) year from the date of acquisition; (b) commercial paper maturing no more than one (1) year after its creation and having the highest rating from either Standard & Poor's Ratings Group or Moody's Investors Service, Inc.; (c) Bank's certificates of deposit issued maturing no more than one (1) year after issue; and (d) money market funds at least ninety five percent (95%) of the assets of which constitute Cash Equivalents of the kinds described in clauses (a) through (c) of this definition.

"**Claims**" is defined in Section 12.3.

"**Code**" is the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of California; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, or priority of, or remedies with respect to, Bank's Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of California, the term "Code" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies and for purposes of definitions relating to such provisions.

"**Collateral**" is any and all properties, rights and assets of Borrower described on (a) prior to the occurrence of the IP Release Event, Exhibit A, and (b) on and after the occurrence of the IP Release Event, Exhibit D.

"**Collateral Account**" is any Deposit Account, Securities Account, or Commodity Account.

"**Commitment Amount**" means the sum of (a) (i) the aggregate outstanding principal balance of any Advances (as defined in the Senior Loan Agreement), plus (ii) the unused Availability Amount (as defined in the Senior Loan Agreement), plus (b) (i) the Maximum Term Loan Amount, less (ii) dollar-for-dollar, the principal portion of any Term Loan Advances repaid by Borrower to Bank.

"**Commodity Account**" is any "commodity account" as defined in the Code with such additions to such term as may hereafter be made.

"**Compliance Certificate**" is that certain certificate in the form attached hereto as Exhibit B.

"**Contingent Obligation**" is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation, in each case, directly or indirectly guaranteed, endorsed, co made,

discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but "Contingent Obligation" does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith; but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

"**Control Agreement**" is any control agreement entered into among the depository institution at which Borrower maintains a Deposit Account or the securities intermediary or commodity intermediary at which Borrower maintains a Securities Account or a Commodity Account, Borrower, and Bank pursuant to which Bank obtains control (within the meaning of the Code) over such Deposit Account, Securities Account, or Commodity Account.

"**Copyrights**" are any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret.

"**Credit Extension**" is any Term Loan Advance or any other extension of credit by Bank for Borrower's benefit under this Agreement.

"**Default Rate**" is defined in Section 2.2(b).

"**Deposit Account**" is any "deposit account" as defined in the Code with such additions to such term as may hereafter be made.

"**Designated Deposit Account**" is the multicurrency account denominated in Dollars, account number xxxxxx819, maintained by Borrower with Bank.

"**Dollar Equivalent**" is, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in a Foreign Currency, the equivalent amount therefor in Dollars as determined by Bank at such time on the basis of the then-prevailing rate of exchange in San Francisco, California, for sales of the Foreign Currency for transfer to the country issuing such Foreign Currency.

"**Dollars**," "**dollars**" or use of the sign "**$**" means only lawful money of the United States and not any other currency, regardless of whether that currency uses the "$" sign to denote its currency or may be readily converted into lawful money of the United States.

"**Draw Period**" means the period of time commencing upon the occurrence of the Revenue Event and continuing through the earlier to occur of (a) the Draw Period End Date, or (b) an Event of Default.

"**Draw Period End Date**" means January 5, 2016.

"**Effective Date**" is defined in the preamble hereof.

"**Equipment**" is all "equipment" as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

"**ERISA**" is the Employee Retirement Income Security Act of 1974, and its regulations.

"**Event of Default**" is defined in Section 8.

"**Exchange Act**" is the Securities Exchange Act of 1934, as amended.

"**Foreign Accounts**" is defined in Section 6.6(a).

"**Foreign Currency**" means lawful money of a country other than the United States.

"**Funding Date**" is any date on which a Credit Extension is made to or for the account of Borrower which shall be a Business Day.

"**FX Contract**" is any foreign exchange contract by and between Borrower and Bank under which Borrower commits to purchase from or sell to Bank a specific amount of Foreign Currency on a specified date.

"**GAAP**" is generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"**General Intangibles**" is all "general intangibles" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation, all Intellectual Property, claims, income and other tax refunds, security and other deposits, payment intangibles, contract rights, options to purchase or sell real or personal property, rights in all litigation presently or hereafter pending (whether in contract, tort or otherwise), insurance policies (including without limitation key man, property damage, and business interruption insurance), payments of insurance and rights to payment of any kind.

"**Governmental Approval**" is any consent, authorization, approval, order, license, franchise, permit, certificate, accreditation, registration, filing or notice, of, issued by, from or to, or other act by or in respect of, any Governmental Authority.

"**Governmental Authority**" is any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"**Guarantor**" is any present or future guarantor of the Obligations.

"**Indebtedness**" is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and letters of credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) capital lease obligations, and (d) Contingent Obligations.

"**Indemnified Person**" is defined in Section 12.3.

"**Initial Public Offering**" is the initial, underwritten offering and sale of Borrower's common stock to the public pursuant to an effective registration statement under the Securities Act of 1933, as amended.

"**Insolvency Proceeding**" is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

"**Intellectual Property**" means, with respect to any Person, all of such Person's right, title, and interest in and to the following:

(a) its Copyrights, Trademarks and Patents;

(b) any and all trade secrets and trade secret rights, including, without limitation, any rights to unpatented inventions, know-how, operating manuals;

(c) any and all source code;

(d) any and all design rights which may be available to such Person;

(e) any and all claims for damages by way of past, present and future infringement of any of the foregoing, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the Intellectual Property rights identified above; and

(f) all amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents.

"**Inventory**" is all "**inventory**" as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of Borrower's custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

"**Investment**" is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

"**Investor Support**" means it is the clear intention of Borrower's investors, taken as a whole, to continue to fund Borrower in the amounts and timeframe necessary to enable Borrower to satisfy the Obligations as they become due and payable.

"**IP Release Event**" means, provided no Event of Default exists, confirmation by Bank that an Initial Public Offering has occurred.

"**IP Security Agreement**" means that certain Intellectual Property Security Agreement executed and delivered by Borrower to Bank dated as of the Effective Date, as may be amended, modified or restated from time to time.

"**Key Person**" is each of Borrower's Chief Executive Officer, who is Eric Stang as of the Effective Date.

"**Letter of Credit**" is a standby or commercial letter of credit issued by Bank upon request of Borrower based upon an application, guarantee, indemnity, or similar agreement.

"**Lien**" is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

"**Liquidity Event**" means any of the following: (a) a sale or other disposition by Borrower of all or substantially all of its assets; (b) a merger or consolidation of Borrower into or with another person or entity, where the holders of Borrower's outstanding voting equity securities as of immediately prior to such merger or consolidation hold less than a majority of the issued and outstanding voting equity securities of the successor or surviving person or entity as of immediately following the consummation of such merger or consolidation; (c) any sale, in a single transaction or series of related transactions, by the holders of Borrower's outstanding voting equity securities, to one or more buyers, of such securities, where such holders do not, as of immediately following the consummation of such transaction(s), continue to hold at least a majority of Borrower's issued and outstanding voting equity securities; or (d) the occurrence of an Initial Public Offering.

"**Loan Documents**" are, collectively, this Agreement and any schedules, exhibits, certificates, notices, and any other documents related to this Agreement, the Perfection Certificate, the Warrant, any Bank Services Agreement, the IP Security Agreement (but only prior to the IP Release Event), any subordination agreement, any note, or notes or guaranties executed by Borrower or any Guarantor, and any other present or future agreement by Borrower and/or any Guarantor with or for the benefit of Bank in connection with this Agreement, all as amended, restated, or otherwise modified.

"**Maximum Term Loan Amount**" is defined in Section 2.1.1(a).

"**Monthly Financial Statements**" is defined in Section 6.2(a).

"**Obligations**" are Borrower's obligations to pay when due any debts, principal, interest, fees, Bank Expenses, the Term B Loan Advance Commitment Fee, the Prepayment Premium, and other amounts Borrower owes Bank now or later, whether under this Agreement, the other

Loan Documents (other than the Warrant), or otherwise, including, without limitation, all obligations relating to letters of credit (including reimbursement obligations for drawn and =drawn letters of credit), cash management services, and foreign exchange contracts, if any, and including interest accruing after Insolvency Proceedings begin and debts, liabilities, or obligations of Borrower assigned to Bank, and to perform Borrower's duties under the Loan Documents (other than the Warrant).

"**Operating Documents**" are, for any Person, such Person's formation documents, as certified by the Secretary of State (or equivalent agency) of such Person's jurisdiction of organization on a date that is no earlier than thirty (30) days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

"**Outside Accounts**" is defined in Section 6.6(a).

"**Patents**" means all patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same.

"**Payment/Advance Form**" is that certain form attached hereto as Exhibit C.

"**Payment Date**" means the first (1st) calendar day of each month.

"**Perfection Certificate**" is defined in Section 5.1.

"**Permitted Indebtedness**" is:

(a) Borrower's Indebtedness to Bank under this Agreement, the Senior Loan Agreement, and the other Loan Documents;

(b) Indebtedness existing on the Effective Date and shown on the Perfection Certificate;

(c) Subordinated Debt;

(d) unsecured Indebtedness to trade creditors incurred in the ordinary course of business;

(e) Indebtedness to banks and other financial institutions (other than Bank or Bank's Affiliates) under credit card merchant services agreements arising in the ordinary course of Borrower's business in an aggregate principal amount not to exceed Six Hundred Thousand Dollars ($600,000);

(f) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(g) Indebtedness secured by Liens permitted under clauses (a) and (c) of the definition of "Permitted Liens" hereunder; and

(h) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (a) through (g) above, provided that the principal amount thereof is not increased or the terms thereof are not modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"**Permitted Accounts**" is defined in Section 6.6(a).

"**Permitted Investments**" are:

(a) Investments (including, without limitation, Subsidiaries) existing on the Effective Date and shown on the Perfection Certificate;

(b) (i) Investments consisting of Cash Equivalents, and (ii) any Investments permitted by Borrower's investment policy, as amended from time to time, provided that such investment policy (and any such amendment thereto) has been approved in writing by Bank;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of Borrower;

(d) Investments consisting of deposit accounts in which Bank has a perfected security interest;

(e) Investments accepted in connection with Transfers permitted by Section 7.1;

(f) Investments consisting of the creation of a Subsidiary for the purpose of consummating a merger transaction permitted by Section 7.3 of this Agreement, which is otherwise a Permitted Investment;

(g) Investments (i) by Borrower in Subsidiaries not to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate in any fiscal year and (ii) by Subsidiaries in other Subsidiaries or in Borrower;

(h) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the ordinary course of business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrower or its Subsidiaries pursuant to employee stock purchase plans or agreements approved by Borrower's Board of Directors;

(i) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business; and

(j) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business; provided that this paragraph (j) shall not apply to Investments of Borrower in any Subsidiary.

"**Permitted Liens**" are:

(a) Liens existing on the Effective Date and shown on the Perfection Certificate or arising under this Agreement, the Senior Loan Agreement, and the other Loan Documents;

(b) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which Borrower maintains adequate reserves on its Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;

(c) purchase money Liens and capital leases (i) on Equipment acquired or held by Borrower incurred for financing the acquisition of the Equipment securing no more than Two Million Five Hundred Thousand Dollars ($2,500,000) in the aggregate amount outstanding, or (ii) existing on Equipment when acquired, if the Lien is confined to the property and improvements and the proceeds of the Equipment;

(d) Liens of carriers, warehousemen, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as such Liens attach only to Inventory and which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto;

(e) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by ERISA);

(f) Liens incurred in the extension, renewal or refinancing of the indebtedness secured by Liens described in (a) through (c), but any extension, renewal or replacement Lien must be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness may not increase;

(g) leases or subleases of real property granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), and leases, subleases, non-exclusive licenses or sublicenses of personal property (other than Intellectual Property) granted in the ordinary course of Borrower's business (or, if referring to another Person, in the ordinary course of such Person's business), if the leases, subleases, licenses and sublicenses do not prohibit granting Bank a security interest therein;

(h) non-exclusive license of Intellectual Property granted to third parties in the ordinary course of business;

(i) Liens arising from attachments or judgments, orders, or decrees in circumstances not constituting an Event of Default under Sections 8.4 and 8.7;

(j) Liens in favor of other financial institutions arising in connection with Borrower's securities accounts held at such institutions, provided that Bank has a perfected security interest in the amounts held in such deposit and/or securities accounts as required by Section 6.6;

(k) Liens in the form of security deposits maintained in China in favor of Borrower's manufacturers and suppliers located in China to secure Borrower's ongoing purchase obligations with such manufacturers and suppliers provided that the aggregate amount of such security deposits outstanding at any time does not exceed One Million Two Hundred Thousand Dollars ($1,200,000);

(l) Liens in favor of banks or other financial institutions (other than Bank or Bank's Affiliates) on cash secured deposits in an aggregate amount not to exceed Six Hundred Thousand Dollars ($600,000) to secure Indebtedness under credit card merchant services agreements arising in the ordinary course of Borrower's business and referenced in clause (e) of the definition of Permitted Indebtedness; and

(m) Liens in the form of security deposits in favor of Borrower's landlords, provided that the aggregate amount of such security deposits outstanding at any time does not exceed Three Hundred Thousand Dollars ($300,000).

"**Person**" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"**Prepayment Premium**" shall be an additional fee payable to Bank in an amount equal to:

(a) for a prepayment of a Term Loan Advance made on or prior to the first (1st) anniversary of the Funding Date of such Term Loan Advance, two percent (2.0%) of the then outstanding principal amount of such Term Loan Advance as of the date immediately and prior to such prepayment;

(b) for a prepayment of a Term Loan Advance made after the first (1st) anniversary of the Funding Date of such Term Loan Advance, but on or prior to the second (2nd) anniversary of the Funding Date of such Term Loan Advance, one percent (1.0%) of the then outstanding principal amount of such Term Loan Advance as of the date immediately and prior to such prepayment; and

(c) for a prepayment of a Term Loan Advance made after the second (2nd) anniversary of the Funding Date of such Term Loan Advance, but prior to the Term Loan Maturity Date, zero percent (0.0%) of the then outstanding principal amount of such Term Loan Advances as of the date immediately and prior to such prepayment.

Notwithstanding the foregoing, Bank agrees to waive the Prepayment Premium (i) if Bank closes on the refinance and re-documentation of the Term Loan Advances under another division of Bank (in its sole and exclusive discretion) prior to the Term Loan Maturity Date, or (ii) upon the occurrence of a Liquidity Event.

"**Registered Organization**" is any "registered organization" as defined in the Code with such additions to such term as may hereafter be made.

"**Requirement of Law**" is as to any Person, the organizational or governing documents of such Person, and any law (statutory or common), treaty, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, :in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

"**Responsible Officer**" is any of the Chief Executive Officer, President, Chief Financial Officer and Controller of Borrower.

"**Restricted License**" is any material license or other agreement with respect to which Borrower is the licensee (a) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or any other property, or (b) for which a default under or termination of could interfere with the Bank's right to sell any Collateral.

"**Revenue Event**" means delivery by Borrower to Bank, on or prior to the Draw Period End Date, of evidence satisfactory to Bank in Bank's sole discretion, that Borrower (calculated on a consolidated basis with respect to Borrower and its Subsidiaries) has achieved net revenues determined in accordance with GAAP, calculated on a trailing twelve (12) month basis, of at least Seventy Million Dollars ($70,000,000), as of the last day of any month calculated during the period commencing on December 31, 2014 through and including the Draw Period End Date.

"**SEC**" shall mean the Securities and Exchange Commission, any successor thereto, and any analogous Governmental Authority.

"**Second Amendment**" is defined in the definition of Senior Loan Agreement.

"**Securities Account**" is any "securities account" as defined in the Code with such additions to such term as may hereafter be made.

"**Senior Loan Agreement**" is that certain Amended and Restated Loan and Security Agreement between Bank and Borrower dated as of December 17, 2012, as amended by that certain First Amendment to Amended and Restated Loan and Security Agreement between Bank and Borrower dated as of July 21, 2014, and as further amended by that certain Second Amendment to Amended and Restated Loan and Security Agreement (the "Second Amendment") between Bank and Borrower dated as of January 5, 2015, as may be further amended, modified or restated from time to time.

"**Subordinated Debt**" is indebtedness incurred by Borrower subordinated to all of Borrower's now or hereafter indebtedness to Bank (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Bank entered into between Bank and the other creditor), on terms acceptable to Bank.

"**Subsidiary**" is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

"**Term A Loan Advance**" is defined in Section 2.1.1(a).

"**Term B Loan Advance**" and "**Term B Loan Advances**" are each defined in Section 2.1.1(a).

"**Term B Loan Advance Commitment Fee**" is defined in Section 2.3(b).

"**Term Loan Advance**" and "**Term Loan Advances**" are each defined in Section 2.1.1(a).

"**Term Loan Maturity Date**" means the later to occur of (a) the date which is the thirty (30) month anniversary of the Funding Date of the final Term B Loan Advance, or (b) January 5, 2018.

"**Trademarks**" means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

"**Transfer**" is defined in Section 7.1.

"**Warrant**" means, collectively, (a) that certain Warrant to Purchase Stock dated as of the Effective Date between Borrower and Bank, and (b) that certain Warrant to Purchase Stock dated as of the Effective Date between Borrower and WestRiver Mezzanine Loans, LLC, in each case as may be amended, restated, modified, or supplemented from time to time.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

BORROWER:

COMA, INC.

By: /s/ Spencer Jackson
Name: Spencer Jackson
Title VP and General Counsel

BANK:

SILICON VALLEY BANK

By: /s/ Patrick Q. Scheper
Name: Patrick Q. Scheper
Title Vice President

EXHIBIT A — COLLATERAL DESCRIPTION

The Collateral consists of all of Borrower's right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles, commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, certificates of deposit, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and all Borrower's Books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

EXHIBIT B

COMPLIANCE CERTIFICATE

TO: SILICON VALLEY BANK
FROM: OOMA, INC.

Date: _____

The undersigned authorized officer of OOMA, INC. ("Borrower") certifies that under the terms and conditions of the Amended and Restated Loan and Security Agreement between Borrower and Bank (the "Agreement"):

(1) Borrower is in complete compliance for the period ending with all required covenants except as noted below; (2) there are no Events of Default; (3) all representations and warranties in the Agreement are true and correct in all material respects on this date except as noted below; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date; (4) Borrower, and each of its Subsidiaries, has timely filed all required tax returns and reports, and Borrower has timely paid all foreign, federal, state and local taxes, assessments, deposits and contributions owed by Borrower except as otherwise permitted pursuant to the terms of Section 5.8 of the Agreement; and (5) no Liens have been levied or claims made against Borrower or any of its Subsidiaries relating to unpaid employee payroll or benefits of which Borrower has not previously provided written notification to Bank.

Attached are the required documents supporting the certification. The undersigned certifies that these are prepared in accordance with GAAP consistently applied from one period to the next except as explained in an accompanying letter or footnotes. The undersigned acknowledges that no borrowings may be requested at any time or date of determination that Borrower is not in compliance with any of the terms of the Agreement, and that compliance is determined not just at the date this certificate is delivered. Capitalized terms used but not otherwise defined herein shall have the meanings given them in the Agreement.

Please indicate compliance status by circling Yes/No under "Complies" column.

Reporting Covenants	Required	Complies
Monthly financial statements with Compliance Certificate	Monthly within 45 days	Yes No
Annual financial statement (CPA Audited)	FYE within 210 days*	Yes No
SaaS Metrics	Monthly within 45 days	Yes No
Annual projections	Within 7 days of Board approval and at least annually	Yes No
10-Q, 10-K and 8-K	Within 5 days after filing with SEC	Yes No
409 Valuation Report	As completed, but at least annually	Yes No

*FYE 2013 and 2014 audited financial statements due on 2/28/2015.

The following Intellectual Property was registered (or a registration application submitted) after the Effective Date (if no registrations, state "None")

Other Matters

Have there been any amendments of or other changes to the capitalization table of Borrower as a result of any equity financing closings and to the Operating Documents of Borrower or any of its Subsidiaries? If yes, provide copies of any such amendments or changes with this Compliance Yes No

The following are the exceptions with respect to the certification above: (If no exceptions exist, state "No exceptions to note.")

OOMA, Inc

By: _____
Name: _____
Title: _____

BANK USE ONLY

Received by: _____
AUTHORIZED SIGNER
Date: _____

Verified: _____
AUTHORIZED SIGNER
Date: _____

Compliance Status: Yes No

EXHIBIT C – LOAN PAYMENT/ADVANCE REQUEST FORM

DEADLINE FOR SAME DAY PROCESSING IS NOON PACIFIC TIME

Fax To: **Date:** _____

LOAN PAYMENT:

OOMA, INC.

From Account # _____ (Deposit Account #)

To Account # _____ (Loan Account #)

Principal $ _____ and/or Interest $ _____

Authorized Signature _____ Phone Number: _____

Print Name/Title: _____

LOAN ADVANCE:

Complete *Outgoing Wire Request* section below if all or a portion of the funds from this loan advance are for an outgoing wire.

From Account # _____ (Deposit Account #)

To Account # _____ (Loan Account #)

Amount of Advance $ _____

All Borrower's representations and warranties in the Amended and Restated Loan and Security Agreement are true, correct and complete in all material respects on the date of the request for an advance; provided, however, that such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and provided, further that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects as of such date:

Authorized Signature _____ Phone Number: _____

Print Name/Title: _____

OUTGOING WIRE REQUEST:

Complete only if all or a portion of funds from the loan advance above is to be wired.

Deadline for same day processing is noon, Pacific Time

Beneficiary Name: _____ Amount of Wire: $ _____

Beneficiary Bank: _____ Account Number: _____

City and State: _____

Beneficiary Bank Transit (ABA) #: _____ Beneficiary Bank Code (Swift, Sort, Chip, Etc.): _____ **(For International Wire Only)**

Intermediary Bank _____ Transit (ABA) #: _____

For Further Credit to: _____

Special Instruction: _____

By signing below, I (we) acknowledge and agree that my (our) funds transfer request shall be processed in accordance with and subject to the terms and conditions set forth in the agreement(s) covering funds transfer service(s), which agreements(s) were previously received and executed by me (us).

Authorized Signature: _____ 2nd Signature (if required): _____

Print Name/Title: _____ Print Name/Title: _____

Telephone #: _____ Telephone #: _____

EXHIBIT D — COLLATERAL DESCRIPTION

The Collateral consists of all of Borrower's right, title and interest in and to the following personal property:

All goods, Accounts (including health-care receivables), Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles (except as provided below), commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and all Borrower's Books relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

Notwithstanding the foregoing, the Collateral does not include any Intellectual Property, URLS or domain names; provided, however, the Collateral shall include all Accounts and all proceeds of Intellectual Property, URLS or domain names. If a judicial authority (including a U.S. Bankruptcy Court) would hold that a security interest in the underlying Intellectual Property, URLS or domain names is necessary to have a security interest in such Accounts and such property that are proceeds of Intellectual Property, URLS or domain names, then the Collateral shall automatically, and effective as of the Effective Date, include the Intellectual Property, URLS or domain names to the extent necessary to permit perfection of Bank's security interest in such Accounts and such other property of Borrower that are proceeds of the Intellectual Property, URLS or domain names.

Pursuant to the terms of a certain negative pledge arrangement with Bank, Borrower has agreed not to encumber any of its Intellectual Property without Bank's prior written consent.

EXHIBIT E

PERFECTION CERTIFICATE UPDATES

The following Sections of the Perfection Certificate are hereby modified as set forth below. All other sections of the Perfection Certificate remain unmodified and in full force and effect.

2. EQUITY-RELATED MATTERS. A summary capitalization table as of January 31, 2014 is attached hereto as Exhibit A.

3. PARENT/SUBSIDIARIES OF THE COMPANY

a. The legal name of each subsidiary and parent of the Company is as follows. (A "parent" is an entity directly owning more than 50% of the outstanding capital stock of the Company. A "subsidiary" is an entity, 50% or more of the outstanding capital stock of which is directly owned by the Company.)

Name	Subsidiary/Parent	Fed. Employer ID
Talkatone, LLC	Sub ☒ Parent ☐	47-1237768
	Sub ☐ Parent ☐	
	Sub ☐ Parent ☐	

b. The following is a list of the respective jurisdictions and dates of formation of the parent and each subsidiary of the Company:

Name	Jurisdiction	Date of Formation
Talkatone, LLC	Delaware	April 29, 2014

4. LOCATIONS OF COMPANY AND ITS SUBSIDIARIES

c. The following are the names and addresses of all warehousemen, bailees, or other third parties who have possession of any of the Company's inventory, equipment, or other property or that of its subsidiaries:

Name and complete mailing address of third party	Description of assets held with third party including estimated FMV	Name of Company/Subsidiary
MiTAC International Corp 200 Wen Hua 2nd Road Kuei San Hsiang Taoyuan, Taiwan	Inventory; est FMV = $1,700k	Ooma, Inc.
S.Z. Hualin Electronic Precision Technology Co. Ltd. 4 Tian Cheng Rd Dalang Town, Boa An District Shenzhen, P.R.C.	Inventory; est FMV = $400k	Ooma, Inc.
FedEx Trade Networks Transport & Brokerage, Inc. 50 Cypress Ln Brisbane, CA 94005	Inventory; est FMV = $5,670k	Ooma, Inc.
Universal Network Group 35 New Road Belize City, Belize	Inventory; est FMV = $144k	Ooma, Inc.
Equinix 255 Caspian Dr. Sunnyvale, CA 94089	Server equipment; est FMV = $200k	Ooma, Inc.
KENMEC Technology Inc. No. 2 East Taihu Road, Wangshan Industry Park Wuzhong District Suzhou, China	Inventory; est FMV = $316k	Ooma, Inc.
Han Electronic & Marketing Inc. 8F,-1, No.59, Sec. 1, Zhonghue Rd Zhongzheng Dist Taipei City 10042 Taiwan	Inventory; est FMV = $171k	Ooma, Inc.

5. SPECIAL TYPES OF COLLATERAL.

a. An updated copy of Schedule 5(a) is attached hereto as Exhibit B.

b. As of December 26, 2014 the Company no longer maintains a depository account at Bridge Bank.

Exhibit 10.12

STANDARD INDUSTRIAL/COMMERCIAL SINGLE-TENANT LEASE MODIFIED NET

1. Basic Provisions ("Basic Provision").

1.1 **Parties**: This Lease ("**Lease**"), dated, April, is made by and between DP Ventures, LLC ("**Landlord**") and Ooma, Inc., a Delaware corporation ("**Tenant**"), (collectively the "**Parties**," or individually a "**Party**").

1.2(a) **Premises**: That certain building containing approximately 18,000 square feet, including all improvements therein or to be provided by Landlord under the terms of this Lease, commonly known by the street address of 1880 Embarcadero Road, located in the City of Palo Alto, County of Santa Clara, State of California, with zip code 94303 as outlined on Exhibit A attached hereto ("**Premises**"). The "**Building**" is that certain building containing the Premises and generally described as (describe briefly the nature of the Building): a single-tenant R&D/Office building.

In addition to Tenant's rights to use and occupy the Premises as hereinafter specified, Tenant shall have non-exclusive rights to the Common Areas (as defined in Paragraph 2.7 below) as hereinafter specified, but shall not have any rights to the roof except as otherwise specified in Section 50—Tenant Improvements, exterior walls or utility raceways of the Building or to any other buildings in the Industrial Center. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are herein collectively referred to as the "**Industrial Center**." (Also see Paragraph 2.)

1.2(b) **Parking**: ALL unreserved vehicle parking spaces ("**Unreserved Parking Spaces**"); and no reserved vehicle parking spaces ("**Reserved Parking Spaces**"). (Also, see Paragraph 2.6.)

1.3 **Term**: Five (5) years and 0 months ("**Original Term**") commencing December 1st, 2012 ("**Commencement Date**") and ending November 30th, 2017 ("**Expiration Date**"). (Also Paragraph 3.)

1.4 **Early Possession**: The Premises shall be delivered to Tenant upon completion of all Tenant Improvements, base building and code compliance work complete, but in no event later than November 9, 2012, Tenant may have early access to the Premises on November 9, 2012 for the sole purpose of preparing the space for occupancy. ("**Early Possession Date**"). (Also Paragraphs 3.2 and 3.3.)

1.5 **Base rent**: $36,900.00 per month ("**Base Rent**"), payable on the first day of each month commencing January 1, 2013 (Also see Paragraph 4.) Base Rent to be adjusted as follows:

Base Rent shall increase by 3% annually.

1.6(a) **Base Rent and Operating Expenses Paid Upon Execution**: $44,280.00 as Base Rent and Operating Expenses for the period January 1-31, 2013.

1.6(b) **Tenant's Share of Common Area Operating Expenses**: 100.00% ("**Tenant's Share**") as determined by prorata square footage of the Premises as compared to the total square footage of the Building. Operating Expenses estimate will be at the rate of $0.41 per square foot or $7,380.00 per month for the first year of the Term.

1.7 **Security Deposit**: $124,594.00 ("**Security Deposit**"). (Also see Paragraph 5.), as long as Tenant is not in default that has not been cured of the Rent or any other Terms of the Lease, Landlord shall reduce the security deposit by one month's base rent in the 13th and 25th month's of this Lease, and shall retain a minimum security deposit equal to the last month's rent for the remainder of the Lease.

1.8 **Permitted Use**: Tenant may operate as a telephony firm and any other legally permitted uses within the Premises. ("**Permitted Use**") (Also see Paragraph 5.)

1.9 **Insuring Party**. Landlord is the "**Insuring Party**." (Also see Paragraph 8.)

1.10(a) **Real Estate Brokers**. The following real estate broker(s) (collectively, the "**Brokers**") and brokerage relationships exist in this transaction and are consented to by the Parties (check applicable boxes):

☒ Cassidy Turley represents Landlord exclusively ("**Landlord's Broker**");

☒ CBRE represents Tenant exclusively ("**Tenant's Broker**"); or

☐ represents both Landlord and Tenant ("**Dual Agency**"). (/also see Par. 15.)

1.10(b) **Payment to Brokers**. Upon the execution of this Lease by both Parties, Landlord shall pay to said Broker(s) according to separate written agreement between Landlord and said Broker(s).

1.11 **Guarantor**. The obligations of the Tenant under this Lease are to be guaranteed by NONE ("**Guarantor**"). (Also see Paragraph 37.)

1.12 **Addenda and Exhibits**. Attached hereto is Exhibit A through C, all of which constitute a part of this Lease.

2. Premises, Parking and Common Areas.

2.1 **Letting**. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. The leaseable area is measured to the outside edge of the outside walls and drip lines to the centerline of any demising walls, including a pro rata share of the electrical room and other common spaces. Unless otherwise provided herein, any statement of square footage set forth in this Lease, or that may have been used in calculating rental and/or Common Area Operating Expenses, is an approximation which Landlord and Tenant agree is reasonable and the rental and Tenant's Share (as defined in Paragraph 1.6(b) based thereon is not subject to revision whether or not the actual square footage is more or less.

2.2 **Condition**. Landlord shall deliver the Premises to Tenant clean and free of debris on the Commencement Date and warrants to Tenant that the existing plumbing, electrical systems, fire sprinkler system, lighting, air conditioning and heating systems, roof and roof membrane, and loading doors, if any, in the Premises, other than those constructed by Tenant, shall be in good operating condition and for the roof, water tight, on the Commencement Date. If a non-compliance with said warranty exists as of the Commencement Date, Landlord shall, except as otherwise provided in this Lease, promptly after receipt of written notice from Tenant setting forth with specificity the nature and extent of such non-compliance, rectify same at Landlord's expense. If Tenant does not give Landlord written notice of a non-compliance with this warranty within ninety (90) days, except for HVAC which will be six (6) months, after the Commencement Date, correction of that non-compliance shall be the obligation of Tenant at Tenant's sole cost and expense.

2.3 **Warranties**. Tenant acknowledges that neither Landlord nor any of its agents made any representations or warranties respecting the project, the buildings, or the Premises, upon which Tenant relied in entering into this Lease, which are not expressly set forth in this Lease. Tenant further acknowledges that neither Landlord nor any of its agents made any representations as to (i) whether the Premises may be used for Tenant's intended use under existing law or; (ii) the suitability of the Premises for the conduct of Tenant's business or; (iii) the exact square footage of the Premises; that Tenant relied solely upon its own investigations respecting said Premises (including but not limited to the electrical and fire sprinkler systems, security, environmental aspects, seismic and earthquake requirements, and compliance with the American with Disabilities Act and applicable zoning, municipal, county, state and federal laws, ordinances and regulations and any covenants or restrictions of record (collectively, "**Applicable Laws**") and that upon its execution of this Lease, accepts the leaseable area as specified herein. Tenant expressly waives any and all claims for damage by reason of any statement, representation, warranty, promise or other agreement of Landlord or Landlord's agent(s), if any, not contained in this Lease or in any addenda hereto.

2.4 **Intentionally omitted.**

2.5 **Vehicle Parking**. Tenant shall be entitled to use the number of Unreserved Parking Spaces and Reserved Parking Spaces specified in Paragraph 1.2(b) on those portions of the Common Areas designated from time to time by Landlord for parking. Tenant shall not use more parking spaces than said number. Said parking spaces shall be used for parking by vehicles no larger than full-size passenger automobiles or pick-up trucks, herein called "**Permitted Size Vehicles**." Vehicles other than Permitted Size Vehicles shall be parked and loaded or unloaded as reasonably directed by Landlord in the Rules and Regulations (as defined in Paragraph 40) issued by Landlord. (Also see Paragraph 2.9.)

(a) Tenant shall not permit or allow any vehicles that belong to or are controlled by Tenant or Tenant's employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those reasonably designated by Landlord for such activities.

(b) If Tenant permits or allows any of the prohibited activities described in this Paragraph 2.6, then Landlord shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Tenant, which cost shall be immediately payable upon demand by Landlord.

(c) Landlord shall at the Commencement Date of this Lease, provide the parking facilities required by Applicable Law.

2.6 **Common Areas—Definition**. The term "**Common Areas**" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Industrial Center and Interior utility raceways within the Premises that are provided and designated by the Landlord from time to time for the general non-exclusive use of Landlord, Tenant and other tenants of the Industrial Center and their respective employees, suppliers, shippers, customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, driveways and landscaped areas.

2.7 **Common Areas—Tenant's Rights**. Landlord hereby grants to Tenant, for the benefit of Tenant and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Landlord under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Industrial Center. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Landlord or Landlord's designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Landlord shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Tenant, which cost shall be immediately payable upon demand by Landlord.

2.8 **Common Areas—Rules and Regulations**. Landlord or such other person(s) as Landlord may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable Rules and Regulations with respect thereto in accordance with Paragraph 40. Tenant agrees to abide by and conform to all such Rules and Regulations and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Landlord shall not be responsible to Tenant for the non-compliance with said rules and regulations by other tenants of the Industrial Center.

2.9 **Common Areas—Changes**. Provided that the following do not materially interfere with Tenant's use of or access to the Premises or increases Tenant's obligations or diminish its rights under the Lease, Landlord shall have the right, in Landlord's sole discretion, from time to time:

(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;

(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;

(c) To designate other land outside the boundaries of the Industrial Center to be a part of the Common Areas;

(d) To add additional buildings and improvements to the Common Areas;

(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Industrial Center, or any portion thereof; and

(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Industrial Center as Landlord may, in the exercise of sound business judgment, deem to be appropriate.

3. Term.

3.1 **Term**. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

3.2 **Early Possession**. If an Early Possession Date is specified in Paragraph 1.4 and if Tenant totally or partially occupies the Premises after the Early Possession Date but prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such early occupancy. All other terms of this Lease, however, (including but not limited to the obligations to pay Tenant's Share of Common Area Operating Expenses and to carry the insurance required by Paragraph 8) shall be in effect during such period. Any such early possession shall not affect nor advance the Expiration Date of the Original Term.

3.3 **Delay in Possession**. If for any reason Landlord cannot deliver possession of the Premises to Tenant by the Early Possession Date, if one is specified in Paragraph 1.4, or if no Early Possession Date is specified, by three (3) weeks before the Commencement Date, Landlord shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease, or the obligations of Tenant hereunder, or extend the term hereof, but in such case, Tenant shall not, except as otherwise provided herein, be obligated to pay rent or perform any other obligation of Tenant under the terms of this Lease until Landlord delivers possession of the Premises to Tenant with Tenant Improvements completed. If possession of the Premises is not delivered to Tenant within sixty (60) days after the Commencement Date, Tenant may, at its option, by notice in writing to Landlord within ten (10) days after the end of sixty (60) day period, cancel this Lease, in which event the parties shall be discharged from all obligations hereunder; provided further, however, that if such written notice of Tenant is not received by Landlord within said ten (10) day period, Tenant's right to cancel this Lease hereunder shall terminate and be of no further force or effect.

4. Rent

4.1 **Base Rent**. Tenant shall pay Base Rent and other rent or charges, as the same may be adjusted from time to time, to Landlord in lawful money of the United States, without offset or deduction, on or before the 1st day of each month. Base Rent and all other rent and charges for any period during the term hereof which is for less than one full month shall be prorated based upon the actual number of days of the month involved. Payment of Base Rent and other charges shall be made to Landlord at its address stated herein or to such other persons or at such other addresses as Landlord may from time to time designate in writing to Tenant.

4.2 **Common Area Operating Expenses**. Tenant shall pay to Landlord during the term hereof, in addition to the Base Rent, Tenant's Share (as specified in Paragraph 1.6(b)) of all Common Area Operating Expenses, as hereinafter defined, during each calendar year of the term of this Lease, in accordance with the following provisions:

(a) "**Common Area Operating Expenses**" are defined, for purposes of this Lease, as all costs incurred by Landlord relating to the ownership and operation of the Industrial Center, including, but not limited to, the following:

(i) The operation, repair and maintenance, in neat, clean, good order and condition, of the following:

(aa) The Common Areas, including parking areas, loading and unloading areas, trash areas, roadways, sidewalks, walkways, parkways, driveways, landscaped areas, striping, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators and roof.

(bb) Exterior signs and any tenant directories.

(cc) Fire detection and sprinkler systems.

(ii) The cost of water, gas, electricity and telephone to service the Common Areas.

(iii) Trash disposal, property management fees of 4% of the base monthly rental and security services and the costs of any environmental inspections caused by Tenant.

(iv) Intentionally omitted.

(v) Real Property Taxes (as defined in Paragraph 10.2) to be paid by Landlord for the Building and the Common Areas under Paragraph 10 hereof.

(vi) The cost of the premiums for the insurance policies maintained by Landlord under Paragraph 8 hereof.

(vii) Any deductible portion of an insured loss concerning the building or the Common Areas, which cost to Tenant will not exceed two (2) months of Base Rent.

(viii) Any other services to be provided by Landlord that are stated elsewhere in this Lease to be a Common Area Operating Expense.

(b) Any common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Building or to any other building in the industrial Center or to the operation, repair and maintenance thereof, shall be allocated entirely to the Building or to such other building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Landlord to all buildings in the Industrial Center.

(c) The inclusion of the improvements, facilities and services set forth in subparagraph 4.2(a) shall not be deemed to impose an obligation upon Landlord to either have said improvements or facilities or to provide those services unless the Industrial Center already has the same, Landlord already provides the services, or Landlord has agreed elsewhere in this Lease to provide the same or some of them.

(d) Tenant's Share of Common Area Operating Expenses shall be payable by Tenant within Thirty (30) days after a reasonably detailed statement of actual expenses is presented to Tenant by Landlord. At Landlord's option, however, an amount may be estimated by Landlord from time to time of Tenant's Share of annual Common Area Operating Expenses and the same shall be payable monthly or quarterly, as Landlord shall designate, during each 12-month period of the Lease term, on the same day as the Base Rent is due hereunder. The first year's estimate is set forth in Paragraph 1.6(a). Landlord shall deliver to Tenant within sixty (60) days after the expiration of each calendar year a reasonably detailed statement showing Tenant's Share of the actual Common Area Operating Expenses incurred during the preceding year. If Tenant's payments under this Paragraph 4.2(d) during said preceding year exceed Tenant's Share as indicated on said statement, Landlord shall be credited the amount of such over-payment against Tenant's Share of Common Area Operating Expenses next becoming due or reimbursed to Tenant if no Operating Expenses are owed. If Tenant's payments under this Paragraph 4.2(d) during said preceding year were less than Tenant's Share as indicated on said statement, Tenant shall pay to Landlord the amount of the deficiency within thirty (30) days after delivery by Landlord to Tenant of said statement. This obligation to pay or reimburse shall survive the expiration or earlier termination of this Lease.

(e) Notwithstanding anything to the contrary, Common Area Operating Expenses shall not include any of the following: (i) repairs covered by proceeds of insurance or from funds provided by Tenant; (ii) costs and expenses which would be capitalized under generally accepted accounting principles (GAAP), except for such costs which are (a) required by Applicable Laws which were not applicable to the Premises as of the Commencement Date, (b) intended to and actually reduce other Common Area Operating Expenses, and (c) like-for-like similar replacements of existing capital improvements which are necessary to operating the Premises in the same condition as of the Commencement Date, and in all cases such capital expenses shall be amortized over the useful life of the improvement as determined in accordance with GAAP.

5. **Security Deposit**. Tenant shall deposit with Landlord upon Tenant's execution hereof the Security Deposit set forth in Paragraph 1.7 as security for Tenant's faithful performance of Tenant's obligations under this Lease. If Tenant fails to pay Base Rent or other rent or charges due hereunder, or otherwise Defaults under this Lease and that default isn't cured (as defined in Paragraph 13.1), Landlord may use, apply or retain all or any portion of said Security Deposit, Tenant shall within ten (10) days after written request therefore deposit monies with Landlord

sufficient to restore said Security Deposit to the full amount required by this Lease. Landlord shall not be required to keep all or any part of the Security Deposit separate from its general accounts. Landlord shall, at the expiration or earlier termination of the term hereof and after Tenant has vacated the Premises, return to Tenant (or, at Landlord's option, to the last assignee, if any, of Tenant's interest herein), that portion of the Security Deposit not used or applied by Landlord. Unless otherwise expressly agreed in writing by Landlord, no part of the Security Deposit shall be considered to be held in trust, to bear interest or other increment for its use, or to be prepayment for any monies to be paid by Tenant under this Lease.

6. **Use**.

6.1 **Permitted Use**.

(a) Tenant shall use and occupy the Premises only for the Permitted Use set forth in Paragraph 1.8, or any other legal use which is reasonably comparable thereto, and for no other purpose. Tenant shall not use or permit the use of the Premises in a manner that is unlawful, creates waste or a nuisance, or that disturbs owners and/or occupants of, or causes damage to the Premises or neighboring premises or properties.

(b) Landlord hereby agrees to not unreasonably withhold or delay its consent to any written request by Tenant, Tenant's assignees or subtenants, and by prospective assignees and subtenants of Tenant, its assignees and subtenants, for a modification of said Permitted Use, so long as the same will not impair the structural integrity of the improvements on the Premises or in the Building or the mechanical or electrical systems therein, does not conflict with uses by other Tenants, is not significantly more burdensome to the Premises or the Building and the improvements thereon, and is otherwise permissible pursuant to this Paragraph 6. If Landlord elects to withhold such consent, Landlord shall within five (5) business days after such request give a written notification of same, which notice shall include an explanation of Landlord's reasonable objections to the change in use.

6.2 **Hazardous Substances**.

(a) **Reportable Uses Require Consent**. The term "**Hazardous Substance**" as used in this Lease shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment, or the Premises; (ii) regulated or monitored by any governmental authority; or (iii) a basis for potential liability of Landlord to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substance shall include, but not be limited to, hydrocarbons, petroleum, gasoline, crude oil or any products or by-products thereof. Tenant shall not engage in any activity in or about the Premises which constitutes a Reportable Use (as hereinafter defined) of Hazardous Substances without the express prior written consent of Landlord and compliance in a timely manner (at Tenant's sole cost and expense) with all Applicable Requirements (as defined in Paragraph 6.3). "**Reportable Use**" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that

requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and (iii) the presence in, on or about the Premises of a Hazardous Substance with respect to which any Applicable Laws require that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Tenant may, without Landlord's prior consent, but upon notice to Landlord and in compliance with all Applicable requirements, use any ordinary and customary materials reasonably required to be used by Tenant in the normal course of the Permitted Use, so long as such use is not a Reportable Use and does not expose the Premises or neighboring properties to any meaningful risk of contamination or damage or expose Landlord to any liability therefor. In addition, Landlord may (but without any obligation to do so) condition its consent to any Reportable Use of any Hazardous Substance by Tenant upon Tenant's giving Landlord such additional assurances as Landlord, in its reasonable discretion, deems necessary to protect itself, the public, the Premises and the environment against damage, contamination or injury and/or liability therefor, including but not limited to the installation (and, at Landlord's option, removal on or before Lease expiration or earlier termination) of reasonably necessary protective modifications to the Premises (such as concrete encasements) and/or the deposit of an additional Security Deposit under Paragraph 5 hereof.

(b) **Duty to Inform Landlord**. If Tenant knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises or the Building, other than as previously consented to by Landlord, Tenant shall immediately give Landlord written notice thereof, together with a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action, or proceeding given to, or received from, any governmental authority or private party concerning the presence, spill, release, discharge of, or exposure to, such Hazardous Substance including but not limited to all such documents as may be involved in any Reportable Use involving the Premises. Tenant shall not cause or permit any Hazardous Substance to be spilled or released in, on, under or about the Premises (including, without limitation, through the prompting or sanitary sewer system).

(c) **Indemnification**. Tenant shall indemnify, protect, defend and hold Landlord, its agents, employees, lenders and ground lessor, if any, and the Premises, harmless from and against any and all damages, liabilities, judgments, costs, claims, liens, expenses, penalties, loss of permits and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Tenant or by anyone under Tenant's control. Tenant's obligations under this paragraph 6.2(c) shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Tenant, and the cost of investigation (including consultants' and attorneys' fees and testing), removal, remediation, restoration and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation or release agreement entered into by Landlord and Tenant shall release Tenant from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Landlord in writing at the time of such agreement.

6.3 **Tenant's Compliance with Requirements.** Tenant shall, at Tenant's sole cost and expense, fully, diligently and in a timely manner, comply with all "**Applicable Requirements**," which term is used in this Lease to mean all laws, rules, regulations, ordinances, directives, covenants, easements and restrictions of record, permits, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Landlord's engineers and/or consultants, relating to Tenant's use of Hazardous Substances (including but not limited to matters pertaining to (i) industrial hygiene, (ii) environmental conditions on, in, under or about the Premises, including soil and ground water conditions, and (iii) the use, generation, manufacture, production, installation, maintenance, removal, transportation, storage, spill, or release of any Hazardous Substance), now in effect or which may hereafter come into effect. Tenant shall, within five (5) days after receipt of Landlord's written request, provide Landlord with copies of all documents and information, including but not limited to permits, registrations, manifests, applications, reports and certificates, evidencing Tenant's compliance with any applicable Requirements specified by Landlord, and shall immediately upon receipt, notify Landlord in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving failure by Tenant or the Premises to comply with any Applicable Requirements.

6.4 **Inspection; Compliance with Law**. Landlord, Landlord's agents, employees, contractors and designated representatives, and the holders of any mortgages, deeds of trust or ground leases on the Premises ("**Lenders**") shall have the right to enter the Premises at any time in the case of an emergency, and otherwise at reasonable times with 24 hour written notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Tenant with this Lease and all Applicable Requirements (as defined in Paragraph 6.3), and Landlord shall be entitled to employ experts and/or consultants in connection therewith to advise Landlord with respect to Tenant's activities, including but not limited to Tenant's installation, operation, use, monitoring, maintenance, or removal of any Hazardous Substance on or from the Premises. The costs and expenses of any such inspections shall be paid by the party requesting same, unless a Breach of this Lease by Tenant or a violation of Applicable Requirements or a contamination, caused or materially contributed to by Tenant, is found to exist or to be imminent, or unless the inspection is requested or ordered by a governmental authority as the result of any such existing or imminent violation or contamination. In such case, Tenant shall upon request reimburse Landlord or Landlord's Lender, as the case may be, for the costs and expenses of such inspections.

7. **Maintenance, Repairs, Utility Installations, Trade Fixtures and Alterations**.

7.1 **Tenant's Obligations**.

(a) Subject to the provision of Paragraphs 2.2 (Condition), 7.2 (Landlord's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Tenant shall, at Tenant's sole cost and expense and at all times, keep the Premises and every part thereof in good order, condition and repair (whether or not such portion of the Premises requiring repair, or the means of repairing the same, are reasonably or readily accessible to Tenant, and whether or not the need for such repairs occurs as a result of Tenant's use, any prior use, the elements or the age of such portion of the Premises), including, without limiting the generality of the foregoing, all equipment or facilities specifically serving the Premises, such as plumbing, heating, air conditioning, ventilating, electrical, lighting facilities, boilers, fired or unfired pressure vessels, fire hose connections if within the Premises, fixtures, interior walls, interior surfaces of exterior

walls, ceilings (including its components such as tiles, t-bar grid), floors, floor coverings, windows, doors, plate glass, and skylights, but excluding any items which are the responsibility of Landlord pursuant to Paragraph 7.2 below. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices. Tenant's obligations not shall include restorations, replacements or renewals unless due to Tenant's failure to perform good maintenance practices.

(b) Tenant shall, at Tenant's sole cost and expense, procure and maintain a contract, with copies to Landlord, in customary form and substance for and with a contractor specializing and experienced in the inspection, maintenance and service of the heating, air conditioning and ventilation system for the Premises. However, Landlord reserves the right, upon notice to Tenant, to procure and maintain the contract for the heating, air conditioning and ventilating systems, and if Landlord so elects, Tenant shall reimburse Landlord, upon demand, for the cost thereof.

(c) If Tenant fails to perform Tenant's obligations under this Paragraph 7.1, Landlord may enter upon the Premises after ten (10) days' prior written notice to Tenant (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Tenant's behalf, and put the Premises in good order, condition and repair, in accordance with Paragraph 13.2 below.

7.2 **Landlord's Obligations**. Subject to the provisions of Paragraphs 2.2 (Condition), 4.2 (Common Area Operating Expenses), 7 (Use), 7.1 (Tenant's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Landlord, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof and roof membrane, fire sprinkler and/or standpipe and hose (if located in the Common Areas) or other automatic fire extinguishing system including fire alarm and/or smoke detection systems and equipment, fire hydrants, parking lots, walkways, parkways, driveways, landscaping, fences, signs and utility systems and all parts thereof, repairs (capital and non-capital) and Utility Installations, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Landlord shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Landlord be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Tenant expressly waives the benefit of any statute now or hereafter in effect which would otherwise afford Tenant the right to make repairs at Landlord's expense or terminate this Lease because of Landlord's failure to keep the Building, Industrial Center or Common Areas in good order, condition and repair.

7.3 **Utility Installations, Trade Fixtures, Alterations**.

(a) **Definitions; Consent Required**. The term "**Utility Installations**" is used in this Lease to refer to all air lines, power panels, electrical distribution, security, fire protections systems, communications systems, lighting fixtures, heating, ventilating and air conditioning equipment, plumbing, and fencing in, on or about the Premises. The term "**Trade Fixtures**" shall mean Tenant's machinery and equipment which can be removed without doing material damage to the Premises. The term "**Alterations**" shall mean any modification of the

improvements on the Premises which are provided by Landlord under the terms of this Lease, other than Utility Installations or Trade Fixtures. "**Tenant-Owned Alterations and/or Utility Installations**" are defined as Alterations and/or Utility Installations made by Tenant that are not yet owned by Landlord pursuant to Paragraph 7.4(a). Tenant shall not make nor cause to be made any Alterations or Utility Installations in, on, under or about the Premises without Landlord's prior written consent. Tenant may, however, make non-structural Utility Installations to the interior of the Premises (excluding the roof) without Landlord's consent but upon notice to Landlord, so long as they are not visible from the outside of the Premises, do not involve puncturing, relocating or removing the roof or any existing walls, or changing or interfering with the fire sprinkler or fire detection systems and the cumulative cost thereof does not exceed $20,000.

(b) **Consent**. Any Alterations or Utility Installations that Tenant shall desire to make and which require the consent of the Landlord shall be presented to Landlord in written form with detailed plans. All consents given by Landlord, whether by virtue of Paragraph 7.3(a) or by subsequent specific consent, shall be deemed conditioned upon: (i) Tenant's acquiring all applicable permits required by governmental authorities; (ii) the furnishing of copies of such permits together with a copy of the plans and specifications for the Alteration or Utility Installation to Landlord prior to commencement of the work thereon; and (iii) the compliance by Tenant with all conditions of said permits in a prompt and expeditious manner. Any Alterations of Utility Installations by Tenant during the term of this Lease shall be done in a good and workmanlike manner, with good and sufficient materials, and be in compliance with all Applicable Requirements. Tenant shall promptly upon completion thereof furnish Landlord with as-built plans and specifications therefor

(c) **Lien Protection**. Tenant shall pay when due all claims for labor or materials furnished or alleged to have been furnished to or for Tenant at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Tenant shall give Landlord not less than ten (10) days' notice prior to the commencement of any work in, on, or about the Premises, and Landlord shall have the right to post notices of non-responsibility in or on the Premises as provided by law. If Tenant shall, in good faith, contest the validity of any such lien, claim or demand, then Tenant shall, at its sole expense, defend and protect itself, Landlord and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against the Landlord or the Premises. If Landlord shall require, Tenant shall furnish to Landlord a surety bond satisfactory to Landlord in an amount equal to one and one-half times the amount of such contested lien claim or demand, indemnifying Landlord against liability for the same, as required by law for the holding of the Premises free from the effect of such lien or claim. In addition, Landlord may require Tenant to pay Landlord's attorneys' fees and costs in participating in such action if Landlord shall decide it is to its best interest to do so.

7.4 **Ownership, Removal, Surrender, and Restoration**.

(a) **Ownership**. Subject to Landlord's right to require their removal and to cause Tenant to become the owner thereof as hereinafter provided in this Paragraph 7.4, all Alterations and Utility Installations made to the Premises by Tenant shall be the property of and owned by Tenant, but considered a part of the Premises. Landlord may, at any time and at its option, elect in writing to Tenant to be the owner of all or any specified part of the Tenant-Owned Alterations and Utility Installations. Unless otherwise instructed per Subparagraph 7.4(b) hereof, all Tenant-Owned Alterations and Utility Installations shall, at the expiration or earlier termination of this Lease, become the property of Landlord and remain upon the Premises and be surrendered with the Premises by Tenant.

(b) **Removal**. Unless otherwise agreed in writing, Landlord may require at the time of its consent to such (or if no consent, then within thirty (30) days prior to expiration of the Term) that any or all Tenant-Owned Alterations or Utility Installations be removed by the expiration or earlier termination of this Lease. Landlord may require the removal at any time of all or any part of any Alterations or Utility Installations made without the required consent of Landlord.

(c) **Surrender/Restoration**. The voluntary or other surrender of this Lease by Tenant, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Landlord, terminate all or any existing subleases or subtenancies, or may, at the option of Landlord, operate as an assignment to Landlord of any or all such subleases or subtenancies. Immediately prior to the expiration or sooner termination of this Lease, Tenant shall remove all of Tenant's signs from the exterior of the Building and shall remove all of Tenant's equipment, trade fixtures, furniture, supplies, wall decorations and other personal property from the Premises, and shall vacate and surrender the Premises to Landlord in the same condition, broom clean, as existed at the Lease Commencement Date with normal wear and tear excepted. Landlord, at Tenant's expense shall retain a mechanical contractor to service all heating, ventilation and air conditioning equipment, and Tenant shall pay the cost to restore (or replace as required), said equipment to good working order. Tenant shall repair all damage to the Premises caused by Tenant or by Tenant's removal of Tenant's property and all damage to the exterior of the Building caused by Tenant's removal of Tenant's signs. Tenant shall patch and refinish, to Landlord's reasonable satisfaction, all penetrations made by Tenant or its employees to the floor, walls or ceiling of the Premises, whether such penetrations were made with Landlord's approval or not. Tenant shall replace all stained or damaged ceiling tiles and shall repair or replace, as necessary, all wall coverings and clean or replace, as may be required, floor coverings to the reasonable satisfaction of Landlord. Tenant shall replace all burned out light bulbs and damaged or stained light lenses. Tenant shall repair all damage caused by Tenant to the exterior surface of the Building and the paved surfaces of the outside areas adjoining the Premises and, where necessary, replace or resurface same. Additionally, Tenant shall, prior to the expiration or sooner termination of this Lease, remove any improvements, constructed or installed by Tenant which Landlord requests be so removed by Tenant and repair all damage caused by such removal. If the Premises are not surrendered to Landlord in the condition required by this Article at the expiration or sooner termination of this Lease, Landlord may, at Tenant's expense, so remove Tenant's signs, property and/or improvements not so removed and make such repairs and replacements not so made or hire, at Tenant's expenses, independent contractors to perform such work. Tenant shall be liable to Landlord for all costs incurred by Landlord in returning the Premises to the required condition.

8. **Insurance; Indemnity**.

8.1 **Payment of Premiums**. The cost of the premiums for the insurance policies maintained by Landlord under this Paragraph 8 shall be a Common Area Operating Expense pursuant to Paragraph 4.2 hereof. Premiums for policy periods commencing prior to, or extending beyond, the term of this Lease shall be prorated to coincide with the corresponding Commencement Date or Expiration Date.

8.2 **Liability Insurance**.

(a) **Carried by Tenant**. Tenant shall obtain and keep in force during the term of this Lease a Commercial General Liability policy of insurance protecting Tenant, Landlord and any Lender(s) whose names have been provided to Tenant in writing (as additional insureds) against claims for bodily injury, personal injury and property damage based upon, involving or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $3,000,000 per occurrence with an "Additional Insured-Managers or Landlords of Premises: endorsement and contain the "Amendment of the Pollution Exclusion" endorsement for damage caused by heat, smoke or fumes from a hostile fire. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "**insured contract**" for the performance of Tenant's indemnity obligations under this Lease. The limits of said insurance required by this Lease or as carried by Tenant shall not, however, limit the liability of Tenant nor relieve Tenant of any obligation hereunder. All insurance to be required by this Lease or as carried by Tenant shall not, however, limit the liability of Tenant nor relieve Tenant of any obligation hereunder. All insurance to be carried by Tenant shall be primary to and not contributory with any similar insurance carried by Landlord, whose insurance shall be considered excess insurance only.

(b) **Carried by Landlord**. Landlord shall also maintain liability insurance described in Paragraph 8.2(a) above, in addition to and not in lieu of, the insurance required to be maintained by Tenant except coverage for pollution liability, premises pollution, on site and off site, including release of any pollutants, toxins, or contaminants, whether such release is sudden or prolonged or willful or accidental, shall only be carried solely by Tenant. Tenant shall not be named as an additional insured therein.

8.3 **Property Insurance-Building, Improvements and Rental Value**.

(a) **Building and Improvements**. Landlord shall obtain and keep in force during the term of this Lease a policy or policies in the name of Landlord, with loss payable to Landlord and to any Lender(s), insuring against loss or damage to the Premises. Such insurance shall be for full replacement cost, as the same shall exist from time to time, or the amount required by any Lender(s), but in no event more than the commercially reasonable and available insurable value thereof if, by reason of the unique nature or age of the improvements involved, such latter amount is less than full replacement cost. Tenant-Owned Alterations and Utility Installations, Trade Fixtures and Tenant's personal property shall be insured by Tenant pursuant to Paragraph 8.4. If the coverage is available and commercially appropriate, Landlord's policy

or policies shall insure against all risks of direct physical loss or damage (and at Landlord's option the perils of flood and/or earthquake), including coverage for any additional costs resulting from debris removal and reasonable amounts of coverage for the enforcement of any ordinance or law regulating the reconstruction or replacement of any undamaged sections of the Building required to be demolished or removed by reason of the enforcement of any building, zoning, safety or land use laws as the result of a covered loss, but not including plate glass insurance. Said policy or policies shall also contain an agreed valuation provision in lieu of any co-insurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located.

(b) **Rental Value**. Landlord shall also obtain and keep in force during the term of this Lease a policy or policies in the name of Landlord, with loss payable to Landlord and any Lender(s), insuring the loss of the full rental and other charges payable by all tenants of the Building to Landlord for at least one year (including all Real Property Taxes, insurance costs, all Common Area Operating Expenses and any scheduled rental increases). Said insurance may provide that in the event the Lease is terminated by reason of an insured loss, the period of indemnity for such coverage shall be extended beyond the date of the completion of repairs or replacement of the Premises, to provide for one full year's loss of rental revenues from the date of any such loss. Said insurance shall contain an agreed valuation provision in lieu of any co-insurance clause, and the amount of coverage shall be adjusted annually to reflect the projected rental income, Real Property Taxes, insurance premium costs and other expenses, if any, otherwise payable, for the next 12-month period. Common Area Operating Expenses shall include any deductible amount in the event of such loss.

(c) **Adjacent Premises**. Tenant shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Industrial Center if said increase is caused by Tenant's acts, omissions, use or occupancy of the Premises.

(d) **Tenant's Improvements**. Since Landlord is the Insuring Party, Landlord shall not be required to insure Tenant-Owned Alterations and Utility Installations unless the item in question has become the property of Landlord under the terms of this Lease.

8.4 **Tenant's Property Insurance**. Subject to the requirements of Paragraph 8.5, Tenant at its cost shall maintain insurance coverage on all of Tenant's personal property, Trade Fixtures and Tenant-Owned Alterations and Utility Installations in, on, or about the Premises. Such insurance shall be full replacement cost coverage with a deductible not to exceed $5,000 per occurrence. The proceeds from any such insurance shall be used by Tenant for the replacement of personal property and the restoration of Trade Fixtures and Tenant-Owned Alterations and Utility Installations. Upon request from Landlord, Tenant shall provide Landlord with written evidence that such insurance is in force.

8.5 **Insurance Policies**. Insurance required hereunder shall be in companies duly licensed to transact business in the state where the Premises are located, and maintaining during the policy term a "General Policyholders Rating" of at least A-VII or such other rating as may be required by a Lender, as set forth in the most current issue of "Best's Insurance Guide." Tenant shall not do or permit to be done anything which shall invalidate the insurance policies referred to in this Paragraph 8. Tenant shall cause to be delivered to Landlord, within seven (7) days after the earlier of the Early Possession Date or the Commencement Date, certified copies of, or certificates evidencing the existence and amounts of, the insurance required under Paragraph 8.2(a) and 8.4. No such policy shall be cancelable or subject to modification except after thirty (30) days' prior written notice to Landlord. Tenant shall at least ten (10) days prior to the expiration of such policies, furnish Landlord with evidence of renewals or "insurance binders" evidencing renewal thereof, or Landlord may order such insurance and charge the cost thereof to Tenant, which amount shall be payable by Tenant to Landlord upon demand.

8.6 **Waiver of Subrogation**. Without affecting any other rights or remedies, Tenant and Landlord each hereby release and relieve the other, and waive their entire right to recover damages (whether in contract or in tort) against the other, for loss or damage to their property arising out of or incident to the perils required to be insured against under Paragraph 8. The effect of such releases and waivers of the right to recover damages shall not be limited by the amount of insurance carried or required, or by any deductibles applicable thereto. Landlord and Tenant agree to have their respective insurance companies issuing property damage insurance waive any right to subrogation that such companies may have against Landlord or Tenant, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity**. Subject to Paragraph 8.6 above, Tenant, shall, during the term of this Lease, indemnify and save harmless Landlord and any agents of Landlord from any and all loss, damage, claims of damage, obligations, cause or causes of action, or liabilities of any kind or nature (including reasonable costs of attorney's fees if Landlord is made a party to any action which Tenant's indemnity runs hereunder) by reason of injury or death of any person or persons or damage to any property of any kind and to whomsoever belonging, including injury or death to the person or damage to the property of Tenant, Tenant's officers, directors, employees, agents, guests, subtenants and assignees, concessionaires and licensees, and any other person, firm or corporation selling or manufacturing merchandise or services upon or from the Premises, or any part thereof, from any cause or cause whatsoever which result from Tenant's use or from any other activity done, permitted or suffered by Tenant. As a material part of the consideration to Landlord, Tenant hereby assumes all risk of damage to property or injury to persons in or about the Premises from any cause whatsoever (except that which is cause by the sole active negligence or willful misconduct by Landlord or its Agents or by the failure of Landlord to observe any of the terms and conditions of this Lease, if such failure has persisted for an unreasonable period after written notice of such failure). Tenant's obligations under this paragraph shall survive the termination of this Lease.

8.8 **Exemption of Landlord from Liability**. Landlord shall not be liable for injury or damage which may be sustained by Tenant or to the person or goods, wares, merchandise or other property of Tenant, Tenant's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, earthquake, steam, electricity, gas, water or rain, which may leak or from or into any part of the premises or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers,

wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether said injury or damage results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, from other sources or places, and regardless of whether the cause of such damage or injury or the means of preparing the same is accessible or not. Landlord shall not be liable for any damages arising from any act or neglect of any other tenant of Landlord nor from the failure by Landlord to enforce the provisions of any other lease in the Industrial Center. Notwithstanding Landlord's negligence or Breach of this Lease, Landlord shall under no circumstances be liable for injury to Tenant's business or for any loss of income or profit therefrom.

9. **Damage or Destruction**.

9.1 **Definitions**.

(a) "**Premises Partial Damage**" shall mean damage or destruction to the Premises, other than Tenant-Owned Alterations and Utility Installations, the repair cost of which damage or destruction is less than fifty percent (50%) of the then Replacement Cost (as defined in Paragraph 9.1(d) of the Premises (excluding the Tenant-Owned Alterations and Utility Installations and Trade Fixtures) immediately prior to such damage or destruction.

(b) "**Premises Total Destruction**" shall mean damage or destruction to the Premises, other than Tenant-Owned Alterations and Utility Installations, the repair cost of which damage or destruction is fifty percent (50%) or more of the then Replacement Cost of the Premises (excluding Tenant-Owned Alterations and Utility Installations and Trade Fixtures) immediately prior to such damage or destruction. In addition, damage or destruction to the Building, other than Tenant-Owned Alterations and Utility Installations and Trade Fixtures of any tenants of the Building, the cost of which damage or destruction is fifty percent (50%) or more of the then Replacement Cost (excluding Tenant-Owned Alterations and Utility Installations and Trade Fixtures of any Tenants of the Building) of the Building shall, at the option of Landlord, be deemed to be Premises total Destruction.

(c) "**Industrial Center Total Destruction**" shall mean damage or destruction to the Industrial Center or the Building in which the premises are located, regardless of the damage to the premises. The cost of which damage or destruction is fifty percent (50%) or more of the then Replacement Cost of the Industrial Center or the Building (excluding Tenant-Owned Alterations and Utility Installations and Trade Fixtures) immediately prior to such damage or destruction.

(c) "**Insured Loss**" shall mean damage or destruction to the Premises, other than Tenant-Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a) irrespective of any deductible amounts or coverage limits involved.

(d) "**Replacement Cost**" shall mean the cost to repair or rebuild the improvements owned by Landlord at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of applicable building codes, ordinances or laws, and without deduction for depreciation.

(e) "**Hazardous Substance Condition**" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance as defined in Paragraph 6.2(a), in, on, or under the Premises.

9.2 **Premises Partial Damage- Insured or Uninsured Loss**. If Premises Partial Damage that is an Insured or Uninsured Loss occurs, unless solely caused by a negligent or willful act of Tenant (in which event Tenant shall be responsible for any cost of the repairs not covered by insurance proceeds and this Lease shall continue in full force and effect), then Landlord shall, at Landlord's expense, repair such damage (but not Tenant's Trade Fixtures or Tenant-Owned Alterations and Utility Installations) as soon as reasonably possible, but only to the extent of the available insurance proceeds, if any, and the deductibles and this Lease shall continue in full force and effect.

9.3 **Premises Total Destruction**. If the Premises Total Destruction that is an Insured or Uninsured Loss occurs, unless solely caused by a negligent or willful act of Tenant (in which event Tenant shall be responsible for any cost of the repairs not covered by insurance proceeds and this Lease shall continue in full force and effect), either Landlord or Tenant may, upon written notice within thirty (30) days following receipt by Tenant of Landlord's reasonable determination of Total Destruction, terminate this Lease. If the Lease is not terminated by either party, then Landlord shall, at Landlord's expense, repair such damage (but not Tenant's Trade Fixtures or Tenant-Owned Alterations and Utility Installations) as soon as reasonably possible, but only to the extent of the available insurance proceeds, if any, and the deductibles and this Lease shall continue in full force and effect.

9.4 **Industrial Center Destruction**. Notwithstanding any other provision hereof, if the Industrial Center in which the Premises are located suffers Total Destruction (including any destruction required by any authorized public authority), this Lease at either party's option shall terminate sixty (60) days following the date of such Total Destruction, whether or not the damage or destruction affected the premises. In the event, however, that the damage or destruction was solely caused by Tenant, Landlord shall have the right to recover Landlord's damages from Tenant except as released and waived in Paragraph 9.7.

9.5 **Damage Near End of Term**. If at any time during the last twelve (12) months of the term of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, either party may, at either party's option, terminate this Lease effective sixty (60) days following the date of occurrence of such damage by giving written notice to the other party of their election to do so within thirty (30) days after the date of occurrence of such damage. Provided, however, if Tenant at that time has an exercisable option to extend this Lease, then Tenant may preserve this Lease by (a) exercising such option, and (b) providing Landlord with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is ten (10) days after Tenant's receipt of Landlord's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Tenant duly exercises such option during

such period and provides Landlord with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Landlord shall, at Landlord's expense repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Tenant fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate as of the date set forth in the first sentence of this Paragraph 9.5.

9.6 **Abatement of Rent; Tenant's Remedies**.

(a) In the event of (i) a casualty or (ii) Hazardous Substance Condition for which Tenant is not responsible under this Lease, the Base Rent, Common Area Operating Expenses and other charges, if any, payable by Tenant hereunder for the period during which such damage or condition, its repair, remediation or restoration continues, shall be abated in proportion to the degree to which Tenant's use of the Premises is impaired. Except for abatement of Base Rent, Common Area Operating Expenses and other charges, if any, as aforesaid, all other obligations of Tenant hereunder shall be performed by Tenant, and Tenant shall have no claim against Landlord for any damage suffered by reason of any such damage, destruction, repair, remediation or restoration.

(b) If Landlord shall be obligated to repair or restore the Premises under the provisions of this Paragraph 9 and shall not commence, in a substantial and meaningful way, the repair or restoration of the Premises within ninety (90) days after such obligation shall accrue, Tenant may, at any time prior to the commencement of such repair or restoration, give written notice to Landlord and to any Lenders of which Tenant has actual notice of Tenant's election to terminate this Lease on a date not less than sixty (60) days following the giving of such notice. If Tenant gives such notice to Landlord and such Lenders and such repair or restoration is not commenced within thirty (30) days after receipt of such notice, this Lease shall terminate as of the date specified in said notice. If Landlord or a Lender commences the repair or restoration of the Premises within thirty (30) days after the receipt of such notice, this Lease shall continue in full force and effect. "**Commence**" as used in this Paragraph 9.6 shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever occurs first.

9.7 **Hazardous Substance Conditions**. If a Hazardous Substance Condition occurs, unless Tenant is responsible therefor (in which case Tenant shall make the investigation and remediation thereof required by Applicable Requirements and this Lease shall continue in full force and effect, but subject to Landlord's rights under Paragraph 6.2(c) and Paragraph 13), Landlord may at Landlord's option either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Landlord's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to investigate and remediate such condition exceeds twelve (12) times the then monthly Base Rent or $50,000, whichever is greater, give written notice to Tenant within thirty (30) days after receipt by Landlord of knowledge of the occurrence of such Hazardous Substance Condition of Landlord's desire to terminate this Lease as of the date sixty (60) days following the date of such notice. In the event Landlord elects to give such notice of Landlord's intention to terminate this Lease, Tenant shall have the right within ten (10) days after receipt of such notice to give written notice to Landlord of Tenant's commitment to pay for the excess costs of (a) investigation and

remediation of such Hazardous Substance Condition to the extent required by Applicable Requirements, over (B) an amount equal to twelve (12) times the then monthly Base Rent or $50,000 whichever is greater. Tenant shall provide Landlord with the funds required of Tenant or satisfactory assurance thereof within thirty (30) days following said commitment by Tenant. In such event this Lease shall continue in full force and effect, and Landlord shall proceed to make such investigation and remediation as soon as reasonably possible after the required funds are available. If Tenant does not give such notice and provide the required funds or assurance thereof within the time period specified above, this Lease shall terminate as of the date specified in Landlord's notice of termination.

9.8 **Termination—Advance Payments**. Upon termination of this Lease pursuant to this Paragraph 9, Landlord shall return to Tenant any advance payment made by Tenant to Landlord and so much of Tenant's Security Deposit as has not been, or is not then required to be, used by Landlord under the terms of this Lease.

9.9 **Waiver of Statutes**. Landlord and Tenant agree that the terms of this Lease shall govern the effect of any damage to or destruction of the Premises and the Building with respect to the termination of this Lease and hereby waive the provisions of any present or future statute to the extent it is inconsistent herewith.

10. **Real Property Taxes**.

10.1 **Payment of Taxes**. Landlord shall pay the Real Property Taxes, as defined in Paragraph 10.2, applicable to the Industrial Center, and except as otherwise provided in Paragraph 10.3, any such amounts shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.2 **Real Property Tax Definition**. As used herein, the term "**Real Property Taxes**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed upon the Industrial Center by any authority having the direct or indirect power to tax, including any city, state or federal government, or any school, agricultural, sanitary, fire, street, drainage, or other improvement district thereof, levied against any legal or equitable interest of Landlord in the Industrial Center or any portion thereof, Landlord's right to rent or other income therefrom, and/or Landlord's business of leasing the Premises. The term "**Real Property Taxes**" shall also include any tax, fee, levy, assessment or charge, or any increase therein, imposed by reason of events occurring, or changes in Applicable Law taking effect, during the term of this Lease, including but not limited to a change in the ownership of the Industrial Center or in the improvements thereon, the execution of this Lease, or any modification, amendment or transfer thereof, and whether or not contemplated by the Parties. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.3 **Additional Improvements**. Tenant shall pay to Landlord the Common Area Operating Expenses as payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Tenant or at Tenant's request.

10.4 **Joint Assessment**. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed or the industrial center, such proportion to be determined by Landlord from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Landlord's reasonable determination thereof, in good faith, shall be conclusive.

10.5 **Tenant's Property Taxes**. Tenant shall pay prior to delinquency all taxes assessed against and levied upon Tenant-Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Tenant contained in the Premises or stored within the Industrial Center. When possible, Tenant shall cause its Tenant-Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord. If any of Tenant's said property shall be assessed with Landlord's real property, Tenant shall pay Landlord the taxes attributable to Tenant's property within ten (10) days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

11. **Utilities**. Tenant shall pay directly for all utilities and services supplied to the Premises, including but not limited to electricity, water, telephone, security, gas, sewer, trash removal and cleaning of the Premises, together with any taxes thereon. Landlord shall not be liable to Tenant for injury, damage, loss of Tenant's business or profits, from any failure, interruption, rationing or other curtailment in the supply of electric, gas, water or other utilities from whatever cause. Tenant shall not consume water in excess of that usually furnished or supplied for reasonable and normal drinking and lavatory use in connection with an office environment (as determined by Landlord), without first procuring the written consent of Landlord, which Landlord may refuse, and in the event of consent, Landlord may have installed a water meter in the Premises to measure the amount of water consumed. The cost of any such meter and of its installation, maintenance and repair shall be paid for by the Tenant, and Tenant agrees to pay to Landlord promptly upon demand for all such water consumed as shown by said meters, at the rates charged for such services by the local public utility plus any additional expense incurred in keeping account of the water so consumed. If a separate meter is not installed, the excess cost for such water shall be established by an estimate made by a utility company or electrical engineer hired by Landlord at Tenant's expense.

12 **Assignment and Subletting**.

12.1 **Landlord's Consent Required**.

(a) Tenant shall not assign this Lease, nor any right hereunder, nor sublet the premises, nor any part thereof, without the prior written consent of Landlord which shall not be unreasonably withheld. In exercising its reasonable discretion Landlord may consider all commercially relevant factors involved in the leasing of the premises including but not limited to the a) the creditworthiness and financial stability of the prospective assignee or subtenant; b) references of prior landlords; c) the past history of such subtenant, with respect to involvement

in litigation and bankruptcy proceedings; d) the impact of said subtenant or assignee and proposed use of the premises on pedestrian and vehicular traffic, other tenants, and parking; e) the use, generation or disposal of hazardous materials. The presence of one negative factor enumerated above shall be deemed reasonable justification for Landlord's withholding consent.

(b) A change in the control of Tenant shall constitute an assignment requiring Landlord's consent. The transfer, on a cumulative basis, of fifty percent (50%) or more of the voting control of Tenant shall constitute a change in control for this purpose. For purposes of this paragraph, neither the private placement offering or public offering of tenant's securities, nor the assignment of this Lease to an Affiliate of Tenant, shall constitute a change of control requiring landlord's consent.

(c) The involvement of Tenant or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, refinancing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Tenant's assets occurs, which results or will result in a reduction of the Net Worth of Tenant, as hereinafter defined, by an amount equal to or greater than twenty-five percent (25%) of such Net Worth of Tenant as it was represented to Landlord at the time of full execution and delivery of this Lease or at the time of the most recent assignment to which Landlord has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, at whichever time said Net Worth of Tenant was or is greater, shall be considered an assignment of this Lease by Tenant to which Landlord may reasonably withhold its consent. "**Net Worth of Tenant**" for purposes of this Lease shall be the net worth of Tenant (excluding any Guarantors) established under generally accepted accounting principles consistently applied.

(d) An assignment or subletting of Tenant's interest in this Lease without Landlord's specific prior written consent shall, at Landlord's option, be a Default curable after notice per Paragraph 13.1, or a non-curable Breach without the necessity of any notice and grace period. If Landlord elects to treat such unconsented to assignment or subletting as a non-curable Breach, Landlord shall have the right to terminate this Lease.

(e) Tenant's remedy for any Breach of this Paragraph 12.1 by Landlord shall be limited to compensatory damages and/or injunctive relief.

12.2 **Terms and Conditions Applicable to Assignment and Subletting**.

(a) Regardless of Landlord's consent, any assignment or subletting shall not (i) be effective without the express written assumption by such assignee of the obligations of Tenant under this Lease, (ii) release Tenant of any obligations hereunder, nor (iii) alter the primary liability of Tenant for the payment of Base Rent and other sums due Landlord hereunder or for the performance of any other obligations to be performed by Tenant under this Lease.

(b) Landlord may accept any rent or performance of Tenant's obligations from any person other than Tenant pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of any rent for performance shall constitute a waiver or estoppel of Landlord's right to exercise its remedies for the Breach by Tenant of any of the terms, covenants or conditions of this Lease.

(c) The consent of Landlord to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting by Tenant or to any subsequent or successive assignment or subletting by the assignee or subtenant. However, Landlord may consent to subsequent or successive assignment or subletting by the assignee or subtenant. However, Landlord may consent to subsequent sublettings and assignments of the sublease or any amendments or modifications thereto without notifying Tenant or anyone else liable under this Lease or the sublease and without obtaining their consent, and such action shall not relieve such persons from liability under this Lease or the sublease.

(d) In the event of any Breach of Tenant's obligation under this Lease, Landlord may proceed directly against Tenant, any guarantors or anyone else responsible for the performance of the Tenant's obligations under this Lease, including any subtenant, without first exhausting Landlord's remedies against any other person or entity responsible therefor to Landlord, or any security held by Landlord.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Landlord's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or subtenant, including but not limited to the intended use and/or required modification of the Premises, if any, together with refundable deposit of $1,000 as reasonable consideration for Landlord's considering and processing the request for consent which shall be refunded if the sublease is not approved. Tenant agrees to provide Landlord with such other or additional information and/or documentation as may be reasonably requested by Landlord.

(f) Any assignee of, or subtenant under, this Lease shall, by reason of accepting such assignment or entering into such sublease, be deemed, for the benefit of Landlord, to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Tenant during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Landlord has specifically consented in writing.

(g) If Tenant desires to Assign the Lease or sublet the Premises for a term equal to substantially the remaining term of the Lease and obtains an acceptable subtenant or assignee, then the Landlord shall have the option prior to the execution of the sublease or assignment agreement to cancel this Lease, or if a sublet, to cancel the Lease as to the portion sublet. Landlord, in Landlord's sole discretion, may then enter into a new lease with any prospective subtenant as the substitute Tenant. If Landlord exercises this option, then this present lease shall be terminated or modified by mutual agreement as of that time.

12.3 **Additional Terms and Conditions Applicable to Assignment and Subletting**. The following terms and conditions shall apply to any subletting or assignment by Tenant of all or any part of the Premises and shall be deemed included in all subleases and assignments under this Lease whether or not expressly incorporated therein:

(a) Tenant hereby assigns and transfers to Landlord all of Tenant's interest in all rentals, income or other consideration arising from any sublease or assignment of all or a portion of the Premises heretofore or hereafter made by Tenant, and Landlord may collect such sums and apply same toward Tenant's obligations under this Lease. Landlord shall not, by reason of the foregoing provision or any other assignment of such sublease to Landlord, nor by reason of the collection of the rents from a subtenant, be deemed liable to the subtenant for any failure of Tenant to perform and comply with any of Tenant's obligations to such subtenant under such Sublease. Tenant hereby irrevocably authorizes and directs any such subtenant, upon receipt of a written notice from Landlord, if a Breach of Lease by Tenant, to pay to Landlord the rents and other charges due and to become due under the sublease. Subtenant shall rely upon any such statement and request from Landlord and shall pay such rents and other charges to Landlord without any obligation or right to inquire as to whether such Breach exists and notwithstanding any notice from or claim from Tenant to the contrary. Tenant shall have no right or claim against such subtenant, or, until the Breach has been cured, against Landlord, for any such rents and other charges so paid by said subtenant to Landlord.

(b) In the event of a Breach by Tenant in the performance of its obligations under this Lease, Landlord, at its option and without any obligation to do so, may require any subtenant to attorn to Landlord, in which event Landlord shall undertake the obligations of the sub landlord under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Landlord shall not be liable for any prepaid rents or security deposit paid by such subtenant to such sub landlord or for any other prior Breaches of such sublandlord under such sublease.

(c) Any matter or thing requiring the consent of the sublandlord under a sublease shall also require the consent of Landlord herein.

(d) No subtenant under a sublease or assignee approved by Landlord shall further assign or sublet all or any part of the Premises without Landlord's prior written consent pursuant to Paragraph 12.

(e) Landlord shall deliver a copy of any notice of Default or Breach by Tenant to the subtenant, who shall have the right to cure the Default of Tenant within the grace period, if any, specified in such notice. The subtenant shall have a right of reimbursement and offset from and against Tenant for any such Defaults cured by the subtenant.

12.4 **Permitted Transfer**: Notwithstanding anything to the contrary in this Lease and after ten (10) days prior written notice to Landlord, Tenant may, without Landlord's prior written consent and not subject to any recapture or bonus rent provisions, sublet the Premises or assign the Lease to: (i) a subsidiary, affiliate, division or corporation controlling, controlled by or under common control with Tenant; (ii) a successor corporation related to Tenant by merger, consolidation, nonbankruptcy reorganization, or government action; or (iii) a purchaser of substantially all of Tenant's assets located in the Premises. In the event of either (ii) or (iii) above, the assignee must have a net worth greater than that of Tenant just prior to the merger or acquisition. Any of the above are referenced hereafter as "Permitted Transfer" and the transferee is referenced as "Permitted Transferee". For the purpose of this Lease, sale of Tenant's capital stock through any public exchange or issuances for purposes of raising financing shall not be deemed an assignment, subletting, or any other transfer of the Lease or the Premises.

13. **Default; Breach; Remedies**.

13.1 **Default; Breach**. Landlord and Tenant agree that if any attorney is consulted by Landlord in connection with a Tenant Default or Breach (as hereinafter defined), $350.00 is a reasonable minimum sum per such occurrence for legal services and costs in the preparation and service of a notice of Default, and that Landlord may include the cost of such services and costs in said notice as rent due and payable to cure said default. a "**Default**" by Tenant is defined as a failure by Tenant to observe, comply with or perform any of the terms, covenants, conditions or rules applicable to Tenant under this Lease. A "**Breach**" by Tenant is defined as the occurrence of any one or more of the following Defaults, and, where a grace period for cure after notice is specified herein, the failure by Tenant to cure such Default prior to the expiration of the applicable grace period, and shall entitle Landlord to pursue the remedies set forth in Paragraphs 13.2 and/or 13.3.

(a) The abandonment of the Premises.

(b) Except as expressly otherwise provided in this Lease, the failure by Tenant to make any payment of Base Rent, Tenant's Share of Common Area Operating Expenses, or any other monetary payment required to be made by Tenant hereunder as and when due, the failure by Tenant to provide Landlord with reasonable evidence of insurance or surety bond required under this Lease, or the failure of Tenant to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of three (3) days following written notice thereof by or on behalf of Landlord to Tenant.

(c) Except as expressly otherwise provided in this Lease, the failure by Tenant to provide Landlord with reasonable written evidence (in duly executed original form, if applicable) of (i) compliance with Applicable Requirements per Paragraph 6.3, (ii) the inspection, maintenance and service contracts required under Paragraph 7.1(b), (iii) the rescission of an unauthorized assignment or subletting per Paragraph 12.1, (iv) a Tenancy Statement per Paragraphs 16 or 37, (v) the subordination or non-subordination of this Lease per Paragraph 30, (vi) the guaranty of the performance of Tenant's obligations under this Lease if required under Paragraphs 1.11 and 37, (vii) the execution of any document requested under Paragraph 42 (easements), or (viii) any other documentation or information which Landlord may reasonably require of Tenant under the terms of this lease, where any such failure continues for a period of five (5) days following written notice by or on behalf of Landlord to Tenant.

(d) A Default by Tenant as to the terms covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 40 hereof that are to be observed, complied with or performed by Tenant, other than those described in Subparagraphs 13.1(a), (b), or (c), above, where such Default continues for a period of thirty (30) days after written notice thereof by or on behalf of Landlord to Tenant; provided however, that if the nature of Tenant's Default is such that more than thirty (30) days are reasonably required for its cure, then it shall not be deemed to be a Breach of this Lease by Tenant if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

(e) The occurrence of any of the following events: (i) the making by Tenant of any general arrangement or assignment for the benefit of creditors; (ii) Tenant's becoming a "debtor" as defined in 11 U.S. Code Section 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within thirty (30) days; or (iv) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within thirty (30) days; provided, however, in the event that any provision of this Subparagraph 13.1(e) is contrary to any applicable law, such provision shall be of no force or effect, and shall not affect the validity of the remaining provisions.

(f) The discovery by Landlord that any financial statement of Tenant or of any Guarantor, given to Landlord by Tenant or any Guarantor was materially false.

(g) If the performance of Tenant's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory breach basis, and Tenant's failure, within sixty (60) days following written notice by or on behalf of Landlord to Tenant of any such event, to provide Landlord with written alternative assurances of security, which, when coupled with the then existing resources of Tenant, equals or exceeds the combined financial resources of Tenant and the Guarantors that existed at the time of the execution of this Lease.

13.2 **Remedies**. If Tenant fails to perform any affirmative duty or obligation of Tenant under this Lease, within ten (10) days after written notice to Tenant (or in case of an emergency, without notice), Landlord may at its option (but without obligation to do so), perform such duty or obligation on Tenant's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. The costs and expenses of any such performance by Landlord shall be due and payable by Tenant to Landlord upon invoice therefor. If any check given to Landlord by Tenant shall not be honored by the bank upon which it is drawn, Landlord, at its own option, may require all future payments to be made under this Lease by Tenant to be made only by cashier's check. In the event of a Breach of this Lease by Tenant (as defined in Paragraph 13.1), with or without further notice or demand, and without limiting Landlord in the exercise of any right or remedy which Landlord may have by reason of such Breach, Landlord may:

(a) Terminate Tenant's right to possession of the Premises by any lawful means, in which case this Lease and the term hereof shall terminate and Tenant shall immediately surrender possession of the Premises to Landlord. In such event Landlord shall be entitled to recover from Tenant: (i) the worth at the time of the award of the unpaid rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Tenant proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Tenant

proves could be reasonably avoided; and (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by the Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Landlord in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco or the Federal Reserve Bank District in which the Premises are located at the time of award plus one percent (1%). Efforts by Landlord to mitigate damages caused by Tenant's Breach of this Lease shall not waive Landlord's right to recover damages under this Paragraph 13.2. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Landlord shall have the right to recover in such proceeding the unpaid rent and damages as are recoverable therein, or Landlord may reserve the right to recover all or any part thereof in a separate suit for such rent and/or damages. If a notice and grace period required under Subparagraph 13.1 (b), (c) or (d) was not previously given, a notice to pay rent or quit, or to perform or quit, as the case may be, given to Tenant under any statute authorizing the forfeiture of leases for unlawful detainer shall also constitute the applicable notice for grace period purposes required by Subparagraph 13.1 (b), (c) or (d). In such case, the applicable grace period under the unlawful detainer statue shall run concurrently after the one such statutory notice, and the failure of Tenant to cure the Default within the greater of the two (2) such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Landlord to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Tenant's right to possession in effect (in California under California Civil Code Section 1951.4) after Tenant's Breach and recover the rent as it becomes due, provided Tenant has the right to sublet or assign, subject only to reasonably limitations. Landlord and Tenant agree that the limitations on assignment and subletting in this Lease are reasonable. Acts of maintenance or preservation, efforts to relet the Premises, or the appointment of a receiver to protect the Landlord's interest under this Lease, shall not constitute a termination of the Tenant's right to possession.

(c) Pursue any other remedy now or hereafter available to Landlord under the laws or judicial decisions of the state wherein the Premises are located.

(d) The expiration or termination of this Lease and/or the termination of Tenant's right to possession shall not relieve Tenant from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Tenant's occupancy of the Premises.

13.3 Intentionally omitted.

13.4 **Late Charges**. Tenant hereby acknowledges that late payment by Tenant to Landlord of rent and other sums due hereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Landlord by the terms of any ground lease, mortgage or deed of trust covering the Premises. Accordingly, if any installment of rent or other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) days after such amount shall be due, then, without any requirement for notice to Tenant, Tenant shall pay to Landlord a late charge equal to ten percent (10%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Landlord will incur by reason of late payment by Tenant. Notwithstanding the foregoing, Landlord will not assess a late charge until Landlord has given written notice of such late payment for the first late payment in any twelve (12) month period and after Tenant has not cured such late payment within three (3) days from receipt of such notice. No other notices will be required during the following twelve (12) months for a late charge to be incurred. Acceptance of such late charge be Landlord shall in no event constitute a waiver of Tenant's Default or Breach with respect to such overdue amount, nor prevent Landlord from exercising any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of Base Rent, then notwithstanding Paragraph 4.1 or any other provision of this Lease to the contrary, Base Rent shall, at Landlord's option, become due and payable quarterly in advance.

13.5 **Breach by Landlord**. Landlord shall not be deemed in Breach of this Lease unless Landlord fails within a reasonable time to perform an obligation required to be performed by Landlord. For purposes of this Paragraph 13.5, a reasonable time shall in no event be less than thirty (30) days after receipt by Landlord, and by any Lender(s) whose name and address shall have been furnished to Tenant in writing for such purpose, of written notice specifying wherein such obligation of Landlord has not been performed; provided, however, that if the nature of Landlord's obligation is such that more than thirty (30) days after such notice are reasonably required for its performance, then Landlord shall not be in Breach of this Lease if performance is commenced within such thirty (30) day period and thereafter diligently pursued to completion.

14. **Condemnation**. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than twenty five percent (25%) of the floor area of the Premises, or more than twenty-five percent (25%) of the portion of the Common Areas designated for Tenant's parking, is taken by condemnation, Tenant may, at Tenant's option, to be exercised in writing within ten (10) days after Landlord shall have given Tenant written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in the same proportion as the rentable floor area of the Premises taken bears to the total rentable floor area of the Premises. No reduction of the Base Rent shall occur if the condemnation does not apply to any portion of the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power

shall be the property of Landlord, whether such award shall be made as compensation for diminution of value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Tenant shall be entitled to any compensation, separately awarded to Tenant for Tenant's relocation expenses and/or loss of Tenant's Trade Fixtures. In the event that this Lease is not terminated by reason of such condemnation, Landlord shall to the extent of its net severance damages received, over and above Tenant's Share of the legal and other expenses incurred by Landlord in the condemnation matter, repair any damage to the Premises caused by such condemnation authority. Tenant shall be responsible for the payment of any amount in excess of such net severance damages required to complete such repair.

15. **Broker's Fees**.

15.1 **Procuring Cause**. The Broker(s) named in Paragraph 1.10 is/are the procuring cause of this Lease.

15.2 **Assumption of Obligations**. Any buyer or transferee of Landlord's interest in this Lease, whether such transfer is by agreement or by operation of law, shall be deemed to have assumed Landlord's obligation under this Paragraph 15.

15.3 **Representations and Warranties**. Tenant and Landlord each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder other than as named in Paragraph 1.10(a) in connection with the negotiation of this Lease and/or the consummation of the transaction contemplated hereby, and that no broker or other person, firm or entity other than said named Broker(s) is entitled to any commission or finder's fee in connection with said transaction. Tenant and Landlord do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, and/or attorneys' fees reasonably incurred with respect thereto.

16. **Tenancy and Financial Statements**.

16.1 **Tenancy Statement**. Each Party (as "**Responding Party**") shall within ten (10) business days after written notice from the other Party (the "**Requesting Party**") execute, acknowledge and deliver to the Requesting Party a statement in writing in a form similar to the then most current "**Tenancy Statement**" form published by the American Industrial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

16.2 **Financial Statement**. If Landlord desires to finance, refinance, or sell the Premises or the Building, or any part thereof, Tenant and all the Guarantors shall deliver to any potential lender or purchaser designated by Landlord such financial statements of Tenant and such Guarantors as may be reasonably required by such lender or purchaser, including but not limited to Tenant's financial statements for the past three (3) years. All such financial statements shall be received by Landlord and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. **Landlord's Liability**. The term "**Landlord**" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises. In the event of a transfer of Landlord's title or interest in the Premises or in this Lease, Landlord shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Landlord at the time of such transfer or assignment. Except as provided in Paragraph 15.3, upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Landlord shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by Landlord. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Landlord shall be binding only upon the Landlord as herein above defined. Notwithstanding any other terms or provisions of this Lease, Tenant agrees that in the event of any Breach by Landlord with respect to any of the terms of the Lease to be observed and performed by Landlord (a) Tenant shall look solely to the estate and property (which is the subject of this Lease) of Landlord or any successor in interest in the property and the Building, for the satisfaction of Tenant's remedies for the collection of a judgment (or other judicial process) requiring the payment of money by Landlord; (b) no other property or assets of Landlord, its partners, members, shareholders, officers or any successor in interest shall be subject to levy, execution or other enforcement procedure for the satisfaction if Tenant's remedies; (c) no personal liability shall at any time be asserted or enforceable against Landlord, it's partners, members or successors in interest (except to the extent permitted in (a) above), and no judgment will be taken against any partner, member, shareholder, officer or director of Landlord. The provisions of this section shall apply only to the Landlord and the parties herein described, and shall not be for the benefit of any insurer nor any other third party.

18. **Severability**. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. **Interest on Past-Due Obligations**. Any monetary payment due Landlord hereunder, other than late charges, not received by Landlord within thirty (30) days following the date on which it was due, shall bear interest from the date due at the prime rate charged by the largest state chartered bank in the state in which the Premises are located plus four percent (4%) per annum, but not exceeding the maximum rate allowed by law, in addition to the potential late charge provided for in Paragraph 13.4.

20. **Time of Essence**. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

21. **Rent Defined**. All monetary obligations of Tenant to Landlord under the terms of this Lease are deemed to be rent.

22. **No Prior or other Agreements; Broker Disclaimer**. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Landlord and Tenant each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any Breach hereof by either Party. Each Broker shall be an intended third party beneficiary of the provisions of this Paragraph 22.

23. **Notices**.

23.1 **Notice Requirements**. All notices required or permitted by this Lease shall be in writing and may be delivered in person (by hand or by messenger or courier service) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission during normal business hours, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notice purposes. Either Party may by written notice to the other specify a different address for notice purposes, except that upon Tenant's taking possession of the Premises, the Premises shall constitute Tenant's address for the purpose of mailing or delivering notices to Tenant. A copy of all notices required or permitted to be given to Landlord hereunder shall be concurrently transmitted to such party or parties at such addresses as Landlord may from time to time hereafter designate by written notice to Tenant.

23.2 **Date of Notice**. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail, the notice shall be deemed given forty-eight (48) hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given twenty-four (24) hours after delivery of the same to the United States Postal Service or courier. If any notice is transmitted by facsimile transmission or similar means, the same shall be deemed served or delivered upon telephone or facsimile confirmation of receipt of the transmission thereof, provided a copy is also delivered via delivery or mail. If notice is received on a Saturday or a Sunday or a legal holiday, it shall be deemed received on the next business day.

24. **Waivers**. No waiver by Landlord of the Breach of any term covenant or condition hereof by Tenant, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Breach by Tenant of the same or any other term, covenant or condition hereof. Landlord's consent to, or approval of, any such act shall not be deemed to render unnecessary the obtaining of Landlord's consent to, or approval of, any subsequent or similar act by Tenant, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent. Regardless of Landlord's knowledge of a Breach at the time of accepting rent, the acceptance of rent by Landlord shall not be a waiver of any Breach by Tenant of any provision hereof. Any payment given Landlord by Tenant may be accepted by Landlord on account of moneys or damages due Landlord, notwithstanding any qualifying statements or conditions made by Tenant in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Landlord at or before the time of deposit of such payment.

25. **Recording**. Either Landlord or Tenant shall, upon request of the other, execute, acknowledge and deliver to the other a short form memorandum of this Lease for recording purposes. The Party requesting recordation shall be responsible for payment of any fees or taxes applicable thereto.

26. **No Right To Holdover**. Tenant has no right to retain possession of the Premises or any part thereof beyond the expiration or earlier termination of this Lease. In the event that Tenant holds over in violation of this Paragraph 26 then the Base Rent payable from and after the time of the expiration or earlier termination of this Lease shall be increased to one hundred and fifty percent (150%) of the Base Rent applicable during the month immediately preceding such expiration or earlier termination. Nothing contained herein shall be construed as a consent by Landlord to any holding over by Tenant.

27. **Cumulative Remedies**. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. **Covenants and Conditions**. Al provisions of this Lease to be observed or performed by Tenant are both covenants and conditions.

29. **Binding Effect; Choice of Law**. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located.

30. **Subordination; Attornment; Non-Disturbance**.

30.1 **Subordination**. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed by Landlord upon the real property of which the Premises are a part, to any and all advances made on the security thereof, and to all renewals, modifications, consolidations, replacements and extensions thereof. Tenant agrees that the Lenders holding any such Security Device shall have no duty, liability or obligation to perform any of the obligations of Landlord under this Lease, but that in the event of Landlord's default with respect to any such obligation, Tenant will give any Lender whose name and address have been furnished Tenant in writing for such purpose notice of Landlord's default pursuant to Paragraph 13.5. If any Lender shall elect to have this Lease and/or any Option granted hereby superior to the lien of its Security Device and shall give written notice thereof to Tenant, this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment**. Subject to the non-disturbance provisions of Paragraph 30.3, Tenant agrees to attorn to a Lender or any other party who acquires ownership of the Premises by reason of a foreclosure of a Security Device, and that in the event of such foreclosure, such new owner shall not: (i) be liable for any act or omission of any prior Landlord or with respect to events occurring prior to acquisition of ownership, (ii) be subject to any offsets or defenses which Tenant might have against any prior Landlord, or (iii) be bound by prepayment of more than one month's rent.

30.3 **Non-Disturbance**. With respect to Security Devices entered into by Landlord after the execution of this Lease, Tenant's subordination of this Lease shall be subject to receiving assurance (a "non-disturbance agreement") from the Lender that Tenant's possession and this Lease, including any options to extend the term hereof, will not be disturbed so long as Tenant is not in Breach hereof and attorns to the record owner of the Premises.

30.4 **Self-Executing**. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that upon written request from Landlord or a Lender in connection with a sale, financing or refinancing of Premises, Tenant and Landlord shall execute such further writings as may be reasonably required to separately document any such subordination or non-subordination, attornment and/or non-disturbance agreement as is provided for herein.

31. **Attorneys' Fees**. If any Party brings an action or proceeding to enforce the terms hereof or declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees, costs and expenses. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term "**Prevailing Party**" shall include, without limitation, a Party who substantially obtains or defeats the relief sought, as the case may be whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fee award shall not be computed in accordance with any court fee schedule, but shall be such as to full reimburse all attorneys fees, cost and expenses reasonably incurred. Landlord shall be entitled to attorneys' fees, costs and expenses incurred in preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach.

32. **Landlord's Access; Showing Premises; Repairs**. Landlord and Landlord's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times for the purpose of showing the same to prospective purchasers, lenders, or tenants, and make such alterations, repairs, improvements or additions to the Premises or to the Building, as Landlord may reasonably deem necessary. Landlord may at any time place on or about the Premises or Building any ordinary "For Sale" signs and Landlord may at any time during the last one hundred eighty (180) days of the term hereof place on or about the Premises any ordinary "For Lease" signs. All such activities of Landlord shall be without abatement of rent or liability to Tenant.

33. **Auctions**. Tenant shall not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction upon the Premises without first having obtained Landlord's prior written consent. Notwithstanding anything to the contrary in this Lease, Landlord shall not be obligated to exercise any standard of reasonableness in determining whether to grant such consent.

34. **Signs**. Tenant shall not place any sign upon the exterior of the Premises or the Building, except that Tenant may, with Landlord's prior written consent, install (but not on the roof) such signs as are reasonably required to advertise Tenant's own business so long as such signs are in a location designated by Landlord and comply with Applicable Requirements and the signage criteria established for the Industrial Center by Landlord. The installation of any sign on the Premises by or for Tenant shall be subject to the provisions of Paragraph 7 (Maintenance, Repairs, Utility Installations, Trade Fixtures and Alterations). Unless otherwise expressly agreed herein, Landlord reserves all rights to the use of the roof of the Building and the right to install advertising signs on the Building, including the roof, which do not unreasonably interfere with the conduct of Tenant's business; Landlord shall be entitled to all revenues from such advertising signs.

35. **Termination; Merger**. Unless specifically stated otherwise in writing by Landlord, the voluntary or other surrender of this Lease by Tenant, the mutual termination or cancellation hereof, or a termination hereof by Landlord for Breach by Tenant, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, Landlord shall, in the event of any such surrender, termination or cancellation, have the option to continue any one or all of any existing subtenancies. Landlord's failure within ten (10) days of following any such event to make a written election to the contrary by written notice to the holder of any such lesser interest, shall constitute Landlord's election to have such event constitute the termination of such interest.

36. **Consents**.

(a) Except for Paragraph 12 (subleases) and Paragraph 33 (Auctions) or as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Landlord's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Tenant for any Landlord consent pertaining to this Lease or the Premises, including but not limited to consents to an assignment a subletting or the presence or use of a Hazardous Substance, shall be paid by Tenant to Landlord upon receipt of an invoice and supporting documentation therefor. In addition to the deposit described in Paragraph 12.2(e), Landlord may, as condition to considering any such request by Tenant, require that Tenant deposit with Landlord an amount of money (in addition to the Security Deposit held under Paragraph 5) reasonably calculated by Landlord to represent the cost Landlord will incur in considering and responding to Tenant's request. Any unused portion of said deposit shall be refunded to Tenant without interest. Landlord's consent to any act, assignment of this Lease or subletting of the Premises by Tenant shall not constitute an acknowledgment that no Breach by Tenant of this Lease exists, nor shall such consent be deemed a waiver of any then existing Breach, except as may be otherwise specifically stated in writing by Landlord at the time of such consent.

(b) All conditions to Landlord's consent authorized by this Lease are acknowledged by Tenant as being reasonable. The failure to specify herein any particular condition to Landlord's consent shall not preclude the impositions by Landlord at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given.

38. **Quiet Possession**. Upon payment by Tenant of the rent for the Premises and the performance of all of the covenants, conditions and provisions on Tenant's part to be observed and performed under this Lease, Tenant shall have quiet possession of the Premises for the entire term hereof subject to all of the provisions of this Lease.

39. **Options**.

39.1 **Definition**. As used in this Lease, the word “Option” has the following meaning: (a) the right to extend the term of this Lease or to renew this Lease or to extend or renew any lease that Tenant has on other property of Landlord.

39.2 **Options Personal to Original Tenant**. Each Option granted to Tenant in this Lease is personal to the original Tenant named in Paragraph 1.1 hereof, and cannot be voluntarily or involuntarily assigned or exercised by any person or entity other than said original Tenant while the original Tenant is in full and actual possession of the Premises and without the intention of thereafter assigning or subletting. The Options, if any, herein granted to Tenant are not assignable, either as a part of an assignment of this Lease or separately or apart therefrom, and no Option may be separated from this Lease in any manner, by reservation or otherwise. Notwithstanding the foregoing, for the purposes of this Paragraph 39, a Permitted Transferee shall be deemed an original Tenant.

39.3 **Multiple Options**. In the event that Tenant has any multiple Options to extend or renew this Lease, a later option cannot be exercised unless the prior Options to extend or renew this Lease have been validly exercised.

39.4 **Effect of Default on Options**.

(a) Tenant shall have no right to exercise an Option, notwithstanding any provision in the grant of Option to the contrary: (i) during the period commencing with the giving of any notice of Default under Paragraph 13.1 and continuing until the noticed Default is cured, or (ii) during the period of time any monetary obligation due Landlord from Tenant is unpaid (without regard to whether notice thereof is given Tenant), or (iii) during the time Tenant is in Breach of this Lease, or (iv) in the event that Landlord has given to Tenant three (3) or more notices of separate Defaults under Paragraph 13.1 during the twelve (12) month period immediately preceding the exercise of the Option, whether or not the Defaults are cured.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Tenant’s inability to exercise an Option because of the provisions of Paragraph 39.4(a)

(c) All rights of Tenant under the provisions of an Option shall terminate and be of no further force or effect, notwithstanding Tenant’s due and timely exercise of the Option, if, after such exercise and during the term of this Lease, (i) Tenant fails to pay to Landlord a monetary obligation of Tenant for a period of thirty (30) days after such obligation becomes due (without any necessity of Landlord to give notice thereof to Tenant), or (ii) Landlord gives to Tenant three (3) or more notices of separate Defaults under Paragraph 13.1 during any twelve (12) month period, whether or not the Defaults are cured, or (iii) if Tenant commits a Breach of this Lease.

40. **Rules and Regulations**. Tenant agrees that it will abide by, and keep and observe all reasonable rules and regulations ("Rules and Regulations") which Landlord may make from time to time for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Industrial Center and their invitees.

41. **Security Measures**. Tenant hereby acknowledges that the rental payable to Landlord hereunder does not include the cost of guard service or other security measures, and that Landlord shall have no obligation whatsoever to provide same. Tenant assumes all responsibility for the protection of the Premises, Tenant, its agents and invitees and their property from the acts of third parties.

42. **Reservations**. Landlord reserves the right, from time to time, to grant, without the consent or joinder of Tenant, such easements, rights of way, utility raceways, and dedications that Landlord deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights of way, utility raceways, dedications, maps and restrictions do not reasonably interfere with the use of the Premises by Tenant. Tenant agrees to sign any documents reasonably requested by Landlord to effectuate any such easement rights, dedication, map or restrictions.

43. **Performance Under Protest**. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay under the provisions of this Lease.

44. **Authority**. If either Party hereto is a corporation, trust, limited liability company, or general or limited partnership, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on it's behalf and that such entity is duly authorized and existing and qualified to do business in California and that Tenant has the full right and legal authority to enter into this Lease.

45. **Conflict**. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

46. **Offer**. Preparation of this Lease by either Landlord or Tenant or Landlord's agent or Tenant's agent and submission of same to Tenant or Landlord shall not be deemed an offer to lease. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

47. **Amendments**. This Lease may be modified only in writing, signed by the parties in interest at the time of the modification. The Parties shall amend this Lease from time to time to reflect any adjustments that are made to the Base Rent or other rent payable under this Lease. As long as they do not materially change Tenant's obligations hereunder, Tenant agrees to make such reasonable non-monetary modification to this Lease as may be reasonably required by an institutional insurance company or pension plan Lender in connection with the obtaining of normal financing or refinancing of the property of which the Premises are a part.

48. **Multiple Parties**. Except as otherwise expressly provided herein, if more than one person or entity is named herein as either Landlord or Tenant, the obligations of such multiple parties shall be the joint and several responsibility of all persons or entities named herein as such Landlord or Tenant.

49. **Option to Extend**. Subject to the terms and conditions set forth below, Tenant may at its option extend the Terms of this Lease for One (1) period of three (3) years. Such period is called the "Renewal Term." The Renewal Term shall be upon the same terms contained in this Lease, except that (i) Landlord shall have no obligation to provide Tenant with any Tenant Improvement Allowance or demolition in connection with the Renewal Term, (ii) the Base Rental during the Renewal Term shall be calculated as set forth below, and (iii) any reference in the Lease to the "Term" of the Lease shall be deemed to include the Renewal Term and apply thereto, unless it is expressly provided otherwise. Tenant shall have no additional extension options. The Base Rent during the Renewal Term shall be at the then fair market rate (defined hereinafter) for such space for a term commencing of the first day of the Renewal Term. "Market Rate" shall mean the then prevailing market rate for a comparable term commencing on the first day of the Renewal Term for tenants of comparable size and creditworthiness for comparable space in the Building and other R&D/Office buildings in the East Embarcadero area of Palo Alto Area. In no event shall the rent be less than the 60th month's rent. To exercise any option, Tenant must deliver a binding written notice to Landlord not sooner than ten (10) months nor later than three (3) months prior to the expiration of the initial Term of this Lease. Thereafter, the Market Rate for the Renewal Term shall be first determined by Landlord and Landlord shall inform Tenant of the Landlord's opinion of Market Rate. If the parties cannot agree on the Market Rate, the parties shall each appoint a real estate broker or appraiser (with at least 10 years experience in R&D leasing in Silicon Valley) to determine the Market Rate. If the lower of the two is within 95% of the higher of the two valuations, then the Market Rent shall be the average of the two. If the lower of the two valuations is less than 95% of the higher valuation, then the two brokers/appraisers originally selected by the parties shall select a third broker/appraiser who shall present their final determination of Market Rate to the third broker/appraiser, and the third broker/appraiser shall pick one of those two as being the Market Rate. The determination of the third broker/appraiser shall be binding on the parties. The market rent shall be determined within 60 days of the date of Tenant's exercise of its option. If Tenant fails to timely give its notice of exercise, Tenant will be deemed to have waived its option to extend.

50. **Tenant Improvements**. Landlord, at Landlord's sole cost, shall build out the space on a turn-key basis based on a mutually agreed upon space plan to include the items listed below.

a. Modify the large conference room to approximately 13 feet by 32 feet

b. Construct a server room 20 feet by 28 feet with 20 tons of dedicated HVAC with heavy insulated walls to roof and VCT flooring

c. Convert the rear left window into a double glass door

d. Install a glass storefront in place of the rear roll up door with double entry door

e. Construct a 40 foot by 20 foot lab area with VCT flooring (standard VAC, no other special requirements are needed other than standard power)

f. Construct a 10 x 12 storage room

g. Fan installed in shower area

h. Construct a 10 x 12 office

i. Install new water heater

j. Tenant will have roof access to install satellite dish of which Tenant will provide Landlord with size, height and weight and obtain Landlord's reasonable approval.

k. Install privacy wall near restroom

l. Landlord shall provide Tenant with a cabling allowance equal to $1 per square foot ($18,000).

LANDLORD AND TENANT HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LANDLORD AND TENANT WITH RESPECT TO THE PREMISES.

THIS LEASE PREPARED FOR YOUR ATTORNEY'S REVIEW AND APPROVAL. FURTHER, EXPERTS SHOULD BE CONSULTED TO THE PRESENCE OF ASBESTOS, UNDERGROUND STORAGE TANKS OR HAZARDOUS SUBSTANCES. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION OR BY THE REAL ESTATE BROKERS OR THEIR CONTRACTORS, AGENTS OR EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES; THE PARTIES SHALL RELY SOLELY UPON THE ADVICE OF THEIR OWN COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE. IF THE SUBJECT PROPERTY IS IN A STATE OTHER THAN CALIFORNIA, AN ATTORNEY FROM THE STATE WHERE THE PROPERTY IS LOCATED SHOULD BE CONSULTED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: _____ Executed at: _____

on: _____ on: _____

By Landlord:

DP Ventures, LLC

By: /s/ Illegible

Address: 555 Twin Dolphin Drive, Suite 600
Redwood City, CA 94065

Telephone: (650) 508-8666

Facsimile: (650) 508-8686

By Tenant:

Ooma, Inc., a Delaware corporation

By: /s/ Eric Stang

Name Printed: Eric Stang

Title: CEO

Address: 1840 Embarcadero Rd
Palo Alto, CA 94303

Telephone: ( )

Facsimile: ( )

Exhibit 21.1

List of Subsidiaries

Name	Jurisdiction of Organization
Talkatone, LLC	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form S-1 of our report dated April 17, 2015, relating to the consolidated financial statements of Ooma, Inc. and its subsidiary appearing in the Prospectus, which is part of this Registration Statement.

We also consent to the reference to us under the heading “Experts” in such Prospectus.

/s/ Deloitte & Touche LLP

San Jose, California

June 15, 2015