As filed with the Securities and Exchange Commission on July 6, 2015.

Registration No. 333-204975

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

AMENDMENT NO. 1
TO
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)

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

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, 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	**Amount to be Registered**	**Proposed Maximum Offering Price Per Share**	**Proposed Maximum Aggregate Offering Price(1)**	**Amount Of Registration Fee(2)**
Common Stock, par value $0.0001 per share	5,750,000	$18.00	$103,500,000	$12,026.70

(1) Estimated pursuant to Rule 457(a) under the Securities Act of 1933, as amended. Includes the aggregate offering price of shares the underwriters have the option to purchase.
(2) The Registrant previously paid $10,023.00 in connection with the initial filing of the Registration Statement on June 15, 2015.

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.

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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 JULY 6, 2015

Preliminary Prospectus

5,000,000 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 $16.00 and $18.00 per share.

We have applied 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 750,000 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.

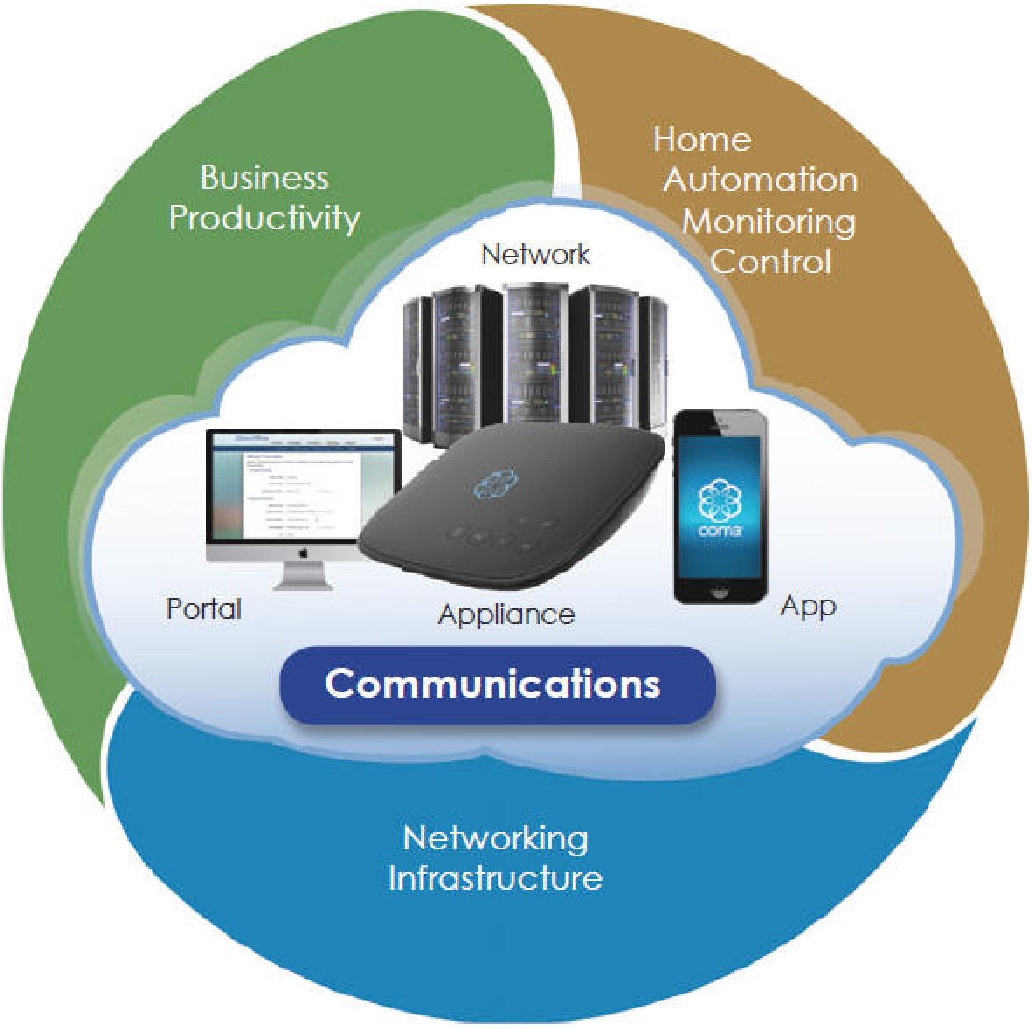
Credit Suisse **BofA Merrill Lynch**

JMP Securities

William Blair **Wunderlich**

The date of this prospectus is , 2015

Smart communications and connected services
for small business, home & mobile users.



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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 39.58% 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.

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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	5,000,000 shares
Common stock to be outstanding after the offering	16,829,033 shares
Option to purchase additional shares of common stock from us	The underwriters have an option to purchase a maximum of 750,000 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 have applied 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. Effective July 6, 2015, we effected a 1-for-2 reverse stock split, or the Reverse Stock Split, of our issued and outstanding common stock, convertible preferred stock, stock options, warrants to purchase our convertible preferred stock and warrants to purchase our common stock. No fractional shares of our common stock or convertible preferred stock will be issued as a result of the Reverse Stock Split. Any fractional shares resulting from the Reverse Stock Split will be rounded down to the nearest whole share.

Except as otherwise indicated, all information in this prospectus is based upon 11,829,033 shares of our common stock (including 423,572 unvested shares of restricted common stock subject to our repurchase right) outstanding as of April 30, 2015, and excludes:

- 1,956,293 shares of our common stock issuable upon exercise of stock options outstanding as of April 30, 2015, having a weighted-average exercise price of $4.09 per share;
- 188,248 shares of our common stock issuable upon exercise of stock options granted after April 30, 2015, having a weighted-average exercise price of $14.96 per share;
- 2,264,824 shares of common stock reserved for future grant or issuance under our 2015 Equity Incentive Plan, or 2015 Plan (which includes 62,768 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;"
- 440,411 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;"
- 87,828 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 $6.16 per share;
- 87,325 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 $4.70 per share;
- 34,397 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 $4.70 per share, which will either terminate upon the closing of this offering, or will be exercised prior thereto; and
- 70,287 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 $4.70 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 Reverse Stock Split and a proportional adjustment to the conversion ratio of our convertible preferred stock, which we expect to effect prior to the completion of this offering;
- 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 8,755,296 shares of common stock, including the automatic conversion of all outstanding shares of our Series Alpha and Series Alpha-1 convertible preferred stock into 8,353,748 shares of common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into 401,548 shares of common stock based on an assumed initial public offering price of $17.00 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 87,325 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 34,397 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 70,287 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, 2013	2014	2015	Three months Ended April 30, 2014	2015
	(In thousands, except share and per share data)				
Net loss per share attributable to common stockholders(2):					
Basic and diluted	$ (3.54)	$ (1.18)	$ (2.81)	$ —	$ (1.52)
Weighted-average common shares outstanding:					
Basic and diluted	1,035,957	1,688,846	2,284,241	2,009,281	2,591,241
Pro forma net loss per share attributable to common stockholders(2):					
Basic and diluted			$ (0.52)		$ (0.28)
As adjusted(3)			$ (0.35)		$ (0.19)
Pro forma weighted average shares outstanding(2):					
Basic and diluted			10,713,768		11,422,316
As adjusted(3)			15,662,886		16,371,434
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, 2013	2014	2015	Three months Ended April 30, 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 for fiscal 2015 and the three months ended April 30, 2015 gives effect to (i) the sale by us of 5,000,000 shares of our common stock in this offering; (ii) the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 8,755,296 shares of our common stock; (iii) the automatic conversion of all outstanding convertible preferred stock warrants into warrants to purchase shares of our common stock; (iv) the application of $0.9 million of the estimated net proceeds from the sale of common stock by us in this offering to cash settle a warrant to purchase 70,287 shares of our convertible preferred stock, equivalent to a deemed dividend of 50,882 shares; net of the aggregate exercise price; (v) the net exercise of warrants to purchase 34,397 shares of our convertible preferred stock, that will be converted into 24,897 shares of our common stock; and (vi) the repayment of 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 $0.1 million for fiscal 2015 and $0.2 million for the three months ended April 30, 2015 of interest expense that would not have been incurred if the offering had occurred on February 1, 2014 and the existing loans with SVB of $10.7 million 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 the sale of 5,000,000 shares of common stock in this offering, which includes the minimum number of shares required for repayment of the existing loans with SVB, or 629,942 shares and the minimum number of shares required as a deemed dividend, to cash settle the warrant to purchase 70,287 shares of convertible preferred stock or 50,882 shares as of April 30, 2015. The number of shares is computed assuming the shares are offered at $17.00 per share, which is the midpoint of the estimated offering price range set forth on the cover page 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	$ 12,770	$ 78,589
Working capital	(5,822)	(5,961)	61,919
Total assets	34,805	33,940	97,308
Convertible preferred stock warrant liability, current and long-term	1,933	—	—
Debt obligations, current and long-term	11,481	11,481	1,122
Deferred revenue, current and long-term	12,300	12,300	12,300
Total liabilities	44,221	42,288	30,424
Convertible preferred stock	38,637	—	—
Stockholders' deficit	$(48,053)	$ (8,348)	$ 66,884

(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 8,353,748 shares of our common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into 401,548 shares of our common stock based on an assumed initial public offering price of $17.00 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 87,325 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 34,397 shares of our convertible preferred stock that will be converted to 24,897 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 70,287 shares of our convertible preferred stock that may be exercised or cash settled upon the closing of this offering with the application of $0.9 million of the estimated net proceeds from the sale of common stock by us in this offering to cash settle that warrant, net of the aggregate exercise price, 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 5,000,000 shares of common stock in this offering at an assumed initial public offering price of $17.00 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 $10.7 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 sought unspecified monetary damages, costs, attorneys’ fees and other appropriate relief. Based upon our preliminary investigation, we believe the UrgenSync complaint was entirely without merit and that our products and services do not infringe any valid or enforceable claim of the aforementioned patent. On June 17, 2015, all of UrgenSync’s claims against us were dismissed with prejudice, effectively ending the litigation without us incurring significant legal or other expenses. 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 13 patent applications pending for examination in the U.S. and four 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 16,829,033 outstanding shares of our common stock, based on the number of shares outstanding as of April 30, 2015.

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 (including shares sold to our affiliates in this offering pursuant to the directed share program). The remaining 11,829,033 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 8,801,582 shares of our common stock as of April 30, 2015, 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 39.58% 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 $13.07 per share, the difference between the assumed initial public offering price of $17.00 per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, 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.

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USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $75.6 million, or approximately $87.4 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 $17.00 per share (the midpoint of the estimated offering 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 $17.00 per share would increase or decrease, as applicable, the net proceeds that we receive from this offering by approximately $4.6 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 $15.8 million, assuming that the assumed initial public offering price of $17.00 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 $0.9 million of the net proceeds from this offering, based upon the assumed initial public offering price of $17.00 per share (the midpoint of the estimated offering price range set forth on the cover page of this prospectus), may be paid to the holder of a warrant exercisable for 70,287 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 intend to use approximately $10.7 million of the net proceeds from this offering to repay the outstanding principal and accrued interest on our existing loans with Silicon Valley Bank, which is the balance as of April 30, 2015, (assuming such repayment takes place in August 2015). 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 8,353,748 shares of our common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into 401,548 shares of our common stock based on an assumed initial public offering price of $17.00 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 87,325 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 34,397 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 70,287 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 5,000,000 shares of common stock in this offering at an assumed public offering price of $17.00 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 April 30, 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	$ 12,770	$ 78,589
Debt	$ 11,481	$ 11,481	$ 1,122
Convertible preferred stock warrant liability	1,933	—	—
Convertible preferred stock, $0.0001 par value: 9,017,410 shares authorized, 8,595,217 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; 10,000,000 shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, $0.0001 par value: 15,000,000 shares authorized, 2,650,165 shares issued and outstanding, actual; 100,000,000 shares authorized, 11,430,358 shares issued and outstanding, pro forma; 100,000,000 shares authorized, 16,430,358 shares issued and outstanding, pro forma as adjusted	—	1	2
Additional paid-in capital	6,638	46,481	122,062
Accumulated deficit	(54,691)	(54,830)	(55,180)
Total stockholders' equity (deficit)	(48,053)	(8,348)	66,884
Total capitalization	$ 3,998	$ 3,133	$ 68,006

(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 $17.00 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 401,548 shares of our common stock upon completion of this offering. Each $1.00 increase or decrease in the assumed initial public offering price of $17.00 per share would decrease or increase 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 22,310 shares or 25,097 shares, respectively.

(2) Each $1.00 increase or decrease in the assumed initial public offering price of $17.00 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 $4.6 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 $15.8 million, assuming the assumed initial public offering price of $17.00 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 11,430,358 shares of our common stock outstanding on a pro forma basis as of April 30, 2015 (including 24,897 shares of our common stock to be issued upon the net exercise of warrants to purchase 34,397 shares of our convertible preferred stock upon completion of this offering), and excludes:

- 423,572 unvested shares of restricted common stock subject to our repurchase right;
- 1,956,293 shares of our common stock issuable upon exercise of stock options outstanding as of April 30, 2015, having a weighted-average exercise price of $4.09 per share;
- 188,248 shares of our common stock issuable upon exercise of stock options granted after April 30, 2015, having a weighted-average exercise price of $14.96 per share;
- 2,264,824 shares of common stock reserved for future grant or issuance under our 2015 Equity Incentive Plan, or 2015 Plan (which includes 62,768 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;"
- 440,411 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;"
- 87,828 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 $6.16 per share;
- 87,325 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 $4.70 per share;

- 70,287 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 $4.70 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 $(4.42) 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 $(10.6) million, or $(0.93) per share of our common stock. Our pro forma net tangible book value before the issuance of shares in this offering gives effect to (i) the automatic conversion of all outstanding shares of our Series Alpha and Series Alpha-1 convertible preferred stock into 8,353,748 shares of our common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into 401,548 shares of our common stock based on an assumed initial public offering price of $17.00 per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus; (ii) the derecognition of our convertible preferred stock warrant liability related to a warrant to purchase shares of our convertible preferred stock that may be exercised or cash settled; and (iii) the net exercise of warrants to purchase certain shares of our convertible preferred stock, and the termination of the associated preferred stock warrant liability and the reclassification of this associated preferred stock warrant liability to additional paid-in capital.

After giving effect to (i) our sale of 5,000,000 shares of our common stock in this offering at an assumed initial public offering price of $17.00 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; and (ii) the application of 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, our pro forma as adjusted net tangible book value as of April 30, 2015 would have been $64.6 million, or $3.93 per share. This represents an immediate increase in net tangible book value of $4.86 per share to our existing stockholders and an immediate dilution of $13.07 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		$17.00
Historical net tangible book value per share as of April 30, 2015	$(4.42)	
Pro forma increase in net tangible book value per share	$ 3.49	
Pro forma net tangible book value per share as of April 30, 2015	$(0.93)	
Pro forma net tangible book value, as adjusted to give effect to this offering	$ 4.86	
Pro forma as adjusted net tangible book value per share after giving effect to this offering		$ 3.93
Dilution in pro forma net tangible book value per share to new investors in this offering		$13.07

Each $1.00 increase or decrease in the assumed initial public offering price of $17.00 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 $4.6 million, or approximately $0.29 or $0.28 per share, respectively, and would increase or decrease, as applicable, dilution per share to new investors in this offering by $0.71 or $0.72, respectively, 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 $15.8 million, or approximately $0.68 or $0.77 per share, respectively, and would decrease or increase, as applicable, dilution per share to new investors in this offering by approximately $0.68 or $0.77 per share, respectively, assuming an initial public offering price of $17.00 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 $4.45 per share, and the dilution per share to new investors in this offering would be $12.55 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 $17.00 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	11,430,358	69.6%	$ 40,255,000	32.1%	$ 3.52
New investors	5,000,000	30.4%	$ 85,000,000	67.9%	$ 17.00
Total	16,430,358	100.0%	$125,255,000	100.0%	

Each $1.00 increase or decrease in the assumed initial public offering price of $17.00 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 $4.7 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 $15.8 million, assuming an initial public offering price of $17.00 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 11,430,358 shares of our common stock outstanding on a pro forma basis as of April 30, 2015, (including 24,897 shares of our common stock to be issued upon the net exercise of warrants to purchase 34,397 shares of our convertible preferred stock upon completion of this offering), and excludes:

- 423,572 unvested shares of restricted common stock subject to our repurchase rights;
- 1,956,293 shares of our common stock issuable upon exercise of stock options outstanding as of April 30, 2015, having a weighted-average exercise price of $4.09 per share;
- 188,248 shares of our common stock issuable upon exercise of stock options granted after April 30, 2015, having a weighted-average exercise price of $14.96 per share;
- 2,264,824 shares of common stock reserved for future grant or issuance under our 2015 Equity Incentive Plan, or 2015 Plan (which includes 62,768 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;"

- 440,411 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;"
- 87,828 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 $6.16 per share;
- 87,325 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 $4.70 per share;
- 70,287 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 $4.70 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.

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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	$ (3.54)	$ (1.18)	$ (2.81)	$ —	$ (1.52)
Weighted-average common shares outstanding:					
Basic and diluted	1,035,957	1,688,846	2,284,241	2,009,281	2,591,241
Pro forma net loss per share attributable to common stockholders(2):					
Basic and diluted			$ (0.52)		$ (0.28)

	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			10,713,768		11,422,316
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.

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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.

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.

We have various ways that we assess the profitability of our customers, and use these to evaluate the efficiency of our business model and our customer acquisition strategies. 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. We estimate that the total lifetime value of an average customer, which we define as the average gross margin per subscriber divided by subscriber churn at the time of calculation, was approximately $919 as of the end of fiscal 2015. We also estimate that the ultimate contribution payback per dollar spent was $7.50 as of the end of fiscal 2015. We calculate this contribution payback as the ratio of total gross margin over the average life of a user to the average direct costs incurred to acquire a user.

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.

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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,			As of 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.

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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:	$ (3.54)	$ (1.18)	$ (2.81)	$ —	$ (1.52)
Weighted-average number of common shares outstanding used to compute net loss of per share, basic and diluted:	1,035,957	1,688,846	2,284,241	2,009,281	2,591,241

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, 2014	Three months Ended April 30, 2015	Change $	Change %
	(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, 2014	Year Ended January 31, 2015	Change $	Change %
	(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.

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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, 2013	2014	Change $	%
	(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, 2013	2014	Change $	%
	(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)

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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 241,469 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 analyses 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 $14.96 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	5,250	$ 0.22	$ 1.06
December 17, 2013	158,583	$ 0.22	$ 1.06
March 5, 2014	16,750	$ 1.94	$ 2.06
April 23, 2014	43,500	$ 1.94	$ 3.50
July 30, 2014	156,250	$ 3.74	$ 4.02
October 9, 2014	69,000	$ 4.02	$ 4.02
December 23, 2014	180,525	$ 6.04	$ 7.84
January 6, 2015	869,080	$ 6.04	$ 8.32
January 24, 2015	5,000	$ 6.04	$ 8.94
February 22, 2015	68,500	$ 9.18	$ 10.60
March 30, 2015	12,000	$ 9.18	$ 12.94

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	$ 0.22
October 31, 2013	$ 1.06
March 1, 2014	$ 1.94
May 1, 2014	$ 3.74
August 1, 2014	$ 4.02
October 31, 2014	$ 6.04
January 31, 2015	$ 9.18
April 30, 2015	$ 14.96

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.

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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

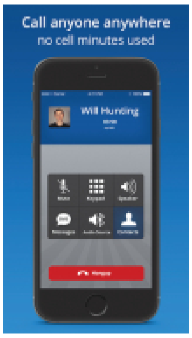
We offer other premium subscription services to our customers, independent of the Ooma Premier Service, including the following services.

- ***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.

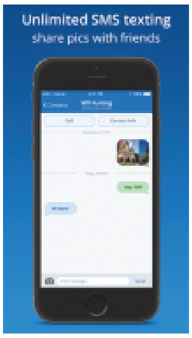
Talkatone App

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 sought unspecified monetary damages, costs, attorneys' fees and other appropriate relief. Based upon our preliminary investigation, we believe the UrgenSync complaint was entirely without merit and that our products and services do not infringe any valid or enforceable claim of the aforementioned patent. On June 17, 2015, all of UrgenSync's claims against us were dismissed with prejudice, effectively ending the litigation without us incurring significant legal or other expenses. 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 Peter J. Goettner and Sean N. Parker, and their terms will expire at the annual meeting of stockholders to be held in 2016;
- the Class II directors will be Russell Mann, Eric B. Stang and James Wei, and their terms will expire at the annual meeting of stockholders to be held in 2017; and
- the Class III directors will be Alison Davis, Andrew H. Galligan and William D. Pearce, 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 (20,000); Mr. Galligan (169,100); Mr. Goettner (0); Mr. Mann (71,859); Mr. Parker (17,179); Mr. Pearce (54,442) 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. This retainer is payable in arrears in equal quarterly installments, subject to such director's continued service on the last day of the preceding quarter and prorated as necessary to reflect service commencement or termination during the quarter.

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

Expenses. Non-employee directors will be reimbursed for travel, lodging and other reasonable expenses incurred in connection with their attendance at board of directors or committee meetings.

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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	190,000(5)	$ 6.04	1/5/2025	—	—
	3/25/2012	—	—	—	57,417(6)	—
	10/11/2013	—	—	—	59,569(7)	—
Ravi Narula	12/23/2014	127,500(8)	$ 6.04	12/22/2024	—	—
James A. Gustke	1/6/2015	45,000(11)	$ 6.04	1/5/2025	—	—
	3/25/2012	—	—	—	9,444(12)	—
	3/22/2013	—	—	—	2,709(13)	—
	10/11/2013	—	—	—	14,968(14)	—
Spencer D. Jackson	12/17/2013	—	—	—	27,344(9)	—
	2/11/2013	—	—	—	27,344(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 $17.00 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 196,858 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 89,353 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. 77,832 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 37,500 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 37,500 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 (the "Gustke Acceleration").

(12) These restricted shares were part of an early exercised stock option grant covering 32,379 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. The Gustke Acceleration will apply to these shares.

(13) These restricted shares were part of an early exercised stock option grant covering 5,000 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. The Gustke Acceleration will apply to these shares.

(14) These restricted shares were part of an early exercised stock option grant covering 22,452 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. The Gustke Acceleration will apply to these shares.

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. Mr. Gustke's commission bonus target will not change 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

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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 4,433,102 shares of our common stock. As of April 30, 2015, options to purchase 1,956,293 shares of our common stock were outstanding and 62,768 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, 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 241,469 shares of our Series Beta convertible preferred stock at a purchase price of $21.2028 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 95,814 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 10,134 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 23,581 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) 150,000 shares of common stock to The Stang Family 2014 Grantor Retained Annuity Trust, (ii) 5,000 shares of common stock to Adrienne T. Stang, (iii) 2,500 shares of common stock to Sarah E. Fisher and (iv) 2,500 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 11,829,033 shares of common stock outstanding as of April 30, 2015, assuming the automatic conversion of all outstanding shares of our convertible preferred stock into 8,755,296 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 8,353,748 shares of common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into 401,548 shares of common stock based on an assumed initial public offering price of $17.00 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)	6,660,484	56.31%	39.58%
WI Harper INC Fund VI Ltd(2)	704,453	5.96%	4.19%
Named Executive Officers and Directors:			
Eric B. Stang(3)	904,893	7.65%	5.38%
Ravi Narula(4)	77,832	*	*
Spencer D. Jackson(5)	73,000	*	*
James A. Gustke	174,831	1.48%	1.04%
Alison Davis(6)	40,000	*	*
Andrew H. Galligan(7)	189,045	1.58%	1.11%
Peter J. Goettner(8)	35,000	*	*
Russell Mann(9)	60,921	*	*
Sean N. Parker(10)	102,810	*	*
William D. Pearce(11)	41,942	*	*
James Wei(12)	6,708,817	56.67%	39.84%
All executive officers and directors as a group (11 persons)	8,409,091	68.60%	48.73%

* Represents beneficial ownership of less than 1% of the outstanding shares of our common stock.

(1) Consists of (i) 42,007 shares held of record by Worldview Strategic Partners IV, L.P.; (ii) 924,971 shares of record held by Worldview Technology International IV, L.P.; and (iii) 5,693,506 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) 754,893 shares of restricted stock held by Mr. Stang, 661,379 of which are vested as of April 30, 2015 and 15,649 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 150,000 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 77,832 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) 35,500 shares of restricted stock held by Mr. Jackson, 10,500 of which are vested as of April 30, 2015 and 1,562 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 37,500 shares of restricted stock held of record by Millennium Trust Company, LLC, Custodian FBO Spencer D Jackson Roth/IRA, 12,500 of which are vested as of April 30, 2015 and 1,562 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) 20,000 shares of restricted stock held by Ms. Davis, 7,500 of which are vested as of April 30, 2015 and 833 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 20,000 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) 19,945 shares of restricted stock held by Mr. Galligan, all of which are vested as of April 30, 2015; and (ii) 169,100 shares issuable upon the exercise of options exercisable as of April 30, 2015, 137,016 of which are vested as of April 30, 2015 and 1,459 of which are scheduled to vest within 60 days after April 30, 2015.

(8) Consists of (i) 25,000 shares of restricted stock held by Mr. Goettner, 8,333 of which are vested as of April 30, 2015 and 1,042 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 10,000 shares subject to stock options exercisable as of April 30, 2015, 416 of which are vested as of April 30, 2015, and 417 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) 59,879 shares issuable upon the exercise of options exercisable as of April 30, 2015, 56,545 of which are vested as of April 30, 2015 and 209 of which are scheduled to vest within 60 days after April 30, 2015; and (ii) 1,042 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) 3,750 shares held by Mr. Parker; (ii) 21,368 shares issuable upon conversion of shares of Series Alpha convertible preferred stock held by Mr. Parker; (iii) 17,179 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) 21,299 shares issuable upon conversion of shares of Series Alpha convertible preferred stock issuable upon exercise of warrants held by Mr. Parker; and (v) 39,214 shares issuable upon conversion of shares of Series Beta convertible preferred stock held by SNP Ventures, LP.

(11) Consists of 41,942 shares issuable upon the exercise of options exercisable as of April 30, 2015, 34,129 of which are vested as of April 30, 2015 and 521 of which are scheduled to vest within 60 days after April 30, 2015.

(12) Consists of (i) 6,660,484 shares beneficially owned by entities affiliated with Worldview Technology Partners; (ii) 38,333 shares of restricted stock held by Mr. Wei, 12,776 of which are vested as of April 30, 2015 and 1,598 of which are scheduled to vest within 60 days after April 30, 2015; and (iii) 10,000 shares subject to stock options exercisable as of April 30, 2015, 416 of which are vested as of April 30, 2015, and 417 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 100,000,000 shares of common stock, $0.0001 par value per share, and 10,000,000 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 11,829,033 shares of our common stock outstanding as of April 30, 2015, 16,829,033 shares of our common stock will be outstanding, assuming the conversion of all outstanding shares of our convertible preferred stock into 8,755,296 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 11,829,033 shares of common stock issued and outstanding assuming the conversion of all outstanding shares of our convertible preferred stock into 8,755,296 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 8,595,217 shares of convertible preferred stock outstanding, which will automatically convert, upon completion of this offering, into 8,755,296 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 8,353,748 shares of common stock and the automatic conversion of all outstanding shares of our Series Beta convertible preferred stock into 401,548 shares of common stock based on an assumed initial public offering price of $17.00 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 10,000,000 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 87,828 shares of our common stock, at exercise prices ranging from approximately $4.70 per share to $66.00 per share and warrants outstanding to purchase up to 192,009 shares of our Series Alpha convertible preferred stock at an exercise price of approximately $4.70 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 192,009 shares of common stock if these warrants are exercised for cash, at an exercise price of approximately $4.70 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 87,325 shares of our Series Alpha convertible preferred stock will convert into 87,325 shares of common stock common stock; (ii) warrants to purchase 34,397 shares of our Series Alpha convertible preferred stock will terminate upon the closing of this offering; and (iii) a warrant to purchase 70,287 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 1,956,293 shares of our common stock under our 2005 Plan and 62,768 shares remained available for future awards.

Registration Rights

Following this offering's completion, the holders of an aggregate of 8,801,582 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 have applied 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 16,829,033 shares of common stock outstanding.

Of the outstanding shares, all of the 5,000,000 shares sold in this offering will be freely tradable. The remaining 11,829,033 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
- 11,829,033 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 1,956,293 shares of our common stock that were subject to stock options outstanding as of April 30, 2015, options to purchase 595,625 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 154 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 New York Stock Exchange 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, 2,150,146 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 8,801,582 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	5,000,000

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 750,000 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 $3.5 million. 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 $30,000.

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 have applied to list our 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 400 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.

Directed Share Program

At our request, the underwriters have reserved up to 5% of our shares of common stock offered by this prospectus for sale (excluding the shares of common stock that may be issued upon the underwriters’ exercise of their option to purchase additional shares), at the initial public offering price, to our directors, officers, employees, investors and their affiliated entities, and other individuals associated with us and members of their respective families. The sales will be made by Credit Suisse Securities (USA) LLC, an underwriter of this offering, through a directed share program. We do not know if these persons will choose to purchase all or any portion of these reserved shares, but any purchases they do make will reduce the number of shares available to the general public. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of common stock offered in this prospectus. Any shares of common stock sold to our directors, officers, employees, investors and their affiliated entities, and other individuals associated with us and members of their respective families, including anyone who purchases 1,000 or more shares, pursuant to the directed share program will be subject to the 180-day lock-up restrictions described above. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act, in connection with the sale of such shares purchased pursuant to the directed share program.

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, Alberta and British Columbia, 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 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.

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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 its 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, 2015 and 2014, 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
(except for Note 15, as to which the date is July 6, 2015)

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OOMA, INC.
CONSOLIDATED BALANCE SHEETS
(Amounts in thousands, except share and per share data)

	As of January 31, 2014	As of January 31, 2015	April 30, 2015 (unaudited)	Pro Forma Stockholders' Equity as of April 30, 2015 (unaudited)
Assets				
Current assets				
Cash and cash equivalents	$ 6,364	$ 9,133	$ 13,635	$ 12,770
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	25,352
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	$ 33,940
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, 8,125,000 shares authorized at January 31, 2014 and 2015, and 8,060,629 shares authorized at April 30, 2015 (unaudited); 7,848,198, 7,868,605 and 7,868,605 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, 583,333 shares authorized at January 31, 2014 and January 31, 2015, and 485,146 shares authorized at April 30, 2015 (unaudited); 485,143 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 471,635 shares authorized at April 30, 2015; zero shares issued and outstanding at January 31, 2014 and 2015, and 241,469 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, 12,750,000, 13,000,000 and 15,000,000 shares authorized at January 31, 2014 and 2015, and April 30, 2015, respectively; 1,927,177, 2,515,065 and 2,650,165 shares issued and outstanding at January 31, 2014 and 2015, and April 30, 2015 (unaudited), respectively; 11,430,358 issued and outstanding, pro forma (unaudited)	—	—	—	1
Additional paid-in capital	4,487	5,611	6,638	46,481
Accumulated deficit	(44,346)	(50,756)	(54,691)	(54,830)
Total stockholders' deficit	(39,859)	(45,145)	(48,053)	(8,348)
Total liabilities, convertible preferred stock, and stockholders' deficit	$ 17,716	$ 31,277	$ 34,805	$ 33,940

See notes to consolidated financial statements.

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OOMA, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands except per share data)

	Year Ended January 31, 2013	Year Ended January 31, 2014	Year Ended January 31, 2015	Three months Ended April 30, 2014 (unaudited)	Three months Ended April 30, 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	$ (3.54)	$ (1.18)	$ (2.81)	$ —	$ (1.52)
Weighted-average shares used to compute net loss per share, basic and diluted	1,035,957	1,688,846	2,284,241	2,009,281	2,591,241
Pro forma net loss per share attributable to common stockholders, basic and diluted (unaudited)			$ (0.52)		$ (0.28)
Pro forma weighted-average shares used to compute net loss per share, basic and diluted (unaudited)			10,713,768		11,422,316

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	7,848,198	$ 30,536	485,143	$ 3,005	—	$ —	651,199	$ —	$ 4,160	$ (38,683)	$ (34,523)
Issuance of common stock for stock option exercises	—	—	—	—	—	—	542,326	—	42	—	42
Vesting of early exercised stock options and restricted stock	—	—	—	—	—	—	288,597	—	9	—	9
Stock-based compensation	—	—	—	—	—	—	—	—	173	—	173
Net loss	—	—	—	—	—	—	—	—	—	(3,663)	(3,663)
BALANCE—January 31, 2013	7,848,198	30,536	485,143	3,005	—	—	1,482,122	—	4,384	(42,346)	(37,962)
Issuance of common stock for stock option exercises	—	—	—	—	—	—	54,228	—	6	—	6
Vesting of early exercised stock options and restricted stock	—	—	—	—	—	—	390,827	—	25	—	25
Stock-based compensation	—	—	—	—	—	—	—	—	72	—	72
Net loss	—	—	—	—	—	—	—	—	—	(2,000)	(2,000)
BALANCE—January 31, 2014	7,848,198	30,536	485,143	3,005	—	—	1,927,177	—	4,487	(44,346)	(39,859)
Issuance of common stock for stock option exercises	—	—	—	—	—	—	135,564	—	19	—	19
Issuance of preferred stock upon warrant exercise	20,407	96	—	—	—	—	—	—	—	—	—
Issuance of common stock upon warrant exercise	—	—	—	—	—	—	2,326	—	11	—	11
Issuance of common stock in conjunction with acquisition	—	—	—	—	—	—	90,246	—	338	—	338
Vesting of early exercised stock options and restricted stock	—	—	—	—	—	—	359,752	—	68	—	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	7,868,605	30,632	485,143	3,005	—	—	2,515,065	—	5,611	(50,756)	(45,145)
Issuance of common stock for stock option exercise (unaudited)	—	—	—	—	—	—	7,160	—	1	—	1
Issuance of common stock in conjunction with acquisition earnout (unaudited)	—	—	—	—	—	—	49,159	—	451	—	451
Issuance of Series Beta preferred stock, net (unaudited)	—	—	—	—	241,469	5,000	—	—	—	—	—
Vesting of early exercised stock options and restricted stock (unaudited)	—	—	—	—	—	—	78,781	—	24	—	24
Stock-based compensation (unaudited)	—	—	—	—	—	—	—	—	551	—	551
Net loss (unaudited)	—	—	—	—	—	—	—	—	—	(3,935)	(3,935)
BALANCE—April 30, 2015 (unaudited)	7,868,605	$ 30,632	485,143	$ 3,005	241,469	$ 5,000	2,650,165	$ —	$ 6,638	$ (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, (unaudited)	
	2013	2014	2015	2014	2015
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 8,755,296 shares of common stock; (ii) the conversion of warrants to purchase 87,325 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 34,397 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 70,287 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,
	2014	2015	2015 (unaudited)
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 76,630 shares of common stock with an exercise price of $6.04 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.

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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	70,287	$ 188	70,287	$ 474	70,287	$ 726	$ 4.70	December 2020
April 2012, December 2012 and October 2014 warrants	66,026	101	66,026	374	66,026	611	$ 4.70	April 2022-December 2022
May and June 2009 warrants	81,501	72	55,696	369	55,696	596	$ 4.70	February 2014-June 2016
Total	217,814	$ 361	192,009	$ 1,217	192,009	$ 1,933		

December 2010 Warrants

In 2010, the Company issued a warrant to purchase 70,287 shares of Series Alpha convertible preferred stock at an exercise price of $4.70. 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 34,078 shares of Series Alpha convertible preferred stock, calculated as $160,000 divided by an exercise price of $4.70. If the price of the convertible preferred stock in the next financing round is lower than $4.70, 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 15,974 shares of Series Alpha convertible preferred stock, calculated as $75,000 divided by an exercise price of $4.70. 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 15,974 shares of convertible preferred stock, calculated as $75,000 divided by an exercise price of $4.70. 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 34,397 shares of convertible preferred stock that expire in June 2016. In May 2009, the Company issued warrants to purchase 21,299 shares of convertible preferred stock that expire in May 2016. In February 2010, the Company issued warrants to purchase 25,804 shares of convertible preferred stock that expired in February 2014. During fiscal 2015, warrants to purchase 20,407 these shares were exercised and a warrant to purchase 5,397 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	8,125,000	7,848,198	$ 36,847	$ 30,536
Convertible Preferred Series Alpha-1	583,333	485,143	19,490	3,005
Total	8,708,333	8,333,341	$ 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	8,125,000	7,868,605	$ 36,943	$ 30,632
Convertible Preferred Series Alpha-1	583,333	485,143	19,490	3,005
Total	8,708,333	8,353,748	$ 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	8,060,629	7,868,605	$ 36,943	$ 30,632
Convertible Preferred Series Alpha-1	485,146	485,143	19,490	3,005
Convertible Preferred Series Beta	471,635	241,469	5,120	5,000
Total	9,017,410	8,595,217	$ 61,553	$ 38,637

The Company had 7,848,198 shares of Series Alpha preferred stock and 485,143 shares of Series Alpha-1 preferred stock that were issued and outstanding as of January 31, 2014. The Company had 7,868,605 shares of Series Alpha preferred stock and 485,143 shares of Series Alpha-1 preferred stock that were issued and outstanding as of January 31, 2015. The Company had 7,868,605 shares of Series Alpha convertible preferred stock, 485,143 shares of Series Alpha-1 preferred stock, and 241,469 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 $0.3756, $3.214 and $1.6962 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 $4.70 per share and $21.2028 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 $40.1740 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 15,000,000 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	7,848,198	7,868,605	7,868,605
Conversion of Series Alpha-1 preferred stock	485,143	485,143	485,143
Conversion of Series Beta preferred stock	—	—	241,469
Total conversion of preferred stock	8,333,341	8,353,748	8,595,217
Warrants to purchase Series Alpha preferred stock	217,814	192,009	192,009
Warrants to purchase common stock	34,730	87,828	87,828
Options to purchase common stock outstanding	899,478	1,893,239	1,956,293
Options available for future grant under stock option plan	494,153	133,029	62,768
Total shares reserved for issuance	9,979,516	10,659,853	10,894,115

Common Stock Warrants—The Company has warrants to purchase 34,730, 87,828 and 87,828 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 $4.70 to $66 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 4,433,102. As of April 30, 2015 (unaudited), a total of 62,768 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	526,812	893,202	$ 0.43	7.3	$ 76
Additional shares authorized for grant	487,500	—			
Granted	(546,095)	546,095	$ 0.22		
Exercised	—	(513,883)	$ 0.20		
Canceled	25,936	(25,936)	$ 0.08		
Balance—January 31, 2014	494,153	899,478	$ 0.45	6.6	$ 1,378
Additional shares authorized for grant	862,500	—			
Granted	(1,340,328)	1,340,328	$ 5.48		
Exercised	—	(229,863)	$ 1.34		
Canceled	116,704	(116,704)	$ 1.27		
Balance—January 31, 2015	133,029	1,893,239	$ 3.85	8.4	$ 10,109
Granted (unaudited)	(80,500)	80,500	$ 9.18		
Exercised (unaudited	—	(7,207)	$ 0.10		
Canceled (unaudited)	10,239	(10,239)	$ 3.53		
Balance—April 30, 2015 (Unaudited)	62,768	1,956,293	$ 4.09	8.3	$ 21,343
Vested and exercisable-January 31, 2014		684,358	$ 0.54	5.9	$ 991
Vested and expected to vest(1)-January 31, 2014		801,451	$ 0.49	6.3	$ 1,201
Vested and exercisable-January 31, 2015		565,869	$ 0.59	5.4	$ 4,886
Vested and expected to vest(1)-January 31, 2015		1,713,651	$ 3.85	8.3	$ 9,153
Vested and exercisable-April 30, 2015 (Unaudited)		595,625	$ 0.69	5.3	$ 8,523
Vested and expected to vest-April 30, 2015 (Unaudited)		1,783,756	$ 4.07	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)
$0.02	45,978	5.70	$ 687	45,118	$ 0.02	$ 674
$0.08	229,534	5.57	3,416	200,939	$ 0.08	2,990
$0.22	99,135	8.27	1,461	46,063	$ 0.22	679
$0.30	21,309	3.46	313	21,309	$ 0.30	313
$0.90	249,793	4.39	3,512	249,793	$ 0.90	3,512
$1.94	40,250	8.96	524	10,561	$ 1.94	138
$3.74	80,125	9.25	951	10,701	$ 3.74	120
$4.02	60,750	9.45	665	4,758	$ 4.02	52
$6.04	1,047,973	9.69	9,349	4,295	$ 6.04	38
$9.18	80,500	9.84	465	1,142	$ 9.18	7
$30.00 -$36.00	946	0.12	—	946	$ 35.74	—
$0.02 -$36.00	1,956,293		$ 21,343	595,625		$ 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 $0.82, $5.20 and $6.70 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 (unaudited)	
	2013	2014	2015	April 30, 2014	April 30, 2015
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 20,884, 12,134, 67,884 and 67,884 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 (unaudited)	
	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
	$ 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 459,659; 131,810; 131,810 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 739,798; 502,359 and 423,572 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 (90,246 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 49,159 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	1,035,957	1,688,846	2,284,241	2,009,281	2,591,241
Basic and diluted net (loss) income per share attributable to common stockholders	$ (3.54)	$ (1.18)	$ (2.81)	$ —	$ (1.52)

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	8,333,341	8,333,341	8,353,748	8,353,748	8,595,217
Warrants to purchase convertible preferred stock	217,814	217,814	192,009	192,009	192,009
Warrants to purchase common stock	34,730	34,730	87,828	38,873	87,828
Options to purchase common stock	893,202	899,478	1,893,239	922,205	1,956,293
	9,479,087	9,485,363	10,526,824	9,506,835	10,831,347

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 8,353,748 shares of common stock and the automatic conversion of all outstanding shares of series Beta convertible preferred stock into 401,548 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 70,287 shares of convertible preferred stock, equivalent to a deemed dividend of 50,882 shares and the net exercise of warrants to purchase 34,397 shares of convertible preferred stock, that will be converted to 24,897 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 $17.00, which is the midpoint of the estimated offering price range set forth on the cover page 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	2,284,241	2,591,241
Adjustments to reflect the assumed conversion of convertible preferred stock	8,353,748	8,755,296
Adjustments to reflect the assumed conversion of preferred stock warrants	24,897	24,897
Adjustments to cash settle warrants	50,882	50,882
Pro forma weighted-average number of shares outstanding—basic and diluted	10,713,768	11,422,316
Pro forma net loss per share attributable to common stockholders—basic and diluted	$ 0.52	$ (0.28)

15. SUBSEQUENT EVENTS

In June 2015, the Company's board of directors approved a 1-for-2 reverse stock split of the outstanding common stock, convertible preferred stock, stock options, preferred warrants and common warrants of the Company. The reverse stock split became effective on July 6, 2015. Accordingly, (i) every two shares of common stock and convertible preferred stock have been combined into one share of common stock and convertible preferred stock, respectively, (ii) the number of shares of common stock underlying each stock option or common warrant and the number of shares of convertible preferred stock underlying each preferred warrant have been proportionately decreased on a 1-for-2 basis, and the exercise price of each such outstanding stock option, common warrant and preferred warrant has been proportionately increased on a 1-for-2 basis. All option numbers, share numbers, warrant numbers, share price, warrant prices and exercise prices have been adjusted within these consolidated financial statements, on a retroactive basis, to reflect this 1-for-2 reverse stock split.

The Company evaluated subsequent events through April 17, 2015, the date on which the January 31, 2015 financial statements were originally issued, and July 6, 2015, the date on which the retrospectively revised January 31, 2015 financial statements were issued (as to the 1-for-2 reverse stock split discussed above).

16. SUBSEQUENT EVENTS (unaudited)

For the three months ended April 30, 2015, the Company evaluated subsequent events through June 15, 2015, the date on which these interim financial statements were originally issued, and July 6, 2015, the date on which these retrospectively revised April 30, 2015 interim financial statements were issued (as to the 1-for-2 reverse stock split discussed above).

* * * * * *

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"The single best landline replacement you can buy."

September 2010

PC WORLD

Ranked #1 for overall satisfaction and value.

A leading consumer research magazine

Online survey of subscribers with phone service.

Conducted 2011, 2012, 2013 and 2014.

BUSINESS PC CHOICE

"Ooma is doing something very right to win our Business Choice Awards for best VoIP solution two years running."

March 2015

"My wife and I love our Ooma... We're saving over $240 a year. Keep up the good work Ooma!"

Stan Bucher, Ooma Customer

February 2015

ooma

Smart Connected Services for

Small Business, Home & Mobile

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Years of SaaS innovation
for the Enterprise...

...have left the little guys
behind.

Until now.

ooma®

Smart Connected Services for
Small Businesses, Home & Mobile

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	15,000
FINRA filing fee	13,000
Initial NYSE listing fee	125,000
Printing and engraving expenses	350,000
Legal fees and expenses	1,150,000
Accounting fees and expenses	1,800,000
Blue Sky qualification fees and expenses	10,000
Transfer Agent and Registrar fees	5,000
Miscellaneous fees and expenses	—
Total	$ 3,468,000

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 2,220,363 shares of our common stock under our 2005 Stock Plan, with exercise prices ranging from $0.08 to $14.96 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 854,453 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 $0.02 to $6.04 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 81,951 shares of our common stock and 31,948 shares of our Series Alpha convertible preferred stock, with exercise prices ranging from approximately $4.70 per share to $6.04 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 347,809 shares of our common stock, with exercise prices ranging from $0.08 to $0.22 per share. From October 3, 2012, to February 11, 2014, such we issued 392,809 shares of our common stock to such retirement accounts pursuant to exercises of such stock purchase rights, with purchase prices ranging from $0.08 to $0.22 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 2,326 shares of our common stock and 20,407 shares of our Series Alpha convertible preferred stock to investors pursuant to exercises of then-outstanding warrants, each at a purchase price of approximately $4.70 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 90,246 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 $3.74 per share. On March 31, 2015, we issued an aggregate of 49,156 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. Such shares were issued pursuant to the achievement of certain earn-out revenue milestones by Talkatone, LLC, in calendar year 2014, and based on a fair market value of our common stock of $9.18 per share as of January 31, 2015, had an aggregate fair market value of approximately $450,000. 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 241,469 shares of our Series Beta convertible preferred stock to investors at a purchase price of $21.2028 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 6th day of July 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)	July 6, 2015
/s/ Ravi Narula **Ravi Narula**	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	July 6, 2015
* **Alison Davis**	Director	July 6, 2015
* **Andrew H. Galligan**	Director	July 6, 2015
* **Peter J. Goettner**	Director	July 6, 2015
* **Russell Mann**	Director	July 6, 2015

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Signature	Title	Date
* **Sean N. Parker**	Director	July 6, 2015
* **William D. Pearce**	Director	July 6, 2015
* **James Wei**	Director	July 6, 2015

* By /s/ Eric B. Stang

Eric B. Stang
As Attorney-in-Fact

EXHIBIT INDEX

Number	Description
1.1	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation of Ooma, Inc., as amended, 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).

Previously filed.
+ Indicates a management or compensatory plan.

[●] Shares

Ooma, Inc.

Common Stock

UNDERWRITING AGREEMENT

, 2015

CREDIT SUISSE SECURITIES (USA) LLC
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED,
As Representatives of the Several Underwriters,
c/o Credit Suisse Securities (USA) LLC,
Eleven Madison Avenue,
New York, N.Y. 10010-3629

Dear Sirs:

1. *Introductory*. Ooma, Inc., a Delaware corporation ("**Company**"), agrees with the several Underwriters named in Schedule A hereto ("**Underwriters**") to issue and sell to the several Underwriters [●] shares ("**Firm Securities**") of its Common Stock, par value $0.0001 per share ("**Securities**") and also proposes to issue and sell to the Underwriters, at the option of the Underwriters, an aggregate of not more than [●] additional shares ("**Optional Securities**") of its Securities as set forth below. The Firm Securities and the Optional Securities are herein collectively called the "**Offered Securities**." As part of the offering contemplated by this Agreement, [Credit Suisse Securities (USA) LLC] (the "**Designated Underwriter"**) has agreed to reserve out of the Firm Securities purchased by it under this Agreement, up to [●] shares, for sale to the Company's directors, officers, employees and other parties associated with the Company (collectively, "**Participants"**), as set forth in the Final Prospectus (as defined herein) under the heading "Underwriting" (the "**Directed Share Program"**). The Firm Securities to be sold by the Designated Underwriter pursuant to the Directed Share Program (the "**Directed Shares"**) will be sold by the Designated Underwriter pursuant to this Agreement at the public offering price. Any Directed Shares not subscribed for by the end of the business day on which this Agreement is executed will be offered to the public by the Underwriters as set forth in the Final Prospectus.

2. *Representations and Warranties of the Company*. The Company represents and warrants to, and agrees with, the several Underwriters that:

(a) *Filing and Effectiveness of Registration Statement; Certain Defined Terms*. The Company has filed with the Commission (as defined below) a registration statement on Form S-1 (No. 333-204975) covering the registration of the Offered Securities under the Act (as defined below), including a related preliminary prospectus or prospectuses. At any particular time, this initial registration statement, in the form then on file with the Commission, including all information contained in the registration statement (if any) filed pursuant to Rule 462(b) and then deemed to be a part of the initial registration statement, and all 430A Information (as defined below) and all 430C Information (as defined below), that in any case has not then been superseded or modified, shall be referred to as the "**Initial Registration Statement**". The Company may also have filed, or may file with the Commission, a Rule 462(b) registration statement covering the registration of Offered Securities. At any particular time, this Rule 462(b) registration statement, in the form then on file with the Commission, including the contents of the Initial Registration Statement incorporated by reference therein and including all 430A Information and all 430C Information, that in any case has not then been superseded or modified, shall be referred to as the "**Additional Registration Statement**".

As of the time of execution and delivery of this Agreement, the Initial Registration Statement has been declared effective under the Act and is not proposed to be amended. Any Additional Registration Statement has or will become effective upon filing with the Commission pursuant to Rule 462(b) and is not proposed to be amended. The Offered Securities all have been or will be duly registered under the Act pursuant to the Initial Registration Statement and, if applicable, the Additional Registration Statement.

For purposes of this Agreement:

"**430A Information**", with respect to any registration statement, means information included in a prospectus and retroactively deemed to be a part of such registration statement pursuant to Rule 430A(b).

"**430C Information**", with respect to any registration statement, means information included in a prospectus then deemed to be a part of such registration statement pursuant to Rule 430C.

"**Act**" means the Securities Act of 1933, as amended.

"**Applicable Time**" means [●] [a/p]m (New York time) on the date of this Agreement.

"**Closing Date"** has the meaning defined in Section 3 hereof.

"**Commission**" means the Securities and Exchange Commission.

"**Effective Time**" with respect to the Initial Registration Statement or, if filed prior to the execution and delivery of this Agreement, the Additional Registration Statement means the date and time as of which such Registration Statement was declared effective by the Commission or has become effective upon filing pursuant to Rule 462(c). If an Additional Registration Statement has not been filed prior to the execution and delivery of this Agreement but the Company has advised the Representatives that it proposes to file one, "**Effective Time**" with respect to such Additional Registration Statement means the date and time as of which such Registration Statement is filed and becomes effective pursuant to Rule 462(b).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Final Prospectus**" means the Statutory Prospectus that discloses the public offering price, other 430A Information and other final terms of the Offered Securities and otherwise satisfies Section 10(a) of the Act.

"**General Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is intended for general distribution to prospective investors, as evidenced by its being so specified in Schedule B to this Agreement.

"**Issuer Free Writing Prospectus**" means any "issuer free writing prospectus," as defined in Rule 433, relating to the Offered Securities in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company's records pursuant to Rule 433(g).

"**Limited Use Issuer Free Writing Prospectus**" means any Issuer Free Writing Prospectus that is not a General Use Issuer Free Writing Prospectus.

The Initial Registration Statement and the Additional Registration Statement are referred to collectively as the "**Registration Statements**" and individually as a "**Registration Statement**". A "**Registration Statement**" with reference to a particular time means the Initial Registration

Statement and any Additional Registration Statement as of such time. A "**Registration Statement**" without reference to a time means such Registration Statement as of its Effective Time. For purposes of the foregoing definitions, 430A Information with respect to a Registration Statement shall be considered to be included in such Registration Statement as of the time specified in Rule 430A.

"**Representatives**" means Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, as representatives of the several Underwriters.

"**Rules and Regulations**" means the rules and regulations of the Commission.

"**Securities Laws**" means, collectively, the Sarbanes-Oxley Act of 2002, as amended ("**Sarbanes-Oxley**"), the Act, the Exchange Act, the Rules and Regulations, the auditing principles, rules, standards and practices applicable to auditors of "issuers" (as defined in Sarbanes-Oxley) promulgated or approved by the Public Company Accounting Oversight Board and, as applicable, the rules of the New York Stock Exchange and the NASDAQ Stock Market ("**Exchange Rules**").

"**Statutory Prospectus**" with reference to a particular time means the prospectus included in a Registration Statement immediately prior to that time, including any 430A Information or 430C Information with respect to such Registration Statement. For purposes of the foregoing definition, 430A Information shall be considered to be included in the Statutory Prospectus as of the actual time that form of prospectus is filed with the Commission pursuant to Rule 424(b) or Rule 462(c) and not retroactively.

"**Testing-the-Waters Communication**" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Act.

"**Testing-the-Waters Writing**" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act.

Unless otherwise specified, a reference to a "rule" is to the indicated rule under the Act.

(b) *Compliance with Act Requirements*. (i) (A) At their respective Effective Times, (B) on the date of this Agreement and (C) on each Closing Date, each of the Initial Registration Statement and the Additional Registration Statement (if any) conformed and will conform in all material respects to the requirements of the Act and the Rules and Regulations and did not and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (ii) on its date, at the time of filing of the Final Prospectus pursuant to Rule 424(b) or (if no such filing is required) at the Effective Time of the Additional Registration Statement in which the Final Prospectus is included, and on each Closing Date, the Final Prospectus will conform in all material respects to the requirements of the Act and the Rules and Regulations and will not include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and (iii) on the date of this Agreement, at their respective Effective Times or issue dates and on each Closing Date, each Registration Statement, the Final Prospectus, any Statutory Prospectus, any prospectus wrapper and any Issuer Free Writing Prospectus complied or comply, and such documents and any further amendments or supplements thereto will comply, with any applicable laws or regulations of foreign jurisdictions in which the Final Prospectus, any Statutory Prospectus, any prospectus wrapper or any Issuer Free Writing Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program. The preceding sentence does not apply to statements in or omissions from any such document based upon written information furnished to the Company by any Underwriter specifically for use therein, it being understood and agreed that the only such information is that described as such in Section 8(b) hereof.

(c) *Ineligible Issuer Status*. (i) At the time of the initial filing of the Initial Registration Statement and (ii) at the date of this Agreement, the Company was not and is not an "ineligible issuer," as defined in Rule 405, including (x) the Company or any of its subsidiaries in the preceding three years not having been convicted of a felony or misdemeanor or having been made the subject of a judicial or administrative decree or order as described in Rule 405 and (y) the Company in the preceding three years not having been the subject of a bankruptcy petition or insolvency or similar proceeding, not having had a registration statement be the subject of a proceeding under Section 8 of the Act and not being the subject of a proceeding under Section 8A of the Act in connection with the offering of the Offered Securities, all as described in Rule 405.

(d) *General Disclosure Package and Statutory Prospectuses*. As of the Applicable Time, none of (i) the General Use Issuer Free Writing Prospectus(es) issued at or prior to the Applicable Time, the preliminary prospectus, dated [●], 2015 (which is the most recent Statutory Prospectus distributed to investors generally) and the other information, if any, stated in Schedule B to this Agreement to be included in the General Disclosure Package, all considered together (collectively, the "**General Disclosure Package**"), (ii) any individual Limited Use Issuer Free Writing Prospectus, when considered together with the General Disclosure Package, or (iii) any individual Testing-the-Waters Communication, when considered together with the General Disclosure Package included any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from any Statutory Prospectus, any Issuer Free Writing Prospectus or any Testing-the-Waters Communication made in reliance upon and in conformity with written information furnished to the Company by any Underwriter specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof. No order preventing or suspending the use of any Statutory Prospectus has been issued by the Commission, and each Statutory Prospectus included in the General Disclosure Package, at the time of filing thereof, complied in all material respects with the Act, and no Statutory Prospectus, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company by any Underwriter specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 8(b) hereof.

(e) *Issuer Free Writing Prospectuses*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Offered Securities or until any earlier date that the Company notified or notifies the Representatives as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information then contained in the Registration Statement. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information then contained in the Registration Statement or as a result of which such Issuer Free Writing Prospectus, if republished immediately following such event or development, would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (i) the Company has promptly notified or will promptly notify the Representatives and (ii) the Company has promptly amended or will promptly amend or supplement such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(f) *Good Standing of the Company*. The Company has been duly incorporated and is existing and in good standing under the laws of the State of Delaware, with power and authority (corporate and other) to own or lease its properties and conduct its business as described in the

General Disclosure Package; and the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification.

(g) *Subsidiaries*. Each subsidiary of the Company has been duly organized and is existing and in good standing under the laws of the jurisdiction of its incorporation (to the extent such concepts are applicable under such laws), with power and authority (corporate and other) to own or lease its properties and conduct its business as described in the General Disclosure Package; and each subsidiary of the Company is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification (to the extent that such concepts are applicable under such laws); all of the issued and outstanding capital stock of each subsidiary of the Company has been duly authorized and validly issued and is fully paid and nonassessable; and the capital stock of each subsidiary owned by the Company, directly or through subsidiaries, is owned free from liens, encumbrances and defects.

(h) *Offered Securities*. The Offered Securities and all other outstanding shares of capital stock of the Company have been duly authorized; the authorized equity capitalization of the Company is as set forth in the General Disclosure Package; all outstanding shares of capital stock of the Company are, and, when the Offered Securities have been delivered and paid for in accordance with this Agreement on each Closing Date, such Offered Securities will have been, validly issued, fully paid and nonassessable, and will conform to the information in the General Disclosure Package and to the description of such Offered Securities contained in the Final Prospectus; the stockholders of the Company have no preemptive rights with respect to the Securities; and none of the outstanding shares of capital stock of the Company have been issued in violation of any preemptive or similar rights of any security holder. Except as disclosed in the General Disclosure Package, there are no outstanding (A) securities or obligations of the Company convertible into or exchangeable for any capital stock of the Company, (B) warrants, rights or options to subscribe for or purchase from the Company any such capital stock or any such convertible or exchangeable securities or obligations or (C) obligations of the Company to issue or sell any shares of capital stock, any such convertible or exchangeable securities or obligations or any such warrants, rights or options. The Company has not, directly or indirectly, offered or sold any of the Offered Securities by means of any “prospectus” (within the meaning of the Act and the Rules and Regulations) or used any “prospectus” or made any offer (within the meaning of the Act and the Rules and Regulations) in connection with the offer or sale of the Offered Securities, in each case other than the preliminary prospectus referred to in Section 2(d) hereof or any Permitted Free Writing Prospectus referred to in Section 6.

(i) *Other Offerings*. Except as disclosed in the General Disclosure Package, the Company has not sold, issued or distributed any Securities during the six-month period preceding the date hereof, including any sales pursuant to Rule 144A under, or Regulation D or S of, the Act, other than Securities issued pursuant to (i) the Company’s employee benefit plans, qualified stock option plans or other employee compensation plans, (ii) outstanding options, rights or warrants, or (iii) the conversion of outstanding preferred stock into Securities as described in the General Disclosure Package.

(j) *No Finder’s Fee*. Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder’s fee or other like payment in connection with this offering.

(k) *Registration Rights*. Except as disclosed in the General Disclosure Package, there are no contracts, agreements or understandings between the Company and any person granting such person the right to require the Company to file a registration statement under the Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to a Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Act (collectively, "**registration rights**"), and any person to whom the Company has granted registration rights has agreed to waive and not exercise any such rights until after the expiration of the Lock-Up Period referred to in Section 5 hereof.

(l) *Listing*. The Offered Securities have been approved for listing on the New York Stock Exchange, subject to notice of issuance.

(m) *Absence of Further Requirements*. No consent, approval, authorization, or order of, or filing or registration with, any person (including any governmental agency or body or any court) is required for the consummation of the transactions contemplated by this Agreement in connection with the offering, issuance and sale of the Offered Securities by the Company, except such as have been obtained, or made and such as may be required under state securities laws or the rules and regulations of the Financial Industry Regulatory Authority, Inc. ("**FINRA**").

(n) *Title to Property*. Except as disclosed in the General Disclosure Package, the Company and its subsidiaries have good and marketable title to all real properties and all other properties and assets owned by them, in each case free from liens, charges, encumbrances and defects that would materially affect the value thereof or materially interfere with the use made or to be made thereof by them and, except as disclosed in the General Disclosure Package, the Company and its subsidiaries hold any leased real or personal property under valid and enforceable leases with no terms or provisions that would materially interfere with the use made or to be made thereof by them.

(o) *Absence of Defaults and Conflicts Resulting from Transaction*. The execution, delivery and performance of this Agreement, and the offering, issuance and sale of the Offered Securities will not result in a breach or violation of any of the terms and provisions of, or constitute a default or a Debt Repayment Triggering Event (as defined below) under, or result in the imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, the charter or by-laws of the Company or any of its subsidiaries, any statute, rule, regulation or order of any governmental agency or body or any court, domestic or foreign, having jurisdiction over the Company or any of its subsidiaries or any of their properties, or any agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the properties of the Company or any of its subsidiaries is subject; a "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture, or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

(p) *Absence of Existing Defaults and Conflicts*. Neither the Company nor any of its subsidiaries is in violation of its respective charter or by-laws or in default (or with the giving of notice or lapse of time would be in default) under any existing obligation, agreement, covenant or condition contained in any indenture, loan agreement, mortgage, lease or other agreement or instrument to which any of them is a party or by which any of them is bound or to which any of the properties of any of them is subject, except such defaults that would not, individually or in the aggregate, result in a material adverse effect on the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole ("**Material Adverse Effect**").

(q) *Authorization of Agreement*. This Agreement has been duly authorized, executed and delivered by the Company.

(r) *Possession of Licenses and Permits*. The Company and its subsidiaries possess, and are in compliance with the terms of, all adequate certificates, authorizations, franchises, licenses and permits ("**Licenses**") necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package to be conducted by the Company and its subsidiaries, taken as a whole, and have not received any notice of proceedings relating to the revocation or modification of any Licenses that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate reasonably be expected to have a Material Adverse Effect.

(s) *Absence of Labor Dispute*. No labor dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of the Company, is imminent that could have a Material Adverse Effect.

(t) *Possession of Intellectual Property*. The Company and its subsidiaries own, license, possess or otherwise have a valid right to use, or can acquire on reasonable terms, sufficient trademarks, trade names, patent rights, copyrights, domain names, licenses, approvals, trade secrets, inventions, technology, know-how and other intellectual property and similar rights, including registrations and applications for registration thereof (collectively, "**Intellectual Property Rights**") necessary or material to the conduct of the business now conducted or proposed in the General Disclosure Package to be conducted by the Company and its subsidiaries, taken as a whole, and the expected expiration of any such Intellectual Property Rights would not, individually or in the aggregate, have a Material Adverse Effect. Except as disclosed in the General Disclosure Package (i) there are no rights of third parties to any of the Intellectual Property Rights owned by the Company or its subsidiaries; (ii) there is no material infringement, misappropriation breach, default or other violation, or the occurrence of any event that with notice or the passage of time would constitute any of the foregoing, by the Company, its subsidiaries or third parties of any of the Intellectual Property Rights of the Company or its subsidiaries; (iii) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others, whether oral or written, challenging the Company's or any subsidiary's rights in or to, or the violation of any of the terms of, any of their Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (iv) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others, whether oral or written, challenging the validity, enforceability or scope of their Intellectual Property Rights, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (v) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others, whether oral or written, that the Company or any subsidiary infringes, misappropriates or otherwise violates or conflicts with any Intellectual Property Rights or other proprietary rights of others, and the Company is unaware of any other fact which would form a reasonable basis for any such claim; (vi) none of the Intellectual Property Rights used by the Company or its subsidiaries in their businesses has been obtained or is being used by the Company or its subsidiaries in violation of any contractual obligation that is binding on the Company or any of its subsidiaries; (vii) the Company and its subsidiaries take commercially reasonable measures to maintain and protect the Intellectual Property Rights necessary or material to the conduct of their businesses, taken as a whole, as now conducted or as proposed in the General Disclosure Package to be conducted by them, including trade secrets contained therein, including by requiring all employees, officers and consultants of and to the Company and its subsidiaries to sign agreements or otherwise agree to keep proprietary information of the Company and its subsidiaries in confidence and not to use it except on behalf of the Company, and requiring all third parties having access to material Intellectual Property Rights to sign confidentiality and non-use agreements or otherwise agree in writing to adequately maintain the confidentiality and not to use such Intellectual Property Rights; and (viii) the Company and its subsidiaries have at all times complied in all material respects with applicable laws pertaining to data privacy, except in each case covered by clauses (i) –(vi) such as would not, if determined adversely to the Company or any of its subsidiaries, individually or in the aggregate, have a Material Adverse Effect.

(u) *Environmental Laws*. Except as disclosed in the General Disclosure Package, neither the Company nor any of its subsidiaries is in violation of any statute, any rule, regulation, decision or order of any governmental agency or body or any court, domestic or foreign, relating to the use, disposal or release of hazardous or toxic substances or relating to the protection or restoration of the environment or human exposure to hazardous or toxic substances (collectively, "**environmental laws**"), owns or operates any real property contaminated with any substance that is subject to any environmental laws, is liable for any off-site disposal or contamination pursuant to any environmental laws, or is subject to any claim relating to any environmental laws, which violation, contamination, liability or claim would individually or in the aggregate reasonably be expected to have a Material Adverse Effect; and the Company is not aware of any pending investigation which might lead to such a claim.

(v) *Accurate Disclosure*. The statements in the General Disclosure Package and the Final Prospectus under the headings "Material U.S. Federal Tax Consequences to Non-U.S. Holders", "Description of Capital Stock," "Business – Intellectual Property," "Management" and "Certain Relationships with Related Party Transactions" insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries, in all material respects, of such legal matters, agreements, documents or proceedings and present in all material respects the information required to be shown.

(w) *Absence of Manipulation*. The Company has not taken, directly or indirectly, any action that is designed to or that has constituted or that would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(x) *Statistical and Market-Related Data*. Any statistical and market-related data included in a Registration Statement, a Statutory Prospectus, the General Disclosure Package or any Testing-the-Waters Writing are based on or derived from sources that the Company believes to be reliable and accurate in all material respects and, to the extent required, the Company has obtained the written consent to the use of such data from such sources.

(y) *Internal Controls and Compliance with the Sarbanes-Oxley Act*. Except as set forth in the General Disclosure Package, the Company, its subsidiaries and the Company's Board of Directors (the "**Board**") are in compliance with Sarbanes-Oxley and all applicable Exchange Rules. The Company maintains a system of internal controls, including, but not limited to, disclosure controls and procedures, internal controls over accounting matters and financial reporting, and legal and regulatory compliance controls (collectively, "**Internal Controls**") that comply with applicable Securities Laws and are sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with U.S. General Accepted Accounting Principles ("**U.S. GAAP**") and to maintain accountability for assets, (iii) access to assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Internal Controls are, or upon consummation of the offering of the Offered Securities will be, overseen by the Audit Committee (the "**Audit Committee**") of the Board in accordance with Exchange Rules. Except as disclosed in the General Disclosure Package, the Company has not publicly disclosed or reported to the Audit Committee or the Board, and the Company has no current information that causes it to reasonably expect to publicly disclose or report to the Audit Committee or the Board, a significant deficiency, material weakness, adverse change in Internal Controls or fraud involving management or other employees who have a significant role in

Internal Controls (each, an "**Internal Control Event**"), any violation of, or failure to comply with, the Securities Laws, or any matter which, if determined adversely, would have a Material Adverse Effect.

(z) *Absence of Accounting Issues*. A member of the Audit Committee has confirmed to the Chief Executive Officer, Chief Financial Officer or General Counsel that, except as set forth in the General Disclosure Package, the Audit Committee is not reviewing or investigating, and neither the Company's independent auditors nor its internal auditors have recommended to the Audit Committee that the Audit Committee review or investigate, (i) materially adding to, deleting, changing the application of, or changing the Company's disclosure with respect to, any of the Company's material accounting policies; (ii) any matter which could result in a restatement of the Company's financial statements for any annual or interim period during the current or prior three fiscal years; or (iii) any Internal Control Event.

(aa) *Litigation*. Except as disclosed in the General Disclosure Package, there are no pending actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) against or affecting the Company, any of its subsidiaries or any of their respective properties that, if determined adversely to the Company or any of its subsidiaries, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Offered Securities; and, to the Company's knowledge, no such actions, suits or proceedings (including any inquiries or investigations by any court or governmental agency or body, domestic or foreign) are threatened or contemplated.

(bb) *Financial Statements*. The financial statements included in each Registration Statement and the General Disclosure Package present fairly the financial position of the Company and its consolidated subsidiaries as of the dates shown and their results of operations and cash flows for the periods shown, and such financial statements have been prepared in conformity with U.S. GAAP applied on a consistent basis and the schedules included in each Registration Statement present fairly the information required to be stated therein; and the assumptions used in preparing the pro forma financial statements included in each Registration Statement and the General Disclosure Package provide a reasonable basis for presenting the significant effects directly attributable to the transactions or events described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma columns therein reflect the proper application of those adjustments to the corresponding historical financial statement amounts. The summary and selected financial data included in each Registration Statement and the General Disclosure Package presents fairly in all material respects the information shown therein and such data has been compiled on a basis consistent with the financial statements presented therein and the books and records of the Company. The Company does not have any material liabilities or obligations, direct or contingent (including any off-balance sheet obligations or any "variable interest entities" within the meaning of Financial Accounting Standards Board Interpretation No. 46), not disclosed in each Registration Statement and the General Disclosure Package. There are no financial statements that are required to be included in each Registration Statement or the General Disclosure Package that are not included as required.

(cc) *No Material Adverse Change in Business*. Except as disclosed in the General Disclosure Package, since the end of the period covered by the latest audited financial statements included in the General Disclosure Package (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole, that is material and adverse, (ii) except as disclosed in or contemplated by the General Disclosure Package, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock and (iii) except as disclosed in or contemplated by the

General Disclosure Package, there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and its subsidiaries, taken as a whole.

(dd) *Investment Company Act*. The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the General Disclosure Package, will not be an "investment company" as defined in the Investment Company Act of 1940, as amended (the "**Investment Company Act**").

(ee) *Ratings*. No "nationally recognized statistical rating organization" as such term is defined in Section 3(a)(62) of the Exchange Act (i) has imposed (or has informed the Company that it is considering imposing) any condition (financial or otherwise) on the Company's retaining any rating assigned to the Company or any securities of the Company or (ii) has indicated to the Company that it is considering any of the actions described in Section 7(c)(ii) hereof.

(ff) *Taxes*. The Company and its subsidiaries have filed all federal, state, local and non-U.S. tax returns that are required to be filed or have requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect); and, except as set forth in the General Disclosure Package, the Company and its subsidiaries have paid all taxes (including any assessments, fines or penalties) required to be paid by them, except for any such taxes, assessments, fines or penalties currently being contested in good faith or as would not, individually or in the aggregate, have a Material Adverse Effect.

(gg) *Insurance*. The Company and its subsidiaries, taken as a whole, are insured by insurers with appropriately rated claims paying abilities against such losses and risks and in such amounts as the Company reasonably believes are prudent and customary for the businesses in which the Company and its subsidiaries, taken as a whole, are engaged; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is, to the Company's knowledge, denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, except as set forth in or contemplated in the General Disclosure Package; and the Company will obtain directors' and officer's insurance in such amounts as the Company reasonably believes is customary for an initial public offering.

(hh) *No Unlawful Payments*. Neither the Company nor any of its subsidiaries nor any director or officer of the Company, nor, to the knowledge of the Company, any employee, agent, affiliate or other person acting on behalf of the Company or any of its subsidiaries has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption laws; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company and its subsidiaries have instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(ii) *Compliance with Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company or any of its subsidiaries conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(jj) *No Conflicts with Sanctions Laws*. Neither the Company nor any of its subsidiaries, directors or officers, nor, to the knowledge of the Company, any employee, agent, affiliate or other person acting on behalf of the Company or any of its subsidiaries is currently the subject or the target of any sanctions administered or enforced by the U.S. Government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("**UNSC**"), the European Union, Her Majesty's Treasury ("**HMT**"), or other relevant sanctions authority (collectively, "**Sanctions**"), nor is the Company, any of its subsidiaries located, organized or resident in a country or territory that is the subject or the target of Sanctions, including, without limitation, Crimea, Cuba, Burma (Myanmar), Iran, North Korea, Sudan and Syria (each, a "**Sanctioned Country**"); and the Company will not directly or indirectly use the proceeds of the offering of the Securities hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or the target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past 5 years, the Company and its subsidiaries have not knowingly engaged in, are not now knowingly engaged in, and will not knowingly engage in, any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(kk) *Regulatory Filings*. The Company and its subsidiaries have filed with applicable regulatory authorities all statements, reports, information or forms required by any applicable law, regulation or order, except where the failure to so file would not, individually or in the aggregate, have a Material Adverse Effect. Except as disclosed in the General Disclosure Package and the Final Prospectus, all such filings were in compliance with applicable laws when filed and, to the Company's knowledge, no deficiencies have been asserted by any regulatory commission, agency or authority with respect to any such filing, except for any such failures to be in compliance or deficiencies that would not, individually or in the aggregate, have a Material Adverse Effect.

(ll) *ERISA*. The minimum funding standard under Section 302 of the Employee Retirement Income Security Act of 1974, as amended, and the regulations and published interpretations thereunder ("ERISA"), has been satisfied by each "pension plan" (as defined in Section 3(2) of

ERISA) which has been established or maintained by the Company or any of its subsidiaries, and the trust forming part of each such plan which is intended to be qualified under Section 401 of the Internal Revenue Code of 1986, as amended, is so qualified; each of the Company and its subsidiaries has fulfilled its obligations, if any, under Section 515 of ERISA; neither the Company nor any of its subsidiaries maintain or are required to contribute to a “welfare plan” (as defined in Section 3(1) of ERISA) which provides retiree or other post-employment welfare benefits or insurance coverage (other than “continuation coverage” (as defined in Section 602 of ERISA)); each pension plan and welfare plan established or maintained by the Company and/or any of its subsidiaries are in compliance with the currently applicable provisions of ERISA, except where the failure to comply would not result in a Material Adverse Effect; and neither the Company nor any of its subsidiaries have incurred or would reasonably be expected to incur any withdrawal liability under Section 4201 of ERISA, any liability under Section 4062, 4063 or 4064 of ERISA, or any other liability under Title IV of ERISA.

(mm) *Independent Accountant*. Deloitte & Touche LLP, who certified the financial statements and supporting schedules of the Company, included or incorporated by reference in the Registration Statement, the General Disclosure Package and the Final Prospectus, is an independent registered public accounting firm with respect to the Company as required by the Act and the Rules and Regulations and the applicable rules and guidance from the Public Company Accounting Oversight Board (United States).

(nn) *No Restrictions on Payments by Subsidiaries*. Except as described in the General Disclosure Package, no wholly-owned subsidiary of the Company is currently prohibited, directly or indirectly, under any agreement or other instrument to which it is a party or is subject, (i) from paying any dividends to the Company, (ii) from making any other distribution on such subsidiary’s capital stock, (iii) from repaying to the Company any loans or advances to such subsidiary from the Company or (iv) from transferring any of such subsidiary’s material properties or assets to the Company or any other subsidiary of the Company.

(oo) *Emerging Growth Company Status*. From the time of the initial confidential submission of the Initial Registration Statement with the Commission (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communications) through the date hereof, the Company has been and is an Emerging Growth Company.

(pp) *Use of Testing-the-Waters Writings*. The Company (i) has not alone engaged in communications with potential investors in reliance on Section 5(d) of the Act other than Testing-the-Waters Communications with the prior consent of the Representatives with entities that are qualified institutional buyers within the meaning of Rule 144A under the Act or institutions that are accredited investors within the meaning of Rule 501(a) under the Act and (ii) it has not distributed, or authorized any other person to distribute, any Testing-the-Waters Communications, other than those distributed by the Underwriters or with the prior consent of the Representatives. The Company reconfirms that the Underwriters have been authorized to act on its behalf in communicating with potential investors in reliance on Section 5(d) of the Act.

(qq) *Market Stand-off Agreements.* Market stand-off agreements between the Company and each security holder of the Company that have not or do not deliver to the Representatives the “lock-up” agreements referred to in Section 7(g) hereof relating to sales and certain other dispositions of shares of Common Stock or certain other securities are in full force and effect as of the date hereof and shall be in full force and effect as of the Closing Date.

(rr) *Absence of Unlawful Influence*. The Company has not offered or sold, or caused the Underwriters to offer or sell, any Offered Securities to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer's or supplier's level or type of business with the Company or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products.

3. *Purchase, Sale and Delivery of Offered Securities*. On the basis of the representations, warranties and agreements and subject to the terms and conditions set forth herein, the Company agrees to sell to the several Underwriters, and each of the Underwriters agrees, severally and not jointly, to purchase from the Company, at a purchase price of $[●] per share, the respective number of shares of Firm Securities set forth opposite the names of the Underwriters in Schedule A hereto.

The Company will deliver the Firm Securities to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives against payment of the purchase price by the Underwriters in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives drawn to the order of the Company at the office of Cooley LLP, 101 California Street, 5th Floor, San Francisco, CA 94111, at [●] A.M., New York time, on [●], 2015or at such other time not later than seven full business days thereafter as the Representatives and the Company determine, such time being herein referred to as the "**First Closing Date**". For purposes of Rule 15c6-1 under the Exchange Act, the First Closing Date (if later than the otherwise applicable settlement date) shall be the settlement date for payment of funds and delivery of securities for all the Offered Securities sold pursuant to the offering. The Firm Securities so to be delivered or evidence of their issuance will be made available for checking at the above office of Cooley LLP at a reasonable time in advance of the First Closing Date.

In addition, upon written notice from the Representatives given to the Company from time to time not more than 30 days subsequent to the date of the Final Prospectus, the Underwriters may purchase all or less than all of the Optional Securities at the purchase price per Security to be paid for the Firm Securities The Company agrees to sell to the Underwriters the number of shares of Optional Securities specified in such notice and the Underwriters agree, severally and not jointly, to purchase such Optional Securities. Such Optional Securities shall be purchased for the account of each Underwriter in the same proportion as the number of shares of Firm Securities set forth opposite such Underwriter's name bears to the total number of shares of Firm Securities (subject to adjustment by the Representatives to eliminate fractions). No Optional Securities shall be sold or delivered unless the Firm Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Optional Securities or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representatives to the Company.

Each time for the delivery of and payment for the Optional Securities, being herein referred to as an "**Optional Closing Date**", which may be the First Closing Date (the First Closing Date and each Optional Closing Date, if any, being sometimes referred to as a "**Closing Date**"), shall be determined by the Representatives but shall be not earlier than two, nor later than five, full business days after written notice of election to purchase Optional Securities is given, unless the Representatives and the Company otherwise agree in writing. The Company will deliver the Optional Securities being purchased on each Optional Closing Date to or as instructed by the Representatives for the accounts of the several Underwriters in a form reasonably acceptable to the Representatives against payment of the purchase price therefor in Federal (same day) funds by wire transfer to an account at a bank acceptable to the Representatives drawn to the order of the Company, at the above office of Cooley LLP. The Optional Securities being purchased on each Optional Closing Date or evidence of their issuance will be made available for checking at the above office of Cooley LLP at a reasonable time in advance of such Optional Closing Date.

4. *Offering by Underwriters*. It is understood that the several Underwriters propose to offer the Offered Securities for sale to the public as set forth in the Final Prospectus.

5. *Certain Agreements of the Company*. The Company agrees with the several Underwriters that:

(a) *Additional Filings*. Unless filed pursuant to Rule 462(c) as part of the Additional Registration Statement in accordance with the next sentence, the Company will file the Final Prospectus, in a form approved by the Representatives, with the Commission pursuant to and in accordance with subparagraph (1) (or, if applicable and if consented to by the Representatives, subparagraph (4)) of Rule 424(b) not later than the earlier of (i) the second business day following the execution and delivery of this Agreement or (ii) the fifteenth business day after the Effective Time of the Initial Registration Statement. The Company will advise the Representatives promptly of any such filing pursuant to Rule 424(b) and provide satisfactory evidence to the Representatives of such timely filing. If an Additional Registration Statement is necessary to register a portion of the Offered Securities under the Act but the Effective Time thereof has not occurred as of the execution and delivery of this Agreement, the Company will file the Additional Registration Statement or, if filed, will file a post-effective amendment thereto with the Commission pursuant to and in accordance with Rule 462(b) on or prior to 10:00 P.M., New York time, on the date of this Agreement or, if earlier, on or prior to the time the Final Prospectus is finalized and distributed to any Underwriter, or will make such filing at such later date as shall have been consented to by the Representatives.

(b) *Filing of Amendments; Response to Commission Requests*. The Company will promptly advise the Representatives of any proposal to amend or supplement at any time the Initial Registration Statement, any Additional Registration Statement or any Statutory Prospectus and will not effect such amendment or supplementation without the Representatives' consent; and the Company will also advise the Representatives promptly of (i) the effectiveness of any Additional Registration Statement (if its Effective Time is subsequent to the execution and delivery of this Agreement), (ii) any amendment or supplementation of a Registration Statement or any Statutory Prospectus, (iii) any request by the Commission or its staff for any amendment to any Registration Statement, for any supplement to any Statutory Prospectus or for any additional information, (iv) the institution by the Commission of any stop order proceedings in respect of a Registration Statement or, to the Company's knowledge, the threatening of any proceeding for that purpose, and (v) the receipt by the Company of any notification with respect to the suspension of the qualification of the Offered Securities in any jurisdiction or the institution or threatening of any proceedings for such purpose. The Company will use its best efforts to prevent the issuance of any such stop order or the suspension of any such qualification and, if issued, to obtain as soon as possible the withdrawal thereof.

(c) *Continued Compliance with Securities Laws*. If, at any time when a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act by any Underwriter or dealer, any event occurs as a result of which the Final Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Registration Statement or supplement the Final Prospectus to comply with the Act, the Company will promptly notify the Representatives of such event and will promptly prepare and file with the Commission and furnish, at its own expense, to the Underwriters and the dealers and any other dealers upon request of the Representatives, an amendment or supplement which will correct such statement or omission or an amendment which will effect such compliance. Neither the Representatives' consent to, nor the Underwriters' delivery of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 7 hereof.

(d) *Testing-the-Waters Communication*. If at any time following the distribution of any Testing-the-Waters Writing there occurred or occurs an event or development as a result of which such Testing-the-Waters Writing included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Company will promptly notify the Representatives and will promptly amend or supplement, at its own expense, such Testing-the-Waters Writing to eliminate or correct such statement or omission.

(e) *Rule 158*. As soon as practicable, but not later than the Availability Date (as defined below), the Company will make generally available to its securityholders an earnings statement covering a period of at least 12 months beginning after the Effective Time of the Initial Registration Statement (or, if later, the Effective Time of the Additional Registration Statement) which will satisfy the provisions of Section 11(a) of the Act and Rule 158 under the Act. For the purpose of the preceding sentence, "**Availability Date**" means the day after the end of the fourth fiscal quarter following the fiscal quarter that includes such Effective Time on which the Company is required to file its Form 10-Q for such fiscal quarter except that, if such fourth fiscal quarter is the last quarter of the Company's fiscal year, "**Availability Date**" means the day after the end of such fourth fiscal quarter on which the Company is required to file its Form 10-K.

(f) *Furnishing of Prospectuses*. The Company will furnish to the Representatives copies of each Registration Statement (including all exhibits), each related Statutory Prospectus, and, so long as a prospectus relating to the Offered Securities is (or but for the exemption in Rule 172 would be) required to be delivered under the Act, the Final Prospectus and all amendments and supplements to such documents, in each case in such quantities as the Representatives request. The Final Prospectus shall be so furnished on or prior to 3:00 P.M., New York time, on the business day following the execution and delivery of this Agreement. All other documents shall be so furnished as soon as available. The Company will pay the expenses of printing and distributing to the Underwriters all such documents.

(g) *Blue Sky Qualifications*. The Company will arrange for the qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate and will continue such qualifications in effect so long as required for the distribution; provided that, the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction in which it is not already so qualified, or (ii) subject itself to taxation in any such jurisdiction in which it is not otherwise so subject.

(h) *Reporting Requirements*. During the period of five years hereafter, the Company will furnish to the Representatives and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to stockholders for such year; and the Company will furnish to the Representatives (i) as soon as available, a copy of each report and any definitive proxy statement of the Company filed with the Commission under the Exchange Act or mailed to stockholders, and (ii) from time to time, such other information concerning the Company as the Representatives may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval system ("**EDGAR**"), it is not required to furnish such reports or statements to the Underwriters.

(i) *Payment of Expenses*. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including but not limited to any filing fees and other expenses (including fees and disbursements of counsel to the Underwriters) incurred in connection with qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representatives designate, pursuant to Section 5(g) hereof, and the preparation and printing of memoranda relating thereto, costs and expenses related to the review by FINRA of the Offered Securities (including filing fees and the fees and expenses of counsel for the Underwriters relating to such review), costs and expenses relating to investor presentations or any "road show" in connection with the offering and sale of the Offered Securities including, without limitation, the travel expenses of the Company's officers and employees and 50% of the cost of chartering aircraft in connection with any "road show" (the remaining 50% of the cost of such aircraft shall be paid by the Underwriters), fees and expenses incident to listing the Offered Securities on the New York Stock Exchange, American Stock Exchange, NASDAQ Stock Market and other national and foreign exchanges, as applicable, fees and expenses in connection with the registration of the Offered Securities under the Exchange Act, and expenses incurred in distributing preliminary prospectuses and the Final Prospectus (including any amendments and supplements thereto) to the Underwriters and for expenses incurred for preparing, printing and distributing any Issuer Free Writing Prospectuses to investors or prospective investors.

(j) *Use of Proceeds*. The Company will use the net proceeds received in connection with this offering in the manner described in the "Use of Proceeds" section of the General Disclosure Package and, except as disclosed in the General Disclosure Package, the Company does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any affiliate of any Underwriter.

(k) *Absence of Manipulation*. The Company will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Offered Securities.

(l) *Taxes*. The Company will indemnify and hold harmless the Underwriters against any documentary, stamp or similar issue tax, including any interest and penalties, on the creation, issue and sale of the Offered Securities and on the execution and delivery of this Agreement. All payments to be made by the Company hereunder shall be made without withholding or deduction for or on account of any present or future taxes, duties or governmental charges whatsoever unless the Company is compelled by law to deduct or withhold such taxes, duties or charges. In that event, the Company shall pay such additional amounts as may be necessary in order that the net amounts received after such withholding or deduction shall equal the amounts that would have been received if no withholding or deduction had been made.

(m) *Restriction on Sale of Securities.* (i) For the period specified below (the "**Lock-Up Period**"), the Company will not, directly or indirectly, take any of the following actions with respect to its Securities or any securities convertible into or exchangeable or exercisable for any of its Securities ("**Lock-Up Securities**"): (A) offer, sell, issue, contract to sell, pledge or otherwise dispose of Lock-Up Securities, (B) offer, sell, issue, contract to sell, contract to purchase or grant any option, right or warrant to purchase Lock-Up Securities, (C) enter into any swap, hedge or any other agreement that transfers, in whole or in part, the economic consequences of ownership of Lock-Up Securities, (D) establish or increase a put equivalent position or liquidate or decrease a call equivalent position in Lock-Up Securities within the meaning of Section 16 of the Exchange Act or (E) file with the Commission a registration statement under the Act relating to Lock-Up Securities, or publicly disclose the intention to take any such action, without the prior written consent of the Representatives, except (I) issuances of Lock-Up Securities pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options, in each case outstanding on the date hereof; provided that the Company shall have caused each recipient of such Lock-Up Securities to have executed and delivered to the Representatives a lock-up agreement, substantially in the form of Exhibit B hereto prior to such conversion, exchange or exercise, (II) grants of employee stock options pursuant to the terms of a plan as described in the General Disclosure Package; provided that, prior to such grants, to the extent that any such options will become vested during the Lock-Up Period, the Company shall cause each recipient of such grant to execute and deliver a lock-up agreement substantially in the form of Exhibit B hereto, or issuances of Lock-Up Securities pursuant to the exercise of such options, or (III) issuances of Lock-Up Securities pursuant to a bona fide merger, consolidation or other similar transaction, *provided* that the aggregate number of shares of Common Stock that the Company may issue pursuant to this clause (III) shall not exceed 5% of the total number of shares of Common Stock issued and outstanding immediately following the completion of the transactions contemplated by this Agreement and provided further that the Company shall cause each recipient of such Lock-Up Securities to execute and deliver to the Representatives, on or prior to such issuance, a lock-up agreement, substantially in the form of Exhibit B hereto. The Lock-Up Period will commence on the date hereof and continue for 180 days after the date hereof or until such earlier date that the Representatives consent to in writing.

(n) *Agreement to Announce Lock-Up Waiver*. If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 7(h) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit A hereto through a major news service at least two business days before the effective date of the release or waiver.

(o) *Loss of Emerging Growth Company Status*. The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (A) completion of the distribution of the Offered Securities within the meaning of the Act and (B) completion of the 180-day restricted period referred to in Section 5(k) hereof.

(p) *Enforcement of Market Stand-off*. To enforce, and not waive, without the consent of the Representatives, the existing market stand-off provisions that are applicable to the remaining security holders of the Company that have not or do not deliver the "lock-up" agreements referred to in Section 7(g) hereof.

(q) *Transfer Restrictions*. In connection with the Directed Share Program, the Company will ensure that the Directed Shares will be restricted to the extent required by the National Association of Securities Dealers, Inc. (the "**NASD**") or the NASD rules from sale, transfer, assignment, pledge or hypothecation for a period of three months following the date of the effectiveness of the Registration Statement. The Designated Underwriter will notify the Company as to which Participants will need to be so restricted. The Company will direct the transfer agent to place stop transfer restrictions upon such securities for such period of time.

(r) *Payment of Expenses Related to Directed Share Program*. The Company will pay all fees and disbursements of counsel (including non-U.S. counsel) incurred by the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the underwriters in connection with the Directed Share Program.

(s) *Compliance with Foreign Laws*. The company will comply with all applicable securities and other applicable laws, rules and regulations in each foreign jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

6. *Free Writing Prospectuses*. The Company represents and agrees that, unless it obtains the prior consent of the Representatives, and each Underwriter represents and agrees that, unless it obtains the prior consent of the Company and the Representatives, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus, or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Representatives is hereinafter referred to as a "**Permitted Free Writing Prospectus**." The Company represents that it has treated and agrees that it will treat each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus, and has complied and will comply with the requirements of Rules 164 and 433 applicable to any Permitted Free Writing Prospectus, including timely Commission filing where required, legending and record keeping. The Company represents that is has satisfied and agrees that it will satisfy the conditions in Rule 433 to avoid a requirement to file with the Commission any electronic road show.

7. *Conditions of the Obligations of the Underwriters*. The obligations of the several Underwriters to purchase and pay for the Firm Securities on the First Closing Date and the Optional Securities to be purchased on each Optional Closing Date will be subject to the accuracy of the representations and warranties of the Company herein (as though made on such Closing Date), to the accuracy of the statements of Company officers made pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions precedent:

(a) *Accountants' Comfort Letter*. The Representatives shall have received letters, dated, respectively, the date hereof and each Closing Date, of Deloitte & Touche LLP confirming that they are a registered public accounting firm and independent public accountants within the meaning of the Securities Laws and in form and substance reasonably satisfactory to the Representatives; provided that any letter dated a Closing Date shall use a "cut-off date" no more than three days prior to such Closing Date.

(b) *Effectiveness of Registration Statement*. If the Effective Time of the Additional Registration Statement (if any) is not prior to the execution and delivery of this Agreement, such Effective Time shall have occurred not later than 10:00 P.M., New York time, on the date of this Agreement or, if earlier, the time the Final Prospectus is finalized and distributed to any Underwriter, or shall have occurred at such later time as shall have been consented to by the Representatives. The Final Prospectus shall have been filed with the Commission in accordance with the Rules and Regulations and Section 5(a) hereof. Prior to such Closing Date, no stop order suspending the effectiveness of a Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Company or the Representatives, shall be contemplated by the Commission.

(c) *No Material Adverse Change*. Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) any change, or any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole which, in the judgment of the Representatives, is material and adverse and makes it impractical or inadvisable to market the Offered Securities; (ii) any downgrading in the rating of any debt securities of the Company by any "nationally recognized statistical rating organization" (as defined in Section 3(a)(62) of the Exchange Act), or any public announcement that any such organization has under surveillance or review its rating of any debt securities of the Company (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating); (iii) any change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls the effect of which is such as to make it, in the judgment of the Representatives, impractical to market or to enforce contracts for the sale of the Offered Securities, whether in the primary market or in respect of dealings in the secondary market; (iv) any suspension or material limitation of trading in securities generally on the New York Stock Exchange or the Nasdaq Stock Market, or any setting of minimum or maximum prices for trading on such exchange; (v) or any suspension of trading of any securities of the Company on any exchange or in the over-the-counter market; (vi) any banking moratorium declared by any U.S. federal or New York authorities; (vii) any major disruption of settlements of securities, payment, or clearance services in the United States or any other country where such securities are listed or (viii) any attack on, outbreak or escalation of hostilities or act of terrorism involving the United States, any declaration of war by Congress or any other national or international calamity or emergency if, in the judgment of the Representatives, the effect of any such attack, outbreak, escalation, act, declaration, calamity or emergency is such as to make it impractical or inadvisable to market the Offered Securities or to enforce contracts for the sale of the Offered Securities.

(d) *Opinion of Counsel for Company*. The Representatives shall have received an opinion, dated such Closing Date, of Orrick, Herrington & Sutcliffe LLP, counsel for the Company, in the form and substance reasonably satisfactory to the Representatives;

(e) *Opinion of Counsel for Underwriters.* The Representatives shall have received from Cooley LLP, counsel for the Underwriters, such opinion or opinions, dated such Closing Date, with respect to such matters as the Representatives may require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(f) *Officer's Certificate*. The Representatives shall have received a certificate, dated such Closing Date, of an executive officer of the Company and a principal financial or accounting officer of the Company, in each case on behalf of the Company and not in their individual capacity, in which such officers shall state that: the representations and warranties of the Company in this Agreement are true and correct; the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date; no stop order suspending the effectiveness of any Registration Statement has been issued and no proceedings for that purpose have been instituted or, to the best of their knowledge, are contemplated by the Commission; the Additional Registration Statement (if any) satisfying the requirements of subparagraphs (1) and (3) of Rule 462(b) was timely filed pursuant to Rule 462(b), including payment of the applicable filing fee in accordance with Rule 111(a) or (b) of Regulation S-T of the Commission; and, subsequent to the date of the most recent financial statements in the General Disclosure Package, there has been no material adverse change, nor any development or event involving a prospective material adverse change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries taken as a whole except as set forth in the General Disclosure Package or as described in such certificate.

(g) *Lock-up Agreements*. On or prior to the date hereof, the Representatives shall have received lockup letters in the form of Exhibit B from each of the executive officers and directors and holders of substantially all of the outstanding equity securities of the Company.

(h) *Chief Financial Officer's Certificate.* The chief financial officer of the Company shall have delivered to the Underwriters, on each of the date hereof and on the Closing Date, a certificate in a form reasonably acceptable to the Representatives.

(i) *No Objection*. FINRA shall have confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements relating to the offering of the Offered Securities.

The Company will furnish the Representatives with such conformed copies of such opinions, certificates, letters and documents as the Representatives reasonably request. The Representatives may in their sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of an Optional Closing Date or otherwise.

8. *Indemnification and Contribution*. (a) *Indemnification of Underwriters*. The Company will indemnify and hold harmless each Underwriter, its partners, members, directors, officers, employees, agents, affiliates and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each, an "**Indemnified Party**"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of any Registration

Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus, the General Disclosure Package, any Issuer Free Writing Prospectus or any Testing-the-Waters Writing, or arise out of or are based upon the omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Indemnified Party for any legal or other expenses reasonably incurred by such Indemnified Party in connection with investigating or defending against any loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Indemnified Party is a party thereto), whether threatened or commenced, and in connection with the enforcement of this provision with respect to any of the above as such expenses are incurred; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with written information furnished to the Company by any Underwriter specifically for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in subsection (b) below.

The Company agrees to indemnify and hold harmless the Designated Underwriter and its affiliates and each person, if any, who controls the Designated Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act (the "**Designated Entities"**), from and against any and all losses, claims, damages and liabilities (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim) (i) arising out of or based upon any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program arising out of or based upon any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading; (ii) arising out of or based upon the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase; or (iii) arising out of, related to or in connection with the Directed Share Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the willful misconduct or gross negligence of the Designated Entities.

(b) *Indemnification of Company*. Each Underwriter will severally and not jointly indemnify and hold harmless the Company, each of its directors and each of its officers who signs a Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Act or Section 20 of the Exchange Act (each, an "**Underwriter Indemnified Party**"), against any losses, claims, damages or liabilities to which such Underwriter Indemnified Party may become subject, under the Act, the Exchange Act, other Federal or state statutory law or regulation or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any part of any Registration Statement at any time, any Statutory Prospectus as of any time, the Final Prospectus, any Issuer Free Writing Prospectus or any Testing-the-Waters Writing, or arise out of or are based upon the omission or the alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company by such Underwriter specifically for use therein, and will reimburse any legal or other expenses reasonably incurred by such Underwriter Indemnified Party in connection with investigating or defending against any such loss, claim, damage, liability, action, litigation, investigation or proceeding whatsoever (whether or not such Underwriter Indemnified Party is a party thereto), whether threatened or commenced, based upon any such untrue statement or omission, or any such alleged untrue statement or omission as such expenses are incurred, it being understood and agreed that the only such information furnished by any Underwriter consists of (i) the following information in the Final Prospectus furnished on behalf of each Underwriter: the concession figure appearing in the [●] paragraph under the caption "Underwriting" and the information contained in the [●] and [●] paragraphs under the caption "Underwriting".

(c) *Actions Against Parties; Notification*. Promptly after receipt by an indemnified party under this Section of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under subsection (a) or (b) above, notify the indemnifying party of the commencement thereof; but the failure to notify the indemnifying party shall not relieve it from any liability that it may have under subsection (a) or (b) above except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided further that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under subsection (a) or (b) above. In case any such action is brought against any indemnified party and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein and, to the extent that it may wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party will not be liable to such indemnified party under this Section for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation. Notwithstanding anything contained herein to the contrary, if indemnity may be sought pursuant to the last paragraph in Section 8(a) hereof in respect of such action or proceeding, then in addition to such separate firm for the indemnified parties, the indemnifying party shall be liable for the reasonable fees and expenses of not more than one separate firm (in addition to any local counsel) for the Designated Underwriter for the defense of any losses, claims, damages and liabilities arising out of the Directed Share Program, and all persons, if any, who control the Designated Underwriter within the meaning of either Section 15 of the Act of Section 20 of the Exchange Act. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened action in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party unless such settlement (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party.

(d) *Contribution*. If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses but after deducting underwriting discounts and commissions) received by the Company bear to the total underwriting discounts and commissions received by the Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Offered Securities exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint. The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 8(d) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to in this Section 8(d).

9. *Default of Underwriters*. If any Underwriter or Underwriters default in their obligations to purchase Offered Securities hereunder on either the First or any Optional Closing Date and the aggregate number of shares of Offered Securities that such defaulting Underwriter or Underwriters agreed but failed to purchase does not exceed 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date, the Representatives may make arrangements satisfactory to the Company for the purchase of such Offered Securities by other persons, including any of the Underwriters, but if no such arrangements are made by such Closing Date, the non-defaulting Underwriters shall be obligated severally, in proportion to their respective commitments hereunder, to purchase the Offered Securities that such defaulting Underwriters agreed but failed to purchase on such Closing Date. If any Underwriter or Underwriters so default and the aggregate number of shares of Offered Securities with respect to which such default or defaults occur exceeds 10% of the total number of shares of Offered Securities that the Underwriters are obligated to purchase on such Closing Date and arrangements satisfactory to the Representatives and the Company for the purchase of such Offered Securities by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Underwriter or the Company, except as provided in Section 10 (provided that if such default occurs with respect to Optional Securities after the First Closing Date, this Agreement will not terminate as to the Firm Securities or any Optional Securities purchased prior to such termination). As used in this Agreement, the term "Underwriter" includes any person substituted for an Underwriter under this Section. Nothing herein will relieve a defaulting Underwriter from liability for its default.

10. *Survival of Certain Representations and Obligations*. The respective indemnities, agreements, representations, warranties and other statements of the Company or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any termination of this Agreement or any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter, the Company or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Offered Securities. If the purchase of the Offered Securities by the Underwriters is not consummated for any reason other than solely because of the termination of this Agreement pursuant to Section 9 hereof (provided that any non-defaulting Underwriters will still be reimbursed), the Company will reimburse the Underwriters for all out-of-pocket expenses (including fees and disbursements of counsel) reasonably incurred by them in connection with the offering of the Offered Securities, and the respective obligations of the Company and the Underwriters pursuant to Section 8 hereof shall remain in effect. In addition, if any Offered Securities have been purchased hereunder, the representations and warranties in Section 2 and all obligations under Section 5 shall also remain in effect.

11. *Notices*. All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed, delivered or telegraphed and confirmed to the Representatives, c/o Credit Suisse Securities

(USA) LLC, Eleven Madison Avenue, New York, N.Y. 10010-3629, Attention: LCD-IBD and Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Bryant Park, New York, N.Y. 10036 (fax: (646) 855-3073); Attention Syndicate Department, with a copy to fax: (212) 230-8730, Attention: ECM Legal, or, if sent to the Company, will be mailed, delivered or telegraphed and confirmed to it at 1880 Embarcadero Road, Palo Alto, CA 94303, Attention: Spencer Jackson; provided, however, that any notice to an Underwriter pursuant to Section 8 will be mailed, delivered or telegraphed and confirmed to such Underwriter.

12. *Successors*. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 8, and no other person will have any right or obligation hereunder.

13. *Representation of Underwriters*. The Representatives will act for the several Underwriters in connection with this financing, and any action under this Agreement taken by the Representatives will be binding upon all the Underwriters.

14. *Counterparts*. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

15. *Absence of Fiduciary Relationship.* The Company acknowledges and agrees that:

(a) *No Other Relationship*. The Representatives have been retained solely to act as underwriters in connection with the sale of Offered Securities and that no fiduciary, advisory or agency relationship between the Company and the Representatives has been created in respect of any of the transactions contemplated by this Agreement or the Final Prospectus, irrespective of whether the Representatives have advised or are advising the Company on other matters;

(b) *Arms' Length Negotiations*. The price of the Offered Securities set forth in this Agreement was established by the Company following discussions and arms-length negotiations with the Representatives and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement;

(c) *Absence of Obligation to Disclose*. The Company has been advised that the Representatives and their affiliates are engaged in a broad range of transactions which may involve interests that differ from those of the Company and that the Representatives have no obligation to disclose such interests and transactions to the Company by virtue of any fiduciary, advisory or agency relationship; and

(d) *Waiver*. The Company waives, to the fullest extent permitted by law, any claims it may have against the Representatives for breach of fiduciary duty or alleged breach of fiduciary duty and agrees that the Representatives shall have no liability (whether direct or indirect) to the Company in respect of such a fiduciary duty claim or to any person asserting a fiduciary duty claim on behalf of or in right of the Company, including stockholders, employees or creditors of the Company.

16. *Applicable Law*. This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

The Company hereby submits to the non-exclusive jurisdiction of the Federal and state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company irrevocably and unconditionally waives any objection to the laying of venue of any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby in Federal and state courts in the Borough of Manhattan in The City of New York and irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such suit or proceeding in any such court has been brought in an inconvenient forum.

If the foregoing is in accordance with the Representatives' understanding of our agreement, kindly sign and return to the Company one of the counterparts hereof, whereupon it will become a binding agreement among the Company and the several Underwriters in accordance with its terms.

Very truly yours,

OOMA, INC.

By: ______________________________
Name:
Title:

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

CREDIT SUISSE SECURITIES (USA) LLC

By: ______________________________
Name:
Title:

By MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: ______________________________
Name:
Title:

Acting on behalf of themselves and as the Representatives of the several Underwriters

SCHEDULE A

Underwriter	Number of Firm Securities
Credit Suisse Securities (USA) LLC	[$]
Merrill Lynch, Pierce, Fenner & Smith Incorporated	[$]
JMP Securities LLC	[$]
William Blair & Company, L.L.C.	[$]
Wunderlich Securities, Inc.	[$]
Total	[$]

SCHEDULE B

1. General Use Free Writing Prospectuses (included in the General Disclosure Package)

"General Use Issuer Free Writing Prospectus" includes each of the following documents:

[●]

2. Other Information Included in the General Disclosure Package

The following information is also included in the General Disclosure Package:

1. The initial price per share to the public of the Offered Securities: $[●].
2. Number of Firm Securities: [●].
3. Number of Optional Securities: [●].

Exhibit A

Form of Press Release

Ooma, Inc.
[Date]

Ooma, Inc., a Delaware corporation (the "Company"), announced today that Credit Suisse Securities (USA) LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated, the lead book-running managers in the Company's recent public sale of [●] shares of common stock, is [waiving] [releasing] a lock-up restriction with respect to shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on , 20 , and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit B

Form of Lock-Up Agreement

__________, 2015

Ooma, Inc.
1880 Embarcadero Road
Palo Alto, CA 94303

Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, NY 10010-3629

Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036

As representatives of the several underwriters

Dear Sirs:

As an inducement to the several underwriters to execute the Underwriting Agreement (the "**Underwriting Agreement**"), pursuant to which an offering (the "**Public Offering**") will be made that is intended to result in the establishment of a public market for the common stock (the "**Securities**") of Ooma, Inc., a Delaware corporation, and any successor (by merger or otherwise) thereto, (the "**Company**"), the undersigned hereby agrees that other than specifically set forth below, during the period specified in the following paragraph (the "**Lock-Up Period**"), the undersigned will not offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any Securities or securities convertible into or exchangeable or exercisable for any Securities (collectively, the "**Lock-Up Securities**"), enter into a transaction which 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 the Lock-Up Securities, whether any such aforementioned transaction is to be settled by delivery of the Lock-Up Securities or such other securities, in cash or otherwise, or publicly disclose the intention to make any such offer, sale, pledge or disposition, or to enter into any such transaction, swap, hedge or other arrangement, without, in each case, the prior written consent of Credit Suisse Securities (USA) LLC ("**Credit Suisse**") and Merrill Lynch, Pierce, Fenner & Smith Incorporated ("**BAML**"). Any Securities received by the undersigned after the date hereof (including those received upon exercise of options granted to the undersigned) will also be subject to this Lock-Up Agreement. In addition, the undersigned agrees that, without the prior written consent of Credit Suisse and BAML, it will not, during the Lock-Up Period, make any demand for or exercise any right with respect to, the registration of any Securities or any security convertible into or exercisable or exchangeable for the Securities.

The Lock-Up Period will commence on the date of this Lock-Up Agreement and continue and include the date that is 180 days after the Public Offering date set forth on the final prospectus used to sell the Securities (the "**Public Offering Date**") pursuant to the Underwriting Agreement, to which you are or expect to become parties.

The restrictions in this Lock-Up Agreement shall not apply to:

(a) the sale of Securities pursuant to the terms of the Underwriting Agreement;

(b) transactions relating to Securities acquired in open market transactions after the completion of the Public Offering, *provided* that no filing under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or other public announcement shall be required or shall be voluntarily made in connection with such open market transactions during the Lock-Up Period;

(c) transfers of Lock-Up Securities (i) to the spouse, domestic partner, parent, sibling, child or grandchild (each, an "**immediate family member**") of the undersigned or to a trust formed for the benefit of the undersigned or of an immediate family member of the undersigned, (ii) by a bona fide gift, will or intestacy, (iii) if the undersigned is a corporation, partnership, limited liability company, investment fund or other business entity (A) to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the undersigned, (B) to investment funds under common management with the undersigned or the limited partners, general partners or other principals of such funds or the undersigned or (C) as part of a disposition, transfer or distribution by the undersigned to its equity holders or (iv) if the undersigned is a trust, to a trustor or beneficiary of the trust; *provided* that in the case of any transfer or distribution pursuant to this clause, (i) each donee, transferee or distributee shall sign and deliver a lock-up letter substantially in the form of this agreement and (ii) no filing under the Exchange Act or other public announcement shall be required or shall be voluntarily made during the Lock-Up Period; and *provided further* any transfer pursuant to (i), (iii) and (iv) of this clause shall not involve a disposition for value;

(d) the receipt by the undersigned from the Company of Securities upon the vesting of restricted stock awards or other securities convertible into Securities or upon the exercise of options or warrants in accordance with their terms pursuant to an employee benefit plan, option or warrant disclosed in the final prospectus for the Public Offering, *provided* that (i) any such Securities issued upon such vesting or upon exercise of such option or warrant shall be Lock-Up Securities subject to the restrictions set forth herein and (ii) no filing under the Exchange Act or other public announcement shall be required or shall be voluntarily made during the Lock-Up Period;

(e) the transfer of Lock-Up Securities to the Company upon a vesting event of restricted stock awards or other securities convertible into Securities or upon the exercise of options or warrants to purchase Securities in accordance with their terms pursuant to an employee benefit plan, option or warrant disclosed in the final prospectus for the Public Offering, in each case on a “cashless” or “net exercise” basis or to cover tax withholding obligations of the undersigned in connection with such vesting or exercise; *provided* that no filing under the Exchange Act or other public announcement shall be required or shall be voluntarily made during the Lock-Up Period;

(f) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Securities, *provided* that (i) no direct or indirect offers, pledges, sales, contracts to sell, sales of any option or contract to purchase, purchases of any option or contract to sell, grants of any option, right or warrant to purchase, loans, or other transfers or disposals of any Lock-Up Securities may be effected pursuant to such plan during the Lock-Up Period and (ii) no public disclosure of the entry into such a trading plan shall be required or shall be voluntarily made by any person until after the expiration of the Lock-Up Period;

(g) the transfer of Lock-Up Securities pursuant to a qualified domestic order or in connection with a divorce settlement; *provided* that the transferee shall sign and deliver a lock-up letter substantially in the form of this agreement prior to such transfer; *provided*, *further*, that if the undersigned is required to file a report under the Exchange Act, the undersigned shall include a statement in such report to the effect that such transfer was made pursuant to a qualified domestic order or divorce settlement;

(h) the transfer of Lock-Up Securities pursuant to a change of control (as defined below) of the Company after the Public Offering Date that has been approved by the independent members of the Company’s board of directors, *provided* that in the event that the change of control is not completed, the Lock-Up Securities owned by the undersigned shall remain subject to the restrictions contained in this Lock-Up Agreement.

For purposes of subsection (h) above, “change of control” shall mean the consummation of any bona fide third party tender offer, merger, consolidation or other similar transaction made to all holders of Securities the result of which is that any “person” (as defined in Section 13(d)(3) of the Exchange Act), or group of persons, becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 of the Exchange Act) of more than 50% of the voting capital stock of the Company.

In furtherance of the foregoing, the Company and its transfer agent and registrar are hereby authorized to decline to make any transfer of shares of Securities if such transfer would constitute a violation or breach of this Lock-Up Agreement.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing restrictions in this Lock-Up Agreement shall be equally applicable to any issuer-directed Securities the undersigned may purchase in the above-referenced offering, which shall be Lock-Up Securities.

If the undersigned is an officer or director of the Company, (i) Credit Suisse and BAML agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of Lock-Up Securities, Credit Suisse and BAML will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by Credit Suisse and BAML hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this Lock-Up Agreement to the extent and for the duration that such terms remain in effect at the time of the transfer.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Lock-Up Agreement. This Lock-Up Agreement is irrevocable and all authority herein conferred or agreed to be conferred shall survive the death or incapacity or dissolution of the undersigned and any obligations of the undersigned shall be binding on the undersigned and the successors, heirs, personal representatives and assigns of the undersigned.

This agreement shall automatically terminate and be of no further force and effect upon the earlier to occur of: (i) the Company advising the Underwriters in writing prior to the execution of the Underwriting Agreement that it does not intend to proceed with the Public Offering; (ii) the termination of the Underwriting Agreement before the closing of the Public Offering; (iii) the registration statement for the Public Offering is withdrawn; or (iv) September 30, 2015, if the Underwriting Agreement has not been executed by that date; provided, however, that Credit Suisse, BAML and the Company may, by joint written notice to you prior to such date, extend such date for a period of up to three additional months.

This Lock-Up Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

[signature page follows]

Very truly yours,

____
Name of Security Holder *(Print exact name)*

By: ______________________________
Signature

If not signing in an individual capacity:

____
Name of Authorized Signatory *(Print)*

____
Title of Authorized Signatory *(Print)*

(indicate capacity of person signing if signing as custodian, trustee, or on behalf of an entity)

[Signature Page to Lock-Up Agreement

FOURTEENTH 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 Amended and Restated 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

Effective immediately upon the filing of this Fourteenth Amended and Restated Certificate of Incorporation (the "Effective Time"), (i) each two (2) then-outstanding shares of the Corporation's Common Stock, each with a par value of $0.0001 per share, shall be and hereby are automatically combined, converted and reconstituted into one (1) fully paid and nonassessable share of Common Stock, par value of $0.0001 per share, (ii) each two (2) then-outstanding shares of the Corporation's Series Alpha Preferred Stock, each with a par value of $0.0001 per share, shall be and hereby are automatically combined, converted and reconstituted into one (1) fully paid and nonassessable share of Series Alpha Preferred Stock, par value of $0.0001 per share, (iii) each two (2) then-outstanding shares of the Corporation's Series Alpha-1 Preferred Stock, each with a par value of $0.0001 per share, shall be and hereby are automatically combined, converted and reconstituted into one (1) fully paid and nonassessable share of Series Alpha-1 Preferred Stock, par value of $0.0001 per share and (iv) each two (2) then-outstanding shares of the Corporation's Series Beta Preferred Stock, each with a par value of $0.0001 per share, shall be and hereby are automatically combined, converted and reconstituted into one (1) fully paid and nonassessable share of Series Beta Preferred Stock, par value of $0.0001 per share, in each case without any action on the part of the holders of such shares (the "Reverse Stock Split"). No fractional shares shall be issued upon the Reverse Stock Split of any share or shares of the Common Stock, Series Alpha Preferred Stock, Series Alpha-1 Preferred Stock or Series Beta Preferred Stock. Whether or not fractional shares would have been issuable (but for the preceding sentence) upon the Reverse Stock Split shall be determined on the basis of the total number of shares represented by each stock certificate of the Corporation. In lieu of issuing fractional shares upon the Reverse Stock Split, the Corporation shall pay holders the fair market value, as of the effective date of the filing of this Fourteenth Amended and Restated Certificate of Incorporation (this "Restated Certificate") as determined by the Corporation's Board of Directors, of the fractional shares that would be issued upon the Reverse Stock Split but for the second sentence of this paragraph. Each outstanding stock certificate of the Corporation which, immediately prior to the Effective Time, represents one or more shares of the Corporation's capital stock shall thereafter be deemed to represent the appropriate number of shares of the Corporation's capital stock, taking into account the Reverse Stock Split, until such stock certificate is exchanged for a new stock certificate, or the shares are placed in book position, reflecting the appropriate number of shares resulting from the Reverse Stock Split. All share amounts, amounts per share and per share numbers set forth in this Restated Certificate have been appropriately adjusted to reflect the Reverse Stock Split.

(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 24,017,410 shares, each with a par value of $0.0001 per share. 15,000,000 shares shall be Common Stock and 9,017,410 shares shall be Preferred Stock.

(B) **Rights, Preferences and Restrictions of Preferred Stock.** The Preferred Stock authorized by this Restated Certificate may be issued from time to time in one or more series. 8,060,629 shares of Preferred Stock shall be designated "Series Alpha Preferred Stock", 485,146 shares of Preferred Stock shall be designated "Series Alpha-1 Preferred Stock" and 471,635 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 $0.3756 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, $3.2140 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 $1.6962 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 $4.6950 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 $21.2028 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 $40.1740 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) **<u>Remaining Assets</u>.** 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) **<u>Deemed Conversion</u>.** 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) **<u>Certain Acquisitions</u>.**

(i) **<u>Deemed Liquidation</u>.** 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 "<u>Liquidation Transaction</u>"), 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) **<u>Valuation of Consideration</u>.** 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. **<u>Conversion</u>.** The holders of shares of Preferred Stock shall be entitled to conversion rights as follows (the "<u>Conversion Rights</u>"):

(a) **<u>Right to Convert</u>.** 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 $4.6950 in the case of the Series Alpha Preferred Stock, $40.1740 in the case of the Series Alpha-1 Preferred Stock, and $21.2028 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 "<u>Conversion Ratio</u>"). The initial Conversion Price per share shall be $4.6950 in the case of the Series Alpha Preferred Stock, $40.1740 in the case of the Series Alpha-1 Preferred Stock, and $21.2028 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) **<u>Automatic Conversion</u>.** 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 "<u>Qualified IPO</u>") 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) **<u>Mechanics of Conversion</u>.** 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) **<u>Special Conversion Price Adjustments</u>.** 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) **<u>Liquidation Transaction</u>.** 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) **<u>Qualified IPO</u>.** 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) **<u>Other Distributions</u>.** 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 500,000 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 Fourteenth 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 July 2nd, 2015.

/s/ Eric Stang

Eric Stang, President

SIGNATURE PAGE TO
FOURTEENTH AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF OOMA, INC.

FIFTEENTH AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

OF

OOMA, INC.

a Delaware corporation

Ooma, Inc., a corporation organized and existing under the laws of the State of Delaware (the "**Corporation**"), hereby certifies as follows:

A. The Corporation was originally incorporated and the original Certificate of Incorporation was filed with the Secretary of State of the State of Delaware on November 19, 2003, under the name of ExploreTel Communications, Inc.

B. The Certificate of Incorporation was most recently amended and restated pursuant to an Amended and Restated Certificate of Incorporation filed with the Secretary of State of the State of Delaware on July 6, 2015.

C. This Fifteenth Amended and Restated Certificate of Incorporation was duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "**DGCL**"), and restates, integrates and further amends the provisions of the Corporation's Certificate of Incorporation, and has been duly approved by the written consent of the stockholders of the Corporation in accordance with Section 228 of the DGCL.

D. The Certificate of Incorporation of this Corporation is hereby amended and restated to read in its entirety as follows:

ARTICLE I

The name of the Corporation is Ooma, Inc.

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington County of New Castle, Zip Code 19801. The name of the registered agent at such address is The Corporation Trust Company.

ARTICLE III

The nature of the business or purposes to be conducted or promoted by the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV

4.1 Authorized Capital Stock. The total number of shares of all classes of capital stock that the Corporation is authorized to issue is 110,000,000 shares, consisting of 100,000,000 shares of Common Stock, par value $0.0001 per share (the "**Common Stock**"), and 10,000,000 shares of Preferred Stock, par value $0.0001 per share (the "**Preferred Stock**").

4.2 Rights of Common Stock.

Each share of Common Stock shall entitle the holder thereof to one vote on each matter submitted to a vote of holders of Common Stock at a meeting of stockholders.

4.3 Rights of Preferred Stock. The Board of Directors is authorized, subject to limitations prescribed by law or this certificate of incorporation (the "**Certificate of Incorporation**" which term, as used herein, shall mean the certificate of incorporation of the Corporation, as amended from time to time, including the terms of any certificate of designations relating to any series of Preferred Stock), to provide for the issuance of shares of Preferred Stock in series and to fix by resolution or resolutions the designations, powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of any wholly unissued series of Preferred Stock, including without limitation authority to fix by resolution or resolutions the dividend rights, dividend rate, conversion rights, voting rights, rights and terms of redemption (including sinking fund provisions), redemption price or prices, and liquidation preferences of any such series, and the number of shares constituting any such series and the designation thereof, or any of the foregoing.

4.4 Increase or Decrease in Authorized Capital Stock. The Board of Directors is further authorized to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any series, the number of which was fixed by it, subsequent to the issuance of shares of such series then outstanding, subject to the powers, preferences and rights, and the qualifications, limitations and restrictions thereof stated in the Certificate of Incorporation or the resolution of the Board of Directors originally fixing the number of shares of such series. If the number of shares of any series is so decreased, then the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

ARTICLE V

5.1 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

5.2 Number of Directors; Election. Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, the number of directors that constitutes the entire Board of Directors of the Corporation shall be fixed solely by the Board of Directors pursuant to a resolution adopted by a majority of the Board of Directors.

5.3 Classified Board Structure.

(a) Effective upon the closing date (the "**Effective 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 holders of any series of Preferred Stock with respect to the election of directors, the directors of the Corporation shall be divided into three classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. The Board of Directors may assign members of the Board of Directors already in office to such classes at the time such classification becomes effective. The term of office of the initial Class I directors shall expire at the first annual meeting of the stockholders following the Effective Date, the term of office of the initial Class II directors shall expire at the second annual meeting of the stockholders following the Effective Date and the term of office of the initial Class III directors shall expire at the third annual meeting of the stockholders following the Effective Date. At each annual meeting of stockholders, commencing with the first annual meeting of stockholders following the Effective Date, either (i) directors shall be re-elected to the Board of Directors of the Corporation for a subsequent three-year term or (ii) successors to the directors shall be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting. Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, if the number of directors that constitutes the Board of Directors is changed, any newly created directorships or decrease in directorships shall be so apportioned by the Board of Directors among the classes as to make all classes as nearly equal in number as is practicable, provided that no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(b) Notwithstanding any other provisions of this Article, and subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, each director shall serve until his or her successor is duly elected and qualified or until his or her earlier death, resignation, or removal.

5.4 Removal. Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, a director may be removed from office by the stockholders of the Corporation only for cause.

5.5 Vacancies and Newly Created Directorships. Subject to the rights of holders of any series of Preferred Stock with respect to the election of directors, and except as otherwise provided in the DGCL, vacancies occurring on the Board of Directors for any reason and newly created directorships resulting from an increase in the authorized number of directors may be filled only by vote of a majority of the remaining members of the Board of Directors, although less than a quorum, or by a sole remaining director, at any meeting of the Board of Directors. A person so elected by the Board of Directors 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 assigned by the Board of Directors and until his or her successor shall be duly elected and qualified.

5.6 Written Ballot. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

ARTICLE VI

6.1 Annual Meetings. An annual meeting of stockholders for the election of directors to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting shall be held at such place, on such date, and at such time as the Board of Directors shall determine (or the chairperson of the Board of Directors in the absence of a designation by the Board of Directors).

6.2 No Action by Written Consent of Stockholders. Except as otherwise expressly provided by the terms of any series of Preferred Stock or other class of stock permitting the holders of such series to act by written consent, any action required or permitted to be taken by stockholders of the Corporation must be effected at a duly called annual or special meeting of the stockholders and may not be effected by written consent in lieu of a meeting.

6.3 Special Meetings. Except as otherwise expressly provided by the terms of any series of Preferred Stock permitting the holders of such series of Preferred Stock to call a special meeting of the holders of such series, special meetings of stockholders of the Corporation may be called only (i) by the Board of Directors, pursuant to a resolution adopted by a majority of the Board; (ii) the chairperson of the Board of Directors, (iii) the chief executive officer or (iv) the president (in the absence of a chief executive officer), and the ability of the stockholders to call a special meeting is hereby specifically denied. Special meetings of stockholders may not be called by any other person or persons. The Board of Directors may cancel, postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the stockholders.

6.4 Advance Notice. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation.

6.5 No Cumulative Voting. No stockholder will be permitted to cumulate votes at any election of directors.

ARTICLE VII

7.1 Limitation of Personal Liability. To the fullest extent permitted by the DGCL, as it presently exists or may hereafter be amended from time to time, 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. If the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

7.2 Indemnification.

Subject to any provisions in the Bylaws of the Corporation related to indemnification of directors or officers of the Corporation, the Corporation shall indemnify, to the fullest extent permitted by applicable law, as now or hereinafter in effect, any director or officer of the Corporation 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**") by reason of the fact that he or she 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, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding. The Corporation 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 of Directors.

The Corporation shall have the power to indemnify, to the extent permitted by the DGCL, as it presently exists or may hereafter be amended from time to time, any employee or agent of the Corporation who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he or she 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, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding.

A right to limitation of personal liability, indemnification or to advancement of expenses arising under a provision of this Certificate of Incorporation or a bylaw of the Corporation shall not be eliminated or impaired by an amendment to this Certificate of Incorporation or the Bylaws of the Corporation after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought, unless the provision in effect at the time of such act or omission explicitly authorizes such elimination or impairment after such action or omission has occurred.

ARTICLE VIII

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 or officer 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 DGCL or the Corporation's Certificate of Incorporation or Bylaws, or (D) any action or proceeding asserting a claim against the Corporation governed by the internal affairs doctrine.

ARTICLE IX

If any provision of this Certificate of Incorporation becomes or is declared on any ground by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Certificate of Incorporation, and the court will replace such illegal, void or unenforceable provision of this Certificate of Incorporation with a valid and enforceable provision that most accurately reflects the Corporation's intent, in order to achieve, to the maximum extent possible, the same economic, business and other purposes of the illegal, void or unenforceable provision. The balance of this Certificate of Incorporation shall be enforceable in accordance with its terms.

ARTICLE X

(a) Amendment of Bylaws. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors of the Corporation is expressly authorized to adopt, amend or repeal the Bylaws of the Corporation. The stockholders of the Corporation may adopt, amend or repeal the Bylaws only with the affirmative vote of the holders of at least a majority of total voting power of outstanding voting securities, voting together as a single class.

Notwithstanding any other provision of this Certificate of Incorporation, and in addition to any other vote that may be required by law or the terms of any series of Preferred Stock, the affirmative vote of the holders of at least 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 Article II, Sections 3.1, 3.2, 3.4, and 3.12 of Article III, Article VI and Article XI of the Bylaws (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).

(b) Amendment of Certificate of Incorporation. The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation (including any rights, preferences or other designations of Preferred Stock), in the manner now or hereafter prescribed by this Certificate of Incorporation and the DGCL; and all rights, preferences and privileges herein conferred upon stockholders by and pursuant to this Certificate of Incorporation in its present form or as hereafter amended are granted subject to the right reserved in this Article X. Notwithstanding any other provision of this Certificate of Incorporation, and in addition to any other vote that may be required by law or the terms of any series of Preferred Stock, the affirmative vote of the holders of at least 66 2/3% of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter or repeal, or adopt any provision as part of this Certificate of Incorporation inconsistent with the purpose and intent of, Article V, Article VI, Article VII, Article VIII, Article IX or this Article X (including, without limitation, any such Article as renumbered as a result of any amendment, alteration, change, repeal or adoption of any other Article).

IN WITNESS WHEREOF, Ooma, Inc. has caused this Fifteenth Amended and Restated Certificate of Incorporation to be signed by a duly authorized officer of the Corporation on this __th day of __________, 2015.

By: ______________________________

Eric B. Stang
President and Chief Executive Officer

ZQ|CERT#|COY|CLS|RGSTRY|ACCT#|TRANSTYPE|RUN#|TRANS#

ooma

PO BOX 43004, Providence, RI 02940-3004

MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4

CUSIP				XXXXXX XX X
Holder ID				XXXXXXXXXX
Insurance Value				1,000,000.00
Number of Shares				123456
DTC	12345678	123456789012345		
Certificate Numbers	Num/No.	Denom.	Total	
1234567890/1234567890	1	1	1	
1234567890/1234567890	2	2	2	
1234567890/1234567890	3	3	3	
1234567890/1234567890	4	4	4	
1234567890/1234567890	5	5	5	
1234567890/1234567890	6	6	6	
Total Transaction			7	

COMMON STOCK

PAR VALUE $0.0001

COMMON STOCK

THIS CERTIFICATE IS TRANSFERABLE IN CANTON, MA, JERSEY CITY, NJ AND COLLEGE STATION, TX

Certificate Number
ZQ00000000

Shares
000000****************
000000**************
****000000****************
*****000000***************
******000000**************

ooma

OOMA, INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

THIS CERTIFIES THAT

MR. SAMPLE & MRS. SAMPLE &
MR. SAMPLE & MRS. SAMPLE

CUSIP 683416 10 1

SEE REVERSE FOR CERTAIN DEFINITIONS

is the owner of

***ZERO HUNDRED THOUSAND
ZERO HUNDRED AND ZERO***

FULLY-PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF

Ooma, Inc. (hereinafter called the "Company"), transferable on the books of the Company in person or by duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby, are issued and shall be held subject to all of the provisions of the Certificate of Incorporation, as amended, and the By-Laws, as amended, of the Company (copies of which are on file with the Company and with the Transfer Agent), to all of which each holder, by acceptance hereof, assents. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

Witness the facsimile seal of the Company and the facsimile signatures of its duly authorized officers.

President

OOMA, INC.
SEAL
MARCH 2005
DELAWARE

Vice President and General Counsel

DATED DD-MMM-YYYY

COUNTERSIGNED AND REGISTERED:
COMPUTERSHARE TRUST COMPANY, N.A.
TRANSFER AGENT AND REGISTRAR,

By ______________________
AUTHORIZED SIGNATURE

SECURITY INSTRUCTIONS ON REVERSE

1234567

OOMA, INC.

THE COMPANY WILL FURNISH WITHOUT CHARGE TO EACH SHAREHOLDER WHO SO REQUESTS, A SUMMARY OF THE POWERS, DESIGNATIONS, PREFERENCES AND RELATIVE, PARTICIPATING, OPTIONAL OR OTHER SPECIAL RIGHTS OF EACH CLASS OF STOCK OF THE COMPANY AND THE QUALIFICATIONS, LIMITATIONS OR RESTRICTIONS OF SUCH PREFERENCES AND RIGHTS, AND THE VARIATIONS IN RIGHTS, PREFERENCES AND LIMITATIONS DETERMINED FOR EACH SERIES, WHICH ARE FIXED BY THE CERTIFICATE OF INCORPORATION OF THE COMPANY, AS AMENDED, AND THE RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE COMPANY, AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES. SUCH REQUEST MAY BE MADE TO THE OFFICE OF THE SECRETARY OF THE COMPANY OR TO THE TRANSFER AGENT. THE BOARD OF DIRECTORS MAY REQUIRE THE OWNER OF A LOST OR DESTROYED STOCK CERTIFICATE, OR HIS LEGAL REPRESENTATIVES, TO GIVE THE COMPANY A BOND TO INDEMNIFY IT AND ITS TRANSFER AGENTS AND REGISTRARS AGAINST ANY CLAIM THAT MAY BE MADE AGAINST THEM ON ACCOUNT OF THE ALLEGED LOSS OR DESTRUCTION OF ANY SUCH CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	- as tenants in common	UNIF GIFT MIN ACT	- ....Custodian .... (Cust) (Minor)
TEN ENT	- as tenants by the entireties		under Uniform Gifts to Minors Act............................ (State)
JT TEN	- as joint tenants with right of survivorship and not as tenants in common	UNIF TRF MIN ACT	- ....Custodian (until age ....) (Cust)
			............................under Uniform Transfers to Minors Act .... (Minor) (State)

Additional abbreviations may also be used though not in the above list.

For value received, ___________________________ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING POSTAL ZIP CODE, OF ASSIGNEE)

____

____

____ Shares

of the capital stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

____ Attorney

to transfer the said stock on the books of the within named Company with full power of substitution in the premises.

Dated: ____ 20_______________

Signature: ____

Signature: ____

Notice: The signature to this assignment must correspond with the name as written upon the face of the certificate, in every particular, without alteration or enlargement, or any change whatever.

Signature(s) Guaranteed: Medallion Guarantee Stamp

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions) WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM, PURSUANT TO S.E.C. RULE 17Ad-15

SECURITY INSTRUCTIONS

THIS IS WATERMARKED PAPER. DO NOT ACCEPT WITHOUT NOTING WATERMARK. HOLD TO LIGHT TO VERIFY WATERMARK.

The IRS requires that we report the cost basis of certain shares acquired after January 1, 2011. If your shares were covered by the legislation and you have sold or transferred the shares and requested a specific cost basis calculation method, we have processed as requested. If you did not specify a cost basis calculation method, we have defaulted to the first in, first out (FIFO) method. Please visit our website or consult your tax advisor if you need additional information about cost basis.

If you do not keep in contact with us or do not have any activity in your account for the time periods specified by state law, your property could become subject to state unclaimed property laws and transferred to the appropriate state.

1234567

Exhibit 5.1

ORRICK, HERRINGTON & SUTCLIFFE LLP
THE ORRICK BUILDING
405 HOWARD STREET
SAN FRANCISCO, CALIFORNIA 94105-2669

tel +1-415-773-5700
fax +1-415-773-5759

WWW.ORRICK.COM

July 6, 2015

Ooma, Inc.
1880 Embarcadero Road
Palo Alto, CA 94303

Re: Registration Statement on Form S-1

Ladies and Gentlemen:

We are acting as counsel for Ooma, Inc., a Delaware corporation (the "Company"), in connection with the registration statement on Form S-1 filed by the Company with the Securities and Exchange Commission (the "Commission") on June 15, 2015 (File No. 333-204975), as amended (the "Registration Statement"), under the Securities Act of 1933, as amended (the "Securities Act"). The Registration Statement relates to the registration of 5,000,000 shares of common stock of the Company, par value $0.0001 per share, (the "Primary Shares") and 750,000 shares of which may be purchased by the underwriters pursuant to an option to purchase additional shares (the "Overallotment Shares," and together with the Primary Shares, the "Shares"). We understand that the Shares are to be sold to the underwriters for resale to the public as described in the Registration Statement and pursuant to an underwriting agreement, substantially in the form filed as an exhibit to the Registration Statement, to be entered into by and among the Company and the underwriters (the "Underwriting Agreement").

In connection with rendering the opinion set forth below, we have examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of instruments, documents, and records which we deemed relevant and necessary for the purpose of rendering our opinion set forth below. In such examination, we have assumed the following: (a) the authenticity of original documents and the genuineness of all signatures, (b) the conformity to the originals of all documents submitted to us as copies, (c) the representations of officers and employees are correct as to questions of fact, and (d) the Registration Statement has been declared effective pursuant to the Securities Act and (e) a pricing committee of the board of directors will have taken action necessary to set the sale price of the Shares.

Our opinion herein is limited to the General Corporation Law of the State of Delaware.

Based upon the foregoing, we are of the opinion that the Shares to be issued and sold by the Company have been duly authorized and, when such Shares are issued and paid for in accordance with the terms of the Underwriting Agreement, will be validly issued, fully paid and non-assessable.

We consent to the filing of this opinion as an exhibit to the Registration Statement, and we further consent to the use of our name under the caption “Legal Matters” in the Registration Statement and the prospectus that forms a part thereof. In giving these consents, we do not thereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the Rules and Regulations of the Commission promulgated thereunder, nor do we thereby admit that we are “experts” within the meaning of such term as used in the Securities Act with respect to any part of the Registration Statement, including this opinion letter as an exhibit or otherwise.

Very truly yours,

/s/ Orrick, Herrington & Sutcliffe LLP

ORRICK, HERRINGTON & SUTCLIFFE LLP

Exhibit 10.2

OOMA, INC.

2015 EQUITY INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are (a) to attract and retain the best available personnel to ensure the Company's success and accomplish the Company's goals; (b) to incentivize Employees, Directors and Independent Contractors with long-term equity-based compensation to align their interests with the Company's stockholders, and (c) to promote the success of the Company's business.

The Plan permits the grant of Incentive Stock Options, Nonstatutory Stock Options, Restricted Stock, Restricted Stock Units, Stock Appreciation Rights, Performance Units and Performance Shares.

2. Definitions. As used herein, the following definitions will apply:

(a) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means all applicable laws, rules, regulations and requirements, including, but not limited to, all applicable U.S. federal or state laws, rules and regulations, the rules and regulations of any stock exchange or quotation system on which the Common Stock is listed or quoted, and the applicable laws, rules and regulations of any other country or jurisdiction where Awards are, or will be, granted under the Plan or Participants reside or provide services to the Company or any Parent or Subsidiary of the Company, as such laws, rules, and regulations shall be in effect from time to time.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Units or Performance Shares.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change in Control" except as may otherwise be provided in an Award Agreement or other applicable agreement, 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 2(f)(i) in connection with a merger, consolidation or reorganization which does not result in a Change in Control under Section 2(f)(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 Directors 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 Exchange Act), directly or indirectly, of securities of the Company representing at least fifty percent (50%) of the total voting power represented by the Company's then outstanding voting securities. For purposes of this Section 2(f), 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 Common Stock of the Company;

(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. In addition, if any Person (as defined above) is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered to cause a Change in Control.

(g) "<u>Code</u>" 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.

(h) "<u>Committee</u>" means a committee of Directors or of other individuals satisfying Applicable Laws appointed by the Board in accordance with Section 4 hereof.

(i) "<u>Common Stock</u>" means the common stock of the Company.

(j) "Company" means Ooma, Inc., a Delaware corporation, or any successor thereto.

(k) "Director" means a member of the Board.

(l) "Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code, provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.

(m) "Employee" means any person, including Officers and Directors, employed by the Company or any Parent or Subsidiary of the Company. Neither service as a Director nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

(n) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(o) "Exchange Program" means a program under which outstanding Awards are amended to provide for a lower Exercise Price or surrendered or cancelled in exchange for (i) Awards with a lower exercise price, (ii) a different type of Award or awards under a different equity incentive plan, (iii) cash, or (iv) a combination of (i), (ii) and/or (iii). The Administrator will determine the terms and conditions of any Exchange Program in its sole discretion.

(p) "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the New York Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market of The Nasdaq Stock Market, its Fair Market Value will be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, the Fair Market Value of a Share will be the mean between the high bid and low asked prices for the Common Stock on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(iii) For purposes of any Awards granted on the Registration Date, the Fair Market Value will be the initial price to the public as set forth in the final prospectus included within the registration statement on Form S-1 filed with the Securities and Exchange Commission for the initial public offering of the Company's Common Stock; or

(iv) In the absence of an established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

(q) "Fiscal Year" means the fiscal year of the Company.

(r) "Incentive Stock Option" means an Option that by its terms qualifies and is intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(s) "Independent Contractor" means any person, including an advisor, consultant or agent engaged by the Company or a Parent or Subsidiary to render services to such entity.

(t) "Inside Director" means a Director who is an Employee.

(u) "Nonstatutory Stock Option" means an Option that by its terms does not qualify or is not intended to qualify as an Incentive Stock Option.

(v) "Officer" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(w) "Option" means a stock option granted pursuant to the Plan.

(x) "Outside Director" means a Director who is not an Employee.

(y) "Parent" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of the corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(z) "Participant" means the holder of an outstanding Award.

(aa) "Performance Share" means an Award denominated in Shares which may be earned in whole or in part upon attainment of performance goals or other vesting criteria as the Administrator may determine pursuant to Section 10.

(bb) "Performance Unit" means an Award which may be earned in whole or in part upon attainment of performance goals or other vesting criteria as the Administrator may determine and which may be settled for cash, Shares or other securities or a combination of the foregoing pursuant to Section 10.

(cc) "Period of Restriction" means the period during which the transfer of Shares of Restricted Stock are subject to restrictions and therefore, the Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

(dd) "Plan" means this 2015 Equity Incentive Plan.

(ee) "Registration Date" means the effective date of the first registration statement that is filed by the Company and declared effective pursuant to Section 12(g) of the Exchange Act, with respect to any class of the Company's securities.

(ff) "Restricted Stock" means Shares issued pursuant to a Restricted Stock award under Section 7 of the Plan.

(gg) "Restricted Stock Unit" means a bookkeeping entry representing an amount equal to the Fair Market Value of one Share, granted pursuant to Section 8. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.

(hh) "Rule 16b-3" means Rule 16b-3 of the Exchange Act or any successor to Rule 16b-3, as in effect when discretion is being exercised with respect to the Plan.

(ii) "Section 16(b)" means Section 16(b) of the Exchange Act.

(jj) "Service Provider" means an Employee, Director or Independent Contractor.

(kk) "Share" means a share of the Common Stock, as adjusted in accordance with Section 13 of the Plan.

(ll) "Stock Appreciation Right" means an Award, granted alone or in connection with an Option, that pursuant to Section 9 is designated as a Stock Appreciation Right.

(mm) "Subsidiary" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(nn) "Tax-Related Items" means income tax, social insurance, national insurance, social security, payroll tax, fringe benefits tax, payment on account or other tax-related items.

3. Stock Subject to the Plan.

(a) Stock Subject to the Plan. Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is Shares. The Shares may be authorized, but unissued, or reacquired Common Stock. Notwithstanding the foregoing, subject to the provisions of Section 13 below, in no event shall the maximum aggregate number of Shares that may be issued under the Plan pursuant to Incentive Stock Options exceed the number set forth in this Section 3(a) plus, to the extent allowable under Section 422 of the Code, any Shares that again become available for issuance pursuant to Sections 3(b) and 3(c).

(b) Automatic Share Reserve Increase. The number of Shares available for issuance under the Plan will be increased on the first day of each Fiscal Year beginning with the

2017 Fiscal Year, in an amount equal to the lessor of (i) five percent (5%) of the outstanding Shares on the last day of the immediately preceding Fiscal Year and (ii) such number of Shares determined by the Board.

(c) Lapsed Awards. To the extent an Award should expire or be forefited or become unexercisable for any reason without having been exercised in full, or is surrendered pursuant to an Exchange Program, the unissued Shares that were subject thereto shall, unless the Plan shall have been terminated, continue to be available under the Plan for issuance pursuant to future Awards. In addition, any Shares 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 Award shall be treated as not issued and shall continue to be available under the Plan for issuance pursuant to future Awards. Shares issued under the Plan and later forfeited to the Company due to the failure to vest or repurchased by the Company at the original purchase price paid to the Company for the Shares (including, without limitation, upon forfeiture to or repurchase by the Company in connection with a Participant ceasing to be a Service Provider) shall again be available for future grant under the Plan. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan.

4. Administration of the Plan.

(a) Procedure.

(i) Multiple Administrative Bodies. Different Committees with respect to different groups of Service Providers may administer the Plan.

(ii) Section 162(m). To the extent that the Administrator determines it to be desirable to qualify Awards granted hereunder as "performance-based compensation" within the meaning of Section 162(m) of the Code, the Plan will be administered by a Committee of two (2) or more "outside directors" within the meaning of Section 162(m) of the Code.

(iii) Rule 16b-3. To the extent desirable to qualify transactions hereunder as exempt under Rule 16b-3, the transactions contemplated hereunder will be structured to satisfy the requirements for exemption under Rule 16b-3.

(iv) Other Administration. Other than as provided above, the Plan will be administered by (A) the Board or (B) a Committee, which committee will be constituted to satisfy Applicable Laws.

(b) Powers of the Administrator. Subject to the provisions of the Plan, the Administrator will have the authority, in its discretion:

(i) to determine the Fair Market Value;

(ii) to select the Service Providers to whom Awards may be granted hereunder;

(iii) to determine the number of Shares to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder; such terms and conditions include, but are not limited to, the exercise 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, and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Administrator will determine;

(vi) to institute and determine the terms and conditions of an Exchange Program;

(vii) to construe and interpret the terms of the Plan and Awards granted pursuant to the Plan;

(viii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations established for the purpose of satisfying applicable non-U.S. laws, for qualifying for favorable tax treatment under applicable non-U.S. laws or facilitating compliance with non-U.S. laws (sub-plans may be created for any of these purposes);

(ix) to modify or amend each Award (subject to Section 18 of the Plan), including but not limited to the discretionary authority to extend the post-termination exercisability period of Awards, to accelerate vesting and to extend the maximum term of an Option (subject to Section 6(b) of the Plan regarding Incentive Stock Options);

(x) to allow Participants to satisfy tax withholding obligations in such manner as prescribed in Section 14 of the Plan;

(xi) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Administrator;

(xii) to allow a Participant to defer the receipt of the payment of cash or the delivery of Shares that would otherwise be due to such Participant under an Award; and

(xiii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and any other holders of Awards.

(d) Delegation by the Committee. The Committee, in its sole discretion and on such terms and conditions as it may provide, may delegate all or any part of its authority and powers under the Plan to one or more Directors or officers of the Company; provided, however, that the Committee may not delegate its authority and powers (a) with respect to an Officer or (b) in any way which would jeopardize the Plan's qualification under Code Section 162(m) or Rule 16b-3.

5. Award Eligibility. Nonstatutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Shares and Performance Units may be granted to Service Providers. Incentive Stock Options may be granted only to Employees.

6. Stock Options.

(a) Limitations. Each Option will be designated in the Award Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Participant during any calendar year (under all plans of the Company and any Parent or Subsidiary) exceeds one hundred thousand dollars ($100,000), such Options will be treated as Nonstatutory Stock Options. For purposes of this Section 6(a), Incentive Stock Options will be taken into account in the order in which they were granted. The Fair Market Value of the Shares will be determined as of the time the Option with respect to such Shares is granted. With respect to the Committee's authority in Section 4(b)(viii), if, at the time of any such extension, the exercise price per Share of the Option is less than the Fair Market Value of a Share, the extension shall, unless otherwise determined by the Committee, be limited to the earlier of (1) the maximum term of the Option as set by its original terms, or (2) ten (10) years from the grant date. Unless otherwise determined by the Committee, any extension of the term of an Option pursuant to this Section 4(b)(viii) shall comply with Code Section 409A to the extent necessary to avoid taxation thereunder.

(b) Term of Option. The term of each Option will be stated in the Award Agreement. In the case of an Incentive Stock Option, the term will be ten (10) years from the date of grant or such shorter term as may be provided in the Award Agreement. Moreover, in the case of an Incentive Stock Option granted to a Participant who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option will be five (5) years from the date of grant or such shorter term as may be provided in the Award Agreement.

(c) Option Exercise Price and Consideration.

(i) Exercise Price. The per share exercise price for the Shares to be issued pursuant to exercise of an Option will be determined by the Administrator, subject to the following:

(1) In the case of an Incentive Stock Option

(A) granted to an Employee who, at the time the Incentive Stock Option is granted, 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, the per Share exercise price will be no less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant.

(B) granted to any Employee other than an Employee described in paragraph (A) immediately above, the per Share exercise price will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(2) In the case of a Nonstatutory Stock Option, the per Share exercise price will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(3) Notwithstanding the foregoing, Options may be granted with a per Share exercise price of less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant pursuant to a transaction described in, and in a manner consistent with, Section 424(a) of the Code.

(ii) Waiting Period and Exercise Dates. At the time an Option is granted, the Administrator will fix the period within which the Option may be exercised and will determine any conditions that must be satisfied before the Option may be exercised.

(iii) Form of Consideration. The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator will determine the acceptable form of consideration at the time of grant. Such consideration for both types of Options may consist entirely of: (1) cash; (2) check; (3) promissory note, to the extent permitted by Applicable Laws, (4) other Shares, provided that such Shares have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which such Option will be exercised and provided that accepting such Shares will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (5) consideration received by the Company under a broker-assisted (or other) cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (6) by net exercise; (7) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws; or (8) any combination of the foregoing methods of payment.

(d) Exercise of Option.

(i) Procedure for Exercise; Rights as a Stockholder. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share.

An Option will be deemed exercised when the Company receives: (i) a notice of exercise (in such form as the Administrator may specify from time to time) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised (together with fully payment of any applicable taxes or other amounts required to be withheld or deducted with respect to the Option). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Award Agreement and the Plan. Shares issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Participant, in the name of the Participant and his or her spouse. Until the Shares are issued (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 will exist with respect to the Shares subject to an Option, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 13 of the Plan.

(ii) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon the Participant's termination as the result of the Participant's death or Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent that the Option is vested (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for three (3) months following the Participant's termination. If after termination the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within such period of time as is specified in the Award Agreement to the extent the Option is vested (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement). In the absence of a specified time in the Award Agreement, the Option will remain exercisable for twelve (12) months following the Participant's termination. If after termination the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

(iv) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised following the Participant's death within such period of time as is specified in the Award Agreement to the extent that the Option is vested (but in no event may the Option be exercised later than the expiration of the term of such Option as set forth in the Award Agreement), by the Participant's designated beneficiary, provided such beneficiary has been designated prior to Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated by the Participant, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. In the absence of a specified time in the Award Agreement, the Option will remain exercisable for twelve (12) months following Participant's death. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan.

7. Restricted Stock.

(a) Grant of Restricted Stock. Subject to the terms and provisions of the Plan, the Administrator, at any time and from time to time, may grant Shares of Restricted Stock to Service Providers in such amounts as the Administrator, in its sole discretion, will determine.

(b) Restricted Stock Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the Period of Restriction, the number of Shares granted, and such other terms and conditions as the Administrator, in its sole discretion, will determine. Unless the Administrator determines otherwise, the Company as escrow agent will hold Shares of Restricted Stock until the restrictions on such Shares have lapsed.

(c) Transferability. Except as provided in this Section 7 or the Award Agreement, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated until the end of the applicable Period of Restriction.

(d) Other Restrictions. The Administrator, in its sole discretion, may impose such other restrictions on Shares of Restricted Stock as it may deem advisable or appropriate.

(e) Removal of Restrictions. Except as otherwise provided in this Section 7, Shares of Restricted Stock covered by each Restricted Stock grant made under the Plan will be released from escrow as soon as practicable after the last day of the Period of Restriction or at such other time as the Administrator may determine. The Administrator, in its discretion, may accelerate the time at which any restrictions will lapse or be removed.

(f) Voting Rights. During the Period of Restriction, Service Providers holding Shares of Restricted Stock granted hereunder may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(g) Dividends and Other Distributions. During the Period of Restriction, Service Providers holding Shares of Restricted Stock will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Administrator provides otherwise. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions, including, without limitation, restrictions on transferability and forfeitability, as the Shares of Restricted Stock with respect to which they were paid.

(h) Return of Restricted Stock to Company. On the date set forth in the Award Agreement, the Restricted Stock for which restrictions have not lapsed will revert to the Company and again will become available for grant under the Plan.

8. Restricted Stock Units.

(a) Grant. Restricted Stock Units may be granted at any time and from time to time as determined by the Administrator. After the Administrator determines that it will grant Restricted Stock Units under the Plan, it will advise the Participant in an Award Agreement of the terms, conditions, and restrictions (if any) related to the grant, including the number of Restricted Stock Units.

(b) Vesting Criteria and Other Terms. The Administrator will set vesting criteria in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment), or any other basis (including the passage of time) determined by the Administrator in its discretion.

(c) Earning Restricted Stock Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator.

Notwithstanding the foregoing, at any time after the grant of Restricted Stock Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Dividend Equivalents. The Administrator may, in its sole discretion, award dividend equivalents in connection with the grant of Restricted Stock Units that may be settled in cash, in Shares of equivalent value, or in some combination thereof.

(e) Form and Timing of Payment. Payment of earned Restricted Stock Units will be made upon the date(s) determined by the Administrator and set forth in the Award Agreement. The Administrator, in its sole discretion, may only settle earned Restricted Stock Units in cash, Shares, or a combination of both.

(f) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Stock Units will be forfeited to the Company.

9. Stock Appreciation Rights.

(a) Grant of Stock Appreciation Rights. Subject to the terms and conditions of the Plan, a Stock Appreciation Right may be granted to Service Providers at any time and from time to time as will be determined by the Administrator, in its sole discretion.

(b) Number of Shares. The Administrator will have complete discretion to determine the number of Stock Appreciation Rights granted to any Service Provider.

(c) Exercise Price and Other Terms. The per share exercise price for the Shares to be issued pursuant to exercise of a Stock Appreciation Right will be determined by the Administrator and will be no less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant. Otherwise, the Administrator, subject to the provisions of the Plan, will have complete discretion to determine the terms and conditions of Stock Appreciation Rights granted under the Plan.

(d) Stock Appreciation Right Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the exercise price, the term of the Stock Appreciation Right, the conditions of exercise, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(e) Expiration of Stock Appreciation Rights. A Stock Appreciation Right granted under the Plan will expire upon the date determined by the Administrator, in its sole discretion, and set forth in the Award Agreement. Notwithstanding the foregoing, the rules of Section 6(b) relating to the maximum term and Section 6(d) relating to exercise also will apply to Stock Appreciation Rights.

(f) Payment of Stock Appreciation Right Amount. Upon exercise of a Stock Appreciation Right, a Participant will be entitled to receive payment from the Company in an amount determined by multiplying:

(i) The difference between the Fair Market Value of a Share on the date of exercise over the exercise price; times

(ii) The number of Shares with respect to which the Stock Appreciation Right is exercised.

At the discretion of the Administrator, the payment upon Stock Appreciation Right exercise may be in cash, in Shares of equivalent value, or in some combination thereof.

10. Performance Units and Performance Shares.

(a) Grant of Performance Units/Shares. Performance Units and Performance Shares may be granted to Service Providers at any time and from time to time, as will be determined by the Administrator, in its sole discretion. The Administrator will have complete discretion in determining the number of Performance Units and Performance Shares granted to each Participant.

(b) Value of Performance Units/Shares. Each Performance Unit will have an initial value that is established by the Administrator on or before the date of grant. Each Performance Share will have an initial value equal to the Fair Market Value of a Share on the date of grant.

(c) Performance Objectives and Other Terms. The Administrator will set performance objectives or other vesting provisions (including, without limitation, continued status as a Service Provider) in its discretion which, depending on the extent to which they are met, will determine the number or value of Performance Units/Shares that will be paid out to the Service Providers. The time period during which the performance objectives or other vesting provisions must be met will be called the "Performance Period." Each Award of Performance Units/Shares will be evidenced by an Award Agreement that will specify the Performance Period, and such other terms and conditions as the Administrator, in its sole discretion, will determine. The Administrator may set performance objectives based upon the achievement of Company-wide, divisional, or individual goals, applicable federal or state securities laws, or any other basis determined by the Administrator in its discretion.

(d) Earning of Performance Units/Shares. After the applicable Performance Period has ended, the holder of Performance Units/Shares will be entitled to receive a payout of the number of Performance Units/Shares earned by the Participant over the Performance Period, to be determined as a function of the extent to which the corresponding performance objectives or other vesting provisions have been achieved. After the grant of a Performance Unit/Share, the Administrator, in its sole discretion, may reduce or waive any performance objectives or other vesting provisions for such Performance Unit/Share.

(e) Form and Timing of Payment of Performance Units/Shares. Payment of earned Performance Units/Shares will be made upon the time set forth in the applicable Award Agreement. The Administrator, in its sole discretion, may pay earned Performance Units/Shares in the form of cash, in Shares (which have an aggregate Fair Market Value equal to the value of the earned Performance Units/Shares at the close of the applicable Performance Period) or in a combination thereof.

(f) Cancellation of Performance Units/Shares. On the date set forth in the Award Agreement, all unearned or unvested Performance Units/Shares will be forfeited to the Company, and again will be available for grant under the Plan.

11. Leaves of Absence/Transfer Between Locations. The Administrator shall have the discretion to determine at any time whether and to what extent the vesting of Awards shall be suspended during any leave of absence; provided, however, that in the absence of such determination, vesting of Awards shall continue during any paid leave and shall be suspended during any unpaid leave (unless otherwise required by Applicable Laws). A Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Participant's employer or (ii) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary. If an Employee is holding an Incentive Stock Option and such leave exceeds three (3) months then, for purposes of Incentive Stock Option status only, such Employee's service as an Employee shall be deemed terminated on the first (1st) day following such three (3) month period and the Incentive Stock Option shall thereafter automatically treated for tax purposes as a Nonstatutory Stock Option in accordance with Applicable Laws, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to a written Company policy.

12. Transferability of Awards. Unless determined otherwise by the Administrator, an Award 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 and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, such Award will contain such additional terms and conditions as the Administrator deems appropriate.

13. Adjustments; Dissolution or Liquidation; Merger or Change in Control.

(a) Adjustments. In the event of a stock split, reverse stock split, stock dividend, combination, consolidation, recapitalization (including a recapitalization through a large nonrecurring cash dividend) or reclassification of the Shares, subdivision of the Shares, a rights offering, a reorganization, merger, spin-off, split-up, repurchase, or exchange of Common Stock or other securities of the Company or other significant corporate transaction, or other change affecting the Common Stock occurs, the Administrator, in order to prevent dilution, diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will, in such manner as it may deem equitable, adjust the number, kind and class of securities that may be delivered under the Plan and/or the number, class, kind and price of securities covered by each outstanding Award. Notwithstanding the forgoing, all adjustments under this Section 13 shall be made in a manner that does not result in taxation under Code Section 409A.

(b) Dissolution or Liquidation. In the event of the proposed winding up, dissolution or liquidation of the Company, the Administrator will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it has not been previously exercised or settled, an Award will terminate immediately prior to the consummation of such proposed action.

(c) Change in Control. In the event of (i) a transfer of all or substantially all of the Company's assets, (ii) a merger, consolidation or other capital reorganization or business combination transaction of the Company with or into another corporation, entity or person, or (iii) the consummation of a transaction, or series of related transactions, in which any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of more than 50% of the Company's then outstanding capital stock (a "Corporate Transaction"), each outstanding Award (vested or unvested) will be treated as the Administrator determines, which determination may be made without the consent of any Participant and need not treat all outstanding Awards (or portion thereof) in an identical manner. Such determination, without the consent of any Participant, may provide (without limitation) for one or more of the following in the event of a Corporate Transaction: (A) the continuation of such outstanding Awards by the Company (if the Company is the surviving corporation); (B) the assumption of such outstanding Awards by the surviving corporation or its parent; (C) the substitution by the surviving corporation or its parent of new options or other equity awards for such Awards; (D) the cancellation of such Awards in exchange for a payment to the Participants equal to the excess of (1) the Fair Market Value of the Shares subject to such Awards as of the closing date of such Corporate Transaction over (2) the exercise price or purchase price paid or to be paid (if any) for the Shares subject to the Awards; or (E) the cancellation of any outstanding Awards for no consideration.

14. Tax.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash pursuant to an Award (or exercise thereof) or prior to any time the Award or Shares are subject to taxation, the Company and/or the Participant's employer will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy any Tax-Related Items or other items that are required to be withheld or deducted with respect to such Award.

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such withholding or deduction obligations, in whole or in part by (without limitation) (a) paying cash, (b) electing to have the Company withhold otherwise deliverable cash or Shares, or (c) delivering to the Company already-owned Shares; provided that, unless specifically permitted by the Company, any proceeds derived from a cashless exercise must be an approved broker-assisted cashless exercise or the cash or Shares withheld or delivered must be limited to avoid financial accounting charges under applicable accounting guidance or Shares must have been previously held for the minimum duration required to avoid financial accounting charges under applicable accounting guidance. Except as otherwise determined by the Administrator, the Fair Market Value of the Shares to be withheld or delivered will be determined as of the date that the amounts are required to be withheld or deducted.

(c) Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A (or an exemption therefrom) and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A (or an exemption therefrom), such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A. In no event will the Company be responsible for or reimburse a Participant for any taxes or other penalties incurred as a result of applicable of Code Section 409A.

15. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, or (if different) the Participant's employer, nor will they interfere in any way with the Participant's right or the Participant's employer's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

16. Date of Grant. The date of grant of an Award will be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination will be provided to each Participant within a reasonable time after the date of such grant.

17. Term of Plan. Subject to Section 21 of the Plan, the restatement of the 2005 Plan into this Plan will become effective on the Registration Date. The Plan will continue in effect for a term of ten (10) years measured from the earlier of the date the Board approves the restatement of the 2005 Plan into this Plan or the approval of such restatement by the Company's stockholders, unless terminated earlier under Section 18 of the Plan.

18. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Administrator may at any time amend, alter, suspend or terminate the Plan.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary and desirable to comply with Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will materially impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

19. Conditions Upon Issuance of Shares.

(a) Legal Compliance. Shares will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Shares will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such 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.

20. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority will not have been obtained.

21. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

22. Governing Law. The Plan and all Awards hereunder shall be construed in accordance with and governed by the laws of the State of California, but without regard to its conflict of law provisions.

OOMA, INC.

2015 EQUITY INCENTIVE PLAN

RESTRICTED STOCK AWARD AGREEMENT

Unless otherwise defined herein, the terms defined in the Ooma, Inc. 2015 Equity Incentive Plan (the "***Plan***") will have the same defined meanings in this Restricted Stock Award Agreement (the "***Award Agreement***").

NOTICE OF RESTRICTED STOCK GRANT

Participant Name:

You have been granted the right to receive an Award of Restricted Stock, subject to the terms and conditions of the Plan and this Award Agreement, as follows:

Grant Number	______________________________
Date of Grant	______________________________
Vesting Commencement Date	______________________________
Total Number of Shares Granted	______________________________

Vesting Schedule:

Subject to Section 3 of the Award Agreement, the Restricted Stock will vest and the Company's right to reacquire the Restricted Stock will lapse in accordance with the following schedule:

[INSERT VESTING SCHEDULE]

By Participant's signature and the signature of the representative of Ooma, Inc. (the "***Company***") below, Participant and the Company agree that this Award of Restricted Stock is granted under and governed by the terms and conditions of the Plan and this Award Agreement, including the Terms and Conditions of Restricted Stock Grant (including any country-specific addendum thereto), attached hereto as Exhibit A, all of which are made a part of this document. Participant has reviewed the Plan and this Award Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Award Agreement and fully understands all provisions of the Plan and Award Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions relating to the Plan and Award Agreement.

PARTICIPANT:	OOMA, INC.
______________________________	______________________________
Signature	By
______________________________	______________________________
Print Name	Title

EXHIBIT A

TERMS AND CONDITIONS OF RESTRICTED STOCK GRANT

1. Grant of Restricted Stock. The Company hereby grants to the individual named in the Notice of Grant attached as Part I of this Award Agreement (the "***Participant***") under the Plan for past services and as a separate incentive in connection with his or her services and not in lieu of any salary or other compensation for his or her services, an Award of Shares of Restricted Stock, subject to all of the terms and conditions in this Award Agreement and the Plan, which is incorporated herein by reference. Subject to Section 18 of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.

2. Escrow of Shares.

(a) All Shares of Restricted Stock will, upon execution of this Award Agreement, be delivered and deposited with an escrow holder designated by the Company (the "***Escrow Holder***"). The Shares of Restricted Stock will be held by the Escrow Holder until such time as the Shares of Restricted Stock vest or the date Participant ceases to be a Service Provider.

(b) The Escrow Holder will not be liable for any act it may do or omit to do with respect to holding the Shares of Restricted Stock in escrow while acting in good faith and in the exercise of its judgment.

(c) Upon Participant's termination as a Service Provider for any reason, the Escrow Holder, upon receipt of written notice of such termination, will take all steps necessary to accomplish the transfer of the unvested Shares of Restricted Stock to the Company. Participant hereby appoints the Escrow Holder with full power of substitution, as Participant's true and lawful attorney in fact with irrevocable power and authority in the name and on behalf of Participant to take any action and execute all documents and instruments, including, without limitation, stock powers which may be necessary to transfer the certificate or certificates evidencing such unvested Shares of Restricted Stock to the Company upon such termination.

(d) The Escrow Holder will take all steps necessary to accomplish the transfer of Shares of Restricted Stock to Participant after they vest following Participant's request that the Escrow Holder do so.

(e) Subject to the terms hereof, Participant will have all the rights of a stockholder with respect to the Shares while they are held in escrow, including without limitation, the right to vote the Shares and to receive any cash dividends declared thereon.

(f) In the event of any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of Shares or other securities of the Company, or other change in the corporate structure of the Company affecting the Shares, the Shares of Restricted Stock will be increased, reduced or otherwise changed, and by virtue of any such change Participant will in his or her capacity as owner of unvested Shares of Restricted Stock be entitled to new or additional or different shares of stock, cash or securities (other than rights or warrants to purchase securities); such new or additional or different shares, cash or securities will thereupon be considered to be unvested Shares of Restricted Stock and will be subject to all of the conditions and restrictions which were applicable to the unvested Shares of Restricted Stock pursuant to this Award Agreement. If Participant receives rights or warrants with respect to any unvested Shares of Restricted Stock, such rights or warrants may be held or exercised by Participant, provided that until such exercise any such rights or warrants and after such exercise any shares or other securities acquired by the exercise of such rights or warrants will be considered to be unvested Shares of Restricted Stock and will be subject to all of the conditions and restrictions which were applicable to the unvested Shares of Restricted Stock pursuant to this Award Agreement.

(g) The Company may instruct the transfer agent for its Common Stock to place a legend on the certificates representing the Restricted Stock or otherwise note its records as to the restrictions on transfer set forth in this Award Agreement.

3. Vesting Schedule. Subject to Section 4, the Shares of Restricted Stock awarded by this Award Agreement will vest in accordance with the vesting provisions set forth in the Notice of Grant. Shares of Restricted Stock scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in accordance with any of the provisions of this Award Agreement, unless Participant will have been continuously a Service Provider from the Date of Grant until the date such vesting occurs. Service Provider status will end on the day that notice of termination is provided whether oral or written (whether by the Company or Parent or Subsidiary for any reason or by Participant upon resignation) and will not be extended by any notice period that may be required contractually or under Applicable Laws. Notwithstanding the foregoing, the Administrator (or any delegate) shall have the sole and absolute discretion to determine when Participant is no longer providing active service for purposes of Service Provider status and participation in the Plan.

4. Forfeiture upon Termination of Status as a Service Provider. Notwithstanding any contrary provision of this Award Agreement, the balance of the Shares of Restricted Stock that have not vested as of the time oral or written notice is provided (whether by Participant or the Company or Parent or Subsidiary) of Participant's termination as a Service Provider for any or no reason will be forfeited and automatically transferred to and reacquired by the Company at no cost to the Company upon the date of such termination and Participant will have no further rights thereunder. Participant will not be entitled to a refund of the price paid for the Shares of Restricted Stock, if any, returned to the Company pursuant to this Section 4. Participant hereby appoints the Escrow Agent with full power of substitution, as Participant's true and lawful attorney-in-fact with irrevocable power and authority in the name and on behalf of Participant to take any action and execute all documents and instruments, including, without limitation, stock powers which may be necessary to transfer the certificate or certificates evidencing such unvested Shares to the Company upon such termination of service.

5. Death of Participant. Any distribution or delivery to be made to Participant under this Award Agreement will, if Participant is then deceased, be made to Participant's designated beneficiary, if so allowed by the Administrator in its sole discretion, or if no beneficiary survives Participant, the administrator or executor of Participant's estate. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any Applicable Laws or regulations pertaining to said transfer.

6. Withholding of Taxes. Regardless of any action the Company or Participant's employer (the "***Employer***") takes with respect to any or all applicable national, local, or other tax or social contribution, withholding, required deductions, or other payments, if any, that arise upon the grant or vesting of the Restricted Stock or the holding or subsequent sale of Shares, and the receipt of dividends, if any ("***Tax-Related Items***"), Participant acknowledges and agrees that the ultimate liability for all Tax-Related Items legally due by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock, including grant or vesting, the subsequent sale of Shares acquired under the Plan, and the receipt of dividends, if any; and (b) does not commit to and is under no obligation to structure the terms of the Restricted Stock or any aspect of the Restricted Stock to reduce or eliminate Participant's liability for Tax-Related Items, or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Notwithstanding any contrary provision of this Award Agreement, no certificate representing the Shares of Restricted Stock may be released from the escrow established pursuant to Section 2, unless and until satisfactory arrangements (as determined by the Administrator) will have been made by Participant with respect to the payment of any Tax-Related Items which the Company determines must be withheld with respect to such Shares.

The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit or require Participant to satisfy such Tax-Related Items, in whole or in part (without limitation) by (a) paying cash, (b) electing to have the Company withhold otherwise deliverable Shares having a Fair Market Value equal to the minimum amount required to be withheld, (c) delivering to the Company already vested and owned Shares having a Fair Market Value equal to the amount required to be withheld, or (d) selling a sufficient number of such Shares otherwise deliverable to Participant through such means as the Company may determine in its sole discretion (whether through a broker or otherwise) equal to the amount required to be withheld. To the extent determined appropriate by the Company in its discretion, it will have the right (but not the obligation) to satisfy any Tax-Related Items by reducing the number of Shares otherwise deliverable to Participant. If Participant fails to make satisfactory arrangements for the payment of any required Tax-Related Items hereunder at the time any such Tax Related Items are due, the Company may cause Participant to permanently forfeit all or any portion of the Shares and the Shares will be returned to the Company at no cost to the Company.

7. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant or the Escrow Agent. Except as provided in Section 2, after such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the

Company with respect to voting such Shares and receipt of dividends and distributions on such Shares, but prior to such issuance, Participant will not have any rights to dividends and/or distributions on such Shares.

8. No Guarantee of Continued Service or Grants. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE SHARES OF RESTRICTED STOCK PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING OR RETAINING PARTICIPANT) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS RESTRICTED STOCK OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING OR RETAINING PARTICIPANT) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE.

Participant also acknowledges and agrees that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time; (b) the grant of Restricted Stock is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock, or benefits in lieu of Restricted Stock even if Restricted Stock have been granted repeatedly in the past; (c) all decisions with respect to future awards of Restricted Stock, if any, will be at the sole discretion of the Company; (d) Participant's participation in the Plan is voluntary; (e) the Restricted Stock and the Shares subject to the Restricted Stock are extraordinary items that do not constitute regular compensation for services rendered to the Company or the Employer, and that are outside the scope of Participant's employment contract, if any; (f) the Restricted Stock and the Shares subject to the Restricted Stock are not intended to replace any pension rights or compensation; (g) the Restricted Stock and the Shares subject to the Restricted Stock are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, or end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer.

9. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company, in care of its Secretary at Ooma, Inc., 1880 Embarcadero Road, Palo Alto, CA 94303, or at such other address as the Company may hereafter designate in writing.

10. Grant is Not Transferable. Except to the limited extent provided in Section 5, the unvested Shares subject to this grant and the rights and privileges conferred hereby will not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or

otherwise) and may not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of any unvested Shares of Restricted Stock subject to this grant, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this grant and the rights and privileges conferred hereby immediately will become null and void.

11. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

12. Additional Conditions; Release from Escrow. The Company will not be required to issue any certificate or certificates for Shares hereunder or release such Shares from the escrow established pursuant to Section 2 prior to fulfillment of all the following conditions: (a) the admission of such Shares to listing on all stock exchanges on which such class of stock is then listed; (b) the completion of any registration or other qualification of such Shares under any Applicable Laws or under the rulings or regulations of the Securities and Exchange Commission or any other governmental regulatory body or the securities exchange on which the Shares are then registered, which the Administrator will, in its absolute discretion, deem necessary or advisable; (c) the obtaining of any approval or other clearance from any state or federal governmental agency, which the Administrator will, in its absolute discretion, determine to be necessary or advisable; and (d) the lapse of such reasonable period of time following the date of grant of the Restricted Stock as the Administrator may establish from time to time for reasons of administrative convenience.

Furthermore, the Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Restricted Stock and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with Applicable Laws or facilitate the administration of the Plan, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, Participant understands that the Applicable Laws of the country in which he or she is resident at the time of grant or vesting of the Restricted Stock or the holding or disposition of Shares (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may restrict or prevent the issuance of Shares or may subject Participant to additional procedural or regulatory requirements he or she is solely responsible for and will have to independently fulfill in relation to the Restricted Stock or the Shares. Notwithstanding any provision herein, the Restricted Stock and any Shares shall be subject to any special terms and conditions or disclosures as set forth in any addendum for Participant's country (the "***Country-Specific Addendum***," which forms part this Award Agreement).

13. Lock-Up Agreement. In connection with the initial public offering of the Company's securities, Participant hereby agrees not to offer, pledge, sell, contract 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 and the managing underwriters for such offering 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. In addition, upon request of the Company or the underwriters managing a public offering of the Company's securities (other than the initial public offering), Participant hereby agrees to be bound by similar restrictions, and to sign a similar agreement, in connection with no more than one additional registration statement filed within 12 months after the closing date of the initial public offering, provided that the duration of the lock-up period with respect to such additional registration shall not exceed 90 days from the effective date of such additional registration statement. 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. In order to enforce the restriction set forth above, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Section.

If the underwriters release or waive any of the foregoing restrictions in connection with a transfer of shares of Common Stock, the underwriters shall notify the Company at least three business days before the effective date of any such release or waiver. Further, the Company will announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the underwriters shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (x) the release or waiver is effected solely to permit a transfer not for consideration and (y) the transferee has agreed in writing to be bound by the same terms of the lock-up provisions applicable in general to the extent, and for the duration, that such lock-up provision remain in effect at the time of the transfer.

14. Plan Governs. This Award Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Award Agreement and one or more provisions of the Plan, the provisions of the Plan will govern. Capitalized terms used and not defined in this Award Agreement will have the meaning set forth in the Plan.

15. Administrator Authority. The Administrator will have the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares of Restricted Stock have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

16. Electronic Delivery and Acceptance; Translation. The Company may, in its sole discretion, decide to deliver any documents related to the Shares of Restricted Stock awarded under the Plan or future Restricted Stock that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company. If Participant has received this Award Agreement, including appendices, or any other document related to the Plan translated into a language other than English, and the meaning of the translated version is different than the English version, the English version will control.

17. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

18. Agreement Severable. In the event that any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

19. Modifications to the Award Agreement. This Award Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Award Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. Notwithstanding anything to the contrary in the Plan or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Participant, to comply with Section 409A of the Code or to otherwise avoid imposition of any additional tax or income recognition under Section 409A of the Code in connection to this Award of Restricted Stock.

20. Data Privacy. ***Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Award Agreement by and among, as applicable, the Company and its affiliates for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan. Participant understands that the Company and its affiliates may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any affiliate, details of all Restricted Stock or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Personal Data"). Participant understands that Personal Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the United States, Participant's country (if different than the United States), or elsewhere, and that the recipient's country may have different data privacy laws and protections than Participant's country.***

For Participants located in the European Union, the following paragraph applies: Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Personal Data by contacting Participant's local human resources representative. Participant authorizes the recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing Participant's participation in the Plan, including any requisite transfer of such Personal Data as may be required to a broker or other third party with whom Participant may elect to deposit any Shares received. Participant understands that Personal Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that he or she may, at any time, view Personal Data, request additional information about the storage and processing of Personal Data, require any necessary amendments to Personal Data or refuse or withdraw the consents herein, without cost, by contacting in writing Participant's local human resources representative. Participant understands that refusal or withdrawal of consent may affect Participant's ability to participate in the Plan or to realize benefits from the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

21. Foreign Exchange Fluctuations and Restrictions. Participant understands and agrees that the future value of the underlying Shares is unknown and cannot be predicted with certainty and may decrease. Participant also understands that neither the Company, nor any affiliate is responsible for any foreign exchange fluctuation between local currency and the United States Dollar or the selection by the Company or any affiliate in its sole discretion of an applicable foreign currency exchange rate that may affect the value of the Restricted Stock or Shares received (or the calculation of income or Tax-Related Items thereunder). Participant understands and agrees that any cross-border remittance made to transfer proceeds received upon the sale of Shares must be made through a locally authorized financial institution or registered foreign exchange agency and may require the Participant to provide such entity with certain information regarding the transaction.

22. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Award of Restricted Stock under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

23. Governing Law and Venue. This Award Agreement will be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Award of Restricted Stock or this Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts.

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OOMA, INC.

2015 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AWARD AGREEMENT

Unless otherwise defined herein, the terms defined in the Ooma, Inc. 2015 Equity Incentive Plan (the "***Plan***") will have the same defined meanings in this Restricted Stock Unit Award Agreement (the "***Award Agreement***").

I. NOTICE OF RESTRICTED STOCK UNIT GRANT

Participant Name:

You have been granted the right to receive an Award of Restricted Stock Units, subject to the terms and conditions of the Plan and this Award Agreement, as follows:

Grant Number	______________________
Date of Grant	______________________
Vesting Commencement Date	______________________
Number of Restricted Stock Units	______________________

Vesting Schedule:

Subject to Section 3 of the Award Agreement, the Restricted Stock Units will vest in accordance with the following schedule:

[Insert Vesting Schedule]

In the event Participant ceases to be a Service Provider (or gives or is given notice of such termination) for any or no reason before Participant vests in the Restricted Stock Unit, the Restricted Stock Unit and Participant's right to acquire any Shares hereunder will immediately terminate.

By Participant's signature and the signature of the representative of Ooma, Inc. (the "***Company***") below, Participant and the Company agree that this Award of Restricted Stock Units is granted under and governed by the terms and conditions of the Plan and this Award Agreement, including the Terms and Conditions of Restricted Stock Unit Grant (including any country-specific addendum thereto), attached hereto as Exhibit A, all of which are made a part of this document. Participant has reviewed the Plan and this Award Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Award Agreement and fully understands all provisions of the Plan and Award Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions relating to the Plan and Award Agreement.

PARTICIPANT:	OOMA, INC.
______________________	______________________
Signature	By
______________________	______________________
Print Name	Title

EXHIBIT A

TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT GRANT

1. Grant. The Company hereby grants to the individual named in the Notice of Grant attached as Part I of this Award Agreement (the "***Participant***") under the Plan an Award of Restricted Stock Units, subject to all of the terms and conditions in this Award Agreement and the Plan, which is incorporated herein by reference. Subject to Section 18 of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.

2. Company's Obligation to Pay. Each Restricted Stock Unit represents the right to receive a Share on the date it vests. Unless and until the Restricted Stock Units will have vested in the manner set forth in Section 3, Participant will have no right to payment of any such Restricted Stock Units. Prior to actual payment of any vested Restricted Stock Units, such Restricted Stock Units will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company. Any Restricted Stock Units that vest in accordance with Section 3 will be paid to Participant (or in the event of Participant's death, to his or her estate) in whole Shares as set forth herein, subject to Participant satisfying any Tax-Related Items as set forth in Section 7. Subject to the provisions of Section 4, such vested Restricted Stock Units will be paid in whole Shares as soon as practicable after vesting, but in each such case within the period ending no later than the date that is two and one-half (2 ½) months from the end of the Company's tax year that includes the vesting date. In no event will Participant be permitted, directly or indirectly, to specify the taxable year of the payment of any Restricted Stock Units payable under this Award Agreement.

3. Vesting Schedule. Subject to Section 5, the Restricted Stock Units awarded by this Award Agreement will vest in accordance with the vesting provisions set forth in the Notice of Grant. Restricted Stock Units scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in accordance with any of the provisions of this Award Agreement, unless Participant will have been continuously a Service Provider from the Date of Grant until the date such vesting occurs. Service Provider status will end on the day that notice of termination is provided whether oral or written (whether by the Company or Parent or Subsidiary for any reason or by Participant upon resignation) and will not be extended by any notice period that may be required contractually or under Applicable Laws. Notwithstanding the foregoing, the Administrator (or any delegate) shall have the sole and absolute discretion to determine when Participant is no longer providing active service for purposes of Service Provider status and participation in the Plan.

4. Administrator Discretion. Notwithstanding anything in the Plan or this Award Agreement to the contrary, if the vesting of the balance, or some lesser portion of the balance, of the Restricted Stock Units is accelerated in connection with Participant's termination as a Service Provider (provided that such termination is a "separation from service" within the meaning of Section 409A, as determined by the Company), other than due to death**,** and if (x) Participant is a "specified employee" within the meaning of Section 409A at the time of such termination as a Service Provider and (y) the payment of such accelerated Restricted Stock Units will result in the imposition of additional tax under Section 409A if paid to Participant on or

within the six (6) month period following Participant's termination as a Service Provider, then the payment of such accelerated Restricted Stock Units will not be made until the date six (6) months and one (1) day following the date of Participant's termination as a Service Provider, unless the Participant dies following his or her termination as a Service Provider, in which case, the Restricted Stock Units will be paid in Shares to the Participant's estate as soon as practicable following his or her death. It is the intent of this Award Agreement that it and all payments and benefits hereunder be exempt from, or comply with, the requirements of Section 409A so that none of the Restricted Stock Units provided under this Award Agreement or Shares issuable thereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted to be so exempt or so comply. Each payment payable under this Award Agreement is intended to constitute a separate payment for purposes of U.S. Treasury Regulation Section 1.409A-2(b)(2). For purposes of this Award Agreement, "Section 409A" means Section 409A of the Code, and any final U.S. Treasury Regulations and U.S. Internal Revenue Service guidance thereunder, as each may be amended from time to time.

5. Forfeiture upon Termination of Status as a Service Provider. Notwithstanding any contrary provision of this Award Agreement, the balance of the Restricted Stock Units that have not vested as of the time oral or written notice is provided (whether by Participant or the Company or Parent or Subsidiary) of Participant's termination as a Service Provider for any or no reason and Participant's right to acquire any Shares hereunder will immediately terminate.

6. Death of Participant. Any distribution or delivery to be made to Participant under this Award Agreement will, if Participant is then deceased, be made to Participant's designated beneficiary, if so allowed by the Administrator in its sole discretion, or if no beneficiary survives Participant, the administrator or executor of Participant's estate. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any Applicable Laws or regulations pertaining to said transfer.

7. Withholding of Taxes. Regardless of any action the Company or Participant's employer (the "***Employer***") takes with respect to any or all applicable national, local, or other tax or social contribution, withholding, required deductions, or other payments, if any, that arise upon the grant or vesting of the Restricted Stock Units or the holding or subsequent sale of Shares, and the receipt of dividends, if any ("***Tax-Related Items***"), Participant acknowledges and agrees that the ultimate liability for all Tax-Related Items legally due by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and the Employer (a) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including grant or vesting, the subsequent sale of Shares acquired under the Plan, and the receipt of dividends, if any; and (b) does not commit to and is under no obligation to structure the terms of the Restricted Stock Units or any aspect of the Restricted Stock Units to reduce or eliminate Participant's liability for Tax-Related Items, or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. Notwithstanding any contrary provision of this

Award Agreement, no certificate representing the Shares will be issued to Participant, unless and until satisfactory arrangements (as determined by the Administrator) will have been made by Participant with respect to the payment of any Tax-Related Items which the Company determines must be withheld with respect to such Shares.

The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit or require Participant to satisfy such Tax-Related Items, in whole or in part (without limitation) by (a) paying cash, (b) electing to have the Company withhold otherwise deliverable Shares having a Fair Market Value equal to the minimum amount required to be withheld, (c) delivering to the Company already vested and owned Shares having a Fair Market Value equal to the amount required to be withheld, or (d) selling a sufficient number of such Shares otherwise deliverable to Participant through such means as the Company may determine in its sole discretion (whether through a broker or otherwise) equal to the amount required to be withheld. To the extent determined appropriate by the Company in its discretion, it will have the right (but not the obligation) to satisfy any Tax-Related Items by reducing the number of Shares otherwise deliverable to Participant. If Participant fails to make satisfactory arrangements for the payment of any required Tax-Related Items hereunder at the time any such Tax-Related Items are due, the Company may cause Participant to permanently forfeit all or any portion of the Restricted Stock Units and any right to receive Shares thereunder and the Restricted Stock Units will be returned to the Company at no cost to the Company.

8. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to Participant. After such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares, but prior to such issuance, Participant will not have any rights to dividends and/or distributions on such Shares.

9. No Guarantee of Continued Service or Grants. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF THE RESTRICTED STOCK UNITS PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING OR RETAINING PARTICIPANT) AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OF RESTRICTED STOCK UNITS OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE COMPANY (OR THE PARENT OR SUBSIDIARY EMPLOYING OR RETAINING PARTICIPANT) TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE.

Participant also acknowledges and agrees that: (a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time; (b) the grant of Restricted Stock Units is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been granted repeatedly in the past; (c) all decisions with respect to future awards of Restricted Stock Units, if any, will be at the sole discretion of the Company; (d) Participant's participation in the Plan is voluntary; (e) the Restricted Stock Units and the Shares subject to the Restricted Stock Units are extraordinary items that do not constitute regular compensation for services rendered to the Company or the Employer, and that are outside the scope of Participant's employment contract, if any; (f) the Restricted Stock Units and the Shares subject to the Restricted Stock Units are not intended to replace any pension rights or compensation; (g) the Restricted Stock Units and the Shares subject to the Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, or end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer.

10. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company, in care of its Secretary at Ooma, Inc., 1880 Embarcadero Road, Palo Alto, CA 94303, or at such other address as the Company may hereafter designate in writing.

11. Grant is Not Transferable. Except to the limited extent provided in Section 6, this grant and the rights and privileges conferred hereby may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of Applicable Laws or otherwise) and may not be subject to sale under execution, attachment or similar process. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of this grant, or any right or privilege conferred hereby, or upon any attempted sale under any execution, attachment or similar process, this grant and the rights and privileges conferred hereby immediately will become null and void.

12. Binding Agreement. Subject to the limitation on the transferability of this grant contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

13. Additional Conditions to Issuance of Stock. If at any time the Company will determine, in its discretion, that the listing, registration, qualification or rule compliance of the Shares upon any securities exchange or under any Applicable Laws, the tax code and related regulations or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant (or his or her estate) hereunder, such issuance will not occur unless and until such listing, registration, qualification, rule compliance, consent or approval will have been completed, effected or obtained free of any conditions not acceptable to the Company. Where the Company determines that the delivery of the payment of any Shares will violate any state, federal or foreign securities or exchange laws or other Applicable Laws, the Company will defer delivery until the earliest date at which the Company reasonably anticipates that the delivery of Shares will no longer cause such violation.

The Company will make all reasonable efforts to meet the requirements of any Applicable Laws or securities exchange and to obtain any such consent or approval of any such governmental authority or securities exchange. The Company shall not be obligated to issue any Shares pursuant to the Restricted Stock Units at any time if the issuance of Shares violates or is not in compliance with any Applicable Laws, rules or regulations of the United States or any state or country.

Furthermore, the Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with any Applicable Laws or facilitate the administration of the Plan, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, Participant understands that the Applicable Laws of the country in which he or she is resident at the time of grant or vesting of the Restricted Stock Units or the holding or disposition of Shares (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may restrict or prevent the issuance of Shares or may subject Participant to additional procedural or regulatory requirements he or she is solely responsible for and will have to independently fulfill in relation to the Restricted Stock Units or the Shares. Notwithstanding any provision herein, the Restricted Stock Units and any Shares shall be subject to any special terms and conditions or disclosures as set forth in any addendum for Participant's country (the "Country-Specific Addendum," which forms part this Award Agreement).

14. Lock-Up Agreement. In connection with the initial public offering of the Company's securities, Participant hereby agrees not to offer, pledge, sell, contract 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 and the managing underwriters for such offering 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. In addition, upon request of the Company or the underwriters managing a public offering of the Company's securities (other than the initial public offering), Participant hereby agrees to be bound by similar restrictions, and to sign a similar agreement, in connection with no more than one additional registration statement filed within 12 months after the closing date of the initial public offering, provided that the duration of the lock-up period with respect to such additional registration shall not exceed 90 days from the effective date of such additional registration statement. 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. In order to enforce the restriction set forth above, the

Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Section.

If the underwriters release or waive any of the foregoing restrictions in connection with a transfer of shares of Common Stock, the underwriters shall notify the Company at least three business days before the effective date of any such release or waiver. Further, the Company will announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the underwriters shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (x) the release or waiver is effected solely to permit a transfer not for consideration and (y) the transferee has agreed in writing to be bound by the same terms of the lock-up provisions applicable in general to the extent, and for the duration, that such lock-up provision remain in effect at the time of the transfer.

15. Plan Governs. This Award Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Award Agreement and one or more provisions of the Plan, the provisions of the Plan will govern. Capitalized terms used and not defined in this Award Agreement will have the meaning set forth in the Plan.

16. Administrator Authority. The Administrator will have the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Restricted Stock Units have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

17. Electronic Delivery and Acceptance; Translation. The Company may, in its sole discretion, decide to deliver any documents related to Restricted Stock Units awarded under the Plan or future Restricted Stock Units that may be awarded under the Plan by electronic means or request Participant's consent to participate in the Plan by electronic means. Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through any on-line or electronic system established and maintained by the Company or another third party designated by the Company. If Participant has received this Award Agreement, including appendices, or any other document related to the Plan translated into a language other than English, and the meaning of the translated version is different than the English version, the English version will control.

18. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

19. Agreement Severable. In the event that any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

20. Modifications to the Award Agreement. This Award Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Award Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. Notwithstanding anything to the contrary in the Plan or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Participant, to comply with Section 409A or to otherwise avoid imposition of any additional tax or income recognition under Section 409A in connection to this Award of Restricted Stock Units.

21. Data Privacy. ***Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Award Agreement by and among, as applicable, the Company and its affiliates for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan. Participant understands that the Company and its affiliates may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any affiliate, details of all Restricted Stock Units or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Personal Data"). Participant understands that Personal Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the United States, Participant's country (if different than the United States), or elsewhere, and that the recipient's country may have different data privacy laws and protections than Participant's country.***

For Participants located in the European Union, the following paragraph applies: Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Personal Data by contacting Participant's local human resources representative. Participant authorizes the recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing Participant's participation in the Plan, including any requisite transfer of such Personal Data as may be required to a broker or other third party with whom Participant may elect to deposit any Shares received. Participant understands that Personal Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that he or she may, at any time, view Personal Data, request additional information about the storage and processing of Personal Data, require any necessary amendments to Personal Data or refuse or withdraw the consents herein, without cost, by contacting in writing Participant's local human resources representative. Participant understands that refusal or withdrawal of consent may affect Participant's ability to participate in the Plan or to realize benefits from the Plan. For more

information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

22. Foreign Exchange Fluctuations and Restrictions. Participant understands and agrees that the future value of the underlying Shares is unknown and cannot be predicted with certainty and may decrease. Participant also understands that neither the Company, nor any affiliate is responsible for any foreign exchange fluctuation between local currency and the United States Dollar or the selection by the Company or any affiliate in its sole discretion of an applicable foreign currency exchange rate that may affect the value of the Restricted Stock Units or Shares received (or the calculation of income or Tax-Related Items thereunder). Participant understands and agrees that any cross-border remittance made to transfer proceeds received upon the sale of Shares must be made through a locally authorized financial institution or registered foreign exchange agency and may require the Participant to provide such entity with certain information regarding the transaction.

23. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Award of Restricted Stock Units under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

24. Governing Law and Venue. This Award Agreement will be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Award of Restricted Stock Units or this Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts.

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OOMA, INC.

2015 EQUITY INCENTIVE PLAN

STOCK OPTION AWARD AGREEMENT

Unless otherwise defined herein, the terms defined in the Ooma, Inc. 2015 Equity Incentive Plan (the "***Plan***") will have the same defined meanings in this Stock Option Award Agreement (the "***Award Agreement***").

I. NOTICE OF STOCK OPTION GRANT

Participant Name:

You have been granted an Option to purchase Common Stock of Ooma, Inc. (the "***Company***"), subject to the terms and conditions of the Plan and this Award Agreement, as follows:

Grant Number	______________________
Date of Grant	______________________
Vesting Commencement Date	______________________
Exercise Price per Share	USD $ ______________________
Total Number of Shares	______________________
Total Exercise Price	USD $ ______________________
Type of Option:	_______ U.S. Incentive Stock Option
	_______ U.S. Nonstatutory Stock Option
Term/Expiration Date:	______________________

Vesting Schedule:

Subject to Section 2 of the Award Agreement, this Option may be exercised, in whole or in part, in accordance with the following schedule:

[Insert Vesting Schedule]

Termination Period:

This Option will be exercisable for three (3) months after Participant ceases to be a Service Provider, unless such termination is due to Participant's death or Disability, in which case this Option will be exercisable for twelve (12) months after Participant ceases to be a

Service Provider. Notwithstanding the foregoing, in no event may this Option be exercised after the Term/Expiration Date as provided above and may be subject to earlier termination as provided in Section 13 of the Plan.

By Participant's signature and the signature of the Company's representative below, Participant and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan and this Award Agreement, including the Terms and Conditions of Stock Option Grant (including any country-specific addendum thereto), attached hereto as Exhibit A, all of which are made a part of this document. Participant has reviewed the Plan and this Award Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Award Agreement and fully understands all provisions of the Plan and Award Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator on any questions relating to the Plan and Award Agreement.

PARTICIPANT:	OOMA, INC.
Signature	By
Print Name	Title

EXHIBIT A

TERMS AND CONDITIONS OF STOCK OPTION GRANT

1. Grant of Option. The Company hereby grants to the Participant named in the Notice of Stock Option Grant attached as Part I of this Award Agreement (the "***Participant***") an option (the "***Option***") to purchase the number of Shares set forth in the Notice of Stock Option Grant, at the exercise price per Share set forth in the Notice of Stock Option Grant (the "***Exercise Price***"), subject to all of the terms and conditions set forth in the Notice of Stock Option Grant and in this Award Agreement and the Plan, which is incorporated herein by reference. Subject to Section 18 of the Plan, in the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Award Agreement, the terms and conditions of the Plan will prevail.

If designated in the Notice of Stock Option Grant as an Incentive Stock Option ("***ISO***"), this Option is intended to qualify as an ISO under Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the "***Code***"). However, if this Option is intended to be an ISO, to the extent that it exceeds the USD $100,000 rule of Code Section 422(d) it will be treated as a Nonstatutory Stock Option ("***NSO***"). Further, if for any reason this Option (or portion thereof) will not qualify as an ISO, then, to the extent of such non-qualification, such Option (or portion thereof) shall be regarded as a NSO granted under the Plan. In no event will the Administrator, the Company or any Parent or Subsidiary or any of their respective employees or directors have any liability to Participant (or any other person) due to the failure of the Option to qualify for any reason as an ISO.

2. Vesting Schedule. Except as provided in Section 3, the Option awarded by this Award Agreement will vest in accordance with the vesting provisions set forth in the Notice of Stock Option Grant. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest in accordance with any of the provisions of this Award Agreement unless Participant will have been continuously a Service Provider from the Date of Grant until the date such vesting occurs. Service Provider status will end on the day that notice of termination is provided whether oral or written (whether by the Company or Parent or Subsidiary for any reason or by Participant upon resignation) and will not be extended by any notice period that may be required contractually or under any Applicable Laws. Notwithstanding the foregoing, the Administrator (or any delegate) shall have the sole and absolute discretion to determine when Participant is no longer providing active service for purposes of Service Provider status and participation in the Plan.

3. Exercise of Option.

(a) Right to Exercise. This Option may be exercised only within the term set forth in the Notice of Stock Option Grant, and may be exercised during such term only in accordance with the Plan and the terms of this Award Agreement.

(b) Method of Exercise. This Option is exercisable by delivery of an exercise notice, in the form attached as Exhibit B (the "***Exercise Notice***") or in a manner and pursuant to such procedures as the Administrator may determine, which will state the election to exercise the

Option, the number of Shares in respect of which the Option is being exercised (the "***Exercised Shares***"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice will be completed by Participant and delivered to the Company. The Exercise Notice will be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares together with any Tax-Related Items (as defined below) required to be withheld by any Applicable Laws. This Option will be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price.

4. Method of Payment. Payment of the aggregate Exercise Price will be by any of the following, or a combination thereof, at the election of Participant:

(a) cash (U.S. dollars); or

(b) check (denominated in U.S. dollars); or

(c) consideration received by the Company under a formal cashless exercise program adopted by the Company in connection with the Plan; or

(d) subject to the sole discretion of the Administrator, surrender of other Shares that have a Fair Market Value on the date of surrender equal to the aggregate Exercise Price of the Exercised Shares.

Participant understands and agrees that any cross-border remittance made to exercise this Option or transfer proceeds received upon the sale of Shares must be made through a locally authorized financial institution or registered foreign exchange agency and may require the Participant to provide such entity with certain information regarding the transaction.

5. Tax Obligations.

(a) Withholding Taxes. Regardless of any action the Company or Participant's employer (the "***Employer***") takes with respect to any or all applicable national, local, or other tax or social contribution, withholding, required deductions, or other payments, if any, that arise upon the grant, vesting, or exercise of this Option, the holding or subsequent sale of Shares, and the receipt of dividends, if any ("***Tax-Related Items***"), Participant acknowledges and agrees that the ultimate liability for all Tax-Related Items legally due by Participant is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (a) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Option, including the grant, vesting, or exercise of the Option, the subsequent sale of Shares acquired under the Plan and the receipt of dividends, if any; and (b) does not commit to and is under no obligation to structure the terms of the Option or any aspect of the Option to reduce or eliminate Participant's liability for Tax-Related Items, or achieve any particular tax result. Further, if Participant has become subject to tax in more than one jurisdiction between the date of grant and the date of any relevant taxable event, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

(b) No payment will be made to Participant (or his or her estate or beneficiary) for an Option unless and until satisfactory arrangements (as determined by the Company) have been made by Participant with respect to the payment of any Tax-Related Items obligations of the Company and/or the Employer with respect to the Option. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from Participant's wages or other cash compensation paid to Participant by the Company or the Employer; or

(ii) withholding from proceeds of the sale of Shares acquired upon exercise of the Option, either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization); or

(iii) withholding in Shares to be issued upon exercise of the Option; or

(iv) surrendering already-owned Shares having a Fair Market Value equal to the Tax-Related Items.

If the obligation for Tax-Related Items is satisfied by withholding Shares, the Participant is deemed to have been issued the full number of Shares purchased for tax purposes, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items due as a result of the Participant's participation in the Plan. Participant shall pay to the Company or Employer any amount of Tax-Related Items that the Company may be required to withhold as a result of Participant's participation in the Plan that cannot be satisfied by one or more of the means previously described in this paragraph 5. Participant acknowledges and agrees that the Company may refuse to honor the exercise and refuse to issue or deliver the Shares or the proceeds of the sale of Shares if Participant fails to comply with his or her obligations in connection with the Tax-Related Items.

(b) Notice of Disqualifying Disposition of ISO Shares. If the Option granted to Participant herein is an ISO, and if Participant sells or otherwise disposes of any of the Shares acquired pursuant to the ISO on or before the later of (i) the date two (2) years after the Date of Grant, or (ii) the date one (1) year after the date of exercise, Participant will immediately notify the Company in writing of such disposition.

(c) Code Section 409A (Applicable Only to Participants Subject to U.S. Taxes). Under Code Section 409A, an option that is granted with a per Share exercise price that is determined by the Internal Revenue Service (the "***IRS***") to be less than the Fair Market Value of a Share on the date of grant (a "***Discount Option***") may be considered "deferred compensation." A Discount Option may result in (i) income recognition by Participant prior to the exercise of the option, (ii) an additional twenty percent (20%) federal income tax, and (iii) potential penalty and interest charges. The Discount Option may also result in additional state income, penalty and interest charges to the Participant. Participant acknowledges that the Company cannot and has not guaranteed that the IRS will agree that the per Share exercise price of this Option equals or exceeds the Fair Market Value of a Share on the Date of Grant in a later examination. Participant agrees that if the IRS determines that the Option was granted with a per Share exercise price that was less than the Fair Market Value of a Share on the date of grant, Participant will be solely responsible for Participant's costs related to such a determination.

6. Rights as Stockholder. Neither Participant nor any person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares until such Shares will have been issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). After such issuance, Participant will have all the rights of a stockholder of the Company with respect to voting such Shares and receipt of dividends and distributions on such Shares, but prior to such issuance, Participant will not have any rights to dividends and/or distributions on such Shares.

7. No Guarantee of Continued Service. PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO THE VESTING SCHEDULE HEREOF IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AT THE WILL OF THE EMPLOYER AND NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER. PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AWARD AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE RIGHT OF THE EMPLOYER TO TERMINATE PARTICIPANT'S RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE (SUBJECT TO APPLICABLE LOCAL LAWS).

8. Nature of Grant. In accepting the Option, Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and it may be modified, amended, suspended or terminated by the Company at any time;

(b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of Options, or benefits in lieu of Options even if Options have been granted repeatedly in the past;

(c) all decisions with respect to future awards of Options, if any, will be at the sole discretion of the Company;

(d) Participant's participation in the Plan is voluntary;

(e) the Option and the Shares subject to the Option are extraordinary items that do not constitute regular compensation for services rendered to the Company or the Employer, and that are outside the scope of Participant's employment contract, if any;

(f) the Option and the Shares subject to the Option are not intended to replace any pension rights or compensation;

(g) the Option and the Shares subject to the Option are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, or end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or the Employer;

(h) the future value of the underlying Shares is unknown and cannot be predicted with certainty; further, if Participant exercises the Option and obtains Shares, the value of the Shares acquired upon exercise may increase or decrease in value, even below the Exercise Price;

(i) Participant also understands that neither the Company, nor any affiliate is responsible for any foreign exchange fluctuation between local currency and the United States Dollar or the selection by the Company or any affiliate in its sole discretion of an applicable foreign currency exchange rate that may affect the value of the Option (or the calculation of income or Tax-Related Items thereunder);

(j) in consideration of the grant of the Option, no claim or entitlement to compensation or damages shall arise from forfeiture of the Option resulting from termination of employment by the Employer (for any reason whatsoever and whether or not in breach of Applicable Laws, including, without limitation, applicable local labor laws), and Participant irrevocably releases the Employer from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, Participant shall be deemed irrevocably to have waived his or her entitlement to pursue such claim; and

(k) the Option and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, take-over or transfer of liability.

9. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding Participant's participation in the Plan before taking any action related to the Plan.

10. Data Privacy. Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Award Agreement by and among, as applicable, the Company and its affiliates for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.

Participant understands that the Company and its affiliates may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any affiliate, details of all Options or any other entitlement to shares of stock

awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Personal Data"). Participant understands that Personal Data may be transferred to any third parties assisting in the implementation, administration and management of the Plan, that these recipients may be located in the United States, Participant's country (if different than the United States), or elsewhere, and that the recipient's country may have different data privacy laws and protections than Participant's country.

For Participants located in the European Union, the following paragraph applies: Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Personal Data by contacting Participant's local human resources representative. Participant authorizes the recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing Participant's participation in the Plan, including any requisite transfer of such Personal Data as may be required to a broker or other third party with whom Participant may elect to deposit any Shares received upon exercise of the Option. Participant understands that Personal Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that he or she may, at any time, view Personal Data, request additional information about the storage and processing of Personal Data, require any necessary amendments to Personal Data or refuse or withdraw the consents herein, without cost, by contacting in writing Participant's local human resources representative. Participant understands that refusal or withdrawal of consent may affect Participant's ability to participate in the Plan or to realize benefits from the Option. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

11. Address for Notices. Any notice to be given to the Company under the terms of this Award Agreement will be addressed to the Company, in care of its Secretary at Ooma, Inc., 1880 Embarcadero Road, Palo Alto, CA 94303, or at such other address as the Company may hereafter designate in writing.

12. 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 Participant only by Participant.

13. Binding Agreement. Subject to the limitation on the transferability of this Option contained herein, this Award Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

14. Additional Conditions to Issuance of Stock. If at any time the Company will determine, in its discretion, that the listing, registration, qualification or rule compliance of the Shares upon any securities exchange or under any Applicable Laws, the tax code and related regulations or the consent or approval of any governmental regulatory authority is necessary or desirable as a condition to the grant or vesting of the Option or purchase by, or issuance of Shares to, Participant (or his or her estate) hereunder, such purchase or issuance will not occur unless and until such listing, registration, qualification, rule compliance, consent or approval will

have been completed, effected or obtained free of any conditions not acceptable to the Company. The Company will make all reasonable efforts to meet the requirements of any such state, federal or foreign law or securities exchange and to obtain any such consent or approval of any such governmental authority or securities exchange. Assuming such compliance, for purposes of the Tax-Related Items, the Exercised Shares will be considered transferred to Participant on the date the Option is exercised with respect to such Exercised Shares. The Company shall not be obligated to issue any Shares pursuant to this Option at any time if the issuance of Shares, or the exercise of an Option by Participant, violates or is not in compliance with any Applicable Laws.

15. Lock-Up Agreement. In connection with the initial public offering of the Company's securities, Optionee hereby agrees not to offer, pledge, sell, contract 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 and the managing underwriters for such offering 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. In addition, upon request of the Company or the underwriters managing a public offering of the Company's securities (other than the initial public offering), Optionee hereby agrees to be bound by similar restrictions, and to sign a similar agreement, in connection with no more than one additional registration statement filed within 12 months after the closing date of the initial public offering, provided that the duration of the lock-up period with respect to such additional registration shall not exceed 90 days from the effective date of such additional registration statement. 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. In order to enforce the restriction set forth above, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Section.

If the underwriters release or waive any of the foregoing restrictions in connection with a transfer of shares of Common Stock, the underwriters shall notify the Company at least three business days before the effective date of any such release or waiver. Further, the Company will announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the underwriters shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (x) the release or waiver is effected solely to permit a transfer not for consideration and (y) the transferee has agreed in writing to be bound by the same terms of the lock-up provisions applicable in general to the extent, and for the duration, that such lock-up provision remain in effect at the time of the transfer.

16. Plan Governs. This Award Agreement is subject to all terms and provisions of the Plan. In the event of a conflict between one or more provisions of this Award Agreement and one or more provisions of the Plan, the provisions of the Plan will govern. Capitalized terms used and not defined in this Award Agreement will have the meaning set forth in the Plan.

17. Administrator Authority. The Administrator will have the power to interpret the Plan and this Award Agreement and to adopt such rules for the administration, interpretation and application of the Plan as are consistent therewith and to interpret or revoke any such rules (including, but not limited to, the determination of whether or not any Shares subject to the Option have vested). All actions taken and all interpretations and determinations made by the Administrator in good faith will be final and binding upon Participant, the Company and all other interested persons. No member of the Administrator will be personally liable for any action, determination or interpretation made in good faith with respect to the Plan or this Award Agreement.

18. Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to Participant's current or future participation in the Plan, this Option, the Shares subject to this Option, any other securities of the Company or any other Company-related documents, by electronic means. By accepting this Option, whether electronically or otherwise, Participant hereby (i) consents to receive such documents by electronic means, (ii) consents to the use of electronic signatures, and (iii) if applicable, agrees to participate in the Plan and/or receive any such documents through an on-line or electronic system established and maintained by the Company or a third party designated by the Company, including but not limited to the use of electronic signatures or click-through electronic acceptance of terms and conditions.

19. Translation. If Participant has received this Award Agreement, including appendices, or any other document related to the Plan translated into a language other than English, and the meaning of the translated version is different than the English version, the English version will control.

20. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Option and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with any Applicable Laws or facilitate the administration of the Plan, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing. Furthermore, Participant understands that the Applicable Laws of the country in which he or she is resident at the time of grant, vesting, and/or exercise of this Option or the holding or disposition of Shares (including any rules or regulations governing securities, foreign exchange, tax, labor or other matters) may restrict or prevent exercise of this Option or may subject Participant to additional procedural or regulatory requirements he or she is solely responsible for and will have to independently fulfill in relation to this Option or the Shares. Notwithstanding any provision herein, this Option and any Shares shall be subject to any special terms and conditions or disclosures as set forth in any addendum for Participant's country (the "Country-Specific Addendum," which forms part this Award Agreement).

21. Captions. Captions provided herein are for convenience only and are not to serve as a basis for interpretation or construction of this Award Agreement.

22. Agreement Severable. In the event that any provision in this Award Agreement will be held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of this Award Agreement.

23. Modifications to the Agreement. This Award Agreement constitutes the entire understanding of the parties on the subjects covered. Participant expressly warrants that he or she is not accepting this Award Agreement in reliance on any promises, representations, or inducements other than those contained herein. Modifications to this Award Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. Notwithstanding anything to the contrary in the Plan or this Award Agreement, the Company reserves the right to revise this Award Agreement as it deems necessary or advisable, in its sole discretion and without the consent of Participant, to comply with Code Section 409A or to otherwise avoid imposition of any additional tax or income recognition under Section 409A of the Code in connection to this Option.

24. Amendment, Suspension or Termination of the Plan. By accepting this Award, Participant expressly warrants that he or she has received an Option under the Plan, and has received, read and understood a description of the Plan. Participant understands that the Plan is discretionary in nature and may be amended, suspended or terminated by the Company at any time.

25. Governing Law and Venue. This Award Agreement will be governed by the laws of the State of California, without giving effect to the conflict of law principles thereof. For purposes of litigating any dispute that arises under this Award Agreement, the parties hereby submit to and consent to the jurisdiction of the State of California, and agree that such litigation will be conducted in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts.

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<u>EXHIBIT B</u>

OOMA, INC.

2015 EQUITY INCENTIVE PLAN

EXERCISE NOTICE

Ooma, Inc.
1880 Embarcadero Road
Palo Alto, CA 94303
Attention: Stock Administration

1. <u>Exercise of Option</u>. Effective as of today, ___________, ______, the undersigned ("***Purchaser***") hereby elects to purchase ______ shares (the "***Shares***") of the Common Stock of Ooma, Inc. (the "***Company***") under and pursuant to the 2015 Equity Incentive Plan (the "***Plan***") and the Stock Option Award Agreement dated ___________ (the "***Award Agreement***"). The purchase price for the Shares will be USD $____, as required by the Award Agreement.

2. <u>Delivery of Payment</u>. Purchaser herewith delivers to the Company, or otherwise makes adequate arrangements satisfactory to the Company, the full purchase price of the Shares and any Tax-Related Items (as defined in the Agreement) to be paid in connection with the exercise of the Option.

3. <u>Representations of Purchaser</u>. Purchaser acknowledges that Purchaser has received, read and understood the Plan and the Award Agreement and agrees to abide by and be bound by their terms and conditions.

4. <u>Rights as Stockholder</u>. Until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of the Shares, no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to the Option, notwithstanding the exercise of the Option. The Shares so acquired will be issued to Purchaser as soon as practicable after 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 of issuance, except as provided in Section 13 of the Plan.

5. <u>Tax Consultation</u>. 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 with 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. Entire Agreement; Governing Law. The Plan and Award Agreement are incorporated herein by reference. This Exercise Notice, the Plan and the Award Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and Purchaser with respect to the subject matter hereof, and may not be modified adversely to the Purchaser's interest except by means of a writing signed by the Company and Purchaser. This agreement is governed by the internal substantive laws, but not the choice of law rules, of the State of California.

Submitted by:	Accepted by:
PURCHASER:	OOMA, INC
Signature	By
Print Name	Title
	Date Received

OOMA, INC.

2015 EMPLOYEE STOCK PURCHASE PLAN

1. Purpose. The purpose of the Plan is to provide employees of the Company and its Designated Subsidiaries with an opportunity to purchase Common Stock through accumulated payroll deductions (or through other means as set forth below). The Company's intention is to have the Plan qualify as an "employee stock purchase plan" under Section 423 of the Code. The provisions of the Plan, accordingly, will be construed so as to extend and limit Plan participation in a uniform and nondiscriminatory basis consistent with the requirements of Section 423 of the Code. Notwithstanding the forgoing, the Company may make offerings under the Plan that are not intended to qualify under Section 423 of the Code to the extent deemed advisable for Designated Subsidiaries outside the United States ("***Non-423 Component***"). Furthermore, the Company may make separate offerings under the Plan, each of which may have different terms.

2. Definitions.

(a) "Administrator" means the Board or any Committee designated by the Board to administer the Plan pursuant to Section 15.

(b) "Applicable Laws" means all applicable laws, rules, regulations and requirements, including, but not limited to, all applicable U.S. federal or state laws, rules and regulations, the rules and regulations of any stock exchange or quotation system on which the Common Stock is listed or quoted, and the applicable laws, rules and regulations of any other country or jurisdiction where offerings are, or will be, made under the Plan or Eligible Employees or Participants reside or provide services to the Company or any Designated Subsidiary, as such laws, rules, and regulations shall be in effect from time to time.

(c) "Board" means the Board of Directors of the Company.

(d) "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 stockholders 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 2(d)(i) in connection with a merger, consolidation or reorganization which does not result in a Change in Control under Section 2(d)(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 Directors 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 Exchange Act), directly or indirectly, of securities of the Company representing at least fifty percent (50%) of the total voting power represented by the Company's then outstanding voting securities. For purposes of this Section 2(d), 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 Common Stock of the Company;

(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. In addition, if any Person (as defined above) is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered to cause a Change in Control.

(e) "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.

(f) "Committee" means a committee of the Board appointed in accordance with Section 15 hereof.

(g) "Common Stock" means the common stock of the Company.

(h) "Company" means Ooma, Inc., a Delaware corporation, or any successor thereto.

(i) "Compensation" means an Eligible Employee's regular and recurring straight time gross earnings, payments for overtime and shift premiums, but exclusive of non-cash benefits and other payments for incentive compensation, bonuses and other similar compensation. The Administrator, in its discretion, may, on a uniform and nondiscriminatory basis, establish a different definition of Compensation for any Offering Period prior to the commencement of such Offering Period. In addition, the Administrator has the authority to make decisions about how Compensation should be interpreted for Eligible Employees outside the United States to the extent there are items of compensation or remuneration not specifically addressed above.

(j) "Designated Subsidiary" means any Subsidiary that has been designated by the Administrator from time to time in its sole discretion as eligible to participate in the Plan. Unless the Administrator expressly states otherwise, each Designated Subsidiary will be designated to be participating in the portion of the Plan that qualifies under Section 423 of the Code.

(k) "Director" means a member of the Board.

(l) "Eligible Employee" means any individual who is a common law employee of an Employer and is customarily employed for more than twenty (20) hours per week and more than five (5) months in any calendar year by the Employer. For purposes of the Plan, the employment relationship will be treated as continuing intact while the individual is on sick leave or other leave of absence that the Employer approves. Where the period of leave exceeds three (3) months and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship will be deemed to have terminated three (3) months and one (1) day following the commencement of such leave. The Administrator, in its discretion, from time to time may, prior to an Offering Date determine (to the extent compliant with the Section 423 of the Code rules regarding equal rights and privileges) that the definition of Eligible Employee will or will not include an individual if he or she: (i) has not completed at least two (2) years of service since his or her last hire date (or such lesser period of time as may be determined by the Administrator in its discretion), (ii) customarily works not more than twenty (20) hours per week (or such lesser period of time as may be determined by the Administrator in its discretion), (iii) customarily works not more than five (5) months per calendar year (or such lesser period of time as may be determined by the Administrator in its discretion), (iv) is an executive, officer or other manager, or (v) is a highly compensated employee under Section 414(q) of the Code. With respect to offerings made under the Non-423 Component of the Plan, the Administrator may expand eligibility or may limit eligibility further.

(m) "Employer" means any one or all of the Company and its Designated Subsidiaries. With respect to a particular Eligible Employee, Employer means the Company or Designated Subsidiary, as the case may be, that directly employs the Eligible Employee.

(n) "Exchange Act" means the Securities Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder.

(o) "Exercise Date" means the first Trading Day on or following March 15th and September 15th of each year. The first Exercise Date under the Plan will be the first Trading Day on or following September 15, 2015.

(p) "Fair Market Value" means, as of any date and unless the Administrator determines otherwise, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the New York Stock Exchange, the Nasdaq

Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market of The Nasdaq Stock Market, its Fair Market Value will be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on such exchange or system on the date of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, its Fair Market Value will be the mean of the closing bid and asked prices for the Common Stock on the date of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(iii) In the absence of an established market for the Common Stock, the Fair Market Value thereof will be determined in good faith by the Administrator; or

(iv) For purposes of the Offering Date of the first Offering Period under the Plan, the Fair Market Value will be the initial price to the public as set forth in the final prospectus included within the registration statement on Form S-1 filed with the Securities and Exchange Commission for the initial public offering of the Common Stock (the "***Registration Statement***").

(q) "Fiscal Year" means the fiscal year of the Company.

(r) "New Exercise Date" means a new Exercise Date set by shortening any Offering Period then in progress.

(s) "Offering Date" means the first Trading Day of each Offering Period.

(t) "Offering Periods" means the periods of approximately twenty-four (24) months during which an option granted pursuant to the Plan may be exercised, (i) commencing on the first Trading Day on or after March 15th and September 15th of each year and (ii) terminating on the first Trading Day on or following March 15th and September 15th, respectively, approximately twenty-four (24) months later; provided, however, that the first Offering Period under the Plan will commence with the first Trading Day on or after the date on which the Securities and Exchange Commission declares the Company's Registration Statement effective and will end on the first Trading Day on or following September 15, 2017. The duration and timing of Offering Periods may be changed pursuant to Sections 4 and 21.

(u) "Parent" means any corporation (other than the Company) in an unbroken chain of corporations ending with the Company if each of the corporations other than the Company owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Parent on a date after the adoption of the Plan shall be considered a Parent commencing as of such date.

(v) "Participant" means an Eligible Employee who participates in the Plan.

(w) "Plan" means this Ooma, Inc. 2015 Employee Stock Purchase Plan.

(x) "Purchase Periods" means the periods of approximately six (6) months during which an option granted pursuant to the Plan may be exercised, (i) commencing on the first Trading Day on or after March 15th of each year and terminating on the first Trading Day on or following September 15th, approximately six (6) months later, and (ii) commencing on the first Trading Day on or after September 15th of each year and terminating on the first Trading Day on or following March 15th, approximately six (6) months later; provided, however, that the first Purchase Period under the Plan will commence with the first Trading Day on or after the date on which the Securities and Exchange Commission declares the Company's Registration Statement effective and will end on the first Trading Day on or following September 15, 2015. The duration and timing of Purchase Periods may be changed pursuant to Sections 4 and 21.

(y) "Purchase Price" means an amount equal to eighty-five percent (85%) of the Fair Market Value of a share of Common Stock on the Offering Date or on the Exercise Date, whichever is lower; provided however, that the Administrator, in its discretion, may establish a different Purchase Price for any Offering Period pursuant to Section 21, subject to compliance with Section 423 of the Code to the extent applicable.

(z) "Subsidiary" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain. A corporation that attains the status of a Subsidiary on a date after the adoption of the Plan shall be considered a Subsidiary commencing as of such date.

(aa) "Tax-Related Items" means income tax, social insurance, national insurance, social security, payroll tax, fringe benefits tax, payment on account or other tax-related items.

(bb) "Trading Day" means a day on which the national stock exchange upon which the Common Stock is listed is open for trading.

3. Eligibility.

(a) First Offering Period. Any individual who is an Eligible Employee immediately prior to the first Offering Period will be automatically enrolled in the first Offering Period, but may elect not to participate at any time.

(b) Subsequent Offering Periods. Any Eligible Employee on a given Offering Date subsequent to the first Offering Period will be eligible to participate in the Plan, subject to the requirements of Section 5.

(c) Limitations. Any provisions of the Plan to the contrary notwithstanding, no Eligible Employee will be granted an option under the Plan (i) to the extent that, immediately after the grant, such Eligible Employee (or any other person whose stock would be attributed to such Eligible Employee pursuant to Section 424(d) of the Code) would own capital stock of the Company or any Parent or Subsidiary of the Company and/or hold outstanding options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the capital stock of the Company or of any Parent or Subsidiary of the Company, or (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans (as defined in

Section 423 of the Code) of the Company or any Parent or Subsidiary of the Company accrues at a rate which exceeds twenty-five thousand dollars ($25,000) worth of stock (determined at the Fair Market Value of the stock at the time such option is granted) for each calendar year in which such option is outstanding at any time.

4. Offering Periods. The Plan will be implemented by overlapping Offering Periods with a new Offering Period commencing on the Offering Date of each Offering Period, or on such other date as the Administrator will determine; provided, however, that the first Offering Period under the Plan will commence with the first Trading Day on or after the date upon which the Company's Registration Statement is declared effective by the Securities and Exchange Commission. Pursuant to Section 21, the Administrator will have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future offerings without stockholder approval if such change is announced prior to the scheduled beginning of the first Offering Period to be affected thereafter.

5. Participation.

(a) First Offering Period. An Eligible Employee will be entitled to continue to participate in the first Offering Period pursuant to Section 3(a) only if such individual submits a subscription agreement authorizing payroll deductions in a form determined by the Administrator (which may be similar to the form attached hereto as Exhibit A) to the Company's designated plan administrator (i) no earlier than the effective date of the Form S-8 registration statement with respect to the issuance of Common Stock under this Plan and (ii) no later than ten (10) business days following the effective date of such S-8 registration statement or such other period of time as the Administrator may determine (the "***Enrollment Window***"). An Eligible Employee's failure to submit the subscription agreement during the Enrollment Window will result in the automatic termination of such individual's participation in the first Offering Period.

(b) Subsequent Offering Periods. An Eligible Employee may participate in the Plan pursuant to Section 3(b) by (i) submitting to the Company's payroll office (or its designee), on or before a date prescribed by the Administrator prior to an applicable Offering Date, a properly completed subscription agreement authorizing payroll deductions in the form provided by the Administrator for such purpose, or (ii) following an electronic or other enrollment procedure prescribed by the Administrator.

6. Payroll Deductions.

(a) At the time a Participant enrolls in the Plan pursuant to Section 5, he or she will elect to have payroll deductions made on each pay day during the Offering Period in an amount not exceeding fifteen percent (15%) of the Compensation which he or she receives on each pay day during the Offering Period; provided, however, that should a pay day occur on an Exercise Date, a Participant will have the payroll deductions made on such day applied to his or her account under the subsequent Purchase Period or Offering Period. A Participant's subscription agreement will remain in effect for successive Offering Periods unless terminated as provided in Section 11 hereof.

(b) Payroll deductions for a Participant will commence on the first pay day following the Offering Date and will end on the last pay day prior to the Exercise Date of such

Offering Period to which such authorization is applicable, unless sooner terminated by the Participant as provided in Section 11 hereof; provided, however, that for the first Offering Period, payroll deductions will commence on the first pay day on or following the end of the Enrollment Window.

(c) All payroll deductions made for a Participant will be credited to his or her account under the Plan (which will be recorded by the Company or Designated Subsidiary on its books, but not be an externally held account unless required under Applicable Law) and will be withheld in whole percentages only. A Participant may not make any additional payments into such account, subject to the exception set forth below in Section 6(f) below.

(d) A Participant may discontinue his or her participation in the Plan as provided in Section 11. If permitted by the Administrator, as determined in its sole discretion, for an Offering Period, a Participant may increase or decrease the rate of his or her payroll deductions during the Offering Period by (i) properly completing and submitting to the Company's payroll office (or its designee), on or before a date prescribed by the Administrator prior to an applicable Exercise Date, a new subscription agreement authorizing the change in payroll deduction rate in the form provided by the Administrator for such purpose, or (ii) following an electronic or other procedure prescribed by the Administrator. If a Participant has not followed such procedures to change the rate of payroll deductions, the rate of his or her payroll deductions will continue at the originally elected rate throughout the Offering Period and future Offering Periods (unless terminated as provided in Section 11). The Administrator may, in its sole discretion, limit the nature and/or number of payroll deduction rate changes that may be made by Participants during any Purchase Period or Offering Period. Any change in payroll deduction rate made pursuant to this Section 6(d) will be effective as of the first full payroll period following five (5) business days after the date on which the change is made by the Participant (unless the Administrator, in its sole discretion, elects to process a given change in payroll deduction rate more quickly).

(e) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(c), a Participant's payroll deductions may be decreased to zero percent (0%) at any time during a Purchase Period. Subject to Section 423(b)(8) of the Code and Section 3(c) hereof, payroll deductions will recommence at the rate originally elected by the Participant effective as of the beginning of the first Purchase Period which is scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 11.

(f) If there are countries outside the United States in which payroll deductions for Plan participation are not permitted under Applicable Law, the Administrator may allow Eligible Employees to participate by remitting payment to the Company or Designated Subsidiary by check, wire transfer or other feasible means, and shall determine procedures for facilitating participation in the Plan.

7. Tax Withholding. At the time the option, or shares issued or to be issued pursuant thereto, is subject to any applicable Tax-Related Items (e.g., at the time the option is granted, exercised, in whole or in part, or at the time some or all of the Common Stock issued under the Plan is disposed of), the Participant must make adequate provision for such Tax-Related Items. At any time, the Company or the Employer may, but will not be obligated to, withhold from the Participant's compensation the amount necessary for the Company or the Employer to meet

applicable withholding or other obligations for any Tax-Related Items, including any withholding required to make available to the Company or the Employer any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Eligible Employee. Alternatively, the Company may refuse to release Shares purchased until the Eligible Employee satisfies the any such tax withholding or other obligations.

8. Grant of Option. On the Offering Date of each Offering Period, each Eligible Employee participating in such Offering Period will be granted an option to purchase on each Exercise Date during an Offering Period (at the applicable Purchase Price) up to a number of shares of Common Stock determined by dividing such Eligible Employee's payroll deductions accumulated prior to such Exercise Date and retained in the Eligible Employee's account as of the Exercise Date by the applicable Purchase Price; provided that in no event will an Eligible Employee be permitted to purchase during each Purchase Period more than six thousand two hundred and fifty (6,250) shares of the Common Stock (subject to any adjustment pursuant to Section 20), and provided further that such purchase will be subject to the limitations set forth in Sections 3(c) and 14. The Eligible Employee may accept the grant of such option with respect to the first Offering Period by submitting a properly completed subscription agreement in accordance with the requirements of Section 5(a) on or before the last day of the Enrollment Window, and (ii) with respect to any future Offering Period under the Plan, by electing to participate in the Plan in accordance with the requirements of Section 5(b). The Administrator may, for future Offering Periods, increase or decrease, in its absolute discretion (but in accordance with Section 423 of the Code, as applicable), the maximum number of shares of Common Stock that an Eligible Employee may purchase during each Purchase Period of an Offering Period. Exercise of the option will occur as provided in Section 9, unless the Participant has withdrawn pursuant to Section 11. The option will expire on the last day of the Offering Period.

9. Exercise of Option.

(a) Unless a Participant withdraws from the Plan as provided in Section 11, his or her option for the purchase of shares of Common Stock will be exercised automatically on the Exercise Date, and the maximum number of full shares subject to the option will be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions in his or her account (or contributions made pursuant to Section 6(f)). No fractional shares of Common Stock will be purchased; any funds in a Participant's account which are not sufficient to purchase a full share will be retained in the Participant's account for the subsequent Purchase Period or Offering Period, subject to earlier withdrawal by the Participant as provided in Section 11. Any other funds left over in a Participant's account after the Exercise Date will be returned to the Participant. During a Participant's lifetime, a Participant's option to purchase shares hereunder is exercisable only by him or her.

(b) If the Administrator determines that, on a given Exercise Date, the number of shares of Common Stock with respect to which options are to be exercised may exceed (i) the number of shares of Common Stock that were available for sale under the Plan on the Offering Date of the applicable Offering Period, or (ii) the number of shares of Common Stock available for sale under the Plan on such Exercise Date, the Administrator may in its sole discretion provide that the Company will make a pro rata allocation of the shares of Common Stock available for purchase on such Offering Date or Exercise Date, as applicable, in as uniform a manner as will be practicable and as it will determine in its sole discretion to be equitable among all Participants exercising options to purchase Common Stock on such Exercise Date, and continue all Offering Periods then in effect or terminate all Offering Periods then in effect pursuant to Section 21. The Company may make a pro rata allocation of the shares available on the Offering Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's stockholders subsequent to such Offering Date.

10. Delivery. As soon as reasonably practicable after each Exercise Date on which a purchase of shares of Common Stock occurs, the Company will arrange the delivery to each Participant of the shares purchased upon exercise of his or her option in a form determined by the Administrator (in its sole discretion) and pursuant to rules established by the Administrator. The Company may permit or require that shares be deposited directly with a broker designated by the Company or to a designated agent of the Company, and the Company may utilize electronic or automated methods of share transfer. The Company may require that shares be retained with such broker or agent for a designated period of time and/or may establish other procedures to permit tracking of disqualifying dispositions of such shares. No Participant will have any voting, dividend, or other stockholder rights with respect to shares of Common Stock subject to any option granted under the Plan until such shares have been purchased and delivered to the Participant as provided in this Section 10.

11. Withdrawal.

(a) A Participant may withdraw all but not less than all the payroll deductions (or contributions made pursuant to Section 6(f)) credited to his or her account and not yet used to exercise his or her option under the Plan at any time by (i) submitting to the Company's payroll office (or its designee) a written notice of withdrawal in the form prescribed by the Administrator for such purpose (which may be similar to the form attached hereto as Exhibit B), or (ii) following an electronic or other withdrawal procedure prescribed by the Administrator. All of the funds credited to the Participant's account will be paid to such Participant promptly after receipt of notice of withdrawal and such Participant's option for the Offering Period will be automatically terminated, and no further payroll deductions or other contributions for the purchase of shares will be made for such Offering Period. If a Participant withdraws from an Offering Period, payroll deductions and other contributions will not resume at the beginning of the succeeding Offering Period, unless the Participant re-enrolls in the Plan in accordance with the provisions of Section 5.

(b) A Participant's withdrawal from an Offering Period will not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods, which commence after the termination of the Offering Period from which the Participant withdraws.

12. Termination of Employment. Upon a Participant's ceasing to be an Eligible Employee, for any reason, he or she will be deemed to have elected to withdraw from the Plan and the payroll deductions (or contributions made pursuant to Section 6(f)) credited to such Participant's account during the Offering Period but not yet used to purchase shares of Common Stock under the Plan will be returned to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 16, and such Participant's option will be automatically terminated.

13. Interest. No interest will accrue on a Participant's payroll deductions (or contributions made pursuant to Section 6(f)) in the Plan unless legally required in any non-U.S. country in which the Plan is offered and such term does not violate the requirements of Section 423 of the Code, as applicable.

14. Stock.

(a) Subject to adjustment upon changes in capitalization of the Company as provided in Section 20 hereof, the maximum number of shares of Common Stock which will be made available for sale under the Plan will be shares, plus an annual increase to be added on the first day of each Fiscal Year beginning with the 2017 Fiscal Year, equal to the lessor of (i) 2% of the outstanding shares of Common Stock on such date, and (ii) an amount determined by the Administrator. All of these Shares may be issued under the offerings made under the Plan that comply with the requirements of Section 423 of the Code or offerings made under the non-423 Component.

(b) Until the shares are issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), a Participant will only have the rights of an unsecured creditor with respect to such shares, and no right to vote or receive dividends or any other rights as a stockholder will exist with respect to such shares.

(c) Shares of Common Stock to be delivered to a Participant under the Plan will be registered in the name of the Participant or in the name of the Participant and his or her spouse.

15. Administration. The Plan will be administered by the Board or a Committee appointed by the Board, which Committee will be constituted to comply with Applicable Laws. The Administrator will have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Administrator will, to the full extent permitted by law, be final and binding upon all parties. Notwithstanding any provision to the contrary in this Plan, the Administrator may adopt rules or procedures relating to the operation and administration of the Plan to accommodate the specific requirements of local laws and procedures for jurisdictions outside of the United States. Without limiting the generality of the foregoing, and without stockholder approval, the Administrator is specifically authorized to adopt rules and procedures regarding eligibility to participate, the definition of Compensation, handling of payroll deductions, making of contributions to the Plan (including, without limitation, in forms other than payroll deductions), establishment of bank or trust accounts to hold payroll deductions, payment of interest, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of stock certificates which vary with local requirements.

16. Designation of Beneficiary.

(a) The Administrator may allow a Participant to file a designation of a beneficiary who is to receive any shares of Common Stock and cash, if any, from the Participant's account under the Plan in the event of such Participant's death subsequent to an Exercise Date on which the option is exercised but prior to delivery to such Participant of such shares and cash. In addition, the Administrator may allow a Participant to file a designation of a beneficiary who is to receive any cash from the Participant's account under the Plan in the event of such Participant's death prior to exercise of the option. If a Participant is married and the designated beneficiary is not the spouse, spousal consent will be required for such designation to be effective in the United States or to the extent required by Applicable Law.

(b) If made, such designation of beneficiary may be changed by the Participant at any time by notice in a form determined by the Administrator. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company will deliver such shares and/or cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

(c) All beneficiary designations will be in such form and manner as the Administrator may designate from time to time.

17. Transferability. Neither contributions credited to a Participant's account nor any rights with regard to the exercise of an option or to receive shares of Common Stock under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 16 hereof) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition will be without effect, except that the Company may treat such act as an election to withdraw funds from an Offering Period in accordance with Section 11 hereof.

18. Use of Funds. The Company may use all contributions received or held by it under the Plan for any corporate purpose, and the Company will not be obligated to segregate such contributions, unless and to the extent legally required in any non-U.S. country in which the Plan is offered. Until shares of Common Stock are issued, Participants will only have the rights of an unsecured creditor with respect to such shares.

19. Reports. Individual accounts will be maintained for each Participant in the Plan. Statements of account will be given to participating Eligible Employees, which statements will set forth the amounts of payroll deductions, the Purchase Price, the number of shares of Common Stock purchased and the remaining cash balance, if any.

20. Adjustments, Dissolution, Liquidation, Merger or Change in Control.

(a) Adjustments. In the event of a stock split, reverse stock split, stock dividend, combination, consolidation, recapitalization (including a recapitalization through a large nonrecurring cash dividend) or reclassification of the Shares, subdivision of the Shares, a rights offering, a reorganization, merger, spin-off, split-up, repurchase, or exchange of Common Stock or other securities of the Company or other significant corporate transaction, or other change affecting the Common Stock occurs, the Administrator, in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will, in such manner as it may deem equitable, adjust the number, kind and class of Common Stock that may be delivered under the Plan, the Purchase Price per share and the number of shares of Common Stock covered by each option under the Plan which has not yet been exercised, and the numerical limits of Sections 8 and 14. Notwithstanding the forgoing, all adjustments under this Section 20 shall be made in a manner that does not result in taxation under Code Section 409A, to the extent applicable.

(b) Dissolution or Liquidation. In the event of the proposed winding up, dissolution or liquidation of the Company, 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. The New Exercise Date will be before the date of the Company's proposed dissolution or liquidation. The Administrator will notify each Participant in writing, prior to the New Exercise Date, that the Exercise Date for the Participant's option has been changed to the New Exercise Date and that the Participant's option will be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 11 hereof.

(c) Merger or Change in Control. In the event of a merger or Change in Control (other than a winding up, dissolution or liquidation), each outstanding option will be assumed or an equivalent option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the option, the Offering Period with respect to which such option relates will be shortened by setting a New Exercise Date and will end on the New Exercise Date. The New Exercise Date will occur before the date of the Company's proposed merger or Change in Control. The Administrator will notify each Participant in writing prior to the New Exercise Date, that the Exercise Date for the Participant's option has been changed to the New Exercise Date and that the Participant's option will be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 11 hereof.

21. Amendment or Termination.

(a) The Administrator, in its sole discretion, may amend, suspend, or terminate the Plan, or any part thereof, at any time and for any reason. If the Plan is terminated, the Administrator, in its discretion, may elect to terminate all outstanding Offering Periods either immediately or upon completion of the purchase of shares of Common Stock on the next Exercise Date (which may be sooner than originally scheduled, if determined by the Administrator in its discretion), or may elect to permit Offering Periods to expire in accordance with their terms (and subject to any adjustment pursuant to Section 20). If the Offering Periods are terminated prior to expiration, all amounts then credited to Participants' accounts which have not been used to purchase shares of Common Stock will be returned to the Participants (without interest thereon, except as otherwise required under local laws) as soon as administratively practicable.

(b) Without stockholder consent and without limiting Section 21(a), the Administrator will be entitled to change the Exercise Dates, change the Offering Periods or Purchase Periods, change the Purchase Price for any Offering Period, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Administrator determines in its sole discretion advisable which are consistent with the Plan and Section 423 of the Code, to the extent applicable.

(c) In the event the Administrator determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Administrator may, in its discretion and, to the extent necessary or desirable, modify, amend or terminate the Plan to reduce or eliminate such accounting consequence including, but not limited to:

(i) amending the Plan to conform with the safe harbor definition under Financial Accounting Standards Board Accounting Standards Codification Topic 718, including with respect to an Offering Period underway at the time;

(ii) altering the Purchase Price for any Offering Period or Purchase Period including an Offering Period or Purchase Period underway at the time of the change in Purchase Price;

(iii) shortening any Offering Period or Purchase Period by setting a New Exercise Date, including an Offering Period or Purchase Period underway at the time of the Administrator action;

(iv) reducing the maximum percentage of Compensation a Participant may elect to set aside as payroll deductions; and

(v) reducing the maximum number of Shares a Participant may purchase during any Offering Period or Purchase Period.

Such modifications or amendments will not require stockholder approval or the consent of any Plan Participants.

22. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan will be deemed to have been duly given when received in the form and manner specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

23. Conditions Upon Issuance of Shares. Shares of Common Stock will not be issued with respect to an option unless the exercise of such option and the issuance and delivery of such shares pursuant thereto will comply with all applicable provisions of law, U.S. or non-U.S., including, without limitation, the Securities Act of 1933, as amended, the Exchange Act, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and will be further subject to the approval of counsel for the Company with respect to such compliance.

As a condition to the exercise of an option, the Company may require the person exercising such option 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 any of the aforementioned applicable provisions of law.

24. Term of Plan. The Plan will become effective upon the earlier to occur of its adoption by the Board or its approval by the stockholders of the Company. It will continue in effect for a term of ten (10) years, unless sooner terminated under Section 21.

25. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

26. Governing Law. The Plan and all Awards hereunder shall be construed in accordance with and governed by the laws of the State of California, but without regard to its conflict of law provisions.

EXHIBIT A

OOMA, INC.

2015 EMPLOYEE STOCK PURCHASE PLAN

SUBSCRIPTION AGREEMENT

<u>EXHIBIT B</u>

OOMA, INC.

2015 EMPLOYEE STOCK PURCHASE PLAN

NOTICE OF WITHDRAWAL

The undersigned Participant in the Offering Period of the Ooma, Inc. 2015 Employee Stock Purchase Plan that began on __________, ____(the "***Offering Date***") hereby notifies the Company that he or she hereby withdraws from the Offering Period. He or she hereby directs the Company to pay to the undersigned as promptly as practicable all contributions credited to his or her account with respect to such Offering Period. The undersigned understands and agrees that his or her option for such Offering Period will be automatically terminated. The undersigned understands further that no further contributions will be made for the purchase of shares in the current Offering Period and the undersigned will be eligible to participate in succeeding Offering Periods only by delivering to the Company a new Subscription Agreement.

Name and Address of Participant:

____

____

____

Signature:

____

Date: ______________________________

OOMA, INC.

2015 EMPLOYEE STOCK PURCHASE PLAN

SUBSCRIPTION AGREEMENT

Please check below to indicate the action that this Subscription Agreement relates to:

______Original Application
______Change in Payroll Deduction Rate
______Change of Beneficiary(ies)

This Subscription Agreement is being entered into in connection with the offering period starting on__________ (referred to as the "***Offering Period***").

1. I, __________, hereby elect to participate in the Offering Period under the Ooma, Inc. 2015 Employee Stock Purchase Plan (the "***ESPP***") and subscribe to purchase shares of the company's Common Stock in accordance with this Subscription Agreement and the ESPP.

2. I hereby authorize __% (insert a whole percentage from 0 to 15%) of the "compensation" paid to me during the Offering Period to be deducted from such payments and accumulated for the purchase of shares of Common Stock in accordance with the ESPP. For purposes of the ESPP, "compensation" includes your regular base pay, payments for overtime and shift premiums, commissions, and payments pursuant to the company's regular bonus program, but does not include non-cash benefits and any other incentive and similar compensation.

3. I understand that, if I do not withdraw from the Offering Period, any accumulated deductions will be used to purchase shares of Common Stock at the applicable purchase price at the end of the Offering Period under the ESPP.

4. I hereby confirm that I have received a copy of the ESPP and the ESPP prospectus. I understand that my participation in the ESPP is in all respects subject to the terms of the ESPP. Any conflict between this Subscription Agreement and the ESPP will be resolved in favor of the ESPP.

5. I understand that if I sell or otherwise dispose of any shares that I purchase pursuant to the ESPP within either 2 years after the first day of the Offering Period or 1 year after the date I purchased such shares, I will be treated for federal income tax purposes as having received ordinary income at the time of such sale or other disposition in an amount equal to the excess of the fair market value of the shares at the time I purchased such shares over the price I paid for the shares. <u>I hereby agree to notify the company in writing within 30 days after the date of any sale or other disposition of the shares I purchase pursuant to the ESPP and, as required by the ESPP, I will make adequate provision for federal, state or other tax withholding obligations, if any, which arise upon any such sale or other disposition</u>.

In the event of my death, I hereby designate the following as my beneficiary to receive all payments and shares due me under the ESPP:

NAME OF BENEFICIARY: (Please print)

____

(First) (Middle) (Last)

____

Relationship

____

(Address)

The effectiveness of this Subscription Agreement is dependent upon my eligibility to participate in the ESPP.

I HEREBY AGREE TO BE BOUND BY THE TERMS OF THE ESPP AND I UNDERSTAND THAT THIS SUBSCRIPTION AGREEMENT WILL CONTINUE TO REMAIN IN EFFECT FOR ALL FUTURE OFFERING PERIODS UNLESS TERMINATED BY ME.

Signature of Employee	Date
Spouse's Signature (if beneficiary other than spouse)	Date

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 1 to Registration Statement No. 333-204975 on Form S-1 of our report dated April 17, 2015 (except for Note 15, as to which the date is July 6, 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
July 6, 2015