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As filed with the Securities and Exchange Commission on April 9, 2018.

Registration No. 333-223872

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

Pivotal Software, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	**7372**	**94-3094578**
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

875 Howard Street, Fifth Floor
San Francisco, California 94103
(415) 777-4868
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Robert Mee
Chief Executive Officer
Pivotal Software, Inc.
875 Howard Street, Fifth Floor
San Francisco, California 94103
(415) 777-4868
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Alan F. Denenberg **Sarah K. Solum** **Davis Polk & Wardwell LLP** **1600 El Camino Real** **Menlo Park, California 94025** **(650) 752-2000**	**Andrew M. Cohen** **General Counsel** **Christopher Ing** **Associate General Counsel** **Pivotal Software, Inc.** **875 Howard Street, Fifth Floor** **San Francisco, California 94103** **(415) 777-4868**	**Jeffrey R. Vetter** **James D. Evans** **Fenwick & West LLP** **801 California Street** **Mountain View, California 94041** **(650) 988-8500**

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, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

smaller reporting company)

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

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount to be Registered (1)(2)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price (1)(2)	Amount Of Registration Fee (3)
Class A common stock, par value $0.01 per share	42,550,000	$16.00	$680,800,000	$84,759.60

(1) Includes the aggregate offering price of additional shares that the underwriters have the option to purchase to cover over-allotments, if any.

(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(a) under the Securities Act of 1933, as amended.

(3) The registrant previously paid $12,450.00 of this amount in connection with the initial filing of this registration statement.

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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PROSPECTUS (Subject to Completion)
Issued April 9, 2018

37,000,000 Shares

Pivotal

CLASS A COMMON STOCK

Pivotal Software, Inc. is offering 33,117,000 shares of its Class A common stock. The selling stockholder identified in this prospectus is offering an additional 3,883,000 shares of Class A common stock. We will not receive any proceeds from the sale of Class A common stock by the selling stockholder. This is our initial public offering, and no public market currently exists for our Class A common stock. We anticipate that the initial public offering price will be between $14.00 and $16.00 per share.

We have two classes of common stock: Class A common stock and Class B common stock. The rights of the holders of the Class A common stock and Class B common stock will be identical, except with respect to voting and conversion. Each share of Class A common stock is entitled to one vote and each share of Class B common stock is entitled to ten votes. Each share of Class B common stock is convertible at the holder's option into one share of Class A common stock and will automatically convert into Class A common stock on a share-for-share basis under circumstances specified in our amended and restated certificate of incorporation in effect prior to the closing of this offering.

Dell Technologies Inc. is currently our majority stockholder. Following this offering, Dell Technologies will own, indirectly through its subsidiaries (including VMware, Inc.), 175,514,272 shares of our outstanding Class B common stock, which will represent approximately 70.1% of our total outstanding shares of common stock and approximately 95.9% of our combined voting power immediately after this offering (or approximately 95.6% if the underwriters exercise their over-allotment option in full). We will be a "controlled company" within the meaning of the corporate governance rules of the New York Stock Exchange.

We have applied for listing of our Class A common stock on the New York Stock Exchange under the symbol "PVTL."

We are an "emerging growth company" as defined under the federal securities laws. Investing in our Class A common stock involves risks. ***See "Risk Factors" beginning on page 16.***

PRICE $ A SHARE

	Price to Public	Underwriting Discounts and Commissions (1)	Proceeds to Pivotal	Proceeds to the Selling Stockholder
Per Share	$	$	$	$
Total	$	$	$	$

(1) See "Underwriters" for a description of the compensation payable to the underwriters.

We have granted the underwriters the right to purchase up to an additional 5,550,000 shares of our Class A common stock to cover over-allotments, if any.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of Class A common stock to purchasers on or about , 2018.

MORGAN STANLEY *GOLDMAN SACHS & CO. LLC* *CITIGROUP*

BofA MERRILL LYNCH *BARCLAYS* *CREDIT SUISSE* *RBC CAPITAL MARKETS* *UBS INVESTMENT BANK* *WELLS FARGO SECURITIES*

KEYBANC CAPITAL MARKETS *WILLIAM BLAIR*

MISCHLER FINANCIAL GROUP, INC. RAMIREZ & CO., INC. SIEBERT CISNEROS SHANK & CO., L.L.C. THE WILLIAMS CAPITAL GROUP, L.P.

, 2018

Pivotal

319
Subscription Customers in 4 years

$50+ billion
Total Addressable Market

73%
Subscription Revenue Growth

158%
$-Based Net Expansion (Q4'18)

75+ ISVs
integrated with PCF

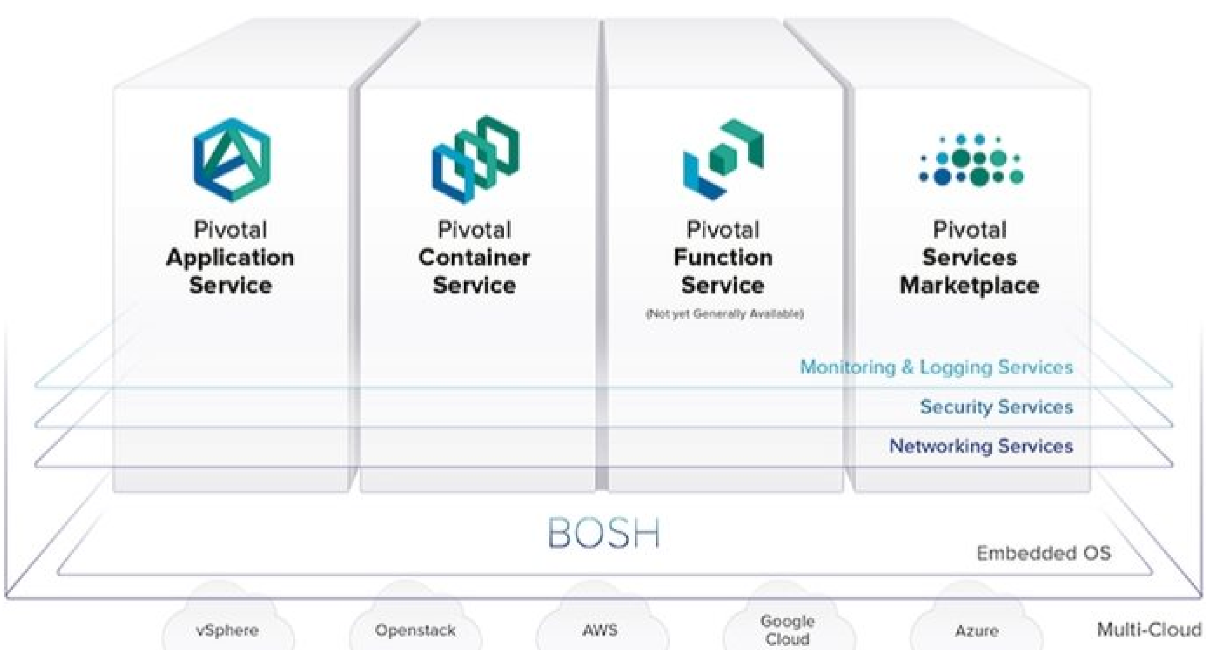
$259 million
Subscription Revenue

The foregoing data is as of or for the fiscal year ended February 2, 2018. Revenue growth percentage is compared to prior year.

The way the future gets built.

Pivotal Cloud Foundry® is engineered to deliver a single software platform to run an entire enterprise—capable of scaling to support thousands of developers and applications.

Pivotal
Cloud Foundry®



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In this prospectus, (i) "Pivotal Software, Inc.," "Pivotal," the "Company," "we," "us" and "our" refer to Pivotal Software, Inc. and its consolidated subsidiaries, (ii) "Dell" refers to Dell Inc., (iii) "Dell Technologies" refers to Dell Technologies Inc., the ultimate parent company of Dell Inc., and (iv) "DellEMC" refers to EMC Corporation, an indirect wholly-owned subsidiary of Dell Technologies that directly holds shares of our Class B common stock, whether before or after its acquisition by Dell Technologies.

"Pivotal," the Pivotal logos and other trade names, trademarks or service marks of Pivotal appearing in this prospectus are the property of Pivotal. This prospectus contains additional trade names, trademarks and service marks of other companies, which are the property of their respective owners. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with or endorsement or sponsorship of us by these other companies.

Neither we, the selling stockholder nor any of the underwriters have authorized anyone to provide any information or to make any representations other than those contained in this prospectus or in any free writing prospectuses we have prepared. We, the selling stockholder and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may provide you. We and the selling stockholder are offering to sell, and seeking offers to buy, shares of Class A 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 the Class A common stock.

For investors outside the United States: none of we, the selling stockholder or 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 United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of our Class A common stock and the distribution of this prospectus outside of the United States.

Until , 2018 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade our Class A common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider before deciding to invest in our Class A common stock. You should read this entire prospectus carefully, including the section titled "Risk Factors" and our consolidated financial statements and related notes. Our fiscal year is the 52- or 53-week period ending on the Friday nearest January 31. Our 2016 fiscal year ("fiscal 2016") ended on January 29, 2016, our 2017 fiscal year ("fiscal 2017") ended on February 3, 2017, and our 2018 fiscal year ("fiscal 2018") ended on February 2, 2018.

PIVOTAL SOFTWARE, INC.

We are transforming how the world builds software.

Overview

We provide a leading cloud-native platform that makes software development and IT operations a strategic advantage for our customers. Our cloud-native platform, Pivotal Cloud Foundry ("PCF"), accelerates and streamlines software development by reducing the complexity of building, deploying and operating new cloud-native applications and modernizing legacy applications. This enables our customers' development and IT operations teams to spend more time writing code, waste less time on mundane tasks and focus on activities that drive business value – building and deploying great software. PCF customers can accelerate their adoption of a modern software development process and their business success using our platform through our complementary strategic services, Pivotal Labs ("Labs"). Enterprises across industries have adopted our platform to build, deploy and operate software, including enterprises in the automotive and transportation, industrial and business services, financial services, healthcare and insurance, technology and media, consumer and communications and government sectors.

Cloud-native software is reshaping businesses across all industries, empowering enterprises to innovate at a higher velocity and become more digital, mobile, data-driven and always-connected. Cloud-native software is designed to be highly available, scalable and modular to allow for frequent iteration and feature releases. Despite the widespread availability of private and public cloud infrastructure, many organizations are burdened by legacy technologies and software development processes that prevent them from fully realizing the benefits of cloud-native software. As a result, organizations require a modern agile development process and a cloud-native platform that can be deployed on every major private and public cloud.

Our offering, which includes PCF and Labs, enables organizations to build cloud-native software and compete in today's business environment.

- PCF accelerates and streamlines software development by reducing the complexity of building, deploying and operating modern applications. PCF integrates an expansive set of critical, modern software technologies to provide a turnkey cloud-native platform. PCF combines leading open-source software with our robust proprietary software to meet the exacting enterprise-grade requirements of large organizations, including the ability to operate and manage software across private and public cloud environments, such as Amazon Web Services, Microsoft Azure, Google Cloud Platform, VMware vSphere and OpenStack. PCF is sold on a subscription basis.
- Labs software development experts deliver strategic services that transfer the expertise for enterprises to accelerate their cloud-native transformation by implementing modern agile development practices. With Labs, we help customers co-develop new applications and

transform existing ones while accelerating software development, streamlining IT operations and ultimately driving self-sustaining business transformation.

Our customers realize measurable improvement in developer productivity, software quality, security, time-to-market and IT operational efficiency. Some of our larger customers have achieved substantial structural efficiencies by leveraging our platform, such as significantly improving the ratio of developers to operators toward 200:1 or greater and increasing developer productivity, as measured by the amount of time developers are able to spend writing software code or by the frequency of meaningful improvements to the software they are developing, by 50% or more.

We market and sell PCF and Labs through our sales force and ecosystem partners. We leverage our mutually beneficial commercial and go-to-market relationships with Dell Technologies and VMware, Inc. ("VMware") to win new customers and to expand our customer footprint. We also work closely with large public cloud providers, including Google and Microsoft, to bring our customers' workloads to their cloud infrastructure. We have received numerous industry awards, including in 2017 the Google Cloud Technology Partner of the Year for 2016 and an Azure consumption partner of the year award from Microsoft for 2016. We intend to prioritize the growth of PCF, while leveraging our strategic services and increasingly relying on global systems integrators ("SI"), such as Accenture and Cognizant, and boutique consulting firms that are building focused practices around Pivotal technology implementation, application migration and cloud-native development.

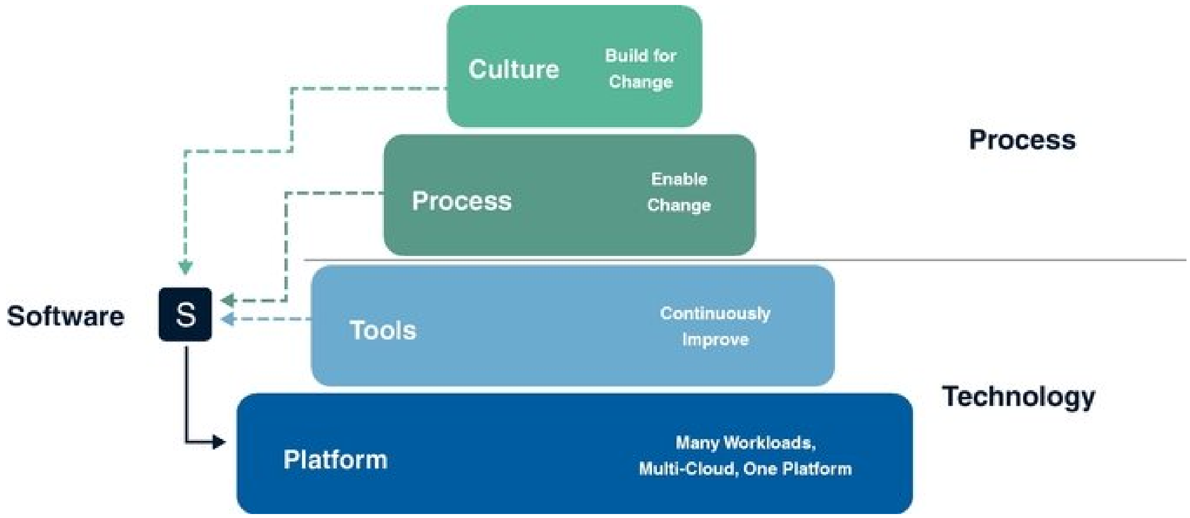
Our complementary PCF and Labs offering enables organizations to effectively build cloud-native software and compete in today's business environment. Our customers often start with smaller PCF deployments in specific groups or departments and then expand their subscriptions as they seek to deploy and manage more applications and other workloads. At the end of fiscal 2018, our trailing four-quarter dollar-based net expansion rate was 158%. Some of our customers use Labs to drive successful outcomes in their organization using our platform as they learn and adopt our modern software development practices. There is a positive correlation between customers using Labs and the expansion of their PCF subscriptions, with the differential in customers who have used Labs expanding their PCF usage 1.5x more than those who have not used Labs. Optimizing this synergy, by leveraging our Labs offering and increasingly relying on our SI partners to deliver platform-related services to our customers, is a key aspect of our overall business strategy.

We are focused on subscription sales of our platform. Since announcing PCF in November 2013, our subscription customer count has grown rapidly to 319 as of the end of fiscal 2018. Our subscription revenue was $95.0 million, $150.0 million and $259.0 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively, representing year-over-year growth of 58% and 73% for our two most recent fiscal years. Our total revenue was $280.9 million, $416.3 million and $509.4 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively, representing year-over-year growth of 48% and 22% for our two most recent fiscal years. Fiscal 2018 was the first year in which subscription revenue exceeded our services revenue, and we expect that over time subscription revenue will become a larger percentage of our total revenue as customers continue to adopt PCF and as our SI partner ecosystem ramps to directly deliver strategic services to our customers. Our net loss was $282.7 million, $232.9 million and $163.5 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively.

Industry Background

Cloud-native software is reshaping businesses across all industries, empowering enterprises to innovate at a higher velocity and become more digital, mobile, data-driven and always-connected. Cloud-native software is designed to be highly available, scalable and modular to allow for frequent iteration and feature releases. Despite the widespread availability of private and public cloud infrastructure, many organizations are burdened by legacy technologies and software development processes that prevent them from fully realizing the benefits of cloud-native software. As a result, organizations require an agile development process and a cloud-native platform that can be deployed on every major private and public cloud.

Enterprises can revolutionize their customer experiences, help create new revenue streams and improve the cost and speed of business operations by building and deploying cloud-native software. To build and deploy cloud-native software and adopt cloud infrastructure, enterprises require new technology and process. "Technology" consists of the platform and tools necessary to develop and efficiently operate cloud-native software and its associated infrastructure. "Process" refers to the development and operational processes that consistently deliver high-quality software in a culture that embraces change.



Approaches to Becoming Cloud Native

In order to effectively develop cloud-native software, enterprises need to recognize three fundamental imperatives: (1) the need for cloud infrastructure software optimized for continuous delivery and highly efficient IT operations, (2) the need for agile software development methodologies and (3) the need to leverage open-source software.

- ***Cloud Infrastructure Software.*** To drive developer and operations efficiency gains, enterprises need to (1) implement software-defined data center infrastructure, server virtualization and application containers on modern hardware, (2) develop next-generation operational software and middleware enabling IT infrastructure to become more automated and programmatic, (3) break down the traditional monolithic software architecture into "microservices," integrated development frameworks and automated releases and (4) facilitate continuous delivery, lifecycle management and monitoring.

- ***Agile Software Development Methodologies.*** To facilitate continuous delivery and efficient IT operations and to closely align with business objectives, enterprises need to adopt agile development and DevOps techniques to rapidly deploy and manage new software in shorter development cycles, with faster deployment frequency and more dependable releases. These techniques are increasingly becoming the modern way for enterprises to develop cloud-native software.

- ***Open Source.*** Some of the most innovative technologies, including application containers, big data stores, developer frameworks and machine learning libraries, are open source. Enterprises need to leverage powerful open-source software technologies.

Legacy IT Challenges: Our Opportunity

Despite the availability of these cloud technology and agile process advancements, many enterprises remain deeply invested in legacy technology and process that differ significantly from cloud-native approaches to software development and operations. These enterprises are seeking to leverage private and public cloud technologies and to use cloud-native software to transform their businesses. They continue to deploy monolithic software built on custom silos of supporting infrastructure. When changes to software become necessary, many manual steps and serial reviews and approvals by different functional teams are required, which can often lead to instability and downtime. For a large enterprise with hundreds or thousands of applications and large numbers of disparate hardware components in multiple data centers, the operational challenges can be daunting as hundreds or thousands of people in operations may be required just to support a small number of developers and to keep existing applications running. This complexity can create ingrained processes and cultures that are resistant to change, given the level of investment in legacy infrastructure and inefficient IT operations, which constrain innovation and new software development initiatives.

In addition to these technology challenges, many enterprises implement legacy software development approaches such as the "waterfall" process, in which software development proceeds in a strict sequence from conception to analysis, design, construction, testing, implementation and maintenance. By the time such software is ready to be released, requirements and business priorities often have changed. The waterfall process is ill-suited for software development and IT operations where the code and user requirements are constantly changing.

These legacy technologies and processes have created a number of challenges, including:

- ***Protracted development cycles and low developer productivity.*** A Forrester study found that 72% of developers spend less than three hours a day productively writing code.

- ***Operational inefficiencies.*** An International Data Corporation ("IDC") survey showed that IT personnel devote over 70% of their time to routine service request approval, monitoring, troubleshooting, provisioning, security patching and configuration management.

- ***Lack of flexibility to use multiple clouds.*** Enterprises want the flexibility to choose between different clouds without having to rearchitect their software. However, if they deploy workloads to a single public cloud environment, they face difficulty moving those workloads to other public cloud environments. IDC expects more than 90% of enterprise IT organizations will commit to multi-cloud architectures by 2020.

- ***Integration complexity.*** Legacy approaches to software development and IT operations have resulted in a patchwork of third-party tools, middleware, software components and operating systems that need to be regularly integrated and maintained.

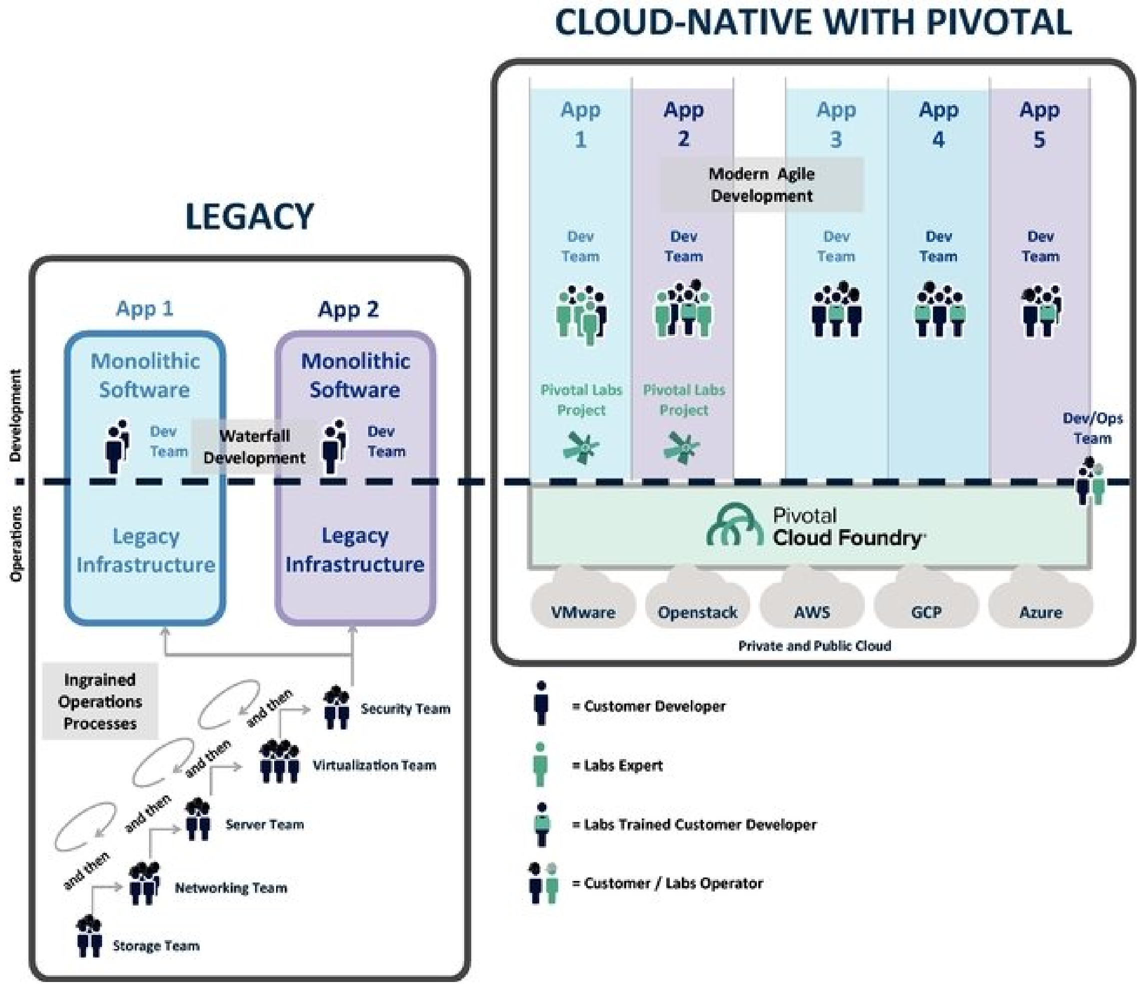
- ***Difficulty in securing legacy IT infrastructure.*** The silos and custom architecture found in legacy IT infrastructure are not designed to address evolving security threats.

- ***Lack of enterprise-grade platform to leverage open-source software.*** Given the complexity and risk in adopting, integrating and maintaining an array of open-source technologies at enterprise scale, organizations need a single, secure and stable platform in order to leverage open-source software effectively.

Our Solution

We provide a leading cloud-native platform that makes software development and IT operations a strategic advantage for our customers. PCF customers can accelerate their adoption of modern software development practices through Labs, our complementary strategic services. Our customers realize measurable improvement in developer productivity, software quality, security, time-to-market and IT operational efficiency. Our offering helps make developing and operating software a strategic advantage for our customers, empowering them to revolutionize their customer experiences, helping create new revenue streams and improving the speed and cost of business operations through software.

Pivotal Customers Can Reallocate Spend from Infrastructure Operations to Software Development



Together, PCF and Labs provide the technology and the process to enable the operational efficiency and developer productivity needed to develop, deploy and manage cloud-native software.

- PCF is a cloud-native platform that accelerates and streamlines software development by reducing the complexity of building, deploying and operating modern applications. PCF integrates an expansive set of critical, modern open-source and proprietary software technologies to provide a turnkey cloud-native platform. Our platform allows developers and IT operators to focus on activities that drive business value – building and deploying great software. From our single platform, PCF enables the continuous delivery of any application to every major private and public cloud. PCF combines a set of key platform components which include: a multi-cloud orchestration foundation, an embedded operating system, a central security and credential framework, a built-in advanced container networking and security engine, a complete and scalable application middleware environment and leading application and data microservices technologies. PCF also fosters a robust ecosystem of many first- and third-party cloud services and technologies which can be accessed on our platform through Pivotal Services Marketplace (the "Marketplace").

- Labs software development experts deliver strategic services that transfer the expertise for enterprises to accelerate their cloud-native transformation by implementing modern agile development practices. With Labs, we help customers co-develop new applications and transform existing ones while accelerating software development, streamlining IT operations and ultimately driving self-sustaining business transformation.

Key benefits of our offering include:

- ***Enhanced developer productivity.*** PCF dramatically increases developer productivity by providing a standard development platform, frameworks and architectural patterns, so that developers can spend more time writing software that drives value to the business and its customers. In addition, Labs enables enterprises to evolve beyond traditional waterfall processes through co-development projects. Many of our customers have increased developer productivity by 50% or more and dramatically increased the frequency of software releases, sometimes moving from a semi-annual to a weekly (or even daily) production release cadence.

- ***Greater operational efficiency.*** PCF enables our customers to standardize and automate common IT processes across public and private cloud environments related to IT environment builds, software testing and release and infrastructure and application updates. Some of our larger customers have achieved substantial structural efficiencies by leveraging our platform, such as significantly improving the ratio of developers to operators toward 200:1 or greater and increasing developer productivity by 50% or more.

- ***Flexibility to run software across private, public and multi-cloud environments.*** PCF gives our customers a consistent developer interface for application deployment and operation across private, public and multi-cloud environments.

- ***Integrated by design.*** From our single platform, PCF integrates an expansive set of critical, modern open-source and proprietary software technologies to provide a turnkey cloud-native platform that enables the continuous delivery of any application to every major private and public cloud. In addition, PCF fosters a robust ecosystem integrated through our Marketplace to extend the capabilities of the platform with many first- and third-party cloud services and technologies such as data persistence, caching, messaging, continuous integration and security.

- ***Unique infrastructure-native approach to security.*** Our approach to security is designed to enable automatic updates to the platform without application downtime, eliminating the compromise between security and availability associated with legacy approaches to IT operations.

- ***Enterprise-grade platform.*** Our platform is built to meet the exacting performance, availability, security and management requirements of large organizations. We combine the latest innovations from open-source projects such as application containers, big data stores and developer frameworks with our robust proprietary software components, such as platform management and monitoring, developer experience and authentication, to form an enterprise-grade platform. We enable large enterprises to leverage the benefits of cutting-edge open-source technologies built into PCF, our enterprise-grade platform, for their mission-critical operations and applications.

Competitive Strengths

Our competitive strengths include:

- First mover in cloud-native transformations.

- Enterprise-grade software platform integrating open source.

- Blue-chip customer adoption.

- Large and growing PCF ecosystem.

- Leading cloud-native platform with strategic services.

- Viral adoption together with C-level focus.

Market Opportunity

Our cloud-native software addresses IT spending across the rapidly growing market for public cloud workloads, sometimes referred to as Platform-as-a-service ("PaaS"), and the market for application infrastructure, middleware and development software. We believe our cloud-native platform opportunity is the aggregate of these two markets, with spending today estimated at over $50 billion.

- According to Gartner, spending on cloud application infrastructure services (PaaS) is expected to be $16.0 billion in 2018, growing to $29.0 billion by 2021, representing a 22% compound annual growth rate ("CAGR").
- According to Gartner, spending on application infrastructure, middleware and development solutions is expected to be $43.2 billion in 2018, growing to $51.4 billion by 2021, representing a 6% CAGR.

Growth Strategy

Key elements of our growth strategy include our plans to:

- Extend technology lead of our cloud-native platform.
- Maintain open cloud-native platform advantage.
- Continue to drive new customer adoption.
- Expand adoption within existing customers.
- Continue to capitalize upon our relationships with our strategic partners.
- Further leverage partnerships with public cloud vendors.
- Continue to leverage the combined strengths of PCF and Labs to drive PCF expansion.

Culture

We believe our culture is unique and critical to our mission of transforming how the world builds software. Our culture reflects the learnings of our agile development roots and applies those insights to all aspects of our business. We have three core values:

- Do the right thing.
- Do what works.
- Be kind.

Risk Factors

Investing in our Class A common stock involves risk. You should carefully consider all the information in this prospectus prior to investing in our Class A common stock. These risks are discussed more fully in the section titled "Risk Factors" immediately following this prospectus summary and elsewhere in this prospectus. These risks and uncertainties include, but are not limited to, the following:

- we have a limited operating history as an independent company, which makes it difficult to evaluate our prospects and increases the risk of your investment;
- we have incurred substantial losses and may not be able to generate sufficient revenue to achieve and sustain profitability;

- our future success depends in large part on the growth of our target markets, and even if our target markets grow as expected, our ability to further penetrate these markets is uncertain;
- our future growth is largely dependent on PCF and platform-related services, and challenges in market acceptance, adoption and growth of PCF could harm our business, results of operations and prospects;
- our subscription revenue growth rate, both in absolute terms and relative to total revenue, in recent periods may not be indicative of our future performance and ability to grow; similarly, our services revenue growth rate has fluctuated in recent periods, may continue to fluctuate and will likely decline over the long term as we scale our PCF business;
- our business and prospects will be harmed if our customers do not renew their subscriptions and expand their use of our platform;
- we operate in a highly competitive industry, and any failure to compete effectively could materially and adversely affect our business, results of operations and financial condition;
- our sales cycles can be long, unpredictable and vary seasonally, which can cause significant variation in the number and size of transactions that close in a particular quarter;
- we do not control and may be unable to predict the future course of open-source technologies, including those used in our offering, which could reduce the market appeal of our offering and damage our reputation;
- security and privacy breaches could expose us to liability, damage our reputation, compromise our ability to conduct business, require us to incur significant costs or otherwise adversely affect our financial results; and
- we are a controlled company, and Dell Technologies has the ability to exercise control over all matters requiring approval by our stockholders.

Reverse Stock Split

Our board of directors and stockholders approved a 1-for-2 reverse stock split of our capital stock, which was effected on April 6, 2018. All references to common stock, options to purchase common stock, restricted stock units, per share data, convertible preferred stock and related information have been retroactively adjusted where applicable in this prospectus to reflect the reverse stock split of our capital stock as if it had occurred at the beginning of the earliest period presented.

Corporate Information

We were formed in April 2013. DellEMC and VMware transferred teams and contributed assets and technology to Pivotal that have become key elements of our cloud-native platform and strategic services. We were incorporated in the State of Delaware on April 1, 2013 under the name GoPivotal, Inc. and subsequently changed our name to Pivotal Software, Inc. Our principal executive offices are located at 875 Howard Street, Fifth Floor, San Francisco, California 94103, and our telephone number is (415) 777-4868. Our website is https://pivotal.io. Neither our website nor the information contained in or accessible from our website is incorporated into this prospectus or the registration statement of which it forms a part.

Dell Technologies is our majority stockholder. For more information on our relationship with Dell Technologies, see "Certain Relationships and Related Party Transactions" and "Principal and Selling Stockholders."

Upon the completion of this offering, Dell Technologies will own, indirectly through its subsidiaries (including VMware), 175,514,272 shares of our outstanding Class B common stock, which will represent approximately 70.1% of our total outstanding shares of common stock and approximately 95.9% of the combined voting power of both classes of our outstanding common stock immediately after this offering (subject to certain exceptions, including with respect to the election of directors, certain actions to convert the Class B common stock and certain actions that require the consent of the holders of the Class B common stock). As a result, Dell Technologies will be able to exercise control over all matters requiring approval by our stockholders, including the election of our directors and approval of significant corporate transactions. Dell Technologies' controlling interest may discourage or prevent a change in control of our company that other holders of our common stock may favor.

Emerging Growth Company Status

We qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). For so long as we remain an emerging growth company, we are permitted and currently intend to rely on the following provisions of the JOBS Act that contain exceptions from disclosure and other requirements that otherwise are applicable to companies that conduct initial public offerings and file periodic reports with the Securities and Exchange Commission (the "SEC"). These JOBS Act provisions:

- provide an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting under the Sarbanes-Oxley Act of 2002, as amended;
- permit us to include reduced disclosure regarding executive compensation in this prospectus and our SEC filings as a public company; and
- provide an exemption from the requirement to hold a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute arrangements not previously approved.

We will remain an emerging growth company until:

- the first to occur of the last day of the fiscal year (1) which follows the fifth anniversary of the completion of this offering, (2) in which we have total annual gross revenue of at least $1.07 billion or (3) in which the market value of our capital stock held by non-affiliates was $700 million or more as of the last business day of the preceding second fiscal quarter; or
- if it occurs before any of the foregoing dates, the date on which we have issued more than $1 billion in non-convertible debt over a three-year period.

We have irrevocably elected not to avail ourselves of the provision of the JOBS Act that permits emerging growth companies to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. As a result, we will be subject to new or revised accounting standards at the same time as other public companies that are not emerging growth companies.

THE OFFERING

Class A common stock offered by us	33,117,000 shares
Class A common stock offered by us pursuant to the underwriters' over-allotment option	5,550,000 shares
Class A common stock offered by the selling stockholder	3,883,000
Common stock to be outstanding after this offering:	
Class A common stock	74,822,120 shares (or 80,372,120 shares, if the underwriters exercise their over-allotment option in full)
Class B common stock	175,514,272 shares
Voting rights	Following this offering, our two classes of authorized common stock will consist of Class A common stock and Class B common stock. The rights of the holders of the Class A common stock and Class B common stock will be identical, except with respect to voting and conversion. Each share of Class A common stock is entitled to one vote and each share of Class B common stock is entitled to ten votes subject to certain exceptions, including with respect to the election of directors, certain actions to convert the Class B common stock and certain actions that require the consent of the holders of the Class B common stock. The holders of Class B common stock, voting as a separate class, will be entitled to elect at least 80% of the total number of directors that we would have if there were no vacancies on our board of directors at such time. Subject to any rights of any series of preferred stock to elect directors, the holders of Class A common stock and the holders of Class B common stock, voting together as a single class, will be entitled to elect our remaining directors, with each share of Class A common stock and each share of Class B common stock entitled to one vote per share in any such election. Each share of Class B common stock is convertible at the holder's option into one share of Class A common stock, and will automatically convert into Class A common stock on a share-for-share basis under circumstances specified in our amended and restated certificate of incorporation, including (i) if such share is transferred such that it is no longer beneficially owned by Dell Technologies (or a successor entity) or its subsidiaries or (ii) if the number of shares of our Class B common stock beneficially owned by Dell Technologies (or a successor entity) and its subsidiaries in the aggregate ceases to represent at least 10% of our outstanding common stock. The foregoing conversion rights of the Class B common stock will cease if Dell Technologies or certain of its affiliates transfer any portion of our capital stock in a transaction intended to qualify for non-recognition of gain and loss under Section 355 of the Internal Revenue Code. See "Description of Capital Stock" for more information about the rights of each class of our common stock.

Dell's ownership of common stock to be outstanding after this offering:	
Class A common stock	No shares
Class B common stock	Immediately after this offering, Dell Technologies will own (indirectly through its subsidiaries, including VMware) 175,514,272 shares of our outstanding Class B common stock, which will represent approximately 70.1% of our total outstanding shares of common stock and approximately 95.9% of the combined voting power of both classes of our outstanding common stock (or 68.6% and 95.6%, respectively, if the underwriters exercise their over-allotment option in full).
Controlled company	We are a "controlled company" within the meaning of the corporate governance rules of the New York Stock Exchange. Dell Technologies will have the ability to dispose of a controlling interest in our company without a vote of the Class A common stock.
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $465.8 million, or approximately $544.4 million if the underwriters exercise their over-allotment option in full, assuming an initial public offering price of $15.00 per share, which is the midpoint of the 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. We intend to use the net proceeds of this offering for working capital and other general corporate purposes, including continued investments in the growth of our business described in "Business—Growth Strategy." In addition, we may use a portion of the net proceeds for investments in or acquisitions of businesses, technologies or other assets that we believe to be complementary. We do not have any existing agreements or commitments for any specific investments or acquisitions. We do not intend to transfer any net proceeds we receive from this offering to Dell Technologies, Dell or their respective affiliates, other than payments in the ordinary course of business under one or more of the agreements described under "Certain Relationships and Related Party Transactions." We will not receive any proceeds from the sale of Class A common stock by the selling stockholder. For information about our proposed use of proceeds, see "Use of Proceeds."
Proposed New York Stock Exchange stock symbol	PVTL

The number of shares of our Class A and Class B common stock that will be outstanding after this offering is based on 41,705,120 shares of our Class A common stock and 175,514,272 shares of our Class B common stock outstanding as of February 2, 2018. The foregoing shares include shares of our convertible preferred stock on an as-converted basis. Shares of Class B common stock are convertible into Class A common stock on a one-for-one basis. The foregoing shares exclude:

- 54,387,850 shares of our Class A common stock issuable upon the exercise of options to purchase shares of our Class A common stock outstanding as of February 2, 2018, at a weighted average exercise price of $7.82 per share;

- 8,019,426 shares of our Class A common stock reserved for future grant or issuance under our Amended and Restated 2013 Stock Plan (the "2013 Plan") as of February 2, 2018;

- 1,631,900 shares of our Class A common stock issuable upon the exercise of stock options granted after February 2, 2018, at an exercise price of $10.90 per share and equity awards consisting of an estimated 8,150,000 restricted stock units and 1,000,000 stock options (with an exercise price equal to the initial public offering price) for up to 9,150,000 additional shares that we expect will be granted in connection with this offering;

- 14,000,000 shares of our Class A common stock reserved for issuance under our 2018 Equity Incentive Plan (the "2018 Plan") as of the effectiveness of the registration statement; and

- 2,800,000 shares of our Class A common stock reserved for issuance under our Employee Stock Purchase Plan (the "ESPP") as of the effectiveness of the registration statement.

Unless otherwise indicated, this prospectus reflects and assumes the following:

- a 1-for-2 reverse stock split of our capital stock that was effected on April 6, 2018;

- no exercise of outstanding stock options subsequent to February 2, 2018;

- the automatic conversion and reclassification of (i) 37,412,396 shares of our outstanding Series B and Series C convertible preferred stock into an equivalent number of shares of our Class A common stock and (ii) 110,466,653 shares of our outstanding Series A and Series C-1 convertible preferred stock into an equivalent number of shares of our Class B common stock; which will occur prior to the closing of this offering;

- no exercise by the underwriters of their over-allotment option to purchase up to 5,550,000 additional shares of our Class A common stock from us; and

- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption and effectiveness of our amended and restated bylaws prior to the closing of this offering.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables summarize our consolidated financial data. Our fiscal year is the 52- or 53-week period ending on the Friday nearest to January 31 of each year. Our 2016 fiscal year ("fiscal 2016") ended on January 29, 2016, our 2017 fiscal year ("fiscal 2017") ended on February 3, 2017, and our 2018 fiscal year ("fiscal 2018") ended on February 2, 2018. We derived the summary consolidated statements of operations data for fiscal 2016, fiscal 2017 and fiscal 2018 and the consolidated balance sheet data as of February 2, 2018 from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. The following summary consolidated financial and other data should be read in conjunction with the sections titled "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

Consolidated Statements of Operations Data:

	Fiscal Year Ended January 29, 2016	Fiscal Year Ended February 3, 2017	Fiscal Year Ended February 2, 2018
	(in thousands, except per share data)		
Revenue:			
Subscription	$ 94,976	$ 149,995	$ 259,018
Services	185,898	266,272	250,418
Total revenue	280,874	416,267	509,436
Cost of revenue:			
Subscription (1) (2)	33,830	31,253	30,472
Services (1)	153,509	203,096	197,922
Total cost of revenue	187,339	234,349	228,394
Gross profit	93,535	181,918	281,042
Operating expenses:			
Sales and marketing (1) (2)	187,292	194,322	221,187
Research and development (1)	120,493	152,122	160,947
General and administrative (1) (2)	58,472	61,994	67,204
Total operating expenses	366,257	408,438	449,338
Loss from operations	(272,722)	(226,520)	(168,296)
Other (expense) income, net	(6,183)	(3,732)	2,145
Loss before benefit from (provision for) income taxes	(278,905)	(230,252)	(166,151)
Benefit from (provision for) income taxes	(3,767)	(2,614)	2,637
Net loss	(282,672)	(232,866)	$ (163,514)
Less: Net loss (income) attributable to non-controlling interest	126	329	(1)
Net loss attributable to Pivotal	$ (282,546)	$ (232,537)	$ (163,515)
Net loss per share attributable to common stockholders, basic and diluted (3)	$ (4.42)	$ (3.45)	$ (2.38)
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted (3)	63,955	67,337	68,574
Pro forma net loss per share, basic and diluted (unaudited) (3)			$ (0.76)
Weighted average shares used in computing pro forma net loss per share, basic and diluted (unaudited) (3)			216,453

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

	Fiscal Year Ended January 29, 2016	Fiscal Year Ended February 3, 2017	Fiscal Year Ended February 2, 2018
	(in thousands)		
Cost of revenue – subscription	$ 818	$ 1,274	$ 520
Cost of revenue – services	7,340	6,184	6,548
Sales and marketing	7,501	7,971	8,619
Research and development	8,232	7,290	7,833
General and administrative	7,117	6,132	5,109
Total stock-based compensation expense	$ 31,008	$ 28,851	$ 28,629

(2) Includes intangible asset amortization expense from our formation and subsequent business acquisitions as follows:

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
	(in thousands)		
Cost of revenue – subscription	$ 12,448	$ 8,951	$ 4,913
Sales and marketing	5,853	5,111	4,811
General and administrative	1,714	1,554	1,437
Total intangible asset amortization expense	$ 20,015	$ 15,616	$ 11,161

(3) See Note 14 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our basic and diluted net loss per share attributable to common stockholders, our basic and diluted pro forma net loss per share and the weighted average number of shares used in the computation of the per share amounts.

	February 2, 2018		
	Actual	Pro Forma (1)	Pro Forma As Adjusted (2)(3)
	(in thousands)		
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 73,012	$ 73,012	$ 538,780
Working capital	$ 6,620	$ 6,620	$ 473,618
Total assets	$ 1,153,397	$ 1,153,397	$ 1,617,935
Deferred revenue, current and noncurrent	$ 317,467	$ 317,467	$ 317,467
Redeemable convertible preferred stock	$ 1,248,327	$ —	$ —
Total stockholders' equity (deficit)	$ (540,528)	$ 707,799	$ 1,173,567

(1) The pro forma column in the balance sheet data table above reflects the automatic conversion of (a) 37,412,396 shares of our outstanding convertible Series B and Series C preferred stock into an equivalent number of shares of our Class A common stock and (b) 110,466,653 shares of our outstanding convertible Series A and Series C-1 preferred stock into an equivalent number of shares of our Class B common stock prior to the completion of this offering.

(2) The pro forma as adjusted column in the balance sheet data table above gives effect to (i) the pro forma adjustments set forth in (1) above and (ii) the sale by us of 33,117,000 shares of Class A common stock in this offering, at an assumed initial public offering price of $15.00 per share, which is the midpoint of the 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.

(3) Pro forma as adjusted balance sheet data is illustrative only and will change based on the actual initial public offering price and other terms of this offering determined at pricing. Each $1.00 increase or decrease in the assumed initial public offering price of $15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the amount of our cash and cash equivalents, working capital, total assets and total stockholders' equity by $31.3 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, 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, the amount of our cash and cash equivalents, working capital, total assets and total stockholders' equity by $14.2 million, assuming an initial public offering price of $15.00 per share, which is the midpoint of the 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.

RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the following risks, together with all of the other information contained in this prospectus, including our consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations, before making a decision to invest in our Class A common stock. Any of the following risks could have a material and adverse effect on our business, results of operations, financial condition and prospects and could cause the trading price of our Class A common stock to decline, which may cause you to lose all or part of your investment. Our business, results of operations, financial condition and prospects could also be harmed by risks and uncertainties not currently known to us or that we currently do not believe are material.

Risks Related to Our Business and Industry

We have a limited operating history as an independent company, which makes it difficult to evaluate our prospects and increases the risk of your investment.

We have a limited operating history as an independent company and are scaling quickly, which makes it difficult to evaluate our business and prospects, including our ability to plan for and model future growth. As a relatively early stage company, we have encountered and will continue to encounter risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, including the risks described in this prospectus. If we do not plan appropriately or do not address these risks successfully, our business and prospects will be adversely affected, and the market price of our Class A common stock could decline.

We have incurred substantial losses and may not be able to generate sufficient revenue to achieve and sustain profitability.

We have incurred net losses in each year since we were formed, including net losses of $282.7 million, $232.9 million and $163.5 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively. As of February 2, 2018, we had an accumulated deficit of $1,142.6 million and our net cash used in operating activities was $116.5 million in fiscal 2018. We may not achieve sufficient revenue to attain and maintain profitability. We expect our operating expenses to increase significantly in the future as we hire additional sales, research and development and other employees across functions, increase or make strategic investments, scale relationships with ecosystem partners and open new offices. In addition, we expect to incur significant additional legal, accounting and other expenses related to being a public company. As a result of these increased expenses, we will have to generate and sustain increased revenue in order to become profitable in future periods. Because some of the markets for our offering are rapidly evolving and are not mature, it is difficult for us to predict our future results of operations. We cannot assure you that we will achieve profitability in the future or that, if we do become profitable, we will be able to sustain profitability. Any failure by us to achieve, sustain or increase profitability or generate positive cash flow from operations on a consistent basis could cause the value of our Class A common stock to decline.

Our future success depends in large part on the growth of our target markets. Even if our target markets grow as expected, our ability to further penetrate these markets is uncertain.

Our ability to increase sales of PCF and Labs depends on growth in our target markets, which include the markets for cloud application infrastructure, PaaS and application infrastructure, middleware and development solutions. Our expectations regarding the potential for future growth in the markets for these types of offerings, and the third-party growth estimates for these markets, are subject to uncertainty. In particular, even if there is increased enterprise adoption of public cloud strategies, we cannot assure you that enterprise demand for multi-cloud solutions like ours will grow commensurately. If market demand does not grow as expected, our business and prospects may be adversely affected.

Even if these markets grow as expected, we cannot be sure that our business will grow at a similar rate, or at all. Our experience in the markets and our experience selling PCF is relatively limited, and PCF has been commercially available for a limited period of time. We began selling PCF in fiscal 2014 and frequently update its features and functionality. Our ability to increase sales of PCF and our other offerings is affected by a number of factors beyond our control, including market acceptance of our offerings by existing customers and potential new customers, the extension of our offerings to new use cases and workloads, changing open-source platform technologies and standards and the timing of development and release of new products, capabilities and functionality by our competitors and by us. In addition, while we seek to expand the use of PCF through our Labs projects, we cannot assure you that we will be successful or that PCF and Labs as a complementary offering will produce the benefits that we expect. In addition, we cannot assure you that our offerings and future enhancements to our offerings will be able to address future advances in technology or requirements of existing customers or potential new customers. If we are unable to meet customer demands, to leverage the strengths of PCF and Labs as a complementary offering or to achieve more widespread market acceptance of our offerings, our business, results of operations, financial condition and growth prospects will be adversely affected.

Our future growth is largely dependent on PCF and platform-related services, and challenges in market acceptance, adoption and growth of PCF could harm our business, results of operations and prospects.

We expect that we will depend on PCF and platform-related services, which includes all of our Labs services and most of our implementation services, to generate the vast majority of our future revenue, as revenue from PCF and platform-related services has represented a substantial majority and an increasing portion of our total revenue from fiscal 2016 to fiscal 2017 and from fiscal 2017 to fiscal 2018. As a result, our operating results could suffer due to:

- declines in demand for PCF;
- failure of PCF to achieve continued market acceptance;
- the market for cloud-native software not continuing to grow, or growing more slowly than we expect;
- introduction of products and technologies that serve as a replacement or substitute for, or represent an improvement over, PCF;
- technological innovations or new open-source standards that PCF does not address or that favor competitors;
- sensitivity to current or future prices offered by us or competing solutions; and
- our inability to release enhanced versions of PCF on a timely basis.

If the market for PCF grows more slowly than anticipated or if demand for PCF does not grow as quickly as we anticipate, whether as a result of competition, pricing sensitivities, product obsolescence, technological change, unfavorable economic conditions, uncertain geopolitical environment, budgetary constraints of our customers or other factors, our business, results of operations and prospects will be harmed.

Our subscription revenue growth rate, both in absolute terms and relative to total revenue, in recent periods may not be indicative of our future performance and ability to grow. Similarly, our services revenue growth rate has fluctuated in recent periods, may continue to fluctuate and will likely decline over the long term as we scale our PCF business.

We have experienced significant growth in recent periods, particularly in subscription revenue, which has increased from $95.0 million in fiscal 2016 to $150.0 million in fiscal 2017 and to $259.0 million in fiscal 2018. Subscription revenue has also increased as a percentage of total revenue in each of the last two fiscal years, resulting in an increase of our overall gross profit. Our strategy is to continue to increase subscription revenue in general, relative to services, and as a proportion of our total revenue.

You should not consider our subscription revenue growth rate in recent periods as indicative of our future performance. We may not achieve similar growth rates in future periods. Any success that we may experience in the future will depend in large part on our ability to, among other things:

- add new customers and retain our existing customers;
- increase revenue from existing customers through increased or broader use of our platform within their organizations;
- improve the performance and capabilities of our platform through research and development;
- continue to successfully expand our business domestically and internationally; and
- successfully compete.

During the same periods, our services revenue has fluctuated, growing from $185.9 million in fiscal 2016 to $266.3 million in fiscal 2017, then declining slightly to $250.4 million in fiscal 2018. Despite the significant growth in services revenue in the fiscal 2016 to fiscal 2017 timeframe, we do not intend to continue to grow our services offerings at those levels in the future. Instead, we are focused on prioritizing the growth of PCF and intend to leverage our existing services and are increasing our reliance on our emerging SI partners to deliver platform-related services to our customers. Our services revenue will likely continue to fluctuate in future periods.

Our business and prospects will be harmed if our customers do not renew their subscriptions and expand their use of our platform.

Our future growth depends in part on customers renewing their subscriptions and expanding their use of our platform. The broad adoption of our platform within a customer presents challenges, including changing the customer's culture and approach to the customer's development of internal expertise and infrastructure to manage and utilize our platform effectively.

Existing customers have no obligation to renew their subscriptions after the initial term. Given our limited operating history, the limited commercial availability of PCF and the immaturity of the markets in which we operate, we may not be able to accurately predict the rate at which customers will renew their subscriptions. Our customers may not renew their subscriptions or may renew at lower levels or on terms that are less economically beneficial to us. Our customers' renewal rates may decline or fluctuate as a result of a number of factors, including customer dissatisfaction with our pricing or the functionality, features or performance of our platform, our inability to meet our contractual commitments, competitors' product offerings, internally-developed, open-source solutions that do not require vendor assistance, changing open-source standards, consolidation within our customer base and other factors, a number of which are beyond our control. If our customers do not renew their subscriptions or renew on less favorable terms, our revenue may grow more slowly than expected, if at all, and our business, results of operations and financial condition will be adversely affected.

Even if our existing customers renew their subscriptions and continue to use PCF, it is important for our success and growth that these customers expand their use of our platform. The rate at which our customers expand their use of our platform depends on a number of factors, including general economic conditions, the functioning of our platform, the ability of our field organization, together with our partners, to assist our customers in identifying new use cases, modernizing their software development approach and IT operational infrastructure and achieving success with ingraining a new culture and our customers' overall satisfaction.

The purchase of our software and services is discretionary and can involve significant expenditures. If our existing customers cut costs, they may significantly reduce their enterprise software expenditures, and they may not renew or expand their use of our platform.

As technologies and the markets for our software and services change, our subscription-based business model for PCF may no longer meet the needs of our existing customers. Consequently, we may need to develop new and appropriate software and services and marketing and pricing strategies for our solutions. If we are unable to adapt our business model to changes in the marketplace or if demand for our software and services declines, our business, results of operations, financial condition and cash flows could be harmed.

We operate in a highly competitive industry. Any failure to compete effectively could materially and adversely affect our business, results of operations and financial condition.

The markets within which we operate are highly competitive. A significant number of companies and open-source projects have developed or are developing products and services that currently, or in the future may, compete with some or all of our offerings. In addition, in some instances, we have strategic or other commercial relationships with companies with which we currently or in the future may compete. We face competition from:

- legacy application infrastructure and middleware from vendors such as IBM and Oracle;

- open-source based offerings supported by vendors such as RedHat; alternative Cloud Foundry-based offerings such as IBM Cloud and SAP Cloud Platform, which have proprietary features that are unique to their offerings; or potential customers' internally-developed, integrated and maintained efforts; and

- proprietary public cloud offerings from vendors such as Amazon Web Services, Google Cloud Platform and Microsoft Azure.

Many of our principal competitors have substantially longer operating histories, larger numbers of existing customers, greater capital and research and development resources, broader sales and marketing capabilities, stronger brand and customer recognition, larger intellectual property portfolios and broader global distribution and presence. Our competitors may be able to offer products or functionality similar to ours at a more attractive price than we can by integrating such products with their other product offerings. Acquisitions and consolidation in our industry may provide our competitors even more resources or may increase the likelihood of our competitors offering integrated products with which we cannot effectively compete. New innovative start-ups and existing large companies that are making significant investments in research and development could also launch new products and services that we do not offer and that could gain market acceptance quickly. If we were unable to anticipate or react to these competitive challenges, our competitive position would weaken, which would adversely affect our business, results of operations and financial condition.

In addition, one of the characteristics of open-source software is that, subject to specified restrictions, anyone may modify and redistribute the existing open-source software and use it to compete in the marketplace. Such competition can develop with a smaller degree of overhead and lead time than required by traditional proprietary software companies. New open source-based platform technologies and standards are consistently being developed and can gain popularity quickly. Improvements in open source could cause customers to replace software purchased from us with their internally-developed, integrated and maintained open-source software. It is possible for competitors with greater resources than ours to develop their own open-source software-based products and services, potentially reducing the demand for our solutions and putting price pressure on our offerings. We cannot guarantee that we will be able to compete successfully against current and future competitors, that competitive pressure or the availability of new open-source software will not result in price reductions, reduced operating margins or increased sales and marketing expenses or that we will increase our market share, any one of which could harm our business, financial condition, results of operations and cash flows.

Our sales cycles can be long, unpredictable and vary seasonally, which can cause significant variation in the number and size of transactions that close in a particular quarter.

Our results of operations may fluctuate, in part, because of the resource-intensive nature of our sales efforts, the length and variability of the sales cycle for our platform and the difficulty in making short-term adjustments to our operating expenses. Many of our customers are large enterprises, whose purchasing decisions, budget cycles and constraints and evaluation processes are unpredictable and out of our control. Further, the timing of our sales is difficult to predict. The length of our sales cycle, from initial evaluation to payment for our subscriptions can range from several months to well over a year and can vary substantially from customer to customer. Our sales efforts involve significant investment in resources in field sales, partner development, marketing and educating our customers about the use, technical capabilities and benefits of our platform and services. Customers often undertake a prolonged evaluation process, which frequently involves not only our platform but also those of other companies or the consideration of internally developed alternatives including those using open-source software. Some of our customers initially deploy our platform on a limited basis, with no guarantee that these customers will deploy our platform widely enough across their organization to justify our substantial pre-sales investment. As a result, it is difficult to predict exactly when, or even if, we will make a sale to a potential customer or if we can increase sales to our existing customers. Large individual sales have, in some cases, occurred in quarters subsequent to those we anticipated, or have not occurred at all. If our sales cycle lengthens or our substantial upfront investments do not result in sufficient revenue to justify our investments, our operating results could be adversely affected.

We have experienced seasonal and end-of-quarter concentration of our transactions and variations in the number and size of transactions that close in a particular quarter, which impacts our ability to grow revenue over the long term and plan and manage cash flows and other aspects of our business and cost structure. Our transactions vary by quarter, with the fourth quarter typically being our largest. In addition, within each quarter, a significant portion of our transactions occur in the last two weeks of that quarter. If expectations for our business turn out to be inaccurate, our revenue growth may be adversely affected over time and we may not be able to adjust our cost structure on a timely basis and our cash flows may suffer.

We do not control and may be unable to predict the future course of open-source technologies, including those used in our offering, which could reduce the market appeal of our offering and damage our reputation.

We do not control the development of the open-source technology in our offering. We incorporate disparate inputs from various open-source developers and open-source projects whose technology and development decisions we may not control. Different open-source projects may also overlap or compete with the ones that we incorporate into our offering. The technology developed by one group for one project may become more widely used than that developed or integrated by us. Additionally, another company's distribution of the same open-source technology may be favored by customers over ours if such other company is viewed as a more important contributor to such technology. If we acquire or adopt a new technology and incorporate it into our offering but a competing technology or distribution becomes more widely used or accepted, the market appeal of our offering may be reduced and that could harm our reputation, diminish our brand and harm our prospects.

Different groups of open-source software programmers collaborate with one another to develop certain of the open-source software that may be contained in our offering. If open-source software programmers, many of whom we do not employ, or our own internal programmers do not continue to use, contribute to and enhance the open-source technologies that we rely on, the market appeal of our offering may be reduced, which could harm our reputation, diminish our brand and result in decreased revenue. We also cannot predict whether further developments and enhancements to these open-source technologies will be available from reliable alternative sources. If the open-source technologies that we rely on become unavailable, we may need to invest in researching and developing alternative technologies.

Security and privacy breaches could expose us to liability, damage our reputation, compromise our ability to conduct business, require us to incur significant costs or otherwise adversely affect our financial results.

Any security breach, unauthorized access or usage, virus or similar breach or disruption of our systems or software could result in the loss of confidential information, damage to our reputation and brand, early termination of our contracts, litigation, regulatory investigations or other liabilities. We have in the past and may in the future experience security breaches. If our security measures are breached as a result of third-party action, employee error, malfeasance or otherwise and, as a result, someone obtains unauthorized access to sensitive data, including intellectual property, proprietary business information or personal information, our reputation would be damaged, our business may suffer and we could incur significant liability.

Techniques used to obtain unauthorized access or to sabotage systems change frequently and are often not recognized until launched against a target. As a result, we may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived security breach of our systems occurs, the market perception of our security measures and the security capabilities of our products could be harmed and we could lose sales and customers. For example, we market PCF's security as one of its principal benefits, so the market perception of PCF's security is important to our business. Any significant security breaches could result in the loss of business, litigation and regulatory investigations and penalties that could damage our reputation and adversely impact our results of operations and financial condition. Moreover, if a high-profile security breach occurs with respect to another PaaS solution provider, our customers and potential customers may lose trust in these solutions generally, which could adversely impact our ability to retain existing customers or attract new ones.

Moreover, PCF is deployed on a customer's private cloud, a public cloud of its choice, or multiple clouds, and we have no control over our customers and their security personnel, processes or technology. We do not have the ability to monitor or review the content that our customers store or transmit through PCF or the security measures they implement to deploy PCF. Accordingly, if there is a breach of PCF deployed at a customer's location or within a customer's control, our reputation could be damaged, our business may suffer and we could incur significant liability, even though our product was not necessarily the cause of such issue. We are also growing our partner ecosystem, which includes public cloud vendors, SIs and strategic partners, to sell, implement and support our offerings; we lack control over their security measures, and any breach of their security systems could similarly adversely affect us.

Our security profile is also impacted by our use of open-source software in our offering. Open-source software enables public access to source code, which is generally not a security risk posed by proprietary products.

If we do not effectively hire, train, retain and oversee our sales force, we may be unable to add new customers or increase sales to our existing customers, and our business may be adversely affected.

We depend on our sales force to obtain new customers and increase sales with existing customers. Our software and services offering is complex and there is competition for sales personnel with the range of abilities that we require. Our ability to achieve significant revenue growth will depend, in large part, on our success in continuing to hire, train and retain sufficient numbers of sales personnel to support our growth, including in international markets. In addition, a large percentage of our sales force is new to our company. New hires require significant training and oversight, typically over a period of several quarters, before they can achieve full productivity. Our recent hires and planned hires may not become productive as quickly as we expect, and we may be unable to hire or retain sufficient numbers of qualified individuals in the markets where we do business or plan to do business. In addition, as we grow our sales force, its organization, management and leadership becomes increasingly difficult and complex, and, as a result, we may not be able to grow it successfully. If we are unable to hire, train and retain a sufficient number of effective sales personnel, if we are ineffective at overseeing a growing sales force or if the sales personnel we hire are otherwise unsuccessful in obtaining new customers or increasing sales to our existing customers, our business may be adversely affected.

Our future growth depends in large part on the success of our partner relationships.

In addition to our sales force, we rely on partners, including our strategic partners DellEMC and VMware, public cloud vendors and SIs, to increase our sales and distribution of our software and services. We also have independent software vendor partners whose integrations increase our ecosystem of services. We are dependent on partner relationships to contribute to our growth and to create leverage in our business model. Our future growth will be increasingly dependent on the success of our partner relationships, and if those partnerships do not provide such benefits, our ability to grow our business will be harmed. If we are unable to scale our partner relationships effectively, or if our partners are unable to serve our customers effectively, we may need to expand our services organization, which could adversely affect our results of operations.

Our agreements with our partners are generally non-exclusive, meaning our partners may offer products from several different companies to their customers or have their products or technologies also interoperate with products and technologies of other companies, including products that compete with our offerings. Moreover, some of our partners also compete with us. If our partners do not effectively market and sell our offerings, choose to use greater efforts to market and sell their own products or those of our competitors or fail to meet the needs of our customers, our ability to grow our business and sell our offerings will be harmed. Furthermore, our partners may cease marketing our offerings with limited or no notice and with little or no penalty, and new partners could require extensive training and may take several months or more to achieve productivity. The loss of a substantial number of our partners, our possible inability to replace them or the failure to recruit additional partners could harm our results of operations. Our partner structure could also subject us to lawsuits or reputational harm if, for example, a partner misrepresents the functionality of our offerings to customers or violates applicable laws or our corporate policies.

We may not be able to respond to rapid technological changes with new offerings, which could have a material adverse effect on our sales and profitability.

The markets for our software platform are characterized by constant technological changes, changing open-source software platform technologies and standards, changing customer needs and frequent new software product introductions and improvements. The introduction of third-party solutions embodying new technologies and the emergence of new industry standards, including any open-source projects that have become widely adopted, could make our existing and future software offerings obsolete and unmarketable.

If we are not able to maintain and enhance our brand, our business and results of operations may be adversely affected .

We believe that protecting our Pivotal brand and maintaining and enhancing our reputation as a pioneer in cloud-native software, agile software development and DevOps is critical to our relationship with our existing customers and partners and our ability to attract new customers and partners. The successful promotion of our brand will depend on a number of factors, including our ability to continue to develop high-quality features and functionality for our offerings, our ability to successfully differentiate our offerings, delivery of customer value, leadership in open-source software, our marketing efforts and our continued protection of our brand. Our brand promotion activities may not be successful or yield increased revenue.

In addition, independent industry analysts often provide reviews of our offerings, as well as offerings of our competitors, and the perception of our offerings in the marketplace may be significantly influenced by these reviews. If these reviews are negative, or less positive as compared to those of our competitors' products and services, our brand may be adversely affected. The performance of our partners may also affect our brand and reputation if customers do not have a positive experience with our partners' services. The promotion of our brand requires us to make substantial expenditures, and we anticipate that the expenditures will increase as our market becomes more competitive, as we expand into new markets, and as more sales are generated through our partners and more services are performed by our partners. To the extent that these activities yield increased revenue, this revenue may not offset the increased expenses we incur. If we do not successfully maintain and enhance our brand, our business may not grow, we could lose customers or fail to attract potential customers, all of which would adversely affect our business, results of operations and financial condition.

Our stock price and trading volume will be heavily influenced by the way analysts and investors interpret our financial information and other disclosures. Any unfavorable interpretations published by analysts or held by investors could have a negative impact on our stock price, regardless of accuracy, and any decline or lapse in the publication of research by analysts could cause our stock price and trading volume to decline.

The trading market for our Class A common stock will depend in part on the research reports that analysts publish about our business. If few analysts cover us, demand for our Class A common stock could decrease and our Class A common stock price and trading volume may decline. Similar results may occur if one or more of these analysts stop covering us in the future or fail to publish reports on us regularly.

Even if our stock is actively covered by analysts, we do not have any control over the analysts or the measures that analysts or investors may rely upon to forecast our future results. For example, in order to assess our business activity in a given period, analysts and investors may look at the combination of revenue and changes in deferred revenue in a given period (sometimes referred to as "billings").

Over-reliance on billings or similar measures may result in analyst or investor forecasts that differ significantly from our own for a variety of reasons, including:

- a relatively large number of transactions occur at the end of the quarter. Invoicing of those transactions may or may not occur before the end of the quarter based on a number of factors including receipt of information from the customer, volume of transactions and holidays. A shift of a few days has little economic impact on our business, but can shift deferred revenue from one period into the next;

- multi-year upfront billings may distort trends;

- subscriptions that have deferred start dates; and

- services that are invoiced upon delivery.

In addition, as required by the new revenue recognition standard under Accounting Standard Codification Topic 606, *Revenue From Contracts With Customers* ("ASC 606"), we disclose our remaining performance obligations. This disclosure obligation is prepared on the basis of estimates based upon contractual arrangements and historical patterns of delivery. Market practices surrounding the calculation of this measure are still evolving. It is possible that analysts and investors could misinterpret our disclosure or that the terms of our customer contracts or other circumstances could cause our methods for calculating this disclosure to differ significantly from others, which could lead to inaccurate or unfavorable forecasts by analysts and investors.

Regardless of accuracy, unfavorable interpretations of our financial information and other public disclosures could have a negative impact on our stock price. If one or more of the analysts who cover us publish unfavorable research about our business or otherwise downgrade our Class A common stock for any reason, the price of our Class A common stock would likely decline.

The loss of one or more members of our senior management team or an inability to attract and retain highly skilled employees, for which competition is intense, could adversely affect our planned growth.

Our success depends largely upon the continued service of our senior management team. From time to time, there may be changes in our senior management team, which could disrupt our business. Members of our senior management could terminate their employment with us at any time.

To execute our growth plan, we must attract and retain highly skilled employees. Competition for such personnel is intense, especially for engineers with high levels of experience in designing, developing and supporting software and for senior sales executives. We work on open-source software-based projects, making our developers highly marketable to other companies that work on similar projects. We may not be successful in attracting and retaining qualified personnel. We have from time to time experienced, and we expect to continue to experience, difficulty in hiring and retaining highly skilled employees with appropriate qualifications. Many of the companies with which we compete for experienced personnel have greater resources than we have. In addition, our compensation arrangements, such as our equity award programs, may not always be successful in attracting new employees and retaining and motivating our existing employees. Further, many of our employees may be able to receive significant proceeds from sales of our Class A common stock in the public markets after this offering, which may reduce their motivation to continue to work for us. In addition, employees may be more likely to leave us if the exercise prices of the stock options that they hold are significantly above the market price of our Class A common stock. If we fail to attract new personnel or fail to retain and motivate our current personnel, our business and future growth prospects could be severely harmed.

Failure to manage our growth and maintain our corporate culture will harm our business.

We have substantially increased our overall headcount and expanded our business and operations in recent periods. Our headcount increased from 1,663 full-time employees at the beginning of fiscal 2016 to 2,518 full-time employees at the end of fiscal 2018. We have also expanded into additional geographic locations and added office space, including outside the United States. We expect to continue to expand our operations and employee headcount in the near term; however, our recent growth rates may not be indicative of our future growth. Our success will depend in part on our ability to continue to grow and to manage this growth effectively.

Our recent growth has placed, and future growth will continue to place, significant demands on our management, infrastructure and other resources and increased our costs. We will need to continue to develop and improve our operational, financial and management controls, and our reporting systems and procedures to manage the expected growth of our operations and personnel, which will require significant capital expenditures and allocation of valuable management and employee resources. If we fail to implement these infrastructure improvements effectively, our ability to ensure uninterrupted operation of key business systems and comply with the rules and regulations that are applicable to public reporting companies will be impaired. Further, if we do not effectively manage the growth of our business and operations, the quality of our platform and services could suffer, and we may not be able to adequately address competitive challenges. This could impair our ability to attract new customers, retain existing customers and expand their use of our platform, all of which would adversely affect our brand, overall business, results of operations and financial condition.

We believe that our culture has been and will continue to be a key contributor to our success. Our culture and core principles are critical to how we run our business, how we engage with our key constituencies, including our customers, and how we build and deliver our offerings. If we do not continue to maintain our unique culture as we grow, our business could be harmed.

Incorrect or improper implementation or use of our software or inability of our platform to integrate with third-party software or hardware could result in customer dissatisfaction and negatively affect our business, operations, financial results and growth prospects.

Our software is deployed in a wide variety of complex technology environments, and we believe our future success will depend on our ability to increase sales of our software subscriptions for use in such deployments. Our platform must also integrate with a variety of operating systems, software applications and hardware developed by others. We often assist our customers in achieving successful implementations for large, complex deployments. If we or our customers are unable to implement our software successfully, or are unable to do so in a timely manner, or if we are unable to devote the necessary resources to ensure that our solutions interoperate with other software, systems and hardware, customer perceptions of our company may be impaired, our reputation and brand may suffer and customers may choose not to increase their use of our software.

Once our platform is implemented on our customers' selected hardware, software or cloud infrastructure, our customers may depend on our support organization services to help them take full advantage of PCF, quickly resolve post-deployment issues and provide effective ongoing support. If our support organization or those of our partners does not offer high-quality services, our ability to sell our offerings to existing customers or to have them renew their subscriptions would be adversely affected. In addition, as we expand our operations internationally, our support organization will face additional challenges, including those associated with delivering support, training and documentation in languages other than English.

The reliability of our platform will continue to be critical to our success. Sustained errors, failures or outages could lead to significant costs and service disruptions, which could negatively affect our business, financial results and reputation.

Our reputation and ability to attract, retain and serve our customers are dependent upon the reliable performance of our platform and our underlying technical and network infrastructure. We have experienced, and will in the future experience, interruptions, outages and other performance problems. In addition, we rely on third-party service providers to host and deliver our cloud-based offerings, and these third parties may also experience interruptions, outages and other performance problems. Such disruptions may be due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints and inadequate design. A future rapid expansion of our business could increase the risk of such disruptions. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time.

Our offerings are highly technical and complex and, when deployed, have contained and may contain errors, defects or security vulnerabilities. Any errors, defects or security vulnerabilities discovered in our offerings could result in loss of revenue or delay in revenue recognition, loss of customers and increased service and warranty cost, any of which could adversely affect our business, results of operations and financial condition. In addition, we could face claims for product liability, tort or breach of warranty, including claims relating to changes to our products and services made by our strategic partners. Our contracts with customers contain provisions relating to warranty disclaimers and liability limitations, which may not be upheld. Defending a lawsuit, regardless of its merit, is costly and may divert management's attention and adversely affect the market's perception of us and our offerings. In addition, if our business liability insurance coverage proves inadequate or future coverage is unavailable on acceptable terms or at all, our business, results of operations and financial condition could be adversely impacted.

Adverse economic conditions or reduced information technology spending may adversely impact our revenues.

Our business depends on the overall demand for information technology and on the economic health of our current and prospective customers. The purchase of our offerings is often discretionary and may involve a significant commitment of capital and other resources. Weak economic conditions, or a reduction in information technology spending even if economic conditions improve, would likely adversely impact our business, results of operations and financial condition in a number of ways, including by lengthening sales cycles, lowering prices for our products and services and reducing sales. In addition, any changes in the domestic or international political environment or deterioration in international relations as well as resulting regulatory or tax policy changes may adversely affect our business and financial results. Furthermore, during challenging economic times our customers may face issues in gaining timely access to sufficient credit, which could result in an impairment of their ability to make timely payments to us. If that were to occur, we may be required to increase our allowance for doubtful accounts, which would adversely affect our financial results.

We do not have an adequate history with our subscription or pricing models to accurately predict the long-term rate of customer adoption or renewal, or the impact these will have on our revenue or operating results.

We have a limited history with our subscription offerings and pricing model and if, in the future, we are forced to reduce prices for our subscription offerings, our revenue and results of operations will be harmed. We may not be able to accurately predict the long-term rate of customer adoption or renewal, or the impact these will have on our revenue or operating results. We also have limited experience with respect to determining the optimal prices and pricing models for our solution. As a result, in the future we may be required to reduce our prices, which could adversely affect our revenue, gross margin, profitability, financial position and cash flow.

We generate revenue from sales outside of the United States, and we are therefore subject to a number of risks associated with international sales and operations. Challenges presented by international economic, political, legal, accounting and business factors could negatively affect our business, financial condition or results of operations.

Our business is subject to several risks associated with our non-U.S. operations. These risks may intensify to the extent we successfully scale our non-U.S. business. Accordingly, our future results could be materially and adversely affected by a variety of factors relating to our non-U.S. operations, including, among others, the following:

- fluctuations in foreign currency exchange rates;
- changes in a specific country's or region's economic conditions;
- political or social unrest;
- trade restrictions;
- import or export licensing requirements;
- the overlap of different tax structures or changes in international tax laws;
- changes in regulatory requirements;
- difficulties in staffing and managing international operations;
- stringent data protection regulations in some foreign countries;
- compliance with a variety of foreign laws and regulations; and
- longer payment cycles or collectability concerns in certain countries.

The occurrence of any one of these risks could harm our business and results of operations. Additionally, operating in international markets requires significant management attention and financial resources. We cannot be certain that the investment and additional resources required to operate in other countries will produce desired levels of revenue or profitability.

Sales to customers located outside of the United States represented 24%, 22% and 23% of our total revenue for fiscal 2016, fiscal 2017 and fiscal 2018, respectively, and we intend to continue to increase sales outside of the United States. In order to maintain and expand our sales internationally, we need to hire and train experienced personnel to staff and manage our foreign operations. To the extent that we experience difficulties in recruiting, training, managing and retaining international staff, and specifically sales management and sales personnel, we may experience difficulties in growing our international sales and operations. If we are not able to maintain successful partner relationships internationally, our future success in such markets could be limited. In addition, the costs associated with scaling our business outside the United States may be significant.

We are exposed to fluctuations in currency exchange rates, which could negatively affect our results of operations.

Our sales contracts are primarily denominated in U.S. dollars, and therefore substantially all of our revenue is not subject to foreign currency risk. However, a strengthening of the U.S. dollar could increase the real cost of our platform to our customers outside of the United States, which could adversely affect our results of operations. In addition, an increasing portion of our operating expenses is incurred and an increasing portion of our assets is held outside the United States. These operating expenses and assets are denominated in foreign currencies and are subject to fluctuations due to changes in foreign currency exchange rates, which could have an adverse impact on the results of our operations.

Due to the global nature of our business, we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act or similar anti-bribery laws in other jurisdictions in which we operate, and various international trade and export laws.

Non-U.S. operations, particularly in those countries with developing economies, are also subject to risks of violations of laws prohibiting improper payments and bribery, including the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act and similar anti-bribery laws in foreign jurisdictions, which generally prohibit U.S.-based companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business to non-U.S. officials, or in the case of the U.K. Bribery Act, to any person. Our global operations require us to import from and export to several countries, which geographically stretches our compliance obligations. In addition, changes in such laws could result in increased regulatory requirements and compliance costs which could adversely affect our business, financial condition and results of operations. Our employees, contractors and agents may take actions in violation of the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act or other anti-bribery laws. Any such violations, even if due to acts or inadvertence of our employees, or due to the acts or inadvertence of others, could subject us to civil or criminal penalties or otherwise have an adverse effect on our business and reputation.

Our sales to government entities and highly regulated organizations are subject to a number of challenges and risks.

We sell to U.S. federal and state and foreign governmental agency customers, as well as to customers in highly regulated industries such as financial services, pharmaceuticals, insurance and healthcare. Sales to such entities are subject to a number of challenges and risks. Selling to such entities can be highly competitive, expensive and time-consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. Government contracting requirements may change and in doing so restrict our ability to sell into the government sector until we have attained the revised certification. Government demand and payment for our offerings are affected by public sector budgetary cycles and funding authorizations, with funding reductions or delays adversely affecting public sector demand for our offerings.

Further, governmental and highly regulated entities may demand shorter subscription periods or other contract terms that differ from our standard arrangements, including terms that can lead those customers to obtain broader rights in our offerings than would be standard. Such entities may have statutory, contractual or other legal rights to terminate contracts with us or our partners due to a default or for other reasons, and any such termination may adversely affect our reputation, business results of operations and financial condition.

Because we recognize subscription revenue over the terms of our contracts, fluctuations in new transactions will not be immediately reflected in our operating results and may be difficult to discern. Professional services revenue may fluctuate significantly from period to period.

We generally recognize subscription revenue from customers ratably over the terms of their contracts, which are typically one to three years. As a result, most of the subscription revenue we report for each quarter is derived from the recognition of deferred revenue relating to subscriptions entered into during previous periods. Consequently, a decline in subscription sales in any single quarter would likely have only a small impact on our revenue for that quarter. However, such a decline would negatively affect our revenue in future quarters. Accordingly, the effect of significant downturns in transactions and market acceptance of our platform may not be fully apparent from our reported results of operations until future periods.

We may be unable to adjust our cost structure to reflect the changes in revenues. In addition, a significant portion of our costs are expensed as incurred, while subscription revenue is recognized over the applicable subscription term. As a result, increased growth in the number of our customers could result in our recognition of more costs than revenue in the earlier periods of the terms of our contracts. Our subscription model also makes it difficult for us to rapidly increase our revenue through additional transactions in any period, as revenue from new customers must be recognized over the applicable subscription term.

Professional services revenue is recognized as the services are performed or delivered, depending on the type of engagement. Professional services engagements often span from a few weeks to several months, which makes it somewhat difficult to predict the timing of revenue recognition for such services and the corresponding effects on our results of operations. Professional services revenue has fluctuated and may continue to fluctuate significantly from period to period. In addition, because professional services expenses are recognized as the services are performed or upon completion of the project, professional services and total margins can significantly fluctuate from period to period.

If our goodwill or amortizable intangible assets become impaired, we may be required to record a significant charge to earnings.

Under generally accepted accounting principles in the United States ("GAAP"), we review our amortizable intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Goodwill is required to be tested for impairment at least annually. Factors that may be considered a change in circumstances indicating that the carrying value of our goodwill or amortizable intangible assets may not be recoverable include a decline in our stock price and market capitalization, reduced future cash flow estimates and slower growth rates in our industry. We may be required to record a significant charge to earnings in our financial statements during the period in which any impairment of our goodwill or amortizable intangible assets is determined, which could harm our results of operations.

We may acquire other businesses which could require significant management attention, disrupt our business, dilute stockholder value and adversely affect our results of operations.

As part of our business strategy, we have in the past made, and may in the future make, acquisitions or investments in complementary companies, products and technologies that we believe fit within our business model and can address the needs of our customers and potential customers. In the future, we may not be able to acquire and integrate other companies, products or technologies in a successful manner. We may not be able to find suitable acquisition candidates, and we may not be able to complete such acquisitions on favorable terms, if at all. In addition, the pursuit of potential acquisitions may divert the attention of management and cause us to incur additional expenses in identifying, investigating and pursuing suitable acquisitions, whether or not they are consummated. If we do complete acquisitions, we may not ultimately strengthen our competitive position or achieve our goals, including increases in revenue, and any acquisitions we complete could be viewed negatively by our customers, investors and industry analysts.

Future acquisitions may reduce our cash available for operations and other uses. We may have to pay cash, incur debt or issue equity securities to pay for any such acquisition, each of which could adversely affect our financial condition or the value of our Class A common stock. The sale or issuance of equity to finance any such acquisitions would result in dilution to our stockholders. The incurrence of indebtedness to finance any such acquisition would result in increased fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations. In addition, our future results of operations may be adversely affected by the dilutive effect of an acquisition, performance earnouts or contingent bonuses associated with an acquisition. Furthermore, acquisitions may require large, one-time charges and can result in increased debt, contingent liabilities, adverse tax consequences, additional stock-based compensation expenses, and the recording and subsequent amortization of amounts related to certain purchased intangible assets, any of which items could negatively affect our future results of operations. We may also incur goodwill impairment charges in the future if we do not realize the expected value of any such acquisitions.

We rely on third-party proprietary and open-source software for our offerings, and our inability to obtain third-party licenses for such software, or obtain them on favorable terms, or any errors or failures caused by such software could adversely affect our business, results of operations and financial condition.

Some of our offerings include software or other intellectual property licensed from third parties. It may be necessary in the future to renew licenses relating to various aspects of these applications or to seek new licenses for existing or new applications. There can be no assurance that the necessary licenses will be available on acceptable terms or under open-source licenses permitting redistribution in commercial offerings, if at all. The inability to obtain certain licenses or other rights or to obtain such licenses or rights on favorable terms, could result in delays in product releases until equivalent technology can be identified, licensed or developed, if at all, and integrated into our products and may have a material adverse effect on our business, results of operations and financial condition. In addition, third parties may allege that additional licenses are required for our use of their software or intellectual property, and we may be unable to obtain such licenses on commercially reasonable terms or at all. Moreover, the inclusion in our offerings of software or other intellectual property licensed from third parties on a non-exclusive basis could limit our ability to differentiate our offerings from those of our competitors. In addition, to the extent that our platform depends upon the successful operation of third-party software in conjunction with our software, any undetected errors or defects in such third-party software could prevent the deployment or impair the functionality of our platform, delay new feature introductions, result in a failure of our platform and injure our reputation.

Our use of open-source software could subject us to possible litigation or cause us to subject our platform to unwanted open-source license conditions that could negatively impact our sales.

A significant portion of our platform incorporates open-source software, and we will incorporate open-source software into other offerings or products in the future. Such open-source software is generally licensed by its authors or other third parties under open-source licenses. There is little legal precedent governing the interpretation of certain terms of these licenses, and therefore the potential impact of these terms on our business is unknown and may result in unanticipated obligations regarding our products and technologies. If an author or other third party that distributes such open-source software were to allege that 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. In addition, if we combine our proprietary software with open-source software in a certain manner, under some open-source licenses, we could be required to release the source code of our proprietary software, which could substantially help our competitors develop products that are similar to or better than ours.

Our products are based in large part on open source provided under the Apache License 2.0. This license states that any work of authorship licensed under it, and any derivative work thereof, may be reproduced and distributed provided that certain conditions are met. It is possible that a court would hold this license to be unenforceable or that someone could assert a claim for proprietary rights in a program developed and distributed under it. Any ruling by a court that this license is not enforceable, or that open-source components of our products may not be reproduced or distributed, may negatively impact our distribution or development of all or a portion of our products. In addition, at some time in the future it is possible that the open-source cores of our products may be distributed under a different license or the Apache License 2.0 may be modified, which could, among other consequences, negatively impact our continuing development or distribution of the software code subject to the new or modified license.

We are subject to governmental export and import controls that could impair our ability to compete in international markets due to licensing requirements and subject us to liability if we are not in compliance with applicable laws.

Our offerings are subject to export control 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 Control. Exports of our offerings must be made in compliance with these laws and regulations. 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. 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. In addition, changes in our offerings or changes in applicable export or import regulations may create delays in the introduction and sale of our offerings in international markets, prevent our customers with international operations from deploying our offerings or, in some cases, prevent the export or import of our offerings to certain countries, governments or persons altogether. Any change in export or import 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 offerings, or in our decreased ability to export or sell our offerings to existing or potential customers with international operations. Any decreased use of our offerings or limitation on our ability to export or sell our offerings will likely adversely affect our business.

Furthermore, we incorporate encryption technology into certain of our offerings. Various countries regulate the import of certain encryption technology, including through import permitting and licensing requirements, and have enacted laws that could limit our ability to distribute our offerings or could limit our customers' ability to implement our offerings in those countries. Encrypted products and the underlying technology may also be subject to export control restrictions. Governmental regulation of encryption technology and regulation of imports or exports of encryption products, or our failure to obtain required import or export approval for our offerings, when applicable, could harm our international sales and adversely affect our revenue. Compliance with applicable regulatory requirements regarding the export of our offerings, including with respect to new releases of our offerings, may create delays in the introduction of our offerings in international markets, prevent our customers with international operations from deploying our products throughout their globally-distributed systems or, in some cases, prevent the export of our offerings to some countries altogether.

Moreover, U.S. export control laws and economic sanctions programs prohibit the shipment of certain applications and services to countries, governments and persons that are subject to U.S. economic embargoes and trade sanctions. Any violations of such economic embargoes and trade sanction regulations could have negative consequences, including government investigations, penalties and reputational harm.

If we are unable to protect our intellectual property rights, our competitive position could be harmed or we could be required to incur significant expenses to enforce our rights.

Our ability to protect our intellectual property affects the success of our business. We rely on trade secret, patent, copyright and trademark laws and confidentiality agreements with employees and third parties, all of which offer only limited protection. The steps we have taken to protect our proprietary rights may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, and our ability to police such misappropriation or infringement is uncertain, particularly in countries outside of the United States. While we have patents and patent applications pending, we may be unable to obtain patent protection for the technology covered in our patent applications or the patent protection may not be obtained quickly enough to meet our business needs. Even if patents are issued from our patent applications, which is not certain, they may be contested, circumvented or invalidated in the future. Moreover, the rights granted under any issued patents, such as in connection with open-source software, may not provide us with proprietary protection or competitive advantages, and, as with any technology, competitors may be able to develop similar or superior technologies to our own now or in the future. In addition, we rely on contractual and license agreements with third parties in connection with their use of our products and technology. There is no guarantee that such parties will abide by the terms of such agreements or that we will be able to adequately enforce our rights.

Detecting and protecting against the unauthorized use of our products, technology and proprietary rights is expensive, difficult and, in some cases, impossible. Litigation may be necessary in the future to enforce or defend our intellectual property rights, to protect our trade secrets or to determine the validity and scope of the proprietary rights of others. Such litigation could result in substantial costs and diversion of management resources, either of which could harm our business, results of operations and financial condition, and there is no guarantee that we would be successful. Furthermore, many of our current and potential competitors have the ability to dedicate substantially greater resources to protecting their technology or intellectual property rights than we do. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating our intellectual property, which could result in a substantial loss of our market share.

Claims by others that we or our customers, whose software applications we helped to create, infringe the proprietary technology of such other persons could force us to pay damages or prevent us from using certain technology in our products.

Third parties could claim that our products or technology infringe their proprietary rights. This risk may increase as the number of products and competitors in our market increases and overlaps occur. Any claim of infringement by a third party, even one without merit, could cause us to incur substantial costs defending against the claim, and could distract our management from our business. Furthermore, a party making such a claim, if successful, could secure a judgment that requires us to pay substantial damages. A judgment could also include an injunction or other court order that could prevent us from offering our products. In addition, we might be required to seek a license for the use of such intellectual property, which may not be available on commercially reasonable terms or at all. Alternatively, we may be required to develop non-infringing technology, which could require significant effort and expense and may ultimately not be successful. We have received, or may in the future receive, notices alleging that we have misappropriated, misused or infringed other parties' intellectual property rights, including allegations made by our competitors or by non-practicing entities, and, to the extent we gain greater market visibility, we face a higher risk of being the subject of intellectual property infringement assertions. Any of these events could seriously harm our business, results of operations and financial condition.

Third parties may also assert infringement claims against our customers and strategic partners. Any of these claims could require us to initiate or defend potentially protracted and costly litigation on their behalf, regardless of the merits of these claims, because we generally indemnify our customers and strategic partners from claims of infringement of proprietary rights of third parties in connection with the use of our products. If any of these claims succeed, we may be forced to pay damages on behalf of our customers or strategic partners, which could materially affect our results of operations and cash flows.

Our business could be materially adversely affected as a result of war, acts of terrorism, natural disasters or climate change.

War, acts of terrorism and natural disasters, such as an earthquake, may cause damage or disruption to our employees, facilities, customers and partners, which could have a material adverse effect on our business, results of operations or financial condition. Such events may also cause damage or disruption to transportation and communication systems and to our ability to manage logistics in such an environment. These risks may be heightened due to the location of our headquarters in the San Francisco Bay Area, an area known for seismic activity.

Investments made in our growth may not achieve the expected associated benefits on a timely basis or at all.

We have experienced, and may continue to experience, rapid growth and organizational change, which has placed, and may continue to place, significant demands on our management and our operational and financial resources. Additionally, we continue to increase the breadth and scope of our offerings and our operations. To support this growth, and to manage any future growth effectively, we must continue to improve our IT and financial infrastructures, our operating and administrative systems and our ability to manage headcount, capital and internal processes in an efficient manner. Our organizational structure is also becoming more complex as we grow our operational, financial and management infrastructure and we must continue to improve our internal controls as well as our reporting systems and procedures. We intend to continue to invest to expand our business, including investing in research and development and sales and marketing operations, hiring additional personnel, improving our internal controls, reporting systems and procedures, upgrading our infrastructure and increasing our office space. If we do not achieve the benefits anticipated from these investments, or if the achievement of these benefits is delayed, our results of operation may be adversely affected.

Operating as a public company, including maintaining effective internal control over financial reporting, will require us to incur substantial costs and will require substantial management attention. In addition, our management team has limited experience managing a public company .

As a public company, we will incur substantial legal, accounting and other expenses that we did not incur as a private company, particularly one that had operated as part of a larger corporate organization. For example, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the applicable requirements of the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules and regulations of the SEC. Stock exchange rules will also apply to us following this offering. As part of the new requirements, we will need to establish and maintain effective disclosure and internal controls and make changes to our corporate governance practices. We expect that compliance with these requirements will increase our legal and financial compliance costs and will make some activities more time-consuming.

Most of our management and other personnel have little experience managing a public company and preparing public filings. In addition, we expect that our management and other personnel will need to divert attention from other business matters to devote substantial time to the reporting and other requirements of being a public company. In particular, we expect to incur significant expense and devote substantial management effort to complying with the requirements of Section 404 of the Sarbanes-Oxley Act when applicable. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. We are also continuing to improve other aspects of our internal control over financial reporting. We will need to hire additional accounting and financial staff with appropriate public company experience and technical accounting knowledge.

We are implementing several new systems and process improvements as part of our increased independence from Dell Technologies. If these new systems or processes prove ineffective or inadequate, or if we fail to successfully implement them, our business and results of operations may suffer.

We have recently implemented several new systems to support our operations, and are continuing to implement technology and process improvements. For example we recently implemented new systems and processes and added personnel for enterprise resource planning, invoicing, accounts receivable, accounts payable, human capital management and payroll and benefits. We previously received some of these services from Dell and certain of its subsidiaries.

There can be no assurance that our transition, implementation and operation of such systems will be successful. We may be unable to implement or operate these systems and processes or add personnel in a timely and cost-effective manner.

We may require additional financing in the future and may not be able to obtain such financing on favorable terms, if at all, which could slow or stop our ability to grow or otherwise harm our business.

We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges, improve our operating infrastructure or acquire complementary businesses and technologies. Prior to this offering, we have financed our operations primarily through equity financings and through the accumulation of a net payable due to DellEMC, which was subsequently converted into preferred stock. We may not be able to obtain additional financing on terms favorable to us, if at all. We may need to engage in equity or debt financings to secure additional funds. If we raise additional equity financing, our stockholders may experience significant dilution of their ownership interests and the per share value of our Class A common stock could decline. There can be no assurance that we will be able to meet the conditions necessary to obtain loans under our existing revolving credit facility or any future debt financing arrangement. In addition, with respect to debt financing transactions, the holders of debt would have priority over the holders of our common stock, and we may be required to accept terms that restrict our ability to incur additional indebtedness and our ability to operate our business. We may also be required to take other actions that would otherwise be in the interests of the debt holders and force us to maintain specified liquidity or other ratios, any of which could harm our business, financial condition and operating results. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business may be adversely affected.

Our future quarterly results and key metrics may fluctuate significantly and may be difficult to predict, and if we fail to meet the expectations of analysts or investors, our stock price and the value of your investment could decline substantially.

Our results of operations, including our revenue, operating expenses and cash flows, as well as our key metrics (including our dollar-based net expansion rate), have fluctuated from quarter to quarter in the past and may continue to fluctuate as a result of a variety of factors, many of which are outside of our control, may be difficult to predict and may or may not fully reflect the underlying performance of our business. Some of the factors that may cause our results of operations to fluctuate from quarter to quarter include:

- our ability to attract new customers;

- our ability to retain existing customers and expand their use of our platform;
- our ability to successfully execute our partner strategy;
- success of our pricing strategy;
- changes in customers' budgets and in the timing of their purchasing decisions;
- the focus of our sales force;
- the timing, terms and size of our initial and subsequent transactions with customers;
- our ability to successfully expand our business internationally;
- seasonal and end-of-quarter concentration of our transactions;
- the timing and success of new products, features and services by us and our competitors or any other change in the competitive dynamics of our industry, including consolidation among competitors, customers or ecosystem partners;
- customer satisfaction with the functionality, features, performance and pricing of our products and service offerings;
- significant security breaches of, technical difficulties with, or interruptions to, the delivery and use of our platform;
- our ability to leverage the synergies between Labs and PCF and increase subscription revenue as a percentage of revenue;
- consolidation of our customer base;
- our ability to fully utilize our strategic services resources;
- potential asset impairments, charges or other expenses;
- potential claims or litigation;
- the collectability of receivables;
- general economic conditions, both domestically and internationally, as well as economic conditions specifically affecting industries in which our customers participate;
- the impact of new accounting pronouncements; and
- foreign currency exchange rate fluctuations.

We recently realigned our fiscal calendar to coincide with Dell Technologies' fiscal calendar. This realignment, and any errors in our implementation of the realignment, could adversely impact our business and results of operations.

Prior to February 2017, the fiscal calendars for Dell Technologies and Pivotal did not align. We reported on a calendar year basis through December 31, 2016, whereas Dell Technologies reports on a 52- or 53-week fiscal year basis ending on the Friday nearest to January 31 of each year. Following Dell Technologies' acquisition of EMC Corporation in September 2016, we changed our fiscal calendar effective January 1, 2017 so that our fiscal calendar would align with that of Dell Technologies.

The process of implementing a fiscal calendar transition has required and will continue to require us to adjust our processes, data and systems that our management and personnel rely upon to conduct our business operations and coordinate our worldwide activities. There can be no assurance that errors and failures will not occur that could impair our ability to conduct our operations efficiently and effectively.

Any such failures of our processes, data and systems could adversely impair our business and results of operations.

In addition, our new fiscal year is more typical for companies in the retail sector and less typical for software companies. Seasonal buying patterns in the software sector tend to be concentrated in the fourth calendar quarter of the year and, within each quarter, in the last two weeks of that quarter. It is possible that the change in fiscal year could negatively impact the performance of our sales force and the purchasing activities of our customers.

Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States.

GAAP are subject to interpretation by the Financial Accounting Standards Board (the "FASB"), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results for periods prior to and subsequent to such change, and could affect the reporting of transactions completed before the announcement of a change.

For example, in May 2014, the FASB issued ASC 606, which supersedes the revenue recognition requirements in ASC 605, *Revenue Recognition* . We adopted this standard and its impact is reflected in our consolidated financial statements, which include several newly required disclosures. Market practices with respect to these disclosures are still evolving, and securities analysts and investors may not fully understand the implications of our disclosures or how or why they may differ from similar disclosures by other companies. Any additional new accounting standards could have a significant effect on our reported results. If our reported results fall below analyst or investor expectations, our stock price could decline.

We are an emerging growth company and the reduced disclosure requirements applicable to emerging growth companies may make our Class A common stock less attractive to investors .

We are an emerging growth company as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we intend to take advantage of some of the exemptions from the reporting requirements applicable to other public companies. For example, we intend to take advantage of the exemption from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, the reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and the exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. It is possible that investors will find our Class A common stock less attractive as a result of our reliance on these exemptions. If so, there may be a less active trading market for our Class A common stock and our stock price may be more volatile.

Our business is subject to a wide range of laws and regulations, including privacy and data protection laws, and our failure to comply with those laws and regulations could harm our business, results of operations and financial condition .

Our business is subject to regulation by various federal, state, local and foreign governmental agencies, including agencies responsible for monitoring and enforcing employment and labor laws, workplace safety, product safety, environmental laws, consumer protection laws, anti-bribery laws, import and export controls, federal securities laws and tax laws and regulations. In certain foreign jurisdictions, these regulatory requirements may be more stringent than those in the United States. These laws and regulations are subject to change over time and thus we must continue to monitor and dedicate resources to ensure continued compliance.

In addition, our business is subject to regulation by various federal, state and foreign governmental agencies responsible for monitoring and enforcing privacy and data protection laws. The regulatory framework for privacy issues worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future, as many new laws and regulations regarding the collection, use and disclosure of personal information have been adopted or are under consideration and existing laws and regulations may be subject to new and changing interpretations. In the United States, these include rules and regulations promulgated under the authority of the Federal Trade Commission, and state breach notification laws. Internationally, many of the jurisdictions in which we operate have established their own data security and privacy legal framework with which we or our customers must comply. We expect that there will continue to be new proposed laws, regulations and industry standards concerning privacy, data protection and information security in the United States, the European Union (the "E.U.") and other jurisdictions, and we cannot yet determine the impacts such future laws, regulations and standards may have on our business or the businesses of our customers, including, for example, the E.U.'s General Data Protection Regulation (the "GDPR"), which will come into force in May 2018.

Non-compliance with applicable regulations or requirements could subject us to investigations, sanctions, enforcement actions, disgorgement of profits, fines, damages, civil and criminal penalties or injunctions. If any governmental 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 adversely affected. In addition, responding to any action will likely result in a significant diversion of management's attention and resources and an increase in professional fees. Enforcement actions and sanctions could harm our business, results of operations and financial condition. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations and policies that are applicable to the businesses of our customers may limit the use and adoption of, and reduce the overall demand for, our software.

In addition to government regulation, privacy advocates and industry groups have established or may establish new self-regulatory standards that may place additional burdens on us. Our customers may contractually obligate or expect us to meet voluntary certification or other standards established by such third parties, and if we are unable to meet these standards, it could adversely affect our ability to provide our solutions to certain customers and could harm our business.

Risks Related to Our Relationship with Dell Technologies, Dell, DellEMC and VMware

Holders of our Class A common stock have limited ability to influence matters requiring stockholder approval.

Following this offering, Dell Technologies will own 175,514,272 shares of our outstanding Class B common stock, which will represent approximately 70.1% of our total outstanding shares of common stock and approximately 95.9% of the combined voting power of both classes of our outstanding common stock (subject to certain exceptions, including with respect to the election of directors, certain actions to convert the Class B common stock and certain actions that require the consent of the holders of the Class B common stock) immediately after this offering (or approximately 68.6% and 95.6%, respectively, if the underwriters exercise their over-allotment option in full). Our Class B common stock has ten votes per share, and our Class A common stock, which is the stock we are offering in this offering, has one vote per share, subject to certain exceptions. Moreover, the holders of Class B common stock, voting as a separate class, are entitled to elect at least 80% of the total number of directors that we would have if there were no vacancies on our board of directors at such time. Subject to any rights of any series of preferred stock to elect directors, the holders of Class A common stock and the holders of Class B common stock, voting together as a single class, are entitled to elect our remaining directors with each share of Class A common stock and each share of Class B common stock entitled to one vote per share in any such election. Accordingly, Dell Technologies will control the vote to elect all of our directors and to approve or disapprove all other matters submitted to a stockholder vote.

In addition, our amended and restated certificate of incorporation described in further detail under "Description of Capital Stock" and a master transaction agreement with Dell Technologies described in further detail under "Certain Relationships and Related Party Transactions—Transactions with Dell Technologies or Dell—Master Transaction Agreement" provide that until such time as Dell Technologies (or a successor entity) and its subsidiaries (the "Dell Technologies Entities") cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the votes entitled to be cast by our issued and outstanding capital stock, voting together as a single class with each share of Class B common stock having ten votes and each share of Class A common stock having one vote (the "Voting Power"), or no shares of our Class B common stock remain outstanding, the prior affirmative vote of the holders of a majority of the outstanding shares of Class B common stock, voting as a separate class, is required in order to authorize us to take certain actions, including, subject to certain exceptions:

- adopting or implementing any stockholder rights plan or similar takeover defense measure;
- entering into a merger, consolidation, business combination or sale of all or substantially all of our assets, or selling, transferring or licensing any of our business, operations or intellectual property for aggregate consideration in excess of $100 million in any calendar-year period;
- acquiring the stock or assets of another entity in transactions involving in excess of $250 million;
- issuing any capital stock or stock equivalent except to our subsidiaries, pursuant to the conversion, exercise or exchange of any outstanding stock equivalent or pursuant to our employee benefit or compensation plans;
- authorizing the aggregate amount of our equity awards to be granted in any fiscal year;
- taking any actions to dissolve, liquidate or wind up our company;
- declaring dividends on our stock;
- entering into any exclusive or exclusionary arrangement with a third party involving, in whole or in part, products or services that are similar to those of Dell Technologies;
- approving, amending or repealing our amended and restated certificate of incorporation or bylaws, or the certificate of incorporation or bylaws of certain of our subsidiaries;
- acquiring the business, operations, securities or indebtedness of another entity for consideration in excess of $250 million in any calendar-year period;
- incurring indebtedness in excess of $200 million;
- approving, modifying or terminating any employee equity or pension plan;
- entering into any legal settlement resulting in payment by us in excess of $100 million or that would impose limitations on our operations that would reasonably be expected to have a material adverse effect on us; and
- entering into any other types of transactions involving consideration in excess of $100 million.

If Dell Technologies or any other holders of our outstanding Class B common stock do not provide any requisite affirmative vote on matters requiring stockholder approval or any requisite consent, in each case allowing us to conduct such activities when requested, we will not be able to conduct such activities and, as a result, our business and our results of operations may be adversely affected.

Dell Technologies has the ability to prevent a change in control transaction and may sell control of Pivotal without benefiting other stockholders.

Dell Technologies' voting control and the consent rights of holders of our Class B common stock give Dell Technologies the ability to prevent transactions that would result in a change in control of Pivotal, including transactions in which holders of our Class A common stock might otherwise receive a premium for their shares over the then-current market price. In addition, Dell Technologies is not prohibited from selling a controlling interest in us to a third party and may do so without the approval of the holders of our Class A common stock and without providing for a purchase of any shares of Class A common stock held by persons other than Dell Technologies. Accordingly, shares of Class A common stock may be worth less than they would be if Dell Technologies did not maintain voting control over us.

Dell Technologies' ability to control our board of directors may make it difficult for us to recruit independent directors.

Our board of directors is divided into two groups, Group I and Group II. The holders of Class B common stock, voting as a separate class, are entitled to elect our Group I directors, who will constitute at least 80% of the total number of authorized directors. Subject to any rights of any series of preferred stock to elect directors, the holders of Class A common stock and the holders of Class B common stock, voting together as a single class, are entitled to elect our remaining Group II directors, with each share of Class A common stock and each share of Class B common stock entitled to one vote per share in any such election. If at any time or from time to time any Group I directorship is vacant, one of the existing Group I directors to be designated in writing by Dell Technologies will be entitled to cast, on all matters upon which a vote or consent of the board of directors is taken, a number of votes equal to one plus the number of vacant Group I directorships then existing, and all other directors will be entitled to cast one vote. Upon the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering, there will be three vacant Group I directorships. Mr. Dell will be the initial Group I director entitled to cast one vote for each such vacant directorship and, as a result, will be entitled initially to cast four votes on any matter submitted to a vote of our board of directors. So long as Dell Technologies beneficially owns shares of our common stock representing a majority of the votes entitled to be cast in the election of our Group I and Group II directors, Dell Technologies can effectively control and direct our board of directors. Further, the interests of Dell Technologies and our other stockholders may diverge. Under these circumstances, it may become difficult for us to recruit independent directors.

We engage in related party transactions with Dell Technologies and/or VMware that may divert our resources, create opportunity costs and prove to be unsuccessful.

We currently engage in a number of related party transactions with Dell Technologies and VMware through our joint marketing and sales of our products and services and our mutually beneficial commercial and go-to-market relationships, and we expect to engage in additional related party transactions with Dell Technologies and VMware to leverage the benefits of our strategic alignment. Our participation in these transactions may cause certain of our other vendors and ecosystem partners who compete with Dell Technologies and its subsidiaries and VMware to also view us as their competitors. We cannot predict whether our stockholders and industry or securities analysts will react positively to announcements of new related party transactions.

In addition, these transactions may prove not to be successful and may divert our resources or the attention of our management from other opportunities.

Dell Technologies and VMware may compete with us, which could reduce our market share.

There can be no assurance that Dell Technologies or VMware will not compete with us in the future. None of our agreements with Dell Technologies, DellEMC or VMware contain any restrictions on their ability to compete with us. In addition, the intellectual property agreements that we have with DellEMC and VMware (both controlled by Dell Technologies) (i) provided DellEMC and VMware a limited license back to use certain of our copyrights and source code in existence at the time of our formation to continue producing their then-existing products and services, and to use certain of our patents in existence at the time of our formation to continue producing their then-existing products and services and to produce later-developed products and services, so long as those later-developed products and services do not compete with any of our products and services in existence at the time of our formation and (ii) provided VMware a license to use certain of our products in existence at the time of the agreement within certain of its then-existing products for a limited time period that expired on March 31, 2018 (except as necessary for VMware to provide customary support services to pre-existing end users). DellEMC's and VMware's retained licenses in this regard extend to their majority-owned subsidiaries, which could include joint ventures where DellEMC or VMware holds a majority position and one or more of our competitors hold minority positions.

Dell Technologies could also assert control over us in a manner which could impede our growth or our ability to enter new markets or otherwise adversely affect our business. Further, Dell Technologies could utilize its control over us to cause us to take or refrain from taking certain actions, including entering into relationships with strategic, technology and other marketing partners, enforcing our intellectual property rights or pursuing corporate opportunities or product development initiatives that could adversely affect our competitive position, including our competitive position relative to that of Dell Technologies or VMware in markets where we compete with them.

Conflicts of interest may arise because some of our directors and officers own stock or other equity interests in Dell Technologies or VMware and hold management positions with Dell Technologies or VMware.

Some of our directors and officers own stock or other equity interests in Dell Technologies or VMware. In addition, some of our directors are officers or directors of Dell Technologies or VMware. Ownership of such equity interests by our directors and officers and the presence of executive officers or directors of Dell Technologies or VMware on our board of directors could create, or appear to create, conflicts of interest with respect to matters involving both us and any one of them that could have different implications for any of these investors than they do for us. Provisions of our amended and restated certificate of incorporation that will be in effect prior to the closing of this offering address corporate opportunities that are presented to our directors and officers that are also directors of officers of Dell Technologies or VMware. We cannot assure you that our amended and restated certificate of incorporation will adequately address potential conflicts of interest or that potential conflicts of interest will be resolved in our favor or that we will be able to take advantage of corporate opportunities presented to individuals who are officers or directors of both us and Dell Technologies or VMware. As a result, we may be precluded from pursuing certain advantageous transactions or growth initiatives.

Our inability to resolve in a manner favorable to us any potential conflicts or disputes that arise between us and Dell Technologies or its subsidiaries with respect to our past and ongoing relationships may adversely affect our business and prospects.

Potential conflicts or disputes may arise between Dell Technologies or its subsidiaries and us in a number of areas relating to our past or ongoing relationships, including:

- actual or anticipated variations in our quarterly or annual results of operations;
- tax, employee benefit, indemnification and other matters arising from our relationship with Dell Technologies or its subsidiaries;
- business combinations involving us;
- our ability to engage in activities with certain ecosystem partners;

- sales or dispositions by either of DellEMC or VMware of all or any portion of their beneficial ownership interest in us;
- the nature, quality and pricing of services Dell Technologies or its subsidiaries have agreed to provide us;
- business opportunities that may be attractive to us and Dell Technologies or its subsidiaries;
- intellectual property or other proprietary rights; and
- joint sales and marketing activities with Dell Technologies or its subsidiaries.

The resolution of any potential conflicts or disputes between us and Dell Technologies or its subsidiaries over these or other matters may be less favorable to us than the resolution we might achieve if we were dealing with an unaffiliated party.

The agreements we have entered into with Dell Technologies and certain of its subsidiaries, which are described in this prospectus, are of varying durations and may be amended upon agreement of the parties. The terms of these agreements were primarily determined by Dell Technologies or its subsidiaries, and therefore may not be representative of the terms we could obtain on a stand-alone basis or in negotiations with an unaffiliated third party. For so long as we are controlled by Dell Technologies, we may not be able to negotiate renewals or amendments to these agreements, if required, on terms as favorable to us as those we would be able to negotiate with an unaffiliated third party.

We are a "controlled company" within the meaning of the New York Stock Exchange rules and, as a result, we will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. Accordingly, holders of our Class A common stock will not have the same protections afforded to stockholders of companies that are subject to such requirements.

After the closing of this offering, Dell Technologies will own, indirectly through its subsidiaries (including VMware), none of the outstanding shares of our Class A common stock and all of the shares of our Class B common stock, representing 70.1% of the total outstanding shares of common stock or 95.9% of the combined voting power of the outstanding common stock (subject to certain exceptions, including with respect to the election of directors, certain actions to convert the Class B common stock and certain actions that require the consent of the holders of the Class B common stock). Through its control of shares of common stock representing a majority of the votes entitled to be cast in the election of our Group I and Group II directors, Dell Technologies will control the vote to elect all of our directors. As a result, we will be a "controlled company" within the meaning of the New York Stock Exchange rules. Under these rules, a "controlled company" may elect not to comply with certain corporate governance requirements, including the requirements that, within one year of the closing of this offering, a listed company have a:

- board that is composed of a majority of "independent directors," as defined under the rules of the New York Stock Exchange;
- compensation committee that is composed entirely of independent directors; and
- nominating and corporate governance committee that is composed entirely of independent directors.

We intend to utilize these exemptions. After the closing of this offering, our board of directors will not have a majority of independent directors and only our audit committee will be subject to requirements under SEC and New York Stock Exchange rules to consist entirely of independent directors, subject to the phase-in rules of the New York Stock Exchange. Accordingly, holders of our

Class A common stock will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the New York Stock Exchange.

We rely on contractual arrangements with our strategic partners for a significant portion of our revenue.

Transactions processed through our strategic partners under our agency agreements with DellEMC and VMware generated 46% of our total revenue in fiscal 2016, 44% of our total revenue in fiscal 2017 and 37% of our total revenue in fiscal 2018. Any adverse changes in our joint sales arrangements or the effectiveness of such arrangements with DellEMC or VMware could have a material impact on our results of operations.

Our stock price could be impacted by the reported results and other statements of Dell Technologies.

As the majority owner of our stock, Dell Technologies includes our accounts in its consolidated financial statements, subject to non-controlling interest adjustments to eliminate the portion of our accounts that are attributable to other stockholders outside of the Dell Technologies consolidated group of companies. Such non-controlling interest adjustments include those pertaining to both Pivotal and other companies for which Dell Technologies is a less than 100% owner. Dell Technologies does not report Pivotal's financial information as a standalone segment. Accordingly, any information about Pivotal that is included in Dell Technologies' financial statements or other public statements is necessarily limited. Nevertheless, the information provided or the conclusions that investors or analysts draw from such information could have an adverse impact on the trading price of our Class A common stock.

Third parties may seek to hold us responsible for liabilities of Dell Technologies, DellEMC or VMware, which could result in a decrease in our income.

Third parties may seek to hold us responsible for liabilities of Dell Technologies, DellEMC or VMware. Under the original contribution agreements with DellEMC and VMware pursuant to which DellEMC and VMware contributed certain of their businesses to us when we were first formed, DellEMC and VMware agreed to indemnify us for claims and losses relating to liabilities related to DellEMC's and VMware's businesses and not related to our business. The original contribution agreements have no set terms, and these indemnification obligations will continue indefinitely except to the extent limited by law or the mutual agreement of the parties. In addition, under the master transaction agreement, we will indemnify Dell Technologies for claims and losses relating to liabilities related to our business. If those liabilities are significant and we are ultimately held liable for them, we cannot assure you that we will be able to recover the full amount of our losses from Dell Technologies, DellEMC or VMware.

Dell Technologies' or VMware's competitive position in certain markets may constrain our ability to build and maintain partnerships.

Our existing and potential partner relationships may be negatively affected by our relationships with Dell Technologies and VMware, our largest stockholders. We do and may partner with companies that compete with Dell Technologies or VMware in certain markets. Dell Technologies' control over us and VMware may affect our ability to effectively partner with these companies. These companies may favor our competitors because of our relationship with Dell Technologies and VMware.

To preserve Dell Technologies' ability to conduct a tax-free distribution of the shares of our Class B common stock that it beneficially owns, we may be prevented from pursuing opportunities to raise capital, acquire other companies or undertake other transactions, which could hurt our ability to grow.

To preserve its ability to effect a future tax-free spin-off of us, or certain other tax-free transactions involving us, Dell Technologies is required to maintain "control" of us within the meaning of Section 368(c) of the Internal Revenue Code, which is defined as 80% of the total voting power and 80% of each class of nonvoting stock. We have entered into a tax sharing agreement with Dell Technologies, which restricts our ability to issue any stock, issue any instrument that is convertible, exercisable or exchangeable into any of our stock or which may be deemed to be equity for tax purposes, or take any other action that would be reasonably expected to cause Dell Technologies to beneficially own stock in us that, on a fully diluted basis, does not constitute "control" within the meaning of Section 368(c) of the Internal Revenue Code. We also have agreed to indemnify Dell Technologies for any breach by us of the tax sharing agreement. Additionally, under our amended and restated certificate of incorporation and the master transaction agreement, until such time as the Dell Technologies Entities cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the Voting Power or no shares of our Class B common stock remain outstanding, the prior affirmative vote of the holders of a majority of the outstanding shares of Class B common stock, voting as a separate class, is required in order to authorize us to issue stock or other securities, subject to certain exceptions. We also have agreed to indemnify Dell Technologies for any breach by us of the master transaction agreement. As a result, we may be prevented from raising equity capital or pursuing acquisitions or other growth initiatives that involve issuing equity securities as consideration.

Our net operating loss carryforwards and other tax assets are generally unavailable for our use.

Since fiscal 2014, our U.S. federal and state net operating losses and research credits and foreign tax credits have been fully applied against DellEMC's or Dell Technologies' consolidated returns as we were included in the consolidated U.S. federal and state income tax returns of DellEMC and, after Dell Technologies' acquisition of EMC Corporation, Dell Technologies. Accordingly, our U.S. federal and state net operating loss carryforwards as of February 2, 2018 are not representative of the tax assets we will have as a public company, when we expect to leave Dell Technologies' U.S. federal and certain state returns. Upon the completion of this offering, our federal and state net operating loss carryforwards and our federal and state tax credits will be eliminated or significantly reduced. We also expect that we would continue to maintain a valuation allowance for such net operating loss carryforwards and credits. Pursuant to our tax sharing agreement with Dell Technologies and DellEMC, we are limited in our ability to carryback net operating losses. Additionally, recently-enacted U.S. federal tax reform may limit our ability to use future net operating losses.

We could be held liable for the tax liabilities of other members of Dell Technologies' consolidated tax group.

We have historically been included in either DellEMC's consolidated group or Dell Technologies' consolidated group for U.S. federal income tax purposes, as well as in certain consolidated, combined or unitary groups that include Dell Technologies, DellEMC or certain of their subsidiaries for state and local income tax purposes, although we expect that as a result of this offering, we will no longer be included in Dell Technologies' consolidated group. Pursuant to a tax sharing agreement with Dell Technologies and DellEMC, we and Dell Technologies generally will make payments to each other such that, for any taxable period in which we or any of our subsidiaries are included in a Dell Technologies' consolidated, combined or unitary return, the amount of taxes to be paid by us will be determined, subject to certain adjustments, as if we and each of our subsidiaries were in a separate group.

When we become subject to income tax audits as a member of a Dell Technologies' group return, the tax sharing agreement provides that Dell Technologies has authority to control the audit and represent Dell Technologies' and our interests to the tax authority. Accordingly, if we and Dell Technologies differ on appropriate responses and positions to take with respect to tax questions that may arise in the course of an audit, our ability to affect the outcome of such audits may be impaired.

Each member of a consolidated group during any part of a consolidated return year is jointly and severally liable for tax on the consolidated return of such year and for any subsequently determined deficiency thereon. Similarly, in some jurisdictions, each member of a consolidated, combined or unitary return for state, local or non-U.S. income tax purposes is jointly and severally liable for the state, local or non-U.S. income tax liability of each other member of the consolidated, combined or unitary return. Accordingly, for any period in which we are included in the Dell Technologies consolidated return for U.S. federal income tax purposes or any other consolidated, combined or unitary return of Dell Technologies and its subsidiaries, we could be liable in the event that any income tax liability was incurred, but not discharged, by any other member of any such return. In addition, if a distribution by Dell Technologies of our Class B common stock fails to qualify as a tax-free spin-off, and neither we nor Dell Technologies has breached the tax sharing agreement, we will generally be liable for 50% of any resulting tax.

Risks Related to this Offering and Ownership of Our Class A Common Stock

An active trading market for our Class A common stock may never develop or be sustained.

Although we have applied to list our Class A common stock on the New York Stock Exchange under the symbol PVTL, we cannot assure you that an active trading market for our Class A common stock will develop on that exchange or elsewhere or, if developed, that any market will be sustained. Accordingly, we cannot assure you of the likelihood of your ability to sell your shares of Class A common stock when desired, the prices that you may be able to obtain for your shares or the liquidity of any trading market.

The price of our Class A common stock may be volatile, which could cause the value of your investment to decline .

Technology stocks have historically experienced high levels of volatility. The trading price of our Class A common stock is likely to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control and may not be related to our operating performance. These fluctuations could cause you to lose all or part of your investment in our Class A common stock. Factors that may cause the market price of our Class A common stock to fluctuate include:

- announcements of new offerings, services or technologies, relationships with partners, acquisitions or other events by us or our competitors;
- changes in economic conditions;
- price and volume fluctuations in the overall stock market from time to time;
- significant volatility in the market price and trading volume of technology companies in general and of companies in our industry;
- fluctuations in the trading volume of our shares or the size of our public float;
- actual or anticipated changes or fluctuations in our results of operations or other key metrics;
- whether our results of operations or other key metrics meet the expectations of securities analysts or investors;
- actual or anticipated changes in the expectations of investors or securities analysts;

- the financial projections we may provide to the public, any changes in these projections or our failure to meet these projections;
- developments or disputes concerning our intellectual property or other proprietary rights;
- litigation involving us, our industry or both, or investigations by regulators into our operations or those of our competitors;
- changes in accounting standards, policies, guidelines, interpretations or principles;
- regulatory developments in the United States, foreign countries or both;
- major catastrophic events in our domestic and foreign markets;
- sales of large blocks of our stock; and
- departures of key personnel.

In addition, if the market for technology stocks or the overall stock market experience a loss of investor confidence, the trading price of our Class A common stock could decline for reasons unrelated to our business, results of operations or financial condition. The trading price of our Class A common stock might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. If our Class A common stock price is volatile, we may become the target of securities litigation. Securities litigation could result in substantial costs and divert our management's attention and resources from our business, and this could have a material adverse effect on our business, results of operations and financial condition.

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

The principal purposes of this offering are to increase our financial flexibility, create a public market for our Class A common stock and facilitate our future access to the public equity markets. We currently intend to use the net proceeds from this offering for working capital and general corporate purposes, including continued investments in the growth of our business. In addition, we may use a portion of the net proceeds received by us from this offering for investments in or acquisitions of businesses, technologies or other assets that we believe to be complementary. However, we have no current understandings, agreements or commitments for any specific material acquisitions at this time. As a result, our management will have broad discretion in the allocation and use of the net proceeds from this offering.

The failure by our management to allocate or use these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in a manner that does not produce income or that loses value. Our ultimate use of the net proceeds from this offering may vary substantially from their currently intended use.

If you purchase our Class A common stock in this offering, you will incur immediate and substantial dilution **.**

The initial public offering price is substantially higher than the pro forma as adjusted net tangible book value (deficit) per share of our Class A common stock of $1.55 per share immediately following this offering. Investors purchasing Class A common stock in this offering will pay a price per share that substantially exceeds the net tangible book value (deficit) per share. As a result, investors purchasing Class A common stock in this offering will incur immediate dilution of $13.45 per share, based on the initial public offering price of $15.00 per share, the midpoint of the price range set forth on the cover page of this prospectus.

This dilution is due to the substantially lower price paid by our investors who purchased shares prior to this offering as compared to the price offered to the public in this offering. In addition, the exercise of any outstanding options would result in additional dilution. As a result of the dilution to investors purchasing shares in this offering, investors may receive less than the purchase price paid in this offering in the event of our liquidation. See "Dilution" for additional information.

Sales of a substantial number of shares of our Class A common stock in the public market by our existing stockholders following this offering could cause the price of our Class A common stock to decline .

Sales of a substantial number of shares of our Class A common stock in the public market, or the perception that these sales might occur, could depress the price of our Class A common stock and could impair our ability to raise capital through the sale of additional equity securities. We cannot predict the effect that sales may have on the prevailing price of our Class A common stock.

Subject to certain exceptions described in the section titled "Underwriters," we, our executive officers, directors, the selling stockholder and holders of substantially all of our common stock and securities convertible into or exercisable or exchangeable for shares of our common stock have entered into lock-up agreements with the underwriters of this offering under which we and they have agreed that, subject to certain exceptions, without the prior written consent of Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters, we and they will not dispose of or hedge any of these securities for a period ending 180 days after the date of this prospectus. In addition, our executive officers, directors and holders of substantially all of these securities have entered into market standoff agreements with us under which they have agreed that, subject to certain exceptions, without our consent, they will not dispose of or hedge any of these securities for a period ending 180 days after the date of this prospectus. We have agreed that, without the prior written consent of Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters, we will not release any of the securities subject to these market standoff agreements. When the lock-up period in the lock-up agreements and market standoff agreements expires, we and our locked-up security holders will be able to sell our shares in the public market. In addition, Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters, may release all or some portion of the shares subject to the lock-up agreements or market standoff agreements prior to the expiration of the lock-up period. See "Underwriters" for more information on agreed exceptions to these lock-up agreements. Sales of a substantial number of such shares upon expiration of, or the perception that such sales may occur, or early release of the securities subject to, the lock-up agreements or market standoff agreements, could cause our stock price to fall or make it more difficult for you to sell your Class A common stock at a time and price that you deem appropriate.

Based on shares outstanding as of the last day of fiscal 2018, holders of up to approximately 209,043,668 shares of our Class A common stock (including shares issuable upon conversion of Class B common stock) will have rights, subject to certain conditions, to require us to file registration statements covering the sale of their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. We also intend to register the offer and sale of all shares of capital stock that we may issue under our equity compensation plans.

Future sales and issuances of our common stock or rights to purchase common stock could result in additional dilution to our stockholders and could cause the price of our Class A common stock to decline.

We may issue additional Class A or Class B common stock, convertible securities or other equity following the completion of this offering. We also expect to issue Class A common stock to our employees, directors and other service providers pursuant to our equity incentive plans. Such issuances could be dilutive to investors and could cause the price of our Class A common stock to decline. If we seek to engage in additional equity financing, we may not be able to obtain such financing on favorable terms, if at all. New investors in such issuances could receive rights senior to those of holders of our Class A common stock.

The difference in the voting rights of our classes of capital stock may harm the value and liquidity of our Class A common stock.

Our Class B common stock has ten votes per share, and our Class A common stock has one vote per share. See "Description of Capital Stock." The difference in the voting rights of the Class A common stock and the Class B common stock could harm the value of the Class A common stock to the extent that any current or future investor in our common stock ascribes value to the voting rights associated with the Class B common stock. The existence of dual classes of our common stock could result in less liquidity for any such class than if there were only one class of our capital stock.

The dual class structure of our common stock may adversely affect the trading price of our Class A common stock.

Our Class B common stock has ten votes per share and our Class A common stock, which is the stock we are offering in this offering, has one vote per share subject to certain exceptions, including with respect to the election of directors, certain actions to convert the Class B common stock and certain actions that require the consent of the holders of the Class B common stock. As discussed in "Risk Factors—Holders of our Class A common stock have limited ability to influence matters requiring stockholder approval," these differences in voting rights may adversely affect the market price of our Class A common stock.

In addition, in 2017, FTSE Russell, S&P Dow Jones and MSCI announced changes to their eligibility criteria for inclusion of shares of public companies on certain indices to exclude companies with multiple classes of shares of common stock from being added to such indices. FTSE Russell announced plans to require new constituents of its indices to have at least five percent of their voting rights in the hands of public stockholders, whereas S&P Dow Jones announced that companies with multiple share classes, such as ours, will not be eligible for inclusion in the S&P 500, S&P MidCap 400 and S&P SmallCap 600, which together make up the S&P Composite 1500. MSCI also opened public consultations on their treatment of no-vote and multi-class structures and has temporarily barred new multi-class listings from its ACWI Investable Market Index and U.S. Investable Market 2500 Index. We cannot assure you that other stock indices will not take a similar approach to FTSE Russell, S&P Dow Jones and MSCI in the future. Under the announced policies, our dual class capital structure would make us ineligible for inclusion in any of these indices and, as a result, mutual funds, exchange-traded funds and other investment vehicles that attempt to passively track these indices will not invest in our stock. These policies are new and it is unclear what effect, if any, they will have on the valuations of publicly traded companies excluded from the indices, but it is possible that they may depress these valuations compared to those of other similar companies that are included.

We do not expect to pay any cash dividends for the foreseeable future. Investors may never obtain a return on their investment.

We have never paid dividends to our stockholders. Anyone considering investing in our Class A common stock should not rely on such investment to provide dividend income. We do not anticipate that we will pay any cash dividends to holders of Class A common stock in the foreseeable future. Instead, we currently plan to retain any earnings to maintain and expand our existing operations. In addition, our current revolving credit facility and future debt financing arrangements contain terms prohibiting or limiting the amount of dividends that may be declared or paid on our common stock. Accordingly, investors must rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any return on their investment. As a result, investors seeking cash dividends should not purchase the Class A common stock.

Delaware law and our amended and restated certificate of incorporation and bylaws will contain anti-takeover provisions that could delay or discourage takeover attempts that stockholders may consider favorable.

Our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect prior to the closing of this offering will contain provisions that could delay or prevent a change in control of our company. These provisions could also make it difficult for stockholders to elect directors who are not nominated by the current members of our board of directors or take other corporate actions, including effecting changes in our management. These provisions include:

- the provision that our Class B common stock is generally entitled to ten votes per share, while our Class A common stock is entitled to one vote per share, subject to certain exceptions, enabling Dell Technologies, as the beneficial owner of all outstanding shares of our Class B common stock and a majority of the outstanding shares of our common stock upon the closing of this offering, to control the outcome of substantially all matters submitted to a vote of our stockholders, including the election of directors;

- the provision that, so long as any shares of our Class B common stock are outstanding, the holders of shares of our Class B common stock, voting as a separate class, will be entitled to elect at least 80% of our directors, and that Dell Technologies may designate a Group I director that will be entitled to cast, on all matters upon which a vote or consent of the board of directors is taken, a number of votes equal to one plus the number of vacant Group I directorships then existing;

- the provision that any merger, consolidation, business combination or sale of all or substantially all of our assets must be approved by the holders of a majority of the outstanding shares of our Class B common stock until such time (if any) as the Dell Technologies Entities cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the Voting Power or no shares of Class B common stock are outstanding as described under "Description of Capital Stock—Common Stock—Approval Rights of Holders of Class B Common Stock";

- certain supermajority thresholds for our stockholders to amend certain provisions of our amended and restated certificate of incorporation or to amend our bylaws as described under "Description of Capital Stock—Common Stock—Voting Rights";

- a classified board of directors with three-year staggered terms, which could delay the ability of stockholders to change the membership of a majority of our board of directors;

- the provision that a director may be removed only for cause at any time when the Dell Technologies Affiliates (as defined under "Description of Capital Stock—Common Stock") do not beneficially own in the aggregate shares of capital stock representing a majority of the votes entitled to be cast to elect such director;

- the provision that any vacancy on the board of directors may be filled only by the affirmative vote of, (i) in the case of any Group I director, a majority of votes entitled to be cast by the remaining Group I directors then in office at any time when the Dell Technologies Affiliates do not beneficially own in the aggregate shares of capital stock representing a majority of the votes entitled to be cast to elect any Group I director, and (ii) in the case of any Group II director, a majority of votes entitled to be cast by the remaining directors then in office at any time when the Dell Technologies Affiliates do not beneficially own in the aggregate shares of capital stock representing a majority of the votes entitled to be cast to elect any Group II director, in each case, which would prevent other stockholders from being able to fill vacancies on our board of directors;

- the provision that a special meeting of stockholders may be called only by the board chairperson, the vote of a majority of the votes entitled to be cast by the directors then in office or, so long as the Dell Technologies Affiliates beneficially own in the aggregate shares of our capital stock representing a majority of the Voting Power, Dell Technologies;

- the prohibition of cumulative voting in the election of directors or any other matters, which would otherwise allow less than a majority of stockholders to elect director candidates;

- the requirement for advance notice for nominations for election to the board of directors or for proposing matters that can be acted upon at a stockholders' meeting;

- the provision that at any time when the Dell Technologies Affiliates do not beneficially own in the aggregate shares of our capital stock representing a majority of the Voting Power, any action required or permitted to be taken by our stockholders at any annual or special meeting may not be effected by a written consent in lieu of a meeting (other than any exercise of the consent rights of the holders of our Class B common stock described under "Description of Capital Stock—Common Stock—Approval Rights of Holders of Class B Common Stock"); and

- the ability of our board of directors to issue without stockholder approval, other than approval by holders of our Class B common stock exercising their consent rights described under "—Common Stock—Approval Rights of Holders of Class B Common Stock," to provide for the issuance of up to 500,000,000 shares of preferred stock, in one or more series, with terms and conditions, and having rights, privileges and preferences, to be determined by the board of directors.

In addition, we will become subject to Section 203 of the Delaware General Corporation Law at such time (if any) as the Dell Technologies Affiliates cease to beneficially own in the aggregate shares of our capital stock representing at least 10% of the Voting Power. This statute prohibits a Delaware corporation listed on a national securities exchange from engaging in a business combination with an interested stockholder (generally a person who, together with its affiliates, owns or within the last three years has owned 15% or more of our voting stock) for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner.

These provisions in our amended and restated certificate of incorporation and bylaws and under Delaware law could discourage potential takeover attempts and could reduce the price that investors might be willing to pay for shares of our common stock.

Our amended and restated certificate of incorporation 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 employees.

Our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, 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 claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers or other employees, or stockholders to us or our stockholders;
- any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware; and
- any action asserting a claim governed by the internal affairs doctrine.

Any person purchasing or otherwise acquiring or holding any interest in shares of our capital stock is deemed to have received notice of and consented to the foregoing provisions. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds more favorable for disputes with us or with our directors, our officers or other employees, or our other stockholders, including our majority stockholder, which may discourage such lawsuits against us and such other persons. Alternatively, if a court were to find this choice of forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business, results of operations and financial condition.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus, particularly in the sections titled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business," contains forward-looking statements. In some cases, you can identify these statements by forward-looking words such as "may," "might," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential" or "continue," the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions about us, may include projections of our future financial performance, our anticipated growth strategies and anticipated trends in our business.

These statements are only predictions based on our current expectations and projections about future events and trends. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially and adversely from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including those factors discussed under the caption entitled "Risk Factors." You should specifically consider the numerous risks described under "Risk Factors." Moreover, we operate in a competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially and adversely from those contained in any forward-looking statements we may make.

Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, level of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Except to the extent required by law, we undertake no obligation to update any of these forward-looking statements after the date of this prospectus to conform our prior statements to actual results or revised expectations or to reflect new information or the occurrence of unanticipated events. Given these risks, uncertainties and assumptions, you are cautioned not to place undue reliance on such forward-looking statements as predictions of future performance or otherwise.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market size, is based on information from various sources, including those listed below, on assumptions that we have made that are based on such information and other, similar sources and on our knowledge of the markets for our solutions. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. While we believe the market position, market opportunity and market size information included in this prospectus is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate is necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "Risk Factors" and elsewhere in this prospectus. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

Certain information in this prospectus is contained in independent industry publications. The sources of these independent industry publications are provided below:

- Forecast Analysis: Public Cloud Services, Worldwide, 2015-2021, 4Q17 Update, Gartner, January 2018
- Forecast Analysis: Enterprise Software Markets, Worldwide, 2014-2021, 4Q17 Update, Gartner, December 2017
- How to Respond to the 2018 Threat Landscape, Gartner, November 2017
- Forrester Business Technographics Global Developer Survey, 2016
- IDC Infobrief: Optimisation Drives Digital Transformation, January 2017
- IDC FutureScape: Worldwide Cloud 2018 Predictions, October 2017

The Gartner Reports described herein, (the "Gartner Reports") represent research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. ("Gartner"), and are not representations of fact. Each Gartner Report speaks as of its original publication date (and not as of the date of this prospectus) and the opinions expressed in the Gartner Reports are subject to change without notice.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering will be approximately $465.8 million, or approximately $544.4 million if the underwriters exercise their over-allotment option in full, assuming an initial public offering price of $15.00 per share, which is the midpoint of the 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.

Each $1.00 increase or decrease in the assumed initial public offering price per share would increase or decrease our net proceeds by approximately $31.3 million, assuming that the number of shares of Class A common stock 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 1,000,000 share increase or decrease in the number of shares offered by us would increase or decrease our net proceeds by approximately $14.2 million, assuming an initial public offering price of $15.00 per share, which is the midpoint of the 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 principal purposes of this offering are to increase our financial flexibility, create a public market for our Class A common stock and facilitate our future access to the public equity markets. We intend to use the net proceeds of this offering for working capital and other general corporate purposes, including continued investments in the growth of our business described in "Business—Growth Strategy." In addition, we may use a portion of the net proceeds for investments in or acquisitions of businesses, technologies or other assets that we believe to be complementary. We do not have any existing agreements or commitments for any specific investments or acquisitions. We do not intend to transfer any net proceeds we receive from this offering to Dell Technologies, Dell or their respective affiliates, other than payments in the ordinary course of business under one or more of the agreements described under "Certain Relationships and Related Party Transactions."

Our expected uses of the net proceeds from this offering represent our intentions based on our present plans and business conditions. We cannot predict with certainty all of the particular uses for such proceeds or the amounts that we actually will spend on the uses specified above. Accordingly, our management will have significant flexibility in applying the net proceeds of this offering.

The timing and amount of our actual application of the net proceeds from this offering will be based on many factors, including our cash flows from operations and the growth of our business. Pending the uses set forth above, we intend to invest the net proceeds from this offering in a variety of investments, including short-term and intermediate-term, interest-bearing securities.

We will not receive any proceeds from the sale of Class A common stock by the selling stockholder.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We currently anticipate that we will retain all available funds for use in the operation and expansion of our business. We do not anticipate paying any cash dividends in the foreseeable future. The terms of our revolving credit facility also restrict our ability to pay dividends, and we may also enter into other credit agreements or other borrowing arrangements in the future that will restrict our ability to declare or pay cash dividends on our capital stock.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of February 2, 2018 on:

- an actual basis;
- a pro forma basis, giving effect to (i) the automatic conversion of (a) 37,412,396 shares of our outstanding Series B and Series C convertible preferred stock into an equivalent number of shares of our Class A common stock and (b) 110,466,653 shares of our outstanding Series A and Series C-1 convertible preferred stock into an equivalent number of shares of our Class B common stock prior to the closing of this offering and (ii) the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering; and
- a pro forma as adjusted basis to reflect (i) the pro forma adjustments set forth above and (ii) the sale by us of 33,117,000 shares of our Class A common stock in this offering, based upon the receipt by us of the estimated net proceeds from this offering at an assumed initial public offering price of $15.00 per share, which is the midpoint of the 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.

This table should be read in conjunction with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes contained elsewhere in this prospectus.

	As of February 2, 2018		
	Actual	Pro Forma	Pro Forma As Adjusted (1)
	(in thousands, except share and per share data)		
Cash and cash equivalents	$ 73,012	$ 73,012	$ 538,780
Long-term debt	$ 20,000	$ 20,000	$ 20,000
Redeemable convertible preferred stock:			
Series A preferred stock, $0.01 par value; 140,190,476 shares authorized, 70,095,237 shares issued and outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	490,667	—	—
Series B preferred stock, $0.01 par value; 30,031,747 shares authorized, 15,015,873 shares issued and outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	105,111	—	—
Series C preferred stock, $0.01 par value; 44,793,047 shares authorized, 22,396,523 shares issued and outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	233,000	—	—
Series C-1 preferred stock, $0.01 par value; 80,742,833 shares authorized, 40,371,416 shares issued and outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	419,549	—	—
Stockholders' equity (deficit):			
Preferred stock, $0.01 par value; no shares authorized, issued or outstanding, actual; 500,000,000 shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted			
Class A common stock, $0.01 par value; 605,000,000 shares authorized, 4,292,724 shares issued and outstanding, actual; 4,000,000,000 shares authorized, 41,705,120 shares issued and outstanding, pro forma, 4,000,000,000 shares authorized, 74,822,120 shares issued and outstanding, pro forma as adjusted	43	417	748
Class B common stock, $0.01 par value; 375,000,000 shares authorized, 65,047,619 shares issued and outstanding, actual; 500,000,000 shares authorized, 175,514,272 shares issued and outstanding, pro forma, 500,000,000 shares authorized, 175,514,272 shares issued and outstanding, pro forma as adjusted	650	1,755	1,755
Additional paid-in capital	595,113	1,841,961	2,307,398
Accumulated deficit	(1,142,600)	(1,142,600)	(1,142,600)
Accumulated other comprehensive income	5,554	5,554	5,554
Non-controlling interest	712	712	712
Total stockholders' equity (deficit)	(540,528)	707,799	1,173,567
Total capitalization	$ 727,799	$ 727,799	1,193,567

(1) Each $1.00 increase or decrease in the assumed initial public offering price of $15.00 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 our cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $31.3 million, assuming that the number of shares of our Class A common stock 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 the amount of our cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately $14.2 million, assuming an initial public offering price of $15.00 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.

If the underwriters' over-allotment option to purchase additional shares of our Class A common stock from us were exercised in full, pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization and shares of Class A common stock outstanding as of February 2, 2018 would be $617.5 million, $2,385.7 million, $1,252.2 million, $1,272.2 million and 80,372,120 shares, respectively.

The number of shares of our Class A common stock and Class B common stock that will be outstanding after this offering is based on 41,705,120 shares of our Class A common stock and 175,514,272 shares of our Class B common stock outstanding as of February 2, 2018. The foregoing shares include shares of our convertible preferred stock on an as-converted basis. Shares of Class B common stock are convertible into Class A common stock on a one-for-one basis. The foregoing shares exclude:

- 54,387,850 shares of our Class A common stock issuable upon the exercise of options to purchase shares of our Class A common stock outstanding as of February 2, 2018, at a weighted average exercise price of $7.82 per share;
- 8,019,426 shares of our Class A common stock reserved for future grant or issuance under our Amended and Restated 2013 Stock Plan (the "2013 Plan") as of February 2, 2018;
- 1,631,900 shares of our Class A common stock issuable upon the exercise of stock options granted after February 2, 2018, at an exercise price of $10.90 per share and equity awards consisting of an estimated 8,150,000 restricted stock units and 1,000,000 stock options (with an exercise price equal to the initial public offering price) for up to 9,150,000 additional shares that we expect will be granted in connection with this offering;
- 14,000,000 shares of our Class A common stock reserved for issuance under our 2018 Equity Incentive Plan (the "2018 Plan") as of the effectiveness of the registration statement; and
- 2,800,000 shares of our Class A common stock reserved for issuance under our Employee Stock Purchase Plan (the "ESPP") as of the effectiveness of the registration statement.

DILUTION

If you purchase shares of our Class A common stock in this offering, your ownership interest will be diluted to the extent of the difference between the initial public offering price per share of our Class A common stock in this offering and the pro forma as adjusted net tangible book value per share of our Class A common stock immediately after this offering.

Our pro forma net tangible book value (deficit) as of February 2, 2018 was $(80.1) million or $(0.37) per share of common stock. Pro forma net tangible book value (deficit) per share represents our total tangible assets, less our total liabilities, divided by the aggregate number of shares of our Class A and Class B common stock outstanding, after giving effect to the automatic conversion of (i) 37,412,396 shares of our outstanding Series B and Series C convertible preferred stock into an equivalent number of shares of our Class A common stock and (ii) 110,466,653 shares of our outstanding Series A and Series C-1 convertible preferred stock into an equivalent number of shares of our Class B common stock which conversion will occur prior to the closing of this offering.

After giving effect to the sale by us of the 33,117,000 shares of Class A common stock in this offering, at an assumed initial public offering price of $15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and the receipt of the net proceeds after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of February 2, 2018 would have been $386.9 million or $1.55 per share. This amount represents an immediate increase in pro forma net tangible book value (deficit) to existing stockholders of $1.92 per share and an immediate dilution to new investors of $13.45 per share. Dilution per share represents the difference between the price per share to be paid by new investors for the shares of Class A common stock sold in this offering and the pro forma net tangible book value per share immediately after this offering. The following table illustrates this per share dilution:

Assumed initial public offering price per share		$ 15.00
Pro forma net tangible book value (deficit) per share as of February 2, 2018	$ (0.37)	
Increase in pro forma net tangible book value (deficit) per share attributable to new investors	1.92	
Pro forma as adjusted net tangible book value per share after offering		$ 1.55
Dilution in pro forma net tangible book value per share to new investors		$ 13.45

Each $1.00 increase or decrease in the assumed initial public offering price per share would increase or decrease our pro forma as adjusted net tangible book value per share after this offering by $0.12 per share and the dilution in pro forma per share to investors participating in this offering by $0.88 per share, assuming that the number of shares of Class A common stock 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 1,000,000 share increase or decrease in the number of shares offered by us would increase or decrease our pro forma as adjusted net tangible book value per share after this offering by $0.05 per share and the dilution in pro forma as adjusted net tangible book value per share to investors participating in this offering by $0.05 per share, assuming an initial public offering price of $15.00 per share, which is the midpoint of the 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.

If the underwriters exercise their over-allotment option to purchase additional shares of our Class A common stock in full, the pro forma as adjusted net tangible book value per share of our Class A common stock after this offering would be $1.82 per share, and the dilution in pro forma net tangible book value per share to investors in this offering would be $13.18 per share of Class A common stock.

We will not receive any proceeds from the sale of Class A common stock by the selling stockholder. Accordingly, there will be no dilutive impact as a result of such sale.

The following table sets forth, on a pro forma as adjusted basis as described above, as of February 2, 2018, the differences between our existing stockholders and the new investors purchasing shares of our Class A common stock in this offering, with respect to the number of shares of Class A common stock purchased from us, the total consideration paid, or to be paid, and the average price per share paid, or to be paid, by existing stockholders and by the new investors, at an assumed initial public offering price of $15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and before deducting estimated underwriting discounts and commissions and offering expenses payable by us:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number (in thousands)	Percent	Amount (in thousands)	Percent	
Existing stockholders	217,219	86.8%	$ 482,307	49.3%	$ 2.22
New investors	33,117	13.2	496,755	50.7	$ 15.00
Total	250,336	100%	$ 979,062	100%	

Each $1.00 increase or decrease in the assumed initial public offering price per share would increase or decrease the total consideration paid by new investors and total consideration paid by all stockholders by approximately $31.3 million, assuming that the number of shares of Class A common stock 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 1,000,000 share increase or decrease in the number of shares offered by us would increase or decrease the total consideration paid by new investors and total consideration paid by all stockholders by approximately $14.2 million, assuming an initial public offering price of $15.00 per share, which is the midpoint of the 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 foregoing tables assume no exercise of the underwriters' over-allotment option or of outstanding stock options after February 2, 2018. If the underwriters' over-allotment option is exercised in full, the number of shares of common stock held by our existing stockholders will represent approximately 84.9% of the total number of shares of our common stock outstanding after this offering; and the number of shares held by new investors will represent approximately 15.1% of the total number of shares of our common stock outstanding after this offering.

In addition, to the extent any outstanding stock options are exercised, investors participating in this offering will experience further dilution.

The number of shares of our Class A and Class B common stock that will be outstanding after this offering is based on 41,705,120 shares of our Class A common stock and 175,514,272 shares of our Class B common stock outstanding as of February 2, 2018. The foregoing shares include shares of our convertible preferred stock on an as-converted basis. Shares of Class B common stock are convertible into Class A common stock on a one-for-one basis. The foregoing shares exclude:

- 54,387,850 shares of our Class A common stock issuable upon the exercise of options to purchase shares of our Class A common stock outstanding as of February 2, 2018, at a weighted average exercise price of $7.82 per share;

- 8,019,426 shares of our Class A common stock reserved for future grant or issuance under our Amended and Restated 2013 Stock Plan (the "2013 Plan") as of February 2, 2018;

- 1,631,900 shares of our Class A common stock issuable upon the exercise of stock options granted after February 2, 2018, at an exercise price of $10.90 per share and equity awards consisting of an estimated 8,150,000 restricted stock units and 1,000,000 stock options (with an exercise price equal to the initial public offering price) for up to 9,150,000 additional shares that we expect will be granted in connection with this offering;

- 14,000,000 shares of our Class A common stock reserved for issuance under our 2018 Equity Incentive Plan (the "2018 Plan") as of the effectiveness of the registration statement; and

- 2,800,000 shares of our Class A common stock reserved for issuance under our Employee Stock Purchase Plan (the "ESPP") as of the effectiveness of the registration statement.

SELECTED CONSOLIDATED FINANCIAL DATA

The following tables contain selected consolidated financial data. Our fiscal year is the 52- or 53-week period ending on the Friday nearest to January 31 of each year. Our 2016 fiscal year ("fiscal 2016") ended on January 29, 2016, our 2017 fiscal year ("fiscal 2017") ended on February 3, 2017, and our 2018 fiscal year ("fiscal 2018") ended on February 2, 2018. We derived the selected consolidated statements of operations data for fiscal 2016, fiscal 2017 and fiscal 2018 and the consolidated balance sheet data as of February 3, 2017 and February 2, 2018 from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. The following selected consolidated financial data should be read in conjunction with the sections titled "Selected Consolidated Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
	(in thousands, except per share data)		
Consolidated Statements of Operations Data:			
Revenue:			
Subscription	$ 94,976	$ 149,995	$ 259,018
Services	185,898	266,272	250,418
Total revenue	280,874	416,267	509,436
Cost of revenue:			
Subscription (1), (2)	33,830	31,253	30,472
Services (1)	153,509	203,096	197,922
Total cost of revenue	187,339	234,349	228,394
Gross profit	93,535	181,918	281,042
Operating expenses:			
Sales and marketing (1), (2)	187,292	194,322	221,187
Research and development (1)	120,493	152,122	160,947
General and administrative (1), (2)	58,472	61,994	67,204
Total operating expenses	366,257	408,438	449,338
Loss from operations	(272,722)	(226,520)	(168,296)
Other (expense) income, net	(6,183)	(3,732)	2,145
Loss before benefit from (provision for) income taxes	(278,905)	(230,252)	(166,151)
Benefit from (provision for) income taxes	(3,767)	(2,614)	2,637
Net loss	$ (282,672)	$ (232,866)	$ (163,514)
Less: Net loss (income) attributable to non-controlling interest	126	329	(1)
Net loss attributable to Pivotal	$ (282,546)	$ (232,537)	$ (163,515)
Net loss per share attributable to common stockholders, basic and diluted (3)	$ (4.42)	$ (3.45)	$ (2.38)
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted (3)	63,955	67,337	68,574
Pro forma net loss per share, basic and diluted (unaudited) (3)			$ (0.76)
Weighted average shares used in computing pro forma net loss per share, basic and diluted (unaudited) (3)			216,453

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

	Fiscal Year Ended January 29, 2016	February 3, 2017	February 2, 2018
		(in thousands)	
Cost of revenue – subscription	$ 818	$ 1,274	$ 520
Cost of revenue – services	7,340	6,184	6,548
Sales and marketing	7,501	7,971	8,619
Research and development	8,232	7,290	7,833
General and administrative	7,117	6,132	5,109
Total stock-based compensation expense	$ 31,008	$ 28,851	$ 28,629

(2) Includes intangible asset amortization expense from our formation and subsequent business acquisitions as follows:

	Fiscal Year Ended January 29, 2016	February 3, 2017	February 2, 2018
		(in thousands)	
Cost of revenue – subscription	$ 12,448	$ 8,951	$ 4,913
Sales and marketing	5,853	5,111	4,811
General and administrative	1,714	1,554	1,437
Total intangible asset amortization expense	$ 20,015	$ 15,616	$ 11,161

(3) See Note 14 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our basic and diluted net loss per share attributable to common stockholders, our basic and diluted pro forma net loss per share and the weighted average number of shares used in the computation of the per share amounts.

	February 3, 2017	February 2, 2018
	(in thousands)	
Consolidated Balance Sheet Data:		
Cash and cash equivalents	$ 133,873	$ 73,012
Working capital	$ 49,153	$ 6,620
Total assets	$ 1,116,245	$ 1,153,397
Deferred revenue, current and noncurrent	$ 242,632	$ 317,467
Redeemable convertible preferred stock	$ 1,248,327	$ 1,248,327
Total stockholders' deficit	$ (490,644)	$ (540,528)

	Fiscal Year Ended January 29, 2016	February 3, 2017	February 2, 2018
		(in thousands)	
Consolidated Statements of Cash Flows Data:			
Net cash provided by (used in) operating activities	$ 29,190	$ (166,351)	$ (116,491)
Net cash used in investing activities	$ (33,556)	$ (28,916)	$ (12,877)
Net cash provided by financing activities	$ 9,436	$ 258,276	$ 71,446

Non-GAAP Financial Information

In addition to our results determined in accordance with GAAP, we believe the following non-GAAP information is useful in evaluating our operating results. We use the following non-GAAP financial information, collectively, to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that non-GAAP financial information may be helpful to investors because it provides consistency and comparability with past financial performance, and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results. The non-GAAP financial information is presented for supplemental informational purposes only, and should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly-titled non-GAAP measures used by other companies. A reconciliation is provided below for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP. Investors are encouraged to review the GAAP financial measures together with such reconciliations.

Non-GAAP Gross Profit and Non-GAAP Gross Margin

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
	(dollars in thousands)		
Gross profit	$ 93,535	$ 181,918	$ 281,042
Add:			
Stock-based compensation expense included in cost of revenue	8,158	7,458	7,068
Intangible asset amortization expense included in cost of revenue	12,448	8,951	4,913
Non-GAAP gross profit	$ 114,141	$ 198,327	$ 293,023
Gross margin	33%	44%	55%
Non-GAAP gross margin	41%	48%	58%

Non-GAAP Operating Loss

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
	(in thousands)		
Operating loss	$ (272,722)	$ (226,520)	$ (168,296)
Add:			
Stock-based compensation expense	31,008	28,851	28,629
Intangible asset amortization expense	20,015	15,616	11,161
Non-GAAP operating loss	$ (221,699)	$ (182,053)	$ (128,506)

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 the section titled "Selected Consolidated Financial Data" and our consolidated financial statements and related notes included elsewhere in this prospectus. This discussion contains forward-looking statements that involve risks and uncertainties; our future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those discussed in the section titled "Risk Factors" included elsewhere in this prospectus. Our fiscal year is the 52- or 53-week period ending on the Friday nearest January 31. Our 2016 fiscal year ("fiscal 2016") ended on January 29, 2016, our 2017 fiscal year ("fiscal 2017") ended on February 3, 2017, and our 2018 fiscal year ("fiscal 2018") ended on February 2, 2018.

Overview

We provide a leading cloud-native platform that makes software development and IT operations a strategic advantage for our customers. Our cloud-native platform, Pivotal Cloud Foundry ("PCF"), accelerates and streamlines software development by reducing the complexity of building, deploying and operating new cloud-native applications and modernizing legacy applications. This enables our customers' development and IT operations teams to spend more time writing code, waste less time on mundane tasks and focus on activities that drive business value – building and deploying great software. PCF customers can accelerate their adoption of a modern software development process and their business success using our platform through our complementary strategic services, Pivotal Labs ("Labs"). Enterprises across industries have adopted our platform to build, deploy and operate software, including enterprises in the automotive and transportation, industrial and business services, financial services, healthcare and insurance, technology and media, consumer and communications and government sectors.

Our offering, which includes PCF and Labs, enables organizations to build cloud-native software and compete in today's business environment.

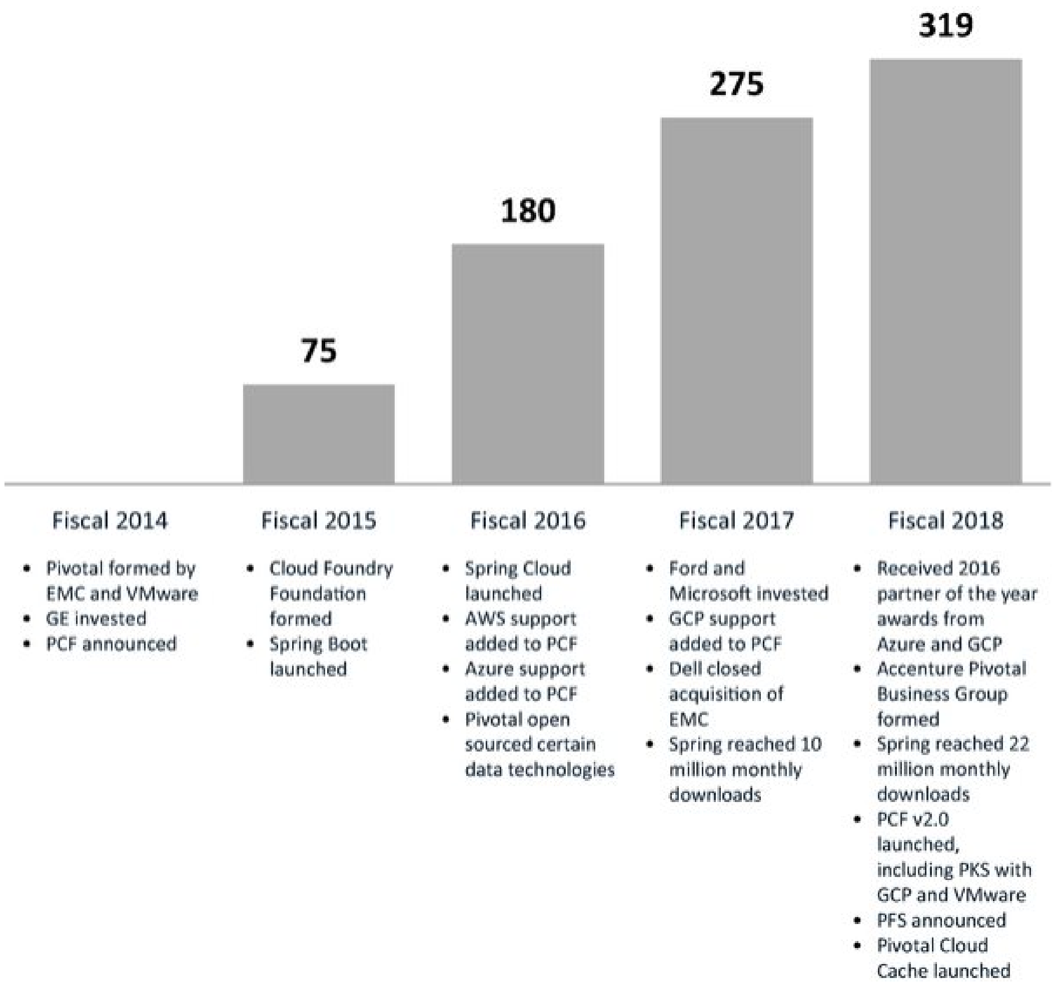
- PCF accelerates and streamlines software development by reducing the complexity of building, deploying and operating modern applications. PCF integrates an expansive set of critical, modern software technologies delivered continuously to provide a turnkey cloud-native platform. PCF combines leading open-source software with our robust proprietary software to meet the exacting enterprise-grade requirements of large organizations, including the ability to operate and manage software across private and public cloud environments, such as Amazon Web Services, Microsoft Azure, Google Cloud Platform, VMware vSphere and OpenStack. PCF is sold on a subscription basis.

- Labs software development experts deliver strategic services that transfer the expertise for enterprises to accelerate their cloud-native transformation by implementing modern agile development practices. With Labs, we help customers co-develop new applications and transform existing ones while accelerating software development, streamlining IT operations and ultimately driving self-sustaining business transformation.

We were formed in April 2013. DellEMC and VMware transferred teams and contributed assets and technology to Pivotal that have become key elements of our cloud-native platform and strategic services. Following the acquisition of EMC Corporation by Dell Technologies in September 2016, Pivotal's majority stockholder became Dell Technologies. While we initially received certain back office and other administrative services from DellEMC and VMware, over time we have implemented our own systems and processes, reducing our reliance on these partners for most of these services. Today, we jointly market and sell our products and services with DellEMC and VMware and enjoy significant and mutually beneficial commercial and go-to-market relationships with them.

Since our formation, we have focused on continuously enhancing our offering and growing our subscription customer base. Certain company milestones are reflected in the table below.

Number of Subscription Customers



Our Revenue Model

We generate a substantial and increasing portion of our revenue from the sale of PCF subscriptions. We generate subscription revenue primarily from the sale of time-based subscriptions. Customers purchase subscriptions of our software platform and choose where to deploy it. Deployment options include a customer's private cloud, a public cloud of its choice, or multiple private and public clouds. Our customers subscribe to use our software platform with pricing based on the number of workloads, such as applications, containers or other microservices. Subscriptions are offered typically for one- to three-year terms, and we recognize revenue from our subscriptions ratably over the subscriptions' term. We generally bill our customers annually in advance, although for our multi-year contracts, some customers pay the full contract amount in advance. We expect that over time subscription revenue will become a larger percentage of our total revenue as customers continue to adopt and expand their PCF subscriptions and as our systems integrator ("SI") partner relationships ramp to directly deliver Labs-like services to our customers. As a result, our services revenue may continue to fluctuate; any services revenue growth is expected to be modest both in absolute dollars and relative to our subscription revenue growth.

We offer strategic services including Labs, implementation and other services. Labs involves co-development and application transformation services. We offer implementation services to enable our customers to configure, deploy, test, launch and operate PCF. Part of our strategy to scale our subscription revenue is to rely, in part, on SI partners to deliver co-development, application transformation and implementation services to our customers, particularly as our customers move from early deployment to broader adoption of PCF. We intend to grow our services revenue at a slower rate than our subscription revenue as customers are enabled on our platform and increasingly use our partner ecosystem for their services needs. Our strategic services are typically priced on a time and materials basis with revenue recognized upon the delivery of the services.

Our Sales and Customer Success Model

We market and sell PCF and Labs primarily through our sales force and increasingly through joint selling with our partners. Organizations of all sizes are embracing cloud-native software development and operations. We target Global 2000 enterprises across industries, companies outside the Global 2000 that develop software to differentiate their businesses and public sector organizations. We are committed to extending and strengthening relationships within our partner ecosystem to expand the reach of our sales force, especially with DellEMC, VMware, Microsoft and Google.

We work closely with customers to identify and advance their cloud-native transformation objectives with our platform, including jointly developing value-based metrics and business milestones that demonstrate success on our platform. We use strategic services delivered by us directly or through our partner ecosystem to help customers successfully deploy, configure and operate our platform as well as increase their developer productivity.

We believe our customers will increase their pace of innovation, usage of our platform and the number of workloads they deploy on PCF as they realize the benefits of our platform and strategic services. We manage our services, including Labs, implementation and other, holistically to best meet our customers' needs as they initially adopt and then expand their use of our platform. Our partners provide us with additional sales leverage by sourcing new prospects and up-selling additional or expanded use cases. Our partner ecosystem also significantly expands our international sales reach and consists of the following:

- ***Public Cloud:*** We work with all three of the major public cloud vendors, Amazon, Google and Microsoft and drive large numbers of workloads to their public cloud platforms. We received in 2017 the Google Cloud Technology Partner of the Year for 2016 and an Azure consumption partner of the year award from Microsoft for 2016.

- ***Systems Integrators:*** Leading enterprise technology providers have launched dedicated practices focused on implementing PCF and providing Labs-like services. These enterprise technology providers include Accenture (which recently announced the Accenture Pivotal Business Group), Capgemini, CGI and Cognizant. These SIs create leverage for us by applying our cloud-native platform agile techniques to help customers transform. They also have begun to deliver co-development, application transformation and PCF implementation services.

- ***Independent Software Vendors:*** Pivotal Services Marketplace (the "Marketplace") has over 75 independent software vendors ("ISVs") offering services integrated with our platform. These ISVs include Apigee, AppDynamics, Black Duck, Dynatrace, MongoDB, MuleSoft, New Relic, Redis Labs, Solace and Splunk, enabling enterprises to quickly realize additional benefits of our platform.

- ***Strategic Partners:*** We jointly market and sell our products and services with DellEMC and VMware and enjoy significant and mutually beneficial commercial and go-to-market relationships.

Key Metrics

We regularly review the following key metrics to measure performance, identify trends, formulate financial projections and help us monitor our business. While we believe that these metrics are useful in evaluating our business, other companies may not use similar metrics or may not calculate similarly-titled metrics in a consistent manner.

Subscription Customers

We believe that the number of our subscription customers is an important indicator of the growth of our business, our increased customer footprint and the market acceptance of our platform. We define the number of subscription customers as the organizations that have a subscription contract for our software resulting in at least $50,000 of annual revenue in that period. While we may enter into subscription agreements with multiple parties inside a larger organization, we count a customer as an addition to our subscription customers only if it represents a unique global ultimate parent. In the case of the U.S. government, we count U.S. government departments and major agencies as unique subscription customers. We view our total number of subscription customers as reflective of the number of sources of revenue to us and our growth and potential for future growth. We had 275 and 319 subscription customers at the end of fiscal 2017 and fiscal 2018, respectively. In fiscal 2018, we focused primarily on renewals and expansion of existing customer subscriptions, which resulted in fewer net additions relative to prior periods. However, with the recent launch of PCF v2.0, including the release of PKS, we intend to increase our focus on adding new customers. Our total number of subscription customers and the net additions in any period may continue to fluctuate as a result of several factors, including the focus of our sales force, customer satisfaction with the functionality, features, performance or pricing of our offering, consolidation of our customer base and other factors, a number of which are beyond our control. See "—Selected Quarterly Financial Data—Key Metrics" for more information.

Dollar-Based Net Expansion Rate

We believe that the dollar-based net expansion rate is an important measure of our business because it is an indicator of our subscription customers' expanded use of and demand for our platform and our ability to grow revenue and profitability. Our dollar-based net expansion rate compares our subscription revenue from a common group of customers across comparable periods. We calculate our dollar-based net expansion rate for all periods on a trailing four-quarter basis. To do so, we calculate our dollar-based net expansion rate as of each quarter end by starting with the subscription revenue from customers as of the prior year's same quarter (the "Prior Period Subscription Revenue"). We then calculate subscription revenue from these same customers as of the current quarter end (the "Current Period Subscription Revenue"). Finally, to assess net expansion level for common groups of customers over time, we divide the aggregate Current Period Subscription Revenue for the trailing four quarters by the aggregate Prior Period Subscription Revenue for the trailing four quarters resulting in our dollar-based expansion rate. We expect our dollar-based net expansion rate to remain a significant indicator of our business momentum and results of operations as existing customers realize the benefits of our software and expand their PCF subscriptions. Our dollar-based net expansion rate has fluctuated and we expect it to continue to fluctuate and decline over time as we scale our business and as a result of several factors, including the size of the transactions, the timing and terms of the deals and our customers' satisfaction with our offering. Our dollar-based net expansion rate was approximately 163% at the end of fiscal 2017 and 158% at the end of fiscal 2018. See "—Selected Quarterly Financial Data—Key Metrics" for more information.

Factors Affecting our Performance

Subscription Customers

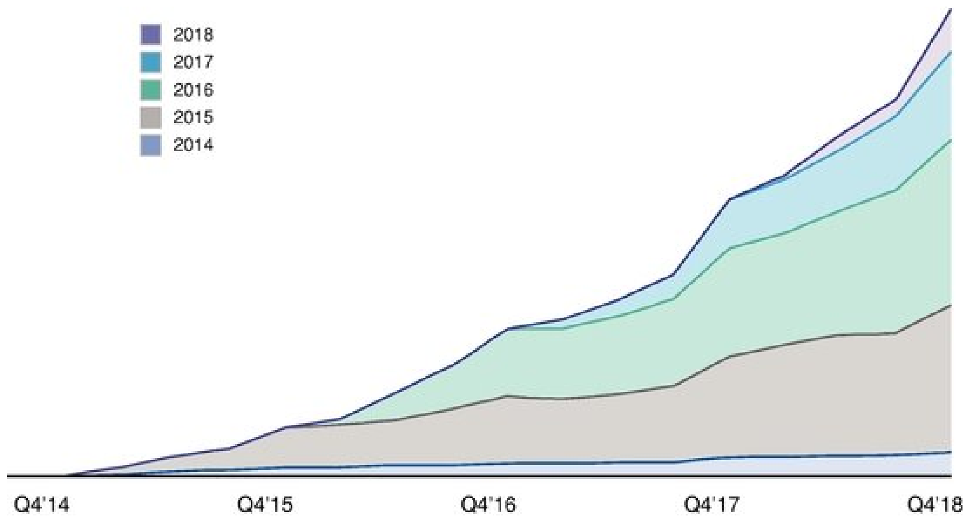
We are focused on continuing to attract new subscription customers. Since announcing PCF in November 2013, our subscription customer count has grown rapidly to 275 as of the end of fiscal 2017 and to 319 as of the end of fiscal 2018. Our business and results of operations will depend in part on our ability to continue to retain and add subscription customers.

Expansion within our Subscription Customer Base

We are focused on retaining our customers and expanding their usage of our platform. Our customers often start with smaller deployments in specific groups or departments and then expand their usage as they seek to deploy and manage more workloads on PCF. Our sales force, together with our partners, assists our customers in identifying and implementing these initiatives. Our business and results of operations will depend in part on our ability to drive higher customer usage of our platform.

Historical cumulative net expansion of customers' annual contracted subscription revenue is shown in the chart below. Each cohort represents the group of customers who first purchased subscriptions to our software in a given fiscal year.

Annual Contracted Subscription Revenue by Fiscal Year Customer Cohort



Labs Synergy

Labs is intended to help customers drive successful outcomes in their organizations using our platform as they learn our best practices in cloud-native software development and adapt them to their culture. We believe there is a positive correlation between Labs projects and the adoption and expansion of PCF subscriptions by our customers. Our business and results of operations will depend in part on our ability to leverage the synergies between these complementary offerings including through our strategy to enable our SI partners to deliver Labs-like services to our PCF customers.

Each PCF customer has unique attributes and varying levels of adoption of agile software development practices. We find that in aggregate those PCF customers that work with Labs expand their PCF annual contracted revenue at a greater rate than those customers who do not work with Labs. Our strategy is to leverage our strategic services, including Labs, to increase our customers' pace of innovation, usage of our platform and the number of workloads they deploy on PCF as they realize the benefits of our platform.

As one measure of this synergy between PCF and Labs, we periodically review the initial aggregated total annual contracted revenue for our subscription customers and compare it to the current aggregated annual contracted revenue. We compare the difference between this aggregate expansion rate of our PCF customer group who have used Labs versus the expansion rate of those who have not. This differential in expansion rates, or Labs synergy, was greater than 1.5x at the end of each of fiscal 2017 and fiscal 2018.

Mix of Subscription and Services Revenue

Our business model and primary focus is on selling subscriptions of PCF. We sell and deliver complementary strategic services designed to support and accelerate our customers' cloud-native transformation as they deploy, consume and expand their PCF use. Since announcing PCF in November 2013, we have rapidly grown our subscription customers to 275 as of the end of fiscal 2017 and 319 as of the end of fiscal 2018. Despite this rapid growth of our PCF subscriptions, services revenue exceeded our subscription revenue during fiscal 2016 and fiscal 2017. This trend was caused in part by our subscription revenue being recognized on a ratable basis over the subscription term while revenue for our complementary strategic services is recognized as delivered. Fiscal 2018 was the first year in which subscription revenue exceeded our services revenue. We are focused on subscription sales of our platform and expect that over time subscription revenue will become a larger percentage of our total revenue as customers continue to adopt PCF and as our SI partners ramp to directly deliver these services to our customers. As a result, our services revenue may continue to fluctuate; any services revenue growth is expected to be modest both in absolute dollars and relative to our subscription revenue growth. Our business and results of operations will depend in part on our ability to increase our subscription revenue as a percentage of our total revenue.

Investments in Growth

We have made and expect to continue to make substantial investments across our business. Specifically, we have increased our total employee base over time, and we intend to continue to invest in our business to take advantage of our market opportunity and to expand our sales capacity and further improve sales productivity to drive additional revenue and support the growth of our global customer base. Additionally, we continue to expend resources on the development and expansion of our partner ecosystem to supplement our sales and services resources and increase our reach in our target markets. We also expect to continue to make significant investments in research and development to expand our product and engineering teams to further develop our platform. We expect to incur increased general and administrative expenses to support our growth and operations as a public company. Our business and results of operations will depend in part on the effectiveness of these investments.

Components of Results of Operations

Revenue

Subscription

Subscription revenue is primarily derived from sales of PCF subscriptions. Our customers subscribe to use our software platform for a variety of workloads, such as applications, containers or other microservices. Subscriptions are offered typically for one- to three-year terms, and we recognize revenue from our subscriptions ratably over the subscriptions' term. We generally bill our customers annually in advance, although for our multi-year contracts, some customers pay the full contract amount in advance.

To a lesser extent, we generate revenue from certain historical software products sold on a perpetual license basis. Perpetual license revenue represented less than 10% of our total revenue in fiscal 2016 and was 2% or less of our total revenue in fiscal 2017 and fiscal 2018. We expect the percentage of perpetual license revenue to continue to decline as a percentage of total revenue. We generally recognize revenue from our perpetual licenses upon delivery, assuming all the other revenue recognition criteria are satisfied.

Services

Services revenue is primarily derived from Labs, as well as implementation and other professional services. To a decreasing extent, services revenue also includes revenue from maintenance and support associated with the perpetual licenses described above. Our services revenue may continue to fluctuate; any services revenue growth is expected to be modest both in absolute dollars and relative to subscription revenue.

Cost of Revenue

Subscription

Cost of subscription revenue consists primarily of personnel and related costs, consisting of salaries, benefits, bonuses and stock-based compensation ("personnel costs") directly associated with our customer support and allocated overhead costs. Additionally, cost of subscription revenue includes intangible asset and other asset amortization expense and certain third-party expenses such as cloud infrastructure costs and software and support fees. We expect our cost of subscription revenue to increase in absolute dollar amounts as we invest in our business.

Services

Cost of services revenue consists primarily of personnel costs directly associated with delivery of Labs, implementation and other professional services, costs of third-party contractors and allocated overhead costs. We expect our cost of services revenue to increase in absolute dollar amounts as we invest in our business.

Operating Expenses

Sales and Marketing

Sales and marketing expenses consist primarily of personnel costs as well as commissions. Other sales and marketing costs include travel and entertainment, promotional events (such as our SpringOne Platform Conference) and allocated overhead costs. We expect our sales and marketing expenses will increase in absolute dollar amounts as we hire additional sales and marketing personnel, increase our marketing activities and build brand awareness.

Research and Development

Research and development expenses consist primarily of personnel costs, cloud infrastructure costs related to our research and development efforts and allocated overhead costs. We expect our research and development expenses will increase in absolute dollar amounts as we expand our research and development team to develop new products and product enhancements.

General and Administrative

General and administrative expenses consist primarily of personnel costs and allocated overhead costs for our administrative, legal, information technology, human resources, finance and accounting employees and executives. Our general and administrative expenses also include professional fees, audit fees, tax services and legal fees, as well as insurance and other corporate expenses. We expect our general and administrative expenses will increase in absolute dollar amounts as we also expect to increase the size of our general and administrative function to support the growth of our business. We also anticipate that we will incur additional costs for employees and third-party consulting services related to preparation to become and operate as a public company.

Other (Expense) Income, Net

Other (expense) income, net primarily consists of gains and losses from transactions denominated in a currency other than the functional currency.

Benefit from (Provision for) Income Taxes

Benefit from (provision for) income taxes consists primarily of income taxes related to foreign and state jurisdictions in which we conduct business. We maintain a full valuation allowance on our federal and state deferred tax assets as we have concluded that it is not more likely than not that the deferred assets will be utilized.

Since fiscal 2014, our U.S. federal and state net operating losses and research credits and foreign tax credits have been fully applied against the consolidated U.S. federal and state tax returns of Dell EMC or Dell Technologies. This initial public offering is expected to cause us to no longer be included in the consolidated Dell Technologies U.S. federal and state tax returns. As a result, our federal net operating loss carryforwards will be eliminated and our state net operating loss carryforwards will be reduced. See Note 10 to our consolidated financial statements included elsewhere in this prospectus and "Risk Factors—Our net operating loss carryforwards and other tax assets are generally unavailable for our use" for further information.

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Results of Operations

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
	(in thousands)		
Consolidated Statements of Operations Data:			
Revenue:			
Subscription	$ 94,976	$ 149,995	$ 259,018
Services	185,898	266,272	250,418
Total revenue	280,874	416,267	509,436
Cost of revenue:			
Subscription	33,830	31,253	30,472
Services	153,509	203,096	197,922
Total cost of revenue	187,339	234,349	228,394
Gross profit	93,535	181,918	281,042
Operating expenses:			
Sales and marketing	187,292	194,322	221,187
Research and development	120,493	152,122	160,947
General and administrative	58,472	61,994	67,204
Total operating expenses	366,257	408,438	449,338
Loss from operations	(272,722)	(226,520)	(168,296)
Other (expense) income, net	(6,183)	(3,732)	2,145
Loss before benefit from (provision for) income taxes	(278,905)	(230,252)	(166,151)
Benefit from (provision for) income taxes	(3,767)	(2,614)	2,637
Net loss	$ (282,672)	$ (232,866)	$ (163,514)
Less: Net loss (income) attributable to non-controlling interest	126	329	(1)
Net loss attributable to Pivotal	$ (282,546)	$ (232,537)	$ (163,515)

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Percentage of Revenue Data:			
Revenue:			
Subscription	34%	36%	51%
Services	66	64	49
Total revenue	100	100	100
Cost of revenue:			
Subscription	12	7	6
Services	55	49	39
Total cost of revenue	67	56	45
Gross profit	33	44	55
Operating expenses:			
Sales and marketing	67	46	43
Research and development	43	37	32
General and administrative	21	15	13
Total operating expenses	131	98	88
Loss from operations	(98)	(54)	(33)
Other (expense) income, net	(2)	(1)	0
Loss before benefit from (provision for) income taxes	(100)	(55)	(33)
Benefit from (provision for) income taxes	(1)	(1)	1
Net loss	(101)	(56)	(32)
Less: Net loss (income) attributable to non-controlling interest	0	0	0
Net loss attributable to Pivotal	(101)%	(56)%	(32)%

Comparison of Fiscal 2016, Fiscal 2017 and Fiscal 2018

Revenue

	Fiscal Year Ended				
	January 29, 2016 Amount	February 3, 2017 Amount	February 2, 2018 Amount	2016 to 2017 % Change	2017 to 2018 % Change
	(dollars in thousands)				
Revenue:					
Subscription	$ 94,976	$ 149,995	$ 259,018	58%	73%
Services	185,898	266,272	250,418	43%	(6)%
Total revenues	$ 280,874	$ 416,267	$ 509,436	48%	22%

Year ended February 2, 2018 compared to year ended February 3, 2017. Total revenue increased by $93.2 million, or 22%, from $416.3 million in fiscal 2017 to $509.4 million in fiscal 2018. Subscription revenue increased by $109.0 million, or 73%, from $150.0 million in fiscal 2017 to $259.0 million in fiscal 2018. The increase in subscription revenue was primarily due to increased sales to existing subscription customers and the addition of 44 subscription customers in fiscal 2018. Of the 73% increase in subscription revenue from fiscal 2017 to fiscal 2018, more than 85% of the increase was attributable to existing customers, and most of the remaining growth was attributable to new customers. Services revenue decreased by $15.9 million, or 6%, from $266.3 million in fiscal 2017 to $250.4 million in fiscal 2018. The decrease in services revenue primarily reflects the decline of maintenance and support contracts associated with certain historical software products sold on a perpetual license basis. Revenue from maintenance and support contracts associated with historical software products sold on a perpetual license basis represented less than 10% and less than 5% of total revenue in fiscal 2017 and fiscal 2018, respectively, and is expected to represent a decreasing amount of revenue in future years. Excluding the impact from this maintenance and support, Labs and implementation services, in total, were relatively flat in fiscal 2018 compared to fiscal 2017, driven by a slight decrease in Labs, which was substantially offset by an increase in our implementation services.

Year ended February 3, 2017 compared to year ended January 29, 2016. Total revenue increased by $135.4 million, or 48%, from $280.9 million in fiscal 2016 to $416.3 million in fiscal 2017. Subscription revenue increased by $55.0 million, or 58%, from $95.0 million in fiscal 2016 to $150.0 million in fiscal 2017. The increase in subscription revenue was primarily due to increased sales to existing subscription customers and the addition of 95 subscription customers in fiscal 2017. Of the 58% increase in subscription revenue from fiscal 2016 to fiscal 2017, approximately 70% of the increase was attributable to existing customers, and most of the remaining growth was attributable to new customers. Services revenue increased by $80.4 million, or 43%, from $185.9 million in fiscal 2016 to $266.3 million in fiscal 2017. The increase in services revenue was driven by the expansion of our Labs organization and related engagements. To a lesser extent in absolute dollars, our services revenue increase was also driven by an increase in implementation services to onboard and enable our larger subscription customer base, partially offset by a decline of maintenance and support contracts associated with certain historical software products sold on a perpetual license basis as we focus primarily on the sale of subscriptions. Revenue from maintenance and support contracts associated with historical software products sold on a perpetual license basis represented approximately 16% and less than 10% of total revenue in fiscal 2016 and fiscal 2017, respectively.

Cost of Revenue

	Fiscal Year Ended				
	January 29, 2016	February 3, 2017	February 2, 2018	2016 to 2017	2017 to 2018
	Amount	Amount	Amount	% Change	% Change
	(dollars in thousands)				
Cost of revenue:					
Subscription	$ 33,830	$ 31,253	$ 30,472	(8)%	(2)%
Services	153,509	203,096	197,922	32%	(3)%
Total cost of revenue	$ 187,339	$ 234,349	$ 228,394	25%	(3)%
Gross margin:					
Subscription	64%	79%	88%		
Services	17%	24%	21%		
Total gross margin	33%	44%	55%		

Year ended February 2, 2018 compared to year ended February 3, 2017. Total cost of revenue decreased by $6.0 million, or 3%, from $234.3 million in fiscal 2017 to $228.4 million in fiscal 2018. Cost of subscription revenue remained relatively flat, decreasing by $0.8 million, or 2%, from $31.3 million in fiscal 2017 to $30.5 million in fiscal 2018. Cost of services revenue decreased by $5.2 million, or 3%, from $203.1 million in fiscal 2017 to $197.9 million in fiscal 2018. The decrease in cost of services revenue was primarily due to a decrease of $4.8 million in personnel costs consistent with the decrease in services revenue.

Year ended February 3, 2017 compared to year ended January 29, 2016. Total cost of revenue increased by $47.0 million, or 25%, from $187.3 million in fiscal 2016 to $234.3 million in fiscal 2017. Cost of subscription revenue decreased by $2.6 million, or 8%, from $33.8 million in fiscal 2016 to $31.3 million in fiscal 2017. The decrease in cost of subscription revenue was primarily due to a $10.7 million decrease in amortization expense for intangible and other assets as certain assets were fully amortized in fiscal 2016, partially offset by an increase of $8.1 million relating to cloud infrastructure cost and software and support fees as well as personnel costs to support the increase in subscription customers. Cost of services revenue increased by $49.6 million, or 32%, from $153.5 million in fiscal 2016 to $203.1 million in fiscal 2017. The increase in services costs was primarily due to an increase of $37.7 million in personnel costs to support new or existing customer contracts and $9.3 million in facilities costs to support our global expansion.

Operating Expenses

Sales and Marketing

	Fiscal Year Ended				
	January 29, 2016	February 3, 2017	February 2, 2018	2016 to 2017	2017 to 2018
	Amount	Amount	Amount	% Change	% Change
	(dollars in thousands)				
Sales and marketing	$ 187,292	$ 194,322	$ 221,187	4%	14%

Year ended February 2, 2018 compared to year ended February 3, 2017. Sales and marketing expense increased by $26.9 million, or 14%, from $194.3 million in fiscal 2017 to $221.2 million in fiscal 2018. The increase in sales and marketing expense was primarily due to an increase of $28.3 million in personnel costs and commissions, partially offset by lower amounts in other areas.

Year ended February 3, 2017 compared to year ended January 29, 2016. Sales and marketing expense increased by $7.0 million, or 4%, from $187.3 million in fiscal 2016 to $194.3 million in fiscal 2017. The increase in sales and marketing expense was primarily due to an increase of $6.3 million in personnel costs and commissions.

Research and Development

	Fiscal Year Ended				
	January 29, 2016 Amount	February 3, 2017 Amount	February 2, 2018 Amount	2016 to 2017 % Change	2017 to 2018 % Change
	(dollars in thousands)				
Research and development	$ 120,493	$ 152,122	$ 160,947	26%	6%

Year ended February 2, 2018 compared to year ended February 3, 2017. Research and development expense increased by $8.8 million, or 6%, from $152.1 million in fiscal 2017 to $160.9 million in fiscal 2018. The increase in research and development expense was primarily due to an increase of $5.7 million in cloud infrastructure costs and $2.5 million in personnel costs as we continued to increase our research and development efforts.

Year ended February 3, 2017 compared to year ended January 29, 2016. Research and development expense increased by $31.6 million, or 26%, from $120.5 million in fiscal 2016 to $152.1 million in fiscal 2017. The increase in research and development expense was primarily due to an increase of $20.9 million in personnel costs, as we increased our development efforts and $7.8 million in cloud infrastructure costs related to our research and development efforts.

General and Administrative

	Fiscal Year Ended				
	January 29, 2016 Amount	February 3, 2017 Amount	February 2, 2018 Amount	2016 to 2017 % Change	2017 to 2018 % Change
	(dollars in thousands)				
General and administrative	$ 58,472	$ 61,994	$ 67,204	6%	8%

Year ended February 2, 2018 compared to year ended February 3, 2017. General and administrative expense increased by $5.2 million, or 8%, from $62.0 million in fiscal 2017 to $67.2 million in fiscal 2018. The increase in general and administrative expense was primarily due to an increase of $5.4 million in personnel costs, partially offset by lower amounts in other areas.

Year ended February 3, 2017 compared to year ended January 29, 2016. General and administrative expense increased by $3.5 million, or 6%, from $58.5 million in fiscal 2016 to $62.0 million in fiscal 2017. The increase in general and administrative expense was primarily due to an increase of $2.2 million in personnel costs.

Other Expense (Income), Net

	Fiscal Year Ended				
	January 29, 2016 Amount	February 3, 2017 Amount	February 2, 2018 Amount	2016 to 2017 % Change	2017 to 2018 % Change
	(dollars in thousands)				
Other expense (income), net	$ 6,183	$ 3,732	$ (2,145)	(40)%	(157)%

Year ended February 2, 2018 compared to year ended February 3, 2017. Other expense (income), net changed by $5.8 million, or 157%, from other expense of $3.7 million in fiscal 2017 to other income of $2.1 million in fiscal 2018. The other income generated in fiscal 2018 was primarily due to foreign currency gains in our foreign operations related to the appreciation of the British Pound.

Year ended February 3, 2017 compared to year ended January 29, 2016. Other expense, net decreased by $2.5 million, or 40%, from $6.2 million in fiscal 2016 to $3.7 million in fiscal 2017. The decrease in other expense was primarily due to certain foreign currency losses in Canada in fiscal 2016 that did not recur in fiscal 2017.

Benefit from (Provision for) Income Taxes

	Fiscal Year Ended				
	January 29, 2016 Amount	February 3, 2017 Amount	February 2, 2018 Amount	2016 to 2017 % Change	2017 to 2018 % Change
Benefit from (provision for) income taxes	$ (3,767)	$ (2,614)	$ 2,637	31%	201%

Year ended February 2, 2018 compared to year ended February 3, 2017. In fiscal 2018, we recorded a benefit from income taxes of $2.6 million. In fiscal 2017, we recorded a provision for income taxes of $2.6 million. The fiscal 2018 income tax benefit was primarily due to the release of a valuation allowance of $7.4 million under the provisions of the Tax Cuts and Jobs Act of 2017 (the "TCJA" or "Tax Reform") partially offset by foreign taxes recorded in our profitable jurisdictions. See Note 2 and Note 10 to our consolidated financial statements included elsewhere in this prospectus for more information. The tax provision recorded in fiscal 2017 was primarily due to the net tax expense of the federal valuation allowance and foreign taxes due in profitable jurisdictions.

Year ended February 3, 2017 compared to year ended January 29, 2016. The provision for income taxes decreased by $1.2 million, or 31%, from $3.7 million in fiscal 2016 to $2.6 million in fiscal 2017. This decrease was primarily due to a decrease in taxable income in certain foreign locations.

Selected Quarterly Financial Data

The following tables set forth selected unaudited quarterly consolidated statements of operations data for each of the eight quarters in the period ended February 2, 2018. The information for each of these quarters has been prepared on the same basis as the audited annual consolidated financial statements included elsewhere in this prospectus and, in the opinion of management, includes all adjustments, which includes only normal recurring adjustments, necessary for the fair statement of the results of operations for these periods in accordance with generally accepted accounting principles in the United States. This data should be read in conjunction with our audited consolidated financial statements and related notes included elsewhere in this prospectus. These quarterly operating results are not necessarily indicative of our operating results for a full year or any future period.

Quarterly Results of Operations

	Three months ended							
	April 29, 2016	July 29, 2016	October 28, 2016	February 3, 2017	May 5, 2017	August 4, 2017	November 3, 2017	February 2, 2018
	(in thousands)							
Revenue:								
Subscription	$ 29,094	$ 35,535	$ 37,939	$ 47,427	$ 53,423	$ 64,566	$ 66,050	$ 74,979
Services	59,086	69,708	72,207	65,271	67,787	61,444	62,922	58,265
Total revenue	88,180	105,243	110,146	112,698	121,210	126,010	128,972	133,244
Cost of revenue:								
Subscription (1)(2)	7,047	7,317	8,267	8,622	7,498	7,618	7,627	7,729
Services (1)	50,294	48,614	52,023	52,165	51,535	48,726	47,875	49,786
Total cost of revenue	57,341	55,931	60,290	60,787	59,033	56,344	55,502	57,515
Gross profit	30,839	49,312	49,856	51,911	62,177	69,666	73,470	75,729
Operating expenses:								
Sales and marketing (1)(2)	47,904	48,420	49,113	48,885	52,157	52,875	54,295	61,860
Research and development (1)	36,235	38,514	39,555	37,818	40,018	39,661	40,232	41,036
General and administrative (1)(2)	13,413	12,203	15,603	20,775	18,413	15,364	15,405	18,022
Total operating expenses	97,552	99,137	104,271	107,478	110,588	107,900	109,932	120,918
Loss from operations	(66,713)	(49,825)	(54,415)	(55,567)	(48,411)	(38,234)	(36,462)	(45,189)
Other income (expense), net	2,393	(2,957)	(3,090)	(78)	721	1,910	(2,101)	1,615
Loss before benefit from (provision for) income taxes	(64,320)	(52,782)	(57,505)	(55,645)	(47,690)	(36,324)	(38,563)	(43,574)
Benefit from (provision for) income taxes	(139)	(261)	(2,247)	33	(3,654)	822	(786)	6,255
Net loss	(64,459)	(53,043)	(59,752)	(55,612)	(51,344)	(35,502)	(39,349)	(37,319)
Less: Net loss (income) attributable to non-controlling interest	147	66	31	85	(202)	118	0	83
Net loss attributable to Pivotal	$ (64,312)	$ (52,977)	$ (59,721)	$ (55,527)	$ (51,546)	$ (35,384)	$ (39,349)	$ (37,236)

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

	Three months ended							
	April 29, 2016	July 29, 2016	October 28, 2016	February 3, 2017	May 5, 2017	August 4, 2017	November 3, 2017	February 2, 2018
	(in thousands)							
Cost of revenue—subscription	$ 245	$ 296	$ 435	$ 298	$ 93	$ 87	$ 162	$ 178
Cost of revenue—services	1,568	1,334	2,119	1,163	1,319	1,186	2,055	1,988
Sales and marketing	1,789	1,741	2,636	1,805	1,655	1,697	2,574	2,693
Research and development	1,922	1,630	2,248	1,490	1,712	1,372	2,355	2,394
General and administrative	1,311	1,348	2,151	1,322	1,228	1,060	1,379	1,442
Total stock-based compensation expense	$ 6,835	$ 6,349	$ 9,589	$ 6,078	$ 6,007	$ 5,402	$ 8,525	$ 8,695

(2) Includes intangible asset amortization expense from our formation and subsequent business acquisitions as follows:

	Three months ended							
	April 29, 2016	July 29, 2016	October 28, 2016	February 3, 2017	May 5, 2017	August 4, 2017	November 3, 2017	February 2, 2018
	(in thousands)							
Cost of revenue—subscription	$ 2,281	$ 2,270	$ 2,270	$ 2,130	$ 1,300	$ 1,318	$ 1,318	$ 977
Sales and marketing	1,308	1,277	1,278	1,248	1,237	1,232	1,232	1,110
General and administrative	389	389	389	387	351	359	359	368
Total intangible asset amortization expense	$ 3,978	$ 3,936	$ 3,937	$ 3,765	$ 2,888	$ 2,909	$ 2,909	$ 2,455

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

	Three months ended							
	April 29, 2016	July 29, 2016	October 28, 2016	February 3, 2017	May 5, 2017	August 4, 2017	November 3, 2017	February 2, 2018
	(in thousands)							
Revenue:								
Subscription	33 %	34 %	34 %	42 %	44 %	51 %	51 %	56 %
Services	67	66	66	58	56	49	49	44
Total revenue	100	100	100	100	100	100	100	100
Cost of revenue:								
Subscription	8	7	8	8	6	6	6	6
Services	57	46	47	46	43	39	37	37
Total cost of revenue	65	53	55	54	49	45	43	43
Gross profit	35	47	45	46	51	55	57	57
Operating expenses:								
Sales and marketing	55	45	44	43	43	42	42	46
Research and development	41	37	36	34	33	31	31	31
General and administrative	15	12	14	18	15	12	12	14
Total operating expenses	111	94	94	95	91	85	85	91
Loss from operations	(76)	(47)	(49)	(49)	(40)	(30)	(28)	(34)
Other income (expense), net	3	(3)	(3)	0	1	1	(2)	1
Loss before benefit from (provision for) income taxes	(73)	(50)	(52)	(49)	(39)	(29)	(30)	(33)
Benefit from (provision for) income taxes	0	0	(2)	0	(3)	1	(1)	5
Net loss	(73)	(50)	(54)	(49)	(42)	(28)	(31)	(28)
Less: Net loss (income) attributable to non-controlling interest	0	0	0	0	(1)	0	0	0
Net loss attributable to Pivotal	(73)%	(50)%	(54)%	(49)%	(43)%	(28)%	(31)%	(28)%

Key Metrics	Three months ended April 29, 2016	July 29, 2016	October 28, 2016	February 3, 2017	May 5, 2017	August 4, 2017	November 3, 2017	February 2, 2018
Subscription customers	212	231	249	275	282	297	314	319
Dollar-based net expansion rate	139 %	144 %	152 %	163 %	164 %	168 %	165 %	158 %

Quarterly Results and Key Metrics

The quarterly financial information for fiscal 2017 is presented on a fiscal year basis, although the company was managed, and the quarters closed, on a calendar basis. Therefore, certain financial trends may appear differently than they would have if the presentation was on a calendar basis. In fiscal 2018, the quarters were managed on a fiscal year basis and therefore the presentation is consistent with how the company was operated during that period. The historical quarterly financial results are not necessarily indicative of future results and should be read in conjunction with our annual financial statement and related notes, particularly with respect to our fiscal year transition and ASC 606 adoption.

Quarterly Revenue Trends

Our quarterly subscription revenue increased sequentially in each of the periods presented due primarily to the expansion of our existing customer subscription footprint and in part due to an increase in the number of new customers. Our services revenue has fluctuated period to period due in part to seasonality in the delivery of services, the timing of services engagements and declining amounts of maintenance support revenue associated with declining legacy perpetual licenses, as we have increasingly focused on the sale of subscriptions of our platform.

Quarterly Cost of Revenue and Gross Profit Trend

Our quarterly gross profit has generally increased as the mix of our revenue has shifted toward higher margin subscription revenue.

Quarterly Operating Expense Trends

Total costs and expenses generally increased sequentially for the fiscal quarters presented, primarily due to the addition of personnel and related costs in connection with the expansion of our business. Sales and marketing expenses generally grew over the periods as we hired additional personnel and amortized more commission expense associated with our multi-year subscription agreements. In the third and fourth quarters of fiscal 2018, sales and marketing costs included the cost of our user conference and sales kickoff, respectively. Research and development generally grew over the periods presented, primarily due to incremental PCF product and engineering hires and cloud infrastructure expense to support development of our platform. General and administrative costs fluctuated period to period as a result of investments to support the growth of our business, including a transition to new enterprise resource planning and human capital management systems.

Quarterly Income Tax Trends

The quarterly tax provisions for fiscal 2017 and fiscal 2018 were primarily driven by foreign taxes due in profitable jurisdictions. The quarterly expense fluctuated primarily due to variability in our services profitability in total and among tax jurisdictions with differing tax rates. The benefit recorded in the fourth quarter of 2018 was primarily due to a $7.4 million release of valuation allowance due to Tax Reform.

Quarterly Non-GAAP Financial Information

See "Selected Consolidated Financial Data—Non-GAAP Financial Information" for more information about the following non-GAAP financial measures.

Non-GAAP Gross Profit and Non-GAAP Gross Margin

	Three months ended							
	April 29, 2016	July 29, 2016	October 28, 2016	February 3, 2017	May 5, 2017	August 4, 2017	November 3, 2017	February 2, 2018
	(amounts in thousands)							
Gross profit	$ 30,839	$ 49,312	$ 49,856	$ 51,911	$ 62,177	$ 69,666	$ 73,470	$ 75,729
Add:								
Stock-based compensation expense included in cost of revenue	1,813	1,630	2,554	1,461	1,412	1,273	2,217	2,166
Intangible asset amortization expense included in cost of revenue	2,281	2,270	2,270	2,130	1,300	1,318	1,318	977
Non-GAAP gross profit	$ 34,933	$ 53,212	$ 54,680	$ 55,502	$ 64,889	$ 72,257	$ 77,005	$ 78,872
Gross margin	35%	47%	45%	46%	51%	55%	57%	57%
Non-GAAP gross margin	40%	51%	50%	49%	54%	57%	60%	59%

Non-GAAP Operating Loss

	Three months ended							
	April 29, 2016	July 29, 2016	October 28, 2016	February 3, 2017	May 5, 2017	August 4, 2017	November 3, 2017	February 2, 2018
	(in thousands)							
Operating loss	$ (66,713)	$ (49,825)	$ (54,415)	$ (55,567)	$ (48,411)	$ (38,234)	$ (36,462)	$ (45,189)
Add:								
Stock-based compensation expense	6,835	6,349	9,589	6,078	6,007	5,402	8,525	8,695
Intangible asset amortization expense	3,978	3,936	3,937	3,765	2,888	2,909	2,909	2,455
Non-GAAP operating loss	$ (55,900)	$ (39,540)	$ (40,889)	$ (45,724)	$ (39,516)	$ (29,923)	$ (25,028)	$ (34,039)

Liquidity and Capital Resources

Overview

We had cash and cash equivalents of $73.0 million as of the end of fiscal 2018. We have historically funded our operations through equity financings and the accumulation of a net payable due to DellEMC and its subsequent conversion into convertible preferred stock in May 2016. See Note 15 to our consolidated financial statements included elsewhere in this prospectus. We believe that the net proceeds raised in this offering, our cash on hand, our accounts receivable and our loan facility will provide us with sufficient liquidity to fund our business and meet our obligations for at least the next 12 months. Our future capital requirements will depend on many factors, including our rate of revenue growth, billing terms of our subscription contracts, timing of collection of accounts receivable, the rate of expansion of our workforce, the timing and extent of our expansion into new markets, the timing of introductions of new functionality and enhancements to our platform and the continuing market acceptance of our platform, as well as general economic and market conditions. We may need to raise additional capital or incur indebtedness to continue to fund our operations in the future or to fund our needs for other strategic initiatives, such as acquisitions.

Our cash and cash equivalents and accounts receivable, net were as follows:

	February 3, 2017	February 2, 2018
Cash and cash equivalents	$ 133,873	$ 73,012
Accounts receivable, net	$ 145,372	$ 210,677

We generally bill our customers annually in advance, although for our multi-year contracts, some customers pay the full contract amount in advance. Our accounts receivable was $145.4 million as of February 3, 2017 compared to $210.7 million at February 2, 2018. The increase in accounts receivable was driven by our increase in subscription sales year-over-year.

We regularly monitor our accounts receivable for collectability. As of February 3, 2017 and February 2, 2018, our allowance for doubtful accounts was $4.1 million and $3.3 million, respectively.

Revolving Credit Facility

In September 2017, we entered into a credit agreement and a related security agreement with Silicon Valley Bank, as administrative agent, and other banks named therein that provide for a senior secured revolving credit facility in an aggregate principal amount not to exceed $100.0 million (the "Revolving Facility"). We may also request from time to time, subject to certain conditions, increases in the commitments under the Revolving Facility in an aggregate amount of up to $50.0 million on the same maturity, pricing and other terms applicable to the then-existing commitments under the Revolving Facility. There can be no assurance that such increases will be available. Borrowings under the Revolving Facility are secured by our tangible assets. Our borrowing capacity under the Revolving Facility is based on our subscription revenue. The Revolving Facility has a maturity date of September 8, 2020. We had $25.0 million in outstanding loans under the Revolving Facility as of March 23, 2018.

Any borrowings under the Revolving Facility may be drawn, at our option, as Eurodollar or Alternate Base Rate ("ABR") loans. ABR loans bear interest at a rate equal to the greatest of (i) the prime rate, (ii) the federal funds rate plus 0.50% and (iii) 3.00%, in each case plus a margin ranging from 0% to 0.50%. Eurodollar loans bear interest at a rate equal to an adjusted LIBOR rate plus a margin ranging from 3.00% to 3.50%. The margins on outstanding borrowings are determined based on our average daily usage of the Revolving Facility. We are also obligated to pay other customary fees for a credit facility of this type, including an unused commitment fee and fees associated with letters of credit.

We have the option to repay any borrowings under the Revolving Facility prior to maturity without penalty. The Revolving Facility contains customary representations and warranties and requires us to comply with certain covenants, including financial covenants relating to our operating performance and liquidity. We were in compliance with these covenants as of the date of this prospectus.

Cash Flows

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
		(in thousands)	
Net cash provided by (used in):			
Operating activities	$ 29,190	$ (166,351)	$ (116,491)
Investing activities	$ (33,556)	$ (28,916)	$ (12,877)
Financing activities	$ 9,436	$ 258,276	$ 71,446

Operating Activities. Cash provided by operating activities was $29.2 million in fiscal 2016 and cash used in operating activities was $166.4 million and $116.5 million during fiscal 2017 and fiscal 2018, respectively. The decline in operating cash flows from fiscal 2016 to fiscal 2017 was primarily due to a reduction in the net payable due to DellEMC as described in Note 15 to our consolidated financial statements included elsewhere in this prospectus and increases in accounts receivable and deferred revenue balances as our business continued to grow, offset by an increase in Due to Parent as described in Note 15 to our consolidated financial statements included elsewhere in this prospectus and a decrease in our net loss. Commencing in the fiscal year ended January 30, 2015, as a means to improve our cash flows, we curtailed the settlement of domestic receivables and payables to DellEMC and agreed with DellEMC that the amounts payable to and due from DellEMC could be settled on a net basis. As of January 29, 2016, the net payable of $398.4 million due to DellEMC was comprised of $587.1 million of amounts payable to DellEMC, offset by $188.7 million of amounts due from DellEMC. In fiscal 2017, $400.0 million of the net payable due to DellEMC was settled through the issuance of preferred stock in connection with our Series C-1 financing, with the remainder of the net payable due to DellEMC balance settled on a cash basis. All subsequent payment activities are recorded as Due to Parent on the consolidated balance sheet and have generally been settled on a quarterly basis. The decrease in operating cash used in fiscal 2018 is primarily attributable to a decrease in our net loss.

Investing Activities. Cash used in investing activities was $33.6 million, $28.9 million and $12.9 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively. For the periods presented, investing activities consisted of capital expenditures for property, plant and equipment of $12.3 million, $19.5 million and $12.9 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively, to support facility infrastructure. In fiscal 2016, our investing activities were primarily impacted by acquisitions of businesses totaling $21.2 million. In addition, fiscal 2017 included investments in new and upgraded back office systems, including enterprise resource planning and human capital management systems, to facilitate our growth.

Financing Activities. Cash provided by financing activities was $9.4 million, $258.3 million and $71.4 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively. Cash flows from financing activities for fiscal 2016 primarily consisted of the proceeds from the issuance of common stock through exercises of stock options of approximately $8.3 million. Cash flows from financing activities for fiscal 2017 were primarily due to the $252.5 million in net cash proceeds from the issuance of our Series C and C-1 convertible preferred stock. Financing activities for fiscal 2018 primarily consisted of $36.1 million paid to us by Dell Technologies under the tax sharing agreement, in addition to $18.8 million of borrowings from the Revolving Facility, net of debt issuance costs.

Commitments and Contractual Obligations

The following table summarizes our commitments to settle contractual obligations as of February 2, 2018.

	Payments Due by Period				
	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years	Total
Operating lease obligations (1)	$ 21,460	$ 38,499	$ 30,205	$ 58,471	$ 148,635
Purchase obligations (2)	49,297	520	—	—	49,817
Revolving Facility	—	20,000	—	—	20,000
Total contractual obligations	$ 70,757	$ 59,019	$ 30,205	$ 58,471	$ 218,452

(1) Represents minimum operating lease payments under operating leases for office facilities, excluding potential lease renewals. The amounts in the table are net of expected sublease income.

(2) Represents future minimum payments under non-cancelable purchase commitments. For those agreements with variable terms, we do not estimate what the total obligation may be beyond any minimum quantities and/or pricing.

The commitment amounts in the table above are associated with contracts that are enforceable and legally binding and that specify all significant terms, including fixed or minimum services to be used, fixed, minimum or variable price provisions, and the approximate timing of the actions under the contracts. The table does not include obligations under agreements that we can cancel without a significant penalty.

For information about operating leases and purchase obligations, see Note 16 to our consolidated financial statements included elsewhere in this prospectus.

Backlog

We define backlog to consist of future amounts that have not been invoiced under our agreements and amounts that have been invoiced and reflected as deferred revenue on our consolidated financial statements. As of February 3, 2017 and February 2, 2018, we had backlog of approximately $475 million and $820 million, respectively. We expect to recognize approximately 50% of these amounts as subscription or services revenue over the next 12 months and the remainder thereafter. We expect backlog will change from period to period for several reasons, including the timing and duration of customer subscription and services agreements, varying invoice cycles of subscription agreements and the timing of customer renewals.

Off-Balance Sheet Arrangements

As of February 2, 2018, we were not subject to any obligations pursuant to any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K, or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes, that have or are reasonably likely to have a material effect on our financial condition, results of operations or liquidity.

Critical Accounting Policies and Estimates

We prepare our financial statements in conformity with generally accepted accounting principles in the United States ("GAAP"). The preparation of financial statements in accordance with GAAP requires certain estimates, assumptions and judgments to be made that may affect our consolidated financial statements. Accounting policies that have a significant impact on our results are described in Note 2 to our consolidated financial statements included elsewhere in this prospectus. The accounting policies discussed in this section are those that we consider to be the most critical. We consider an accounting policy to be critical if the policy is subject to a material level of judgment and if changes in those judgments are reasonably likely to materially impact our results.

Revenue Recognition

We elected to early adopt Accounting Standards Codification Topic 606, *Revenue From Contracts With Customers* ("ASC 606"), effective February 4, 2017, using the full retrospective transition method. Under this method, the consolidated financial statements for fiscal 2016 and fiscal 2017 are presented as if ASC 606 had been effective for those periods. We applied ASC 606 using a practical expedient where the transaction price allocated to the remaining performance obligations and an explanation of when we expect to recognize that amount as revenue for all reporting periods presented before the date of the initial application is not disclosed.

In accordance with ASC 606, revenue is recognized when a customer obtains control of promised services, consisting of subscriptions of our software platform, professional services and historical software products sold on a perpetual license basis. The amount of revenue recognized reflects the consideration that we expect to be entitled to receive in exchange for these services. We apply the following five steps to recognize revenue:

1) *Identify the contract with a customer.* We consider the terms and conditions of our contracts to identify contracts under ASC 606. We consider that we have a contract with a customer when the contract is approved, we can identify each party's rights regarding the services to be transferred, we can identify the payment terms for the services, we have determined the customer has the ability and intent to pay and the contract has commercial substance. We use judgment in determining the customer's ability and intent to pay, which is based upon factors including the customer's historical payment experience or, for new customers, credit and financial information pertaining to the customers.

2) *Identify the performance obligations in the contract .* Performance obligations in our contracts are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from us, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract. Our performance obligations consist of (i) subscriptions consisting of (a) licenses, (b) post contract support ("PCS"), which includes real-time support and online access to documentation, technical resources and discussion forums, and (c) rights to continued delivery of unspecified upgrades, major releases and patches, (ii) professional services and (iii) other software offerings consisting of licenses and maintenance.

3) *Determine the transaction price.* We determine transaction price based on the consideration to which we expect to be entitled in exchange for transferring services to the customer. In determining the transaction price, any variable consideration would be considered, to the extent applicable, if, in our judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. None of our contracts contain a significant financing component.

4) *Allocate the transaction price to performance obligations in the contract.* If the contract contains a single performance obligation, the entire transaction price is allocated to that performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price ("SSP"). The transaction price in our subscription offering is allocated to the performance obligations that are rendered over time.

5) *Recognize revenue when or as we satisfy a performance obligation.* Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised services to a customer. We recognize revenue when we transfer control of the services to our customers for an amount that reflects the consideration that we expect to receive in exchange for those services. All revenue is generated from contracts with customers. For subscription arrangements, we also provide PCS and continuous unspecified upgrades, major releases and patches over the course of the subscription term, and services are therefore delivered over the life of the contract.

Subscription

We generate revenue from subscription sales of our software platform. The subscription offering provides customers with a term-based license to our platform, which includes, among other items, open-source software, support, security updates, enhancements, upgrades and compatibility to certified systems, all of which are offered on an if and when available basis. The fixed consideration related to subscription revenue is recognized ratably over the contract term beginning on the date that our platform is made available to the customer.

The typical subscription term is one to three years. Our contracts are non-cancelable over the contract term. Customers have the right to terminate their contracts generally only if we breach the contract and we fail to remedy the breach in accordance with the contractual terms.

Subscription revenue also includes certain historical software products that are sold on a perpetual license basis. Software revenue is recognized when the product is delivered to the customer. The risk of loss transfers and acceptance of the software license occurs when the license is made available for download.

Services

Services revenue is primarily derived from Labs, as well as implementation and other services. To a lesser extent, services revenue also includes revenue from maintenance and support from perpetual licenses associated with our legacy data and application products. Labs, implementation and other services revenue are provided on a time and materials basis and recognized over time as services are delivered. Maintenance revenue related to legacy software licenses is recognized ratably over the term as the obligation to the customer is fulfilled.

Contracts with Multiple Performance Obligations

Most of our contracts with customers contain multiple promised services consisting of (i) our subscriptions and (ii) our services that are distinct and accounted for separately. The transaction price is allocated to the separate performance obligations on a relative SSP basis. We determine SSP based on our overall pricing and discounting objectives, taking into consideration the geographical region of the customer, type of offering, and value of contracts for the type of subscription and services sold.

Variable Consideration

Revenue from sales is recorded at the net sales price, which is the transaction price, and includes estimates of variable consideration. The amount of variable consideration that is included in the transaction price is constrained, and is included in the net sales price only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue will not occur when the uncertainty is resolved.

We provide support to our customers on an ongoing basis throughout the subscription term. Fees paid for support are non-refundable. Customers must deploy the then-current major release of our software to receive support. We do not offer refunds, rebates or credits to our customers in the normal course of business. The impact of other forms of variable consideration has not been material.

Sales through Agency Arrangements with Strategic Partners

We have separate agency arrangements with DellEMC and VMware where we market and jointly sell our subscriptions and related services to customers. Based on these agency agreements, DellEMC and VMware invoice our customers and collect invoiced amounts on our behalf. We bear the collectability risk if customers default on payments. No partners, other than DellEMC and VMware, are parties to our contractual arrangements with our customers.

Deferred Revenue

Contract liabilities consist of deferred revenue and include payments received in advance of performance under the contract. Such amounts are recognized as revenue over the contractual period.

We receive payments from customers based upon contractual billing schedules; accounts receivable are recorded when the right to consideration becomes unconditional. We generally bill our customers annually in advance, although for our multi-year contracts, some customers prefer to pay the full multi-year contract amount in advance. Payment terms on invoiced amounts are typically 30 to 90 days. Contract assets include amounts related to our contractual right to consideration for both completed and partially completed performance obligations that may not have been invoiced; such amounts have been insignificant to date.

Costs to Obtain and Fulfill a Contract

We capitalize sales commissions and agency fees that are incremental to the acquisition of all contracts with customers. These costs are recorded as deferred sales commissions on the consolidated balance sheets. We determine whether costs should be deferred based on our sales compensation plans and agency agreements when the costs are in fact incremental and would not have occurred absent the customer contract. The deferred commission amounts are recoverable through the future revenue streams under the non-cancelable customer contracts.

Commissions paid upon the acquisition of an initial contract and any subsequent renewals are amortized over an estimated period of benefit which has been determined to be the contract term for subscription arrangements and expected service delivery period for professional services. A longer amortization period is not applied as the commission rates paid on initial and renewal sales are commensurate. Amortization is recognized on a straight-line basis and included in sales and marketing expense in the consolidated statements of operations. We periodically review these deferred costs to determine whether events or changes in circumstances have occurred that could impact the period of benefit of these deferred sales commissions.

Intangible Assets and Goodwill

Intangible assets include developed technology, trademarks and trade names, customer relationships and customer lists and non-competition agreements. Intangible assets are amortized based on either the pattern in which the economic benefits of the intangible assets are estimated to be realized or on a straight-line basis, which approximates the economic benefit pattern.

Finite-lived intangible assets are reviewed for impairment on a quarterly basis. When events or changes indicate the carrying amount of an asset may not be recoverable, recoverability of these assets is measured by comparison of their carrying amount to future undiscounted cash flows to be generated. If impairment is indicated based on a comparison of the assets' carrying values and the undiscounted cash flows, the impairment loss is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets.

Goodwill includes goodwill generated by our acquisitions of businesses as well as goodwill related to our formation. Goodwill is not amortized and is carried at its historical cost. Goodwill is tested for impairment on an annual basis in the fourth fiscal quarter, or sooner if an indicator of impairment occurs. To determine whether goodwill is impaired, we first assess certain qualitative factors. Based on this assessment, if it is determined more likely than not that the fair value of a reporting unit is less than its carrying amount, we perform the quantitative analysis of the goodwill impairment test. For the quantitative analysis, we compare the fair value of our reporting units to their carrying values. If the estimated fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. However, if the fair value of the reporting unit is less than book value, then under the second step the carrying amount of the goodwill is compared to its implied fair value.

Stock-Based Compensation

Our stock-based compensation includes awards related to Pivotal stock and awards previously granted by DellEMC and VMware to certain employees who transferred to Pivotal at our formation and during subsequent years. These Pivotal employees have been allowed to retain and vest in their historical DellEMC or VMware awards, in each case, so long as they remain employed by Pivotal and such awards are outstanding. Awards granted by DellEMC are no longer outstanding as the vesting of these awards was automatically accelerated on the last trading day prior to the effective date of Dell Technologies' acquisition of DellEMC. Compensation expense related to stock-based transactions is measured and recognized in the financial statements based on fair value. In general, the fair value of each option award is estimated on the grant date using the Black-Scholes option-pricing model and a single option award approach. This model requires that at the date of grant we determine the fair value of the underlying common stock, the expected term of the award, the expected volatility, risk-free interest rates and expected dividend yield. The stock-based compensation expense, net of forfeitures, is recognized using a straight-line basis over the requisite service periods of the awards, which is generally four years. We estimated a forfeiture rate, based on an analysis of actual historical forfeitures, to calculate stock-based compensation expense.

Common Stock Valuations

Our board of directors determined the fair value of the common stock underlying our share-based awards for Pivotal stock with input from management and contemporaneous third-party independent valuations.

Given the absence of a public trading market for our common stock, and in accordance with the American Institute of Certified Public Accountants Practice Guide, Valuation of Privately-Held-Company Equity Securities Issued as Compensation ("AICPA Guide"), our board of directors in its judgment considered numerous objective and subjective factors to determine the best estimate of the fair value of our common stock including:

- contemporaneous valuations performed at periodic intervals by a third-party independent valuation firm;
- rights, preferences and privileges of our convertible preferred stock relative to those of our common stock;
- our actual and expected operating and financial performance;
- pricing and timing of transactions in our equity;
- likelihood of achieving a liquidity event, such as an initial public offering;
- market multiples of comparable companies in our industry;
- stage of development;
- industry information such as market size and growth;
- illiquidity of share-based awards involving securities in a private company; and
- macroeconomic conditions.

In valuing our common stock, we determined the equity value of our company using both the income and the market approach valuation methods. The income approach estimates value based on the expectation of future cash flows that a company will generate. These future cash flows are discounted to their present values using a discount rate applicable to a company at our stage of maturity and adjusted to reflect the risks inherent in our cash flows. The market approach estimates value based on a comparison of the subject company to comparable public companies in a similar line of business. From the comparable companies, a representative market value multiple is determined and then applied to the subject company's financial results to estimate the value of the subject company.

Our board of directors' assessments of the fair value of common stock for grant dates between the dates of the valuations were based in part on the current available financial and operational information and the common stock value provided in the most recent third-party valuation reports as compared to the timing of each grant. For financial reporting purposes, we considered the amount of time between the valuation date and the grant date to determine whether to use the latest common stock valuation. This determination included an evaluation of whether the subsequent valuation indicated that any significant change in valuation had occurred between the previous valuation and the grant date.

We have used the Probability Weighted Expected Return Method ("PWERM") to determine the fair value of our common stock. Under PWERM, several valuation approaches were used and then combined into a single probability weighted valuation. The approaches included the use of initial public offering scenarios, a scenario assuming continued operation as a private entity and a scenario assuming dissolution of the company.

Application of these approaches involves the use of estimates, judgment and assumptions that are highly complex and subjective, such as those regarding our expected future revenue, expenses and future cash flows, discount rates, market multiples, the selection of comparable companies and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact our valuations as of each valuation date and may have a material impact on the valuation of our common stock.

Recently Issued Accounting Pronouncements

Information about recently issued accounting pronouncements is presented in Note 2 to our consolidated financial statements included elsewhere in this prospectus.

JOBS Act Accounting Election

The JOBS Act permits an "emerging growth company" such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We are choosing to opt out of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk in the ordinary course of business.

Credit and interest rate risk

The fair values of our cash and cash equivalents are exposed to counterparty credit risk. Accordingly, while we periodically review our portfolio in an effort to mitigate counterparty risk, the principal values of our cash and cash equivalents could suffer a loss of value. Any future borrowings incurred under the credit agreement would accrue interest at a floating rate based on a formula tied to certain market rates at the time of incurrence. A 10% increase or decrease in interest rates would not have a material effect on our interest expense.

Concentration risk

As of February 3, 2017 and February 2, 2018, no individual customer represented 10% or more of accounts receivable.

DellEMC and VMware invoice our customers and collect invoiced amounts on our behalf. As of February 3, 2017 and February 2, 2018, $81.1 million and $83.3 million invoiced on our behalf by DellEMC and VMware was recorded in accounts receivable, respectively.

Foreign currency risk

Although 23% of our total revenue for fiscal 2018 was derived from sales outside the United States, the majority of such revenue is from sales transactions that are denominated in U.S. dollars. For transactions denominated in a currency other than the functional currency, we are exposed to risks of foreign currency fluctuation and are subject to transaction gains and losses, which are recorded as other expense, net in the consolidated statements of operations.

Our results of operations and cash flows have been and will continue to be subject to fluctuations because of changes in foreign currency exchange rates, particularly changes in exchange rates between the U.S. Dollar and the British Pound, the Euro and the Canadian Dollar, the currencies of countries where we currently have our most significant international operations.

BUSINESS

We are transforming how the world builds software.

Overview

We provide a leading cloud-native platform that makes software development and IT operations a strategic advantage for our customers. Our cloud-native platform, Pivotal Cloud Foundry ("PCF"), accelerates and streamlines software development by reducing the complexity of building, deploying and operating new cloud-native applications and modernizing legacy applications. This enables our customers' development and IT operations teams to spend more time writing code, waste less time on mundane tasks and focus on activities that drive business value – building and deploying great software. PCF customers can accelerate their adoption of a modern software development process and their business success using our platform through our complementary strategic services, Pivotal Labs ("Labs"). Enterprises across industries have adopted our platform to build, deploy and operate software, including enterprises in the automotive and transportation, industrial and business services, financial services, healthcare and insurance, technology and media, consumer and communications and government sectors.

Cloud-native software is reshaping businesses across all industries, empowering enterprises to innovate at a higher velocity and become more digital, mobile, data-driven and always-connected. Cloud-native software is designed to be highly available, scalable and modular to allow for frequent iteration and feature releases. Despite the widespread availability of private and public cloud infrastructure, many organizations are burdened by legacy technologies and software development processes that prevent them from fully realizing the benefits of cloud-native software. As a result, organizations require a modern agile development process and a cloud-native platform that can be deployed on every major private and public cloud.

Our offering, which includes PCF and Labs, enables organizations to build cloud-native software and compete in today's business environment.

- PCF accelerates and streamlines software development by reducing the complexity of building, deploying and operating modern applications. PCF integrates an expansive set of critical, modern software technologies delivered continuously to provide a turnkey cloud-native platform. PCF combines leading open-source software with our robust proprietary software to meet the exacting enterprise-grade requirements of large organizations, including the ability to operate and manage software across private and public cloud environments, such as Amazon Web Services, Microsoft Azure, Google Cloud Platform, VMware vSphere and OpenStack. PCF is sold on a subscription basis.

- Labs software development experts deliver strategic services that transfer the expertise for enterprises to accelerate their cloud-native transformation by implementing modern agile development practices. With Labs, we help customers co-develop new applications and transform existing ones while accelerating software development, streamlining IT operations and ultimately driving self-sustaining business transformation.

Our customers realize measurable improvement in developer productivity, software quality, security, time-to-market and IT operational efficiency. Some of our larger customers have achieved substantial structural efficiencies by leveraging our platform, such as significantly improving the ratio of developers to operators toward 200:1 or greater and increasing developer productivity, as measured by the amount of time developers are able to spend writing software code or by the frequency of meaningful improvements to the software they are developing, by 50% or more.

We market and sell PCF and Labs through our sales force and ecosystem partners. We leverage our mutually beneficial commercial and go-to-market relationships with Dell Technologies and VMware to win new customers and to expand our customer footprint. We also work closely with large public cloud providers, including Google and Microsoft, to bring our customers' workloads to their cloud infrastructure. We have received numerous industry awards, including in 2017 the Google Cloud Technology Partner of the Year for 2016 and an Azure consumption partner of the year award from Microsoft for 2016. We intend to prioritize the growth of PCF, while leveraging our strategic services and increasingly relying on global systems integrators ("SI"), such as Accenture and Cognizant, and boutique consulting firms that are building focused practices around Pivotal technology implementation, application migration and cloud-native development.

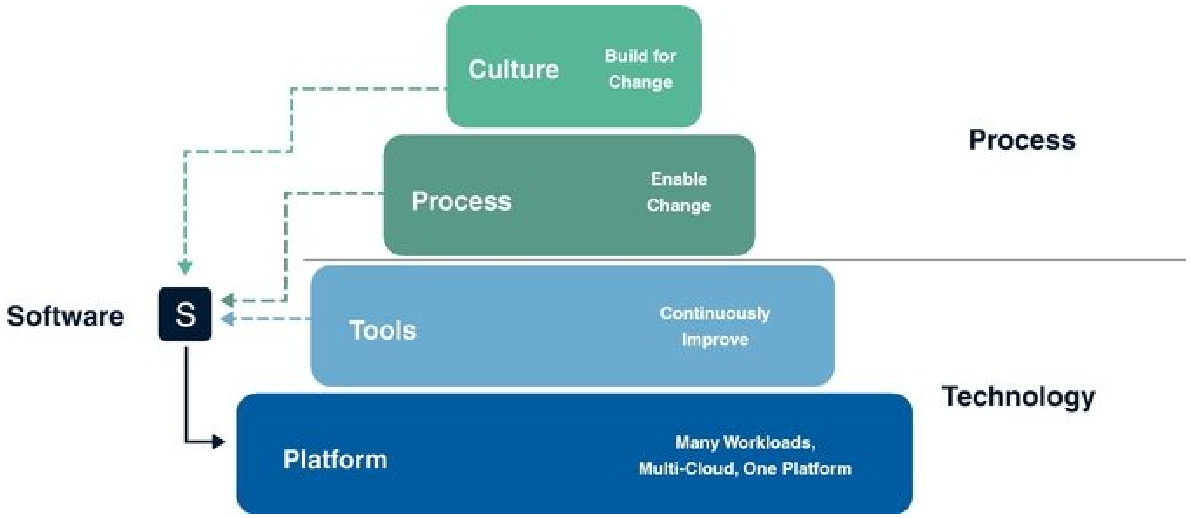
Our complementary PCF and Labs offering enables organizations to effectively build cloud-native software and compete in today's business environment. Our customers often start with smaller PCF deployments in specific groups or departments and then expand their subscriptions as they seek to deploy and manage more applications and other workloads. At the end of fiscal 2018, our trailing four-quarter dollar-based net expansion rate was 158%. Some of our customers use Labs to drive successful outcomes in their organization using our platform as they learn and adopt our modern software development practices. There is a positive correlation between customers using Labs and the expansion of their PCF subscriptions, with the differential in customers who have used Labs expanding their PCF usage 1.5x more than those who have not used Labs. Optimizing this synergy, by leveraging our Labs offering and increasingly relying on our SI partners to deliver platform-related services to our customers, is a key aspect of our overall business strategy.

We are focused on subscription sales of our platform. Since announcing PCF in November 2013, our subscription customer count has grown rapidly to 319 as of the end of fiscal 2018. Our subscription revenue was $95.0 million, $150.0 million and $259.0 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively, representing year-over-year growth of 58% and 73% for our two most recent fiscal years. Our total revenue was $280.9 million, $416.3 million and $509.4 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively, representing year-over-year growth of 48% and 22% for the two most recent fiscal years. Fiscal 2018 was the first year in which subscription revenue exceeded our services revenue, and we expect that over time subscription revenue will become a larger percentage of our total revenue as customers continue to adopt PCF and as our SI partner ecosystem ramps to directly deliver strategic services to our customers. As a result, our services revenue may continue to fluctuate; any services revenue growth is expected to be modest both in absolute dollars and relative to our subscription revenue growth. Our net loss was $282.7 million, $232.9 million and $163.5 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively.

Industry Background

Cloud-native software is reshaping businesses across all industries, empowering enterprises to innovate at a higher velocity and become more digital, mobile, data-driven and always-connected. Cloud-native software is designed to be highly available, scalable and modular to allow for frequent iteration and feature releases. Despite the widespread availability of private and public cloud infrastructure, many organizations are burdened by legacy technologies and software development processes that prevent them from fully realizing the benefits of cloud-native software. As a result, organizations require an agile development process and a cloud-native platform that can be deployed on every major private and public cloud.

Enterprises can revolutionize their customer experiences, help create new revenue streams and improve the cost and speed of business operations by building and deploying cloud-native software. To build and deploy cloud-native software and adopt cloud infrastructure, enterprises require new technology and process. "Technology" consists of the platform and tools necessary to develop and efficiently operate cloud-native software and its associated infrastructure. "Process" refers to the development and operational processes that consistently deliver high-quality software in a culture that embraces change.



Approaches to Becoming Cloud Native

In order to effectively develop cloud-native software, enterprises need to recognize three fundamental imperatives: (1) the need for cloud infrastructure software optimized for continuous delivery and highly efficient IT operations, (2) the need for agile software development methodologies and (3) the need to leverage open-source software.

- ***Cloud Infrastructure Software.*** To drive developer and operations efficiency gains, enterprises need to (1) implement software-defined data center infrastructure, server virtualization and application containers on modern hardware, (2) develop next-generation operational software and middleware enabling IT infrastructure to become more automated and programmatic, (3) break down the traditional monolithic software architecture into "microservices," integrated development frameworks and automated releases and (4) facilitate continuous delivery, lifecycle management and monitoring.

- ***Agile Software Development Methodologies.*** To facilitate continuous delivery and efficient IT operations and to closely align with business objectives, enterprises need to adopt agile development and DevOps techniques to rapidly deploy and manage new software in shorter development cycles, with faster deployment frequency and more dependable releases. These techniques are increasingly becoming the modern way for enterprises to develop cloud-native software.

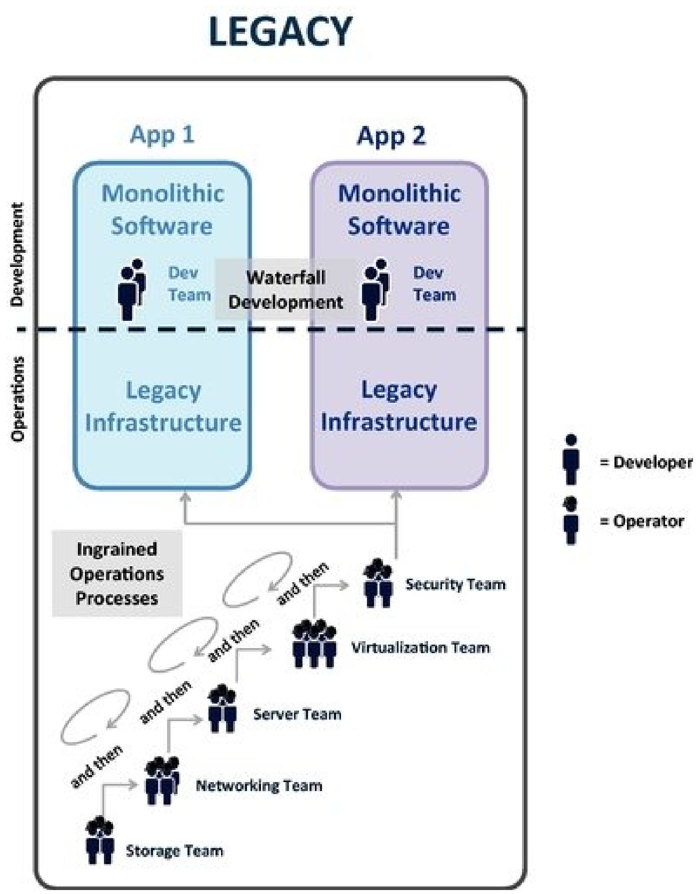
- ***Open Source.*** Some of the most innovative technologies, including application containers, big data stores, developer frameworks and machine learning libraries, are open source. Enterprises need to leverage powerful open-source software technologies.

Legacy IT Challenges: Our Opportunity

Despite the availability of these cloud technology and agile process advancements, many enterprises remain deeply invested in legacy technology and process that differ significantly from cloud-native approaches to software development and operations. These enterprises are seeking to leverage private and public cloud technologies and to use cloud-native software to transform their businesses. They continue to deploy monolithic software built on custom silos of supporting infrastructure. When changes to software become necessary, many manual steps and serial reviews and approvals by different functional teams are required, which can often lead to instability and downtime. For a large enterprise with hundreds or thousands of applications and large numbers of disparate hardware components in multiple data centers, the operational challenges can be daunting as hundreds or thousands of people in operations may be required just to support a small number of developers and to keep existing applications running. This complexity can create ingrained processes and cultures that are resistant to change, given the level of investment in legacy infrastructure and inefficient IT operations, which constrain innovation and new software development initiatives.

In addition to these technology challenges, many enterprises implement legacy software development approaches such as the "waterfall" process, in which software development proceeds in a strict sequence from conception to analysis, design, construction, testing, implementation and maintenance. By the time such software is ready to be released, requirements and business priorities often have changed. The waterfall process is ill-suited for software development and IT operations, where the code and user requirements are constantly changing.

The legacy IT challenges are illustrated in the diagram below:



These legacy technologies and processes have created a number of challenges, including:

- ***Protracted development cycles and low developer productivity.*** Cloud-native software benefits most from fast development cycles, but many enterprises have neither the technologies nor the processes to deliver on those requirements. Developing monolithic software using the waterfall process often results in a linear and serial process prone to delays and developer downtime. Additionally, with legacy IT, developers often waste time waiting for a proper development environment to be set up. Legacy development environments often lack effective frameworks to enable microservices designed to improve developer productivity. As a result, many enterprises experience protracted development cycles and low developer productivity. A Forrester study found that 72% of developers spend less than three hours a day productively writing code.

- ***Operational inefficiencies.*** Legacy approaches to IT create operational inefficiencies when many people must be dedicated to keeping existing applications running and performing mundane systems administration tasks such as configuring and deploying infrastructure, integrating disparate systems and software and patching security vulnerabilities. This inefficiency is often replicated across each application and infrastructure silo. An International Data Corporation ("IDC") survey showed that IT personnel devote over 70% of their time to routine service request approval, monitoring, troubleshooting, provisioning, security patching and configuration management. As a result, resources that could be allocated to developing and deploying innovative software are diverted to non-strategic tasks.

- ***Lack of flexibility to use multiple clouds.*** Enterprises want to optimize for performance and cost in choosing among private, public and multi-cloud environments. IDC expects more than 90% of enterprise IT organizations will commit to multi-cloud architectures by 2020. They want the flexibility to choose from a variety of cloud environments as well as to move workloads among these cloud environments. However, if they deploy workloads directly into a single vendor's public cloud environment, they face difficulty moving to other public cloud environments without re-architecting their software. Therefore, enterprises need a platform that provides consistent development and operational capabilities across all types of clouds.

- ***Integration complexity.*** Legacy approaches to software development and IT operations have resulted in a patchwork of third-party tools, middleware, software components and operating systems. In addition to the operational complexity of managing IT infrastructures, significant effort is required to integrate these items. This issue is particularly problematic for data, as the number of sources grows with the adoption of the internet of things ("IoT").

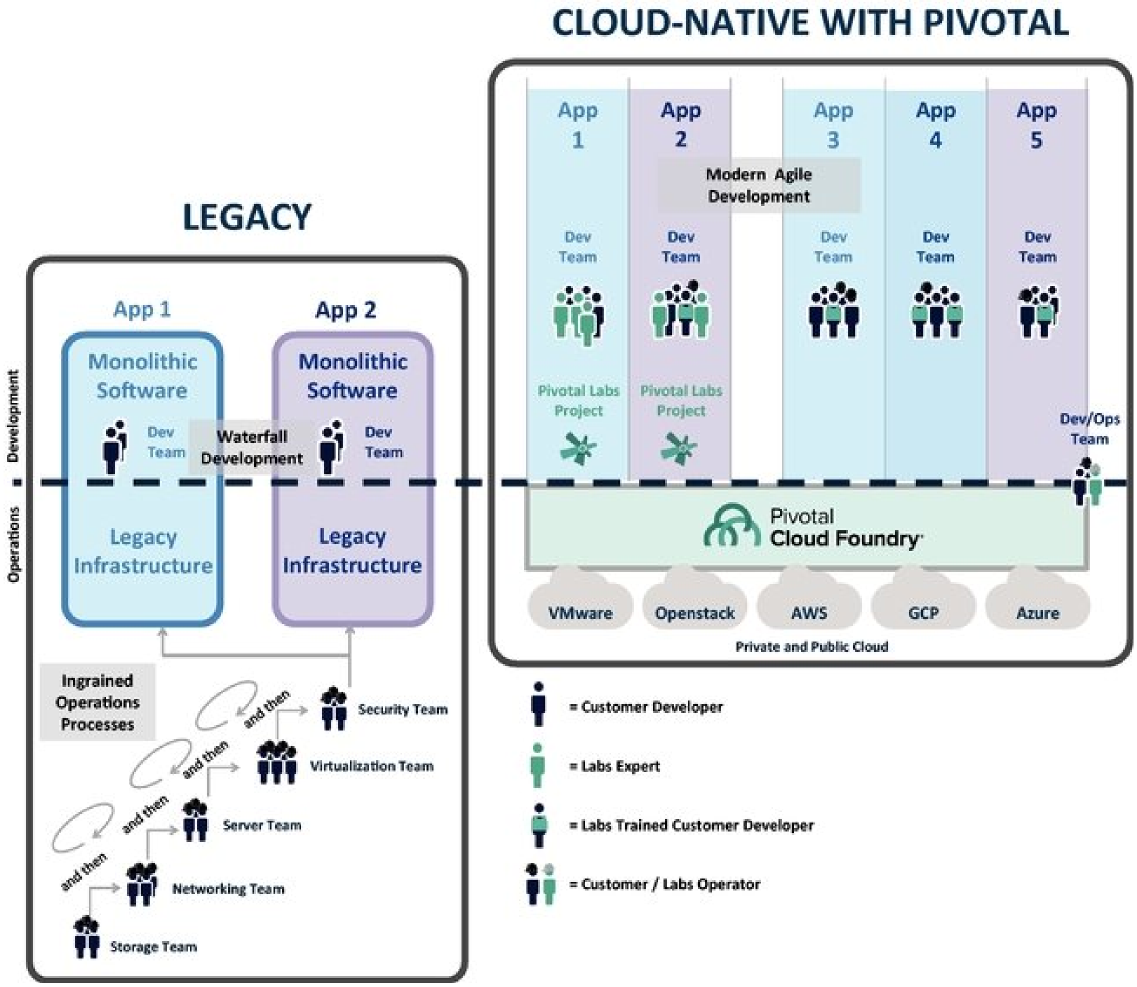
- ***Difficulty in securing legacy IT infrastructure.*** The silos and custom architecture found in legacy IT infrastructure need to be independently secured. Legacy approaches to IT operations are not designed to address evolving security threats that develop over time. Threats can emerge when vulnerabilities are discovered and when enterprises do not implement patches that remediate known vulnerabilities. Gartner predicts that through 2021, 99% of vulnerabilities exploited will continue to be ones known by security and IT professionals for at least one year.

- ***Lack of enterprise-grade platform to leverage open-source software.*** Large enterprises have strict IT requirements regarding the availability and scalability of software that they use. Moreover, some of the most innovative technologies, including application containers, big data stores, developer frameworks and machine learning libraries, are open-source software. Open-source software that meets these availability and scalability requirements is available but requires significant self-reliance and investment by enterprises to adopt these technologies. Given the complexity and risk in adopting, integrating and maintaining an array of open-source technologies at enterprise scale, organizations need a single, secure and stable platform in order to leverage open source. The software must be highly available and extremely resilient because it needs to run mission-critical applications that can rarely go down.

Our Solution

We provide a leading cloud-native platform that makes software development and IT operations a strategic advantage for our customers. PCF customers can accelerate their adoption of modern software development practices through Labs, our complementary strategic services. Our customers realize measurable improvement in developer productivity, software quality, security, time-to-market and IT operational efficiency. Our offering helps make developing and operating software a strategic advantage for our customers, empowering them to revolutionize their customer experiences, helping create new revenue streams and improving the speed and cost of business operations through software.

Pivotal Customers Can Reallocate Spend from Infrastructure Operations to Software Development



Together, PCF and Labs provide the technology and the process to enable the operational efficiency and developer productivity needed to develop, deploy and manage cloud-native software.

- PCF is a cloud-native platform that accelerates and streamlines software development by reducing the complexity of building, deploying and operating modern applications. PCF integrates an expansive set of critical, modern open-source and proprietary software technologies delivered continuously to provide a turnkey cloud-native platform. Our platform allows developers and IT operators to focus on activities that drive business value – building and deploying great software. From our single platform, PCF enables the continuous delivery of any application to every major private and public cloud. PCF combines a set of key platform components which include: a multi-cloud orchestration foundation, an embedded operating system, a central security and credential framework, a built-in advanced container networking and security engine, a complete and scalable application middleware environment and leading application and data microservices technologies. PCF also fosters a robust ecosystem of many first-and third-party cloud services and technologies which can be accessed on our platform through Pivotal Services Marketplace (the "Marketplace").

- Labs software development experts deliver strategic services that transfer the expertise for enterprises to accelerate their cloud-native transformation by implementing modern agile development practices. With Labs, we help customers co-develop new applications and transform existing ones while accelerating software development, streamlining IT operations and ultimately driving self-sustaining business transformation.

Key benefits of our offering include:

- ***Enhanced developer productivity.*** PCF, complemented by agile development techniques, dramatically increases developer productivity by providing a standard development platform, frameworks and architectural patterns, so that developers can spend more time writing software that drives value to the business and its customers. PCF provides developers with preconfigured application development and microservices environments tuned to enable the rapid development and deployment of software. Rather than waiting for application development environments to be set up by separate operations teams, with PCF, developers can focus on developing software. In addition, Labs enables enterprises to evolve beyond traditional waterfall processes through co-development projects. Many of our customers have increased developer productivity by 50% or more and dramatically increased the frequency of software releases, sometimes moving from a semi-annual to a weekly (or even daily) production release cadence.

- ***Greater operational efficiency.*** PCF enables our customers to standardize and automate common IT processes across public and private cloud environments related to IT environment builds, software testing and release and infrastructure and application updates. PCF automates many operational functions, resulting in significant efficiency gains. In addition, Labs projects help our customers to adopt microservices architecture and DevOps release practices, which are supported by PCF and that drive greater collaboration between developers and IT operators. Some of our larger customers have achieved substantial structural efficiencies by leveraging our platform, such as significantly improving the ratio of developers to operators toward 200:1 or greater and increasing developer productivity by 50% or more.

- ***Flexibility to run software across private, public and multi-cloud environments.*** PCF gives our customers a consistent developer interface for application deployment and operation across private, public and multi-cloud environments. For example, no software changes are required to move software running on PCF between an Amazon Web Services public cloud environment and a vSphere private cloud. Enterprises have the flexibility to run their applications on the cloud of their choice, and developers do not need to customize or change applications to target a different underlying infrastructure.

- ***Integrated by design.*** From our single platform, PCF integrates an expansive set of critical, modern open-source and proprietary software technologies to provide a turnkey cloud-native platform that enables the continuous delivery of any application to every major private and public cloud. In addition, PCF fosters a robust ecosystem integrated through our Marketplace to extend the capabilities of the platform with many first- and third-party cloud services and technologies such as data persistence, caching, messaging, continuous integration and security. Our Marketplace has over 75 independent software vendors ("ISVs") offering services integrated with our platform from Apigee, AppDynamics, Black Duck, Dynatrace, MongoDB, MuleSoft, New Relic, Redis Labs, Solace and Splunk, enabling enterprises to quickly realize the additional benefits of our platform.

- ***Unique infrastructure-native approach to security.*** Our approach to security is designed to enable automatic updates to the platform without application downtime, eliminating the compromise between security and availability associated with legacy approaches to IT operations. PCF also integrates credential storage and automated credential rotation, enhancing the security of credentials in our customers' environments. Because we deliver a full stack application environment from operating system to middleware, and we have built end-to-end tests for components across all major private and public clouds, our customers are able to quickly and reliably deploy updates and patch known vulnerabilities.

- ***Enterprise-grade platform.*** Our platform is built to meet the exacting performance, availability, security and management requirements of large organizations. We combine the latest innovations from open-source projects such as application containers, big data stores and developer frameworks with our robust proprietary software components, such as platform management and monitoring, developer experience and authentication, to form an enterprise-grade platform that can be used in private, public or multi-cloud environments. We enable large enterprises to leverage the benefits of cutting-edge open-source technologies built into PCF, our enterprise-grade platform, for their mission-critical operations and applications.

Competitive Strengths

Our competitive strengths include:

- ***First mover in cloud-native transformations.*** We have been at the forefront of the agile development and cloud-native platform movements, and we offer our customers a highly differentiated approach to cloud-native transformation. Labs has been refining its disciplined agile process for over 25 years. In 2013, DellEMC and VMware contributed Labs and other cloud assets, including Cloud Foundry and Spring, to form Pivotal. We apply Labs' processes to our development of the PCF platform, resulting in ongoing, rapid and prioritized feature development.

- ***Enterprise-grade software platform integrating open source.*** We designed PCF to use open source while also meeting the exacting performance, availability, security and management requirements of large organizations. We engage with and often lead open-source communities to influence and integrate with the latest technologies while concurrently innovating using proprietary software to deliver an enterprise grade solution to our customers. The combined approach allows us to deliver more value to our customers, achieve meaningful software differentiation and make it more difficult for others to "free-ride" on open-source innovation. In addition, we enable developers to use many of the modern and popular developer tools that are available in the open-source community. For example, we integrate PCF with leading open-source projects such as Kubernetes, as well as popular Pivotal-led open-source projects such as Spring Boot framework and Spring Cloud tools.

- ***Blue-chip customer adoption.*** Many of the world's largest organizations are using our platform, including more than 50 of the Fortune 500 companies. Our blue-chip customer base provides insights into enterprise IT needs and validates our platform in the most complex IT environments. These insights have helped us to enhance and extend our offering to address a wider range of organizations, including Global 2000 enterprises across industries, companies outside the Global 2000 that develop software to differentiate their businesses and public sector organizations.

- ***Large and growing PCF ecosystem.*** We are at the center of a large and growing PCF ecosystem. We believe that as more of this ecosystem integrates with our platform, we experience positive network effects that drive faster adoption of our platform and further differentiate our software.

- *Public Cloud.* We work with all three of the major public cloud vendors, Amazon, Google and Microsoft and drive large numbers of workloads to their public cloud platforms. We received in 2017 the Google Cloud Technology Partner of the Year award for 2016 and an Azure consumption partner of the year award from Microsoft for 2016.

- *Systems Integrators.* Leading enterprise technology providers have launched dedicated practices focused on implementing PCF and providing Labs-like services. These enterprise techonology providers include Accenture (which recently announced the Accenture Pivotal Business Group), Capgemini, CGI and Cognizant. These SIs create leverage for us by applying our cloud-native platform agile techniques to help customers transform. They also have begun to deliver co-development, application transformation and PCF implementation services.

- *Independent Software Vendors.* Our Marketplace has over 75 ISVs offering services integrated with our platform. These ISVs include Apigee, AppDynamics, Black Duck, Dynatrace, MongoDB, MuleSoft, New Relic, Redis Labs, Solace and Splunk, enabling enterprises to quickly realize additional benefits of our platform.

- *Strategic Partners.* We jointly market and sell our products and services with DellEMC and VMware and enjoy significant and mutually beneficial commercial and go-to-market relationships.

• ***Leading cloud-native platform with strategic services.*** Our cloud-native platform combines technology and agile development through our renowned Labs processes, enabling cloud-native transformation within enterprises. Through our complementary offering we enable customers to adapt their cultures to embrace change, accelerate software development, streamline IT operations and ultimately drive self-sustaining business transformation, which we believe will create additional demand for PCF.

• ***Viral adoption together with C-level focus.*** Our platform leverages open-source technology, including Cloud Foundry and Spring, the most popular Java application development framework for the enterprise. Our leadership and integration of open-source projects allows us to innovate faster and gain enterprise acceptance. We also make PCF available for free download for evaluation purposes. In addition to promoting wide adoption, we have an enterprise sales force that often provides us with access to C-level executives because the decision to use PCF and Labs is often a strategic transformative one. We believe that our bottoms-up developer adoption and our top-down strategic access differentiates us from our competitors and helps us gain significant traction in the enterprise.

Market Opportunity

Our cloud-native software addresses IT spending across the rapidly growing market for public cloud workloads, sometimes referred to as Platform-as-a-service ("PaaS"), and the market for application infrastructure, middleware and development software. We believe our cloud-native platform opportunity is the aggregate of these two markets, with spending today estimated at over $50 billion.

• According to Gartner, spending on cloud application infrastructure services (PaaS) is expected to be $16.0 billion in 2018, growing to $29.0 billion by 2021, representing a 22% compound annual growth rate ("CAGR").

• According to Gartner, spending on application infrastructure, middleware and development solutions is expected to be $43.2 billion in 2018, growing to $51.4 billion by 2021, representing a 6% CAGR.

Growth Strategy

Key elements of our growth strategy include our plans to:

- ***Extend technology lead of our cloud-native platform.*** We have developed an industry leading cloud-native application platform, and we intend to continue enhancing our product capabilities and expanding our partner ecosystem as our customer requirements evolve.

- ***Maintain open cloud-native platform advantage.*** We have played a central role in founding and popularizing application infrastructure- and development-related open-source projects, including Cloud Foundry, Spring and RabbitMQ. We intend to continue to partner with technology leaders and third-party software vendors to continue to offer the latest technologies for our customers. For example, we recently collaborated with Google and VMware to create our Kubernetes-based PCF offering called PKS. We intend to maintain our open approach and grow the participation of our ecosystem.

- ***Continue to drive new customer adoption.*** We are focused on Global 2000 enterprises across industries, companies outside the Global 2000 that develop software to differentiate their businesses and public sector organizations. We target these enterprises and organizations because they represent a large market opportunity. Our relationships with Dell Technologies and VMware and with major public cloud vendors provide us with additional reach. We intend to continue building our sales force and strengthening our partner relationships to drive new customer adoption.

- ***Expand adoption within existing customers.*** We intend to broaden our relationships with existing customers by helping them continue to make software development and operations a strategic advantage. Our sales force and partners assist our customers in identifying new use cases for our platform and migrating their existing applications to our platform, which increases our PCF footprint. For example, some of our largest customers began with a relatively small deployment and now run thousands of mission-critical applications on our platform. At the end of fiscal 2018, our trailing four-quarter dollar-based net expansion rate was 158%. Part of our strategy to scale our subscription revenue is to rely, in part, on SI partners to deliver co-development, application transformation and implementation services to our customers, particularly as our customers move from early deployment to broader adoption of PCF. We intend to grow our services revenue at a slower rate than our subscription revenue as customers are enabled on our platform and increasingly use our partner ecosystem for their services needs.

- ***Continue to capitalize upon our relationships with our strategic partners.*** Our deep relationships with Dell Technologies and VMware broaden our reach into the largest organizations around the globe. Product integrations with DellEMC and VMware enable turn-key solutions for customers. We intend to continue to leverage our mutually beneficial commercial and go-to-market relationships with Dell Technologies and VMware to win new customers and to expand our customer footprint.

- ***Further leverage partnerships with public cloud vendors.*** We work with all three major public cloud providers: Amazon, Microsoft and Google. These partners also enhance our field organization's efforts across industries. We intend to maintain strong engagement with our cloud partner ecosystem to gain increased reach and greater distribution of our offering, accelerate customer expansion and penetrate new markets.

- ***Continue to leverage the combined strengths of PCF and Labs to drive PCF expansion.*** We have realized significant benefits in innovating PCF development and Labs process improvements by capitalizing on the PCF and Labs feedback loop with customers. We intend to focus our Labs resources on customers with the greatest PCF opportunity and acquiring new customers with significant PCF opportunity. There is a positive correlation between customers using Labs and the expansion of their PCF subscriptions. The Labs synergy was greater than 1.5x at the end of each of fiscal 2017 and fiscal 2018. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting our Performance—Labs Synergy."

Culture

We believe our culture is unique and critical to our mission of transforming how the world builds software. Our culture reflects the learnings of our agile development roots and applies those insights to all aspects of our business. We have three core values:

- ***Do the right thing.*** In addition to expecting all of our employees to conduct themselves ethically, doing the right thing means that we focus on our customers and key constituencies, and we do not put personal interest ahead of what is best for the company. We empower our employees to make decisions based on who has the best ideas, not title or chain of command.

- ***Do what works.*** Our approach to decision-making is disciplined, data driven and team oriented. We simplify, test, iterate, solve problems and continuously improve. We bring together diverse groups of empowered employees to solve complicated problems and we co-locate, co-develop and work as one team with our customers.

- ***Be kind.*** We value and hire for empathy, diversity, humility and respectfulness. To succeed in our mission, we have to walk in the shoes of others, listen to different perspectives and collaborate.

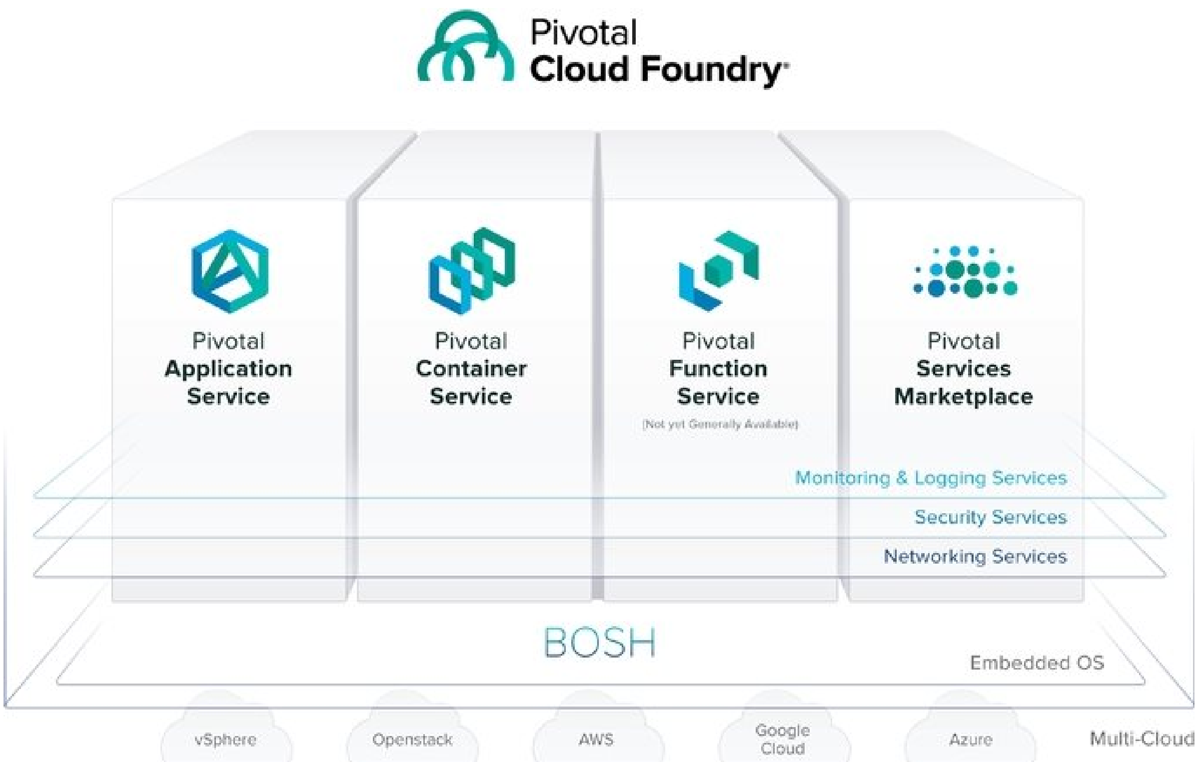
Our Complementary Platform and Strategic Services Offering

Our complementary platform and strategic services offering provides both the platform and agile development methodologies for organizations to build cloud-native software that is necessary to compete in today's business environment. PCF enables customers to deploy, operate and update software in an automated way, enabling greater resiliency, security and scale with fewer operations staff, which in turn allows them to focus on creating business value. Our Labs team pairs with customers to co-develop cloud-native software and transform their development practices. This synergistic relationship enables our Labs customers to adopt PCF as part of their cloud-native and self-sustaining business transformation.

Pivotal Cloud Foundry

PCF is a platform that provides a consistent way to launch, and quickly iterate on, applications in the most popular programming languages (such as Java, .Net, Ruby, Python, Node.js and Go) and frameworks (such as Spring) across private, public and multi-cloud environments. PCF leverages Cloud Foundry open-source software and adds enterprise-grade qualifications and capabilities such as platform enhancements, infrastructure automation, application enablement, cloud-native enablement, security and enterprise support. The critical platform components of PCF include: a multi-cloud orchestration foundation, an embedded operating system, a central security and credential framework, a built-in advanced container networking and security engine, a robust and scalable application middleware environment and leading application and data microservices technologies. PCF automates and simplifies many of the common tasks necessary to take application code from development to production, including deploying, configuring, scaling, networking and securing applications. It enables developers to spend less time implementing or re-implementing common requirements and instead focus on building business value. PCF enables developers to speed up application development and reduce time to market.

Pivotal Cloud Foundry Architecture



The components of PCF include:

- ***Products to handle customers' differing workloads and needs.***

  – *Pivotal Application Service.* Pivotal Application Service ("PAS") is our flagship cloud-native application platform announced in November 2013 that allows enterprises to continuously deploy and operate custom software securely and at scale across popular private and public clouds. Many enterprises have adopted PAS, formerly known as PCF Elastic Runtime, as their multi-cloud platform for new and existing applications. PAS is built for secure and continuous deployment of applications built using microservices. PAS integrates the Spring Cloud microservices framework, enables agentless logging and metrics collection, integrated credential storage and rotation and single-sign-on, and delivers full stack application middleware so that developers can spend more time focusing on developing and deploying cloud-native software.

  – *Pivotal Container Service.* Pivotal Container Service ("PKS") is our container management platform that we launched together with Google and VMware in August 2017, which leverages our common services and core technologies from PCF. PKS allows enterprises to deploy and operate Kubernetes, an open-source system for container operations, in an enterprise-grade manner across private and public clouds. Containers package and isolate applications with their entire runtime environment – they contain all of the files necessary to run on their own. PKS includes VMware NSX to programmatically manage software-based virtual networks and is also integrated with VMware tools such as vRealize Operations Manager, vSAN network storage and Wavefront.

  – *Pivotal Function Service.* Pivotal Function Service ("PFS") is our recently announced multi-cloud Function-as-a-Service ("FaaS") platform designed to allow enterprises to develop, run and manage applications composed of event-driven functions across private and public clouds, leveraging our common services and core technologies from PCF. FaaS is a further automation and abstraction of application architecture so that application logic can be run without regard to the underlying infrastructure, operating system or middleware components, an approach often referred to as "serverless." FaaS is designed to allow customers to write only the function logic necessary to accomplish a given task while the platform provides all of the other necessary runtime capabilities. We believe that FaaS will become a common requirement of customer applications as event-driven systems gain popularity, particularly in IoT applications. We anticipate that PFS will be generally available later this year.

– *Pivotal Services Marketplace.* Our Marketplace provides customers access to Pivotal and partner products that deploy and operate on PCF. These services, such as MySQL, Pivotal Cloud Cache, RabbitMQ and Redis, and partner products, including Apigee, AppDynamics, Black Duck, Dynatrace, MongoDB, MuleSoft, New Relic, Redis Labs, Solace and Splunk, have been integrated with our platform to leverage certain of our common services and core technologies on PCF. Pivotal Cloud Cache is a distributed, highly available, in-memory data store, enabling PCF users to access data at high speed.

- ***Common Platform Services.*** For each of our products above, PCF has common services that support operational efficiency, developer productivity, security and availability, which enable us to efficiently add PCF products and enable our customers to better make use of our platform and products.

– *Shared Monitoring and Logging.* PCF enables agentless logging, metrics collection and application event tracing to help operators and developers understand the performance and health of applications. PCF also supports out of the box integrations with popular application performance management and analytics tools such as AppDynamics, Dynatrace, New Relic and Splunk.

– *Shared Security.* PCF's shared security services are comprised of User Account and Authentication ("UAA") and CredHub. UAA is a multi-tenant identity management service and modern authorization framework. It is used in PCF as an authentication server and also acts as a single sign-on server for applications deployed to the platform. CredHub is a secure, centralized credential management component that secures credential generation, storage, lifecycle management and access.

– *Shared Networking.* PCF includes integration to software-defined networking to help developers consistently deliver more secure, robust applications while substantially reducing the common bottleneck that happens when application developers must navigate legacy networking technologies and siloed network administrators.

- ***BOSH.*** BOSH is open-source orchestration software that provides an integrated set of foundational services and core technologies for deploying and operating PCF. BOSH enables operators to build and manage environments for large and complex IT systems. BOSH unifies release engineering, deployment and lifecycle management of small and large-scale cloud software, with the ability to provision and deploy software across hundreds of virtual machines on both private and public cloud environments. It is designed to perform monitoring, failure recovery and software updates without downtime. BOSH also integrates a hardened operating system. Our approach simplifies the operating system lifecycle. Our embedded operating system contains a bare minimum skeleton to make the operating system securely configured by default. With this approach, PCF greatly reduces the operational burden that most enterprises incur to support regular operating system patching and updates.

- ***Multi-Cloud.*** PCF supports all of the major private and public cloud platforms: Amazon Web Services, Microsoft Azure, Google Cloud Platform, OpenStack and VMware vSphere. We collaborate with these cloud providers to maintain tight integration to the infrastructure layer. We automate the underlying cloud infrastructure of a PCF deployment, thereby reducing the operator burden to build and maintain their clouds and the need for developers to focus on the underlying infrastructure.

- ***Other Data Products.*** We also offer other data products, such as Pivotal Gemfire and Pivotal Greenplum. To make building data-driven applications easy for our customers, our strategy is to continue developing integrations, including between Pivotal Greenplum and PCF, while also working to modernize Pivotal Greenplum to make it easier to deploy and operate on any cloud.

Labs

Labs offers strategic services for organizations to adopt and implement agile development and to transform existing applications to run on PCF.

Labs has been pioneering and refining agile development processes for over 25 years. With Labs' disciplined and agile processes, software is developed collaboratively, with cross-functional teams who break down projects into discrete tasks and work iteratively within an environment of changing requirements. Rather than deploying periodic and major releases, software is deployed frequently, which allows for continuous feedback as the product takes shape. Our approach also involves pair-programming, in which Labs experts are paired with customer engineers. Each pair works in close collaboration, sometimes using a single keyboard, to write code together.

Using a practice known as Test Driven Development ("TDD"), developers write the tests before writing the actual software code. After the test is written, developers write the software code that allows the test to be passed or made "green." Each step in the process is tracked and the developer does not progress to building a new function until the existing function is turned from "red" to "green." TDD promotes disciplined, focused development and avoids over-engineering. The code is continuously vetted, concurrently with quality assurance throughout the process, eliminating the need for a separate quality assurance organization and stage.

Labs also applies an operational practice known as "DevOps." Embracing these agile processes can be challenging for many organizations whose cultures have ingrained waterfall development methodologies, separate "dev," "ops" and other organizational silos and are generally resistant to change. We implement a structured approach designed to break through these silos and imprint Labs' disciplines with our customers and with our partners. We use Labs development methodologies to enable our customers to create new applications and re-platform legacy applications to the PCF platform. Our objective is to teach our customers Labs' agile processes so that they can become self-sufficient and transform how they build software.

Implementation and Other Services

We also offer platform implementation services to enable our customers and partners to deploy, provision and operate the PCF platform at scale.

We deliver product support and other services to assist our customers in meeting their business goals with our software.

Premium support services are delivered by our global support organization. These services are offered during the term of the subscription, or maintenance term for certain legacy software products, and include: unlimited and responsive phone, web and email based issue, or ticket, support; unspecified product updates and upgrades; and online access to documentation, technical resources, knowledge base and discussion forums.

Additionally, we offer training to strategic partners so they can provide Labs-like services, driving increased leverage in our business model. We also offer a range of standard and customized internet and in-person courses to educate end users, operators and partners to upgrade their Pivotal product knowledge and capabilities.

Customers

Since our formation, we have focused on enhancing our offering and growing our subscription customer base. Representative subscription customers are provided below by industry vertical. As of February 2, 2018, each of these customers had annual subscription revenue with us of more than $250,000:

Automotive & Transportation
American Airlines
Ford
OOCL
Southwest Airlines
Renault-Nissan-Mitsubishi Alliance
The Boeing Company
Volkswagen

Industrial & Business Services
Aon
Bosch
FedEx
General Electric
Merrill Corporation
Raytheon
SP Group

Financial Services
Citi
DBS
Fiserv
Morgan Stanley
Synchrony Financial
Wells Fargo

Healthcare & Insurance
Allianz
Express Scripts
HCSC
Humana
Liberty Mutual
Manulife
Solera

Technology & Media
Accenture
Bloomberg
Cognizant
CoreLogic
Dell Technologies
DISH Network
HCL Technologies
Ultimate Software
Yahoo Japan

Consumer & Communications
Albertsons
Kroger
NTT DATA
SONIC Drive-In
T-Mobile
Telstra
West
Wyndham Hotels & Resorts

We also have government customers such as the U.S. Department of Defense, including distinct subscription contracts with the the United States Air Force (USAF), the Defense Information Systems Agency (DISA) and the Defense Innovation Unit-Experimental (DIUx), and more than five other U.S. government departments or agencies and various other global government customers, including Rijkswaterstaat. The majority of our government customers are not allowed to consent to disclosure of their use of our software due to security, acquisition regulations, and other confidentiality reasons.

Customer Case Studies

T-Mobile US, Inc. ("T-Mobile")

As America's Un-carrier, T-Mobile is redefining the way consumers and businesses buy wireless services and video through leading product and service innovation. T-Mobile's advanced nationwide 4G LTE network delivers outstanding wireless experiences to 72.6 million customers who are unwilling to compromise on quality and value. Based in Bellevue, Washington, T-Mobile provides services through its subsidiaries and operates its flagship brands, T-Mobile and MetroPCS.

After completing a substantial merger with MetroPCS and experiencing significant growth in the competitive wireless market, T-Mobile recognized the need to modernize its technology and practices to accelerate its software innovation, meet dramatic traffic spikes achieved during its periodic promotions and drive further growth while reducing cost and risk.

T-Mobile adopted PCF in late 2016 and began working with Pivotal to update and align T-Mobile's development organization model and practices around PCF. As a result of working with Pivotal, T-Mobile is releasing code to production on a daily basis and is also experiencing significantly fewer application incidents. As a result of its improved microservices architecture and auto-scaling on PCF, T-Mobile applications are successfully processing more than 200 million daily requests. With Pivotal, T-Mobile developers have seen a 37% increase in their productivity (as measured at the end of 2017 by the increase in number of deployments to production year over year by T-Mobile developers who migrated from legacy to PCF) and have deployed more than 400 microservices to production on PCF with over 1,200 developers and as few as seven platform operators.

Synchrony Financial ("Synchrony")

Synchrony is one of the nation's premier consumer financial services companies. Its consumer finance roots trace back to 1932, and today Synchrony is one of the largest providers of private label credit cards in the United States, based on purchase volume and receivables.

Synchrony's initial public offering in July 2014 created a new standalone company from what was previously the consumer lending arm of GE Capital. As the newly-independent Synchrony looked to pioneer the future of finance, it recognized the need for increased agility in both its analytic and development capabilities. In 2015, Synchrony subscribed to the Pivotal Data Suite and partnered closely with Pivotal to build out the start of its data lake in only 6 months. In 2016, based on this success, Synchrony subscribed to PCF in order to build out its hybrid cloud strategy. Pivotal provided software and technical guidance as Synchrony trained its team in cloud-native development practices. In 2017, Synchrony significantly expanded its PCF deployment and is now collaborating with Labs to accelerate the delivery of new cloud-native applications. In addition to faster time to market for new applications, the cloud-native approach enabled by Pivotal is driving down Synchrony's software development costs and automating its traditional infrastructure processes.

Ultimately, as a result of working with Pivotal, deploying PCF and collaborating with Labs, Synchrony has established a powerful data lake, created a hybrid cloud environment and transformed the organization to cloud-native development. This has allowed Synchrony to deliver the speed and agility that is required to meet today's speed of business.

Liberty Mutual Holding Company Inc. ("Liberty Mutual")

Liberty Mutual is a diversified global insurer and one of the largest property and casualty insurers in the U.S. Liberty Mutual offers a wide range of property and casualty insurance products and services to individuals and businesses. Liberty Mutual employs more than 50,000 people in over 800 offices throughout the world across its strategic business units, including Global Consumer Markets, Commercial Insurance and Global Specialty.

The insurance industry faces significant disruption from a variety of factors, including new market entrants, ride sharing services and other non-traditional models of car ownership and changing customer buying behavior. Insurers need to introduce new products and improved online experiences in order to remain relevant to their customers and attract new buyers. Liberty Mutual recognized a need to significantly improve its time to market for new product introductions that was constrained by classic waterfall product development process and an aging technology infrastructure.

As a result of working with Labs and subscribing to PCF beginning in 2015, Liberty Mutual transformed its software development processes and technology. Initial efforts to re-platform Liberty Mutual's legacy software resulted in ten applications being modernized in just ten weeks. Liberty Mutual moved from monthly to daily releases while simultaneously realizing a 60% reduction in infrastructure costs (as measured in May 2017 based on memory requirements and associated costs for applications now running on PCF compared to legacy memory usage and costs) and a four-fold increase in release velocity (as measured from January through April of 2017 based on the number of deployments to production for certain applications modernized and running on PCF compared to legacy code deployment levels). Through standardizing on PCF, modernized Liberty Mutual applications now require no code changes to deploy across continents or cloud providers. With over 1,500 Liberty Mutual developers now deploying software on PCF—supported by just eight platform operators—Liberty Mutual uses PCF as its modern software platform that helps it compete effectively in a fast-changing property and casualty insurance market.

Express Scripts Holding Co. ("Express Scripts")

Express Scripts puts medicine within reach by practicing pharmacy smarter—taking bold action, delivering specialized care, creating innovative solutions and leveraging data insights—to make better health more affordable and accessible. Express Scripts provides integrated pharmacy benefit management services, including network-pharmacy claims processing, home delivery pharmacy care, specialty pharmacy care, specialty benefit management, benefit-design consultation, drug utilization review, formulary management and medical and drug data analysis services. Express Scripts also distributes a full range of biopharmaceutical products and provides extensive cost-management and patient-care services.

In the changing healthcare landscape, Express Scripts differentiates itself by delivering customer-driven healthcare. To do so, Express Scripts recognized the need for its IT operations to become more efficient and its software delivery process to go faster, yield higher-quality code and ultimately better client and patient experiences.

Express Scripts first subscribed to PCF and began working with Labs in 2015. They significantly increased their commitment and deployment of PCF in 2016 and again in 2017. As a result of working with Pivotal, Express Scripts has increased its developer productivity, decreased its software release time, and reduced lead time to scale infrastructure, while at the same time supporting more than 1,400 developers with a small platform operations team. Express Scripts has deployed critical applications to PCF to support their mission to improve health outcomes for their patients, while controlling costs.

Robert Bosch GmbH ("Bosch")

Bosch is a leading global supplier of technology and services. It employed 400,500 associates worldwide and generated sales of 78.0 billion euros in 2017, according to preliminary figures. Bosch's operations are divided into four business sectors: Mobility Solutions, Industrial Technology, Consumer Goods, and Energy and Building Technology. As a leading IoT (internet of things) company, Bosch offers innovative solutions for smart homes, smart cities, connected mobility, and connected industry. Bosch's strategic objective is to deliver solutions for a connected life, and to improve quality of life worldwide with products and services that are innovative and spark enthusiasm.

Since 1995, Bosch has produced about 7 billion sensors for microelectromechanical systems (MEMS). Every day, millions of MEMS sensors are produced in Bosch facilities globally. Given this rapid proliferation of IoT sensors and associated data, Bosch realized the need for a common framework of services, components and infrastructure to allow developers and enterprises to confidently build valuable IoT applications, particularly as cloud services, across every industry.

Bosch selected PCF in 2016 as a foundational layer of its IoT platform, Bosch IoT Suite and its fully-managed, shared services offering, Bosch IoT Cloud. PCF provides Bosch with ready-to-use, scalable multi-cloud infrastructure and cloud services that help facilitate and speed up building, testing, deploying, and scaling IoT applications. Bosch IoT Cloud on PCF has already connected more than 6 million sensors and enabled Bosch and its partners to deliver a variety of innovative applications for connected cars, smart homes, supply chains and manufacturing.

The Boeing Company ("Boeing")

Boeing is the world's largest aerospace company and leading manufacturer of commercial jetliners, defense, space and security systems and service provider of aftermarket support. As America's biggest manufacturing exporter, Boeing supports airlines and U.S. and allied government customers in more than 150 countries. Boeing products and tailored services include commercial and military aircraft, satellites, weapons, electronic and defense systems, launch systems, advanced information and communication systems, and performance-based logistics and training.

Boeing operates in sensitive markets with heavy oversight that require strict adherence to regulatory processes. However, it also faces constant competitive pressures that requires Boeing to quickly adapt how it uses software to gain competitive advantage. Boeing has a large legacy software portfolio, and its developers historically spent large portions of their time configuring and troubleshooting legacy computing environments and maintaining existing applications. Boeing was looking to introduce products to market faster, and to upgrade its technology stack and software development practices.

Boeing started working with Pivotal in late 2015 in order to adapt how it builds software. Through Labs projects and significant deployment of PCF in 2016, Boeing changed the way its software development teams work. As a result of working with Pivotal, Boeing reported that it has doubled its developer productivity (or time focused on task of coding) and shortened its initial software release duration from years to months, while at the same time realizing significant operational efficiency gains, including 100 times faster infrastructure service delivery (or time required to provision infrastructure resources required for application development) and a six-fold increase in infrastructure asset utilization (or number of workloads supported by a fixed amount of compute, network and storage) each measured in the fall of 2017 compared to Boeing's metrics using legacy process and tools. In 2017, Pivotal helped Boeing establish its Digital Transformation Environment, an internal organization focused on modernizing existing applications. Boeing now has nearly 1,000 developers delivering hundreds of applications on PCF. Boeing teams worldwide use PCF as their common platform for confidently delivering mission critical software.

Open-Source Initiatives

Pivotal supports open-source projects and communities for collaborative innovation such as: Cloud Foundry, Spring, Kubernetes, ODPi, Apache Geode, Apache HTTP Server, Apache MADlib, Apache Tomcat, Redis, RabbitMQ, Eclipse Foundation and various others.

Cloud Foundry Foundation

In December 2014, we established the Cloud Foundry Foundation, an independent nonprofit, open-source project. The Cloud Foundry Foundation now has more than 65 members comprised of leading technology providers and global enterprises. The Cloud Foundry Foundation develops and maintains a number of programs and work groups designed to help advance awareness and adoption of the Cloud Foundry platform. Cloud Foundry is an open-source, cloud-agnostic application deployment platform. We believe that the Cloud Foundry Foundation helps promote Cloud Foundry as a leading PaaS open-source technology with an expansive ecosystem. The Cloud Foundry Foundation hosts Cloud Foundry Summits in North America and Europe every year. We are a major sponsor of the Cloud Foundry community and a leading contributor to the project.

Spring

Spring is the leading open-source framework for developers building modern Java applications and microservices. Millions of developers use Spring regularly. Spring simplifies complexities of application development so that developers can focus on building features and business value. Spring Boot, introduced in the fiscal year ended January 30, 2015, is an extension of Spring designed to simplify the bootstrapping and development of cloud-native applications and is particularly popular for building microservices. The Spring Boot framework applies an opinionated approach to configuration, eliminating the need to define or implement boilerplate configuration before starting to build an application. Spring Cloud, built on top of Spring Boot and Netflix Open Source, provides components that enable common patterns in microservices application architectures, such as distributed configuration management, service discovery, circuit breakers, intelligent routing and micro-proxy. Using Spring Cloud, developers can quickly build and deploy a complex application that is highly available, resilient to failure and easily configured. PCF includes Spring Cloud as an integrated component of PAS, making it simpler for developers to deliver microservice applications on the platform. Spring has a large and active community that provides continuous feedback and contributions based on diverse real-world use cases. We are the primary sponsor of the Spring Community and leading contributor to the project.

Sales and Marketing

Our sales efforts are centered on landing and expanding PCF subscriptions. Frequently, an organization will subscribe to PCF for near-term consumption needs for a single division or small set of applications and then subsequently expand its subscription capacity and deployment to other divisions or a broader set of applications across the organization.

We primarily sell PCF through our sales force, which is comprised of enterprise sales representatives who team with platform architects, or technical sales engineers, and supporting business operations personnel. Our account teams are organized primarily by geographic coverage with some specialization for various industries.

Our sales efforts target the C-suite, technology professionals, software developers and data scientists. In addition to our sales force, we rely on partners, including our strategic partners DellEMC and VMware, public cloud vendors and SIs, to increase our sales and distribution of our technology and services. In addition, we have ISV partners whose integrations enable enterprises to receive additional benefits of our platform. Our principal marketing programs include: webinars, user conferences (such as the SpringOne Platform conference and Cloud Foundry Foundation Summits in North America and Europe) and cooperative marketing efforts with partners. We generate customer leads, accelerate sales opportunities and build brand awareness through our marketing programs and through our ecosystem partners.

Research and Development

Our ability to compete depends in large part on our continuous commitment to research and development and our ability to rapidly introduce new technologies, features and functionality. Our research and development organization is responsible for the design, development, testing and certification of our offerings. We focus our efforts on developing our core technologies and further enhancing their usability, functionality, reliability, performance and flexibility. We also apply the Labs process to our development of PCF, resulting in ongoing, rapid and prioritized feature development.

Research and development expenses were $120.5 million, $152.1 million and $160.9 million for fiscal 2016, fiscal 2017 and fiscal 2018, respectively.

Competition

The markets within which we operate are highly competitive. A significant number of companies and open-source projects have developed or are developing products and services that currently, or in the future may, compete with some or all of our offerings. In addition, in some instances we have strategic or other commercial relationships with companies with which we currently or may in the future compete. We face competition from:

- legacy application infrastructure and middleware from vendors such as IBM and Oracle;
- open-source based offerings supported by vendors such as RedHat; alternative Cloud Foundry-based offerings such as IBM Cloud and SAP Cloud Platform, which have proprietary features that are unique to their offerings; or potential customers' internally-developed, integrated and maintained efforts; and
- proprietary public cloud offerings from vendors such as Amazon Web Services, Google Cloud Platform and Microsoft Azure.

We believe we can compete favorably based on the following competitive factors:

- enterprise-grade performance and features such as scalability, security and ease of use;
- breadth, depth and quality of platform functionality;
- ability to deploy in a variety of infrastructure environments, specifically multi-cloud functionality;
- ability to innovate and rapidly respond to customer needs and changing open-source software standards;
- quality and transformative impact of strategic services and level of customer satisfaction;
- platform extensibility and ability to integrate with other technology infrastructures;
- brand awareness and reputation; and
- size of customer base and level of user adoption.

Intellectual Property

Intellectual property is an important aspect of our business, and we seek protection for our intellectual property as appropriate. To establish and protect our proprietary rights, we rely upon a combination of patent, copyright, trade secret and trademark laws and contractual restrictions such as confidentiality agreements, licenses and intellectual property assignment agreements. We maintain a policy requiring our employees, contractors, consultants and other third parties to enter into confidentiality and proprietary rights agreements to control access to our proprietary information. These laws, procedures and restrictions provide only limited protection, and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed or misappropriated. Furthermore, the laws of certain countries do not protect proprietary rights to the same extent as the laws of the United States, and we therefore may be unable to protect our proprietary technology in certain jurisdictions. Moreover, we contribute code to, and our platform incorporates, open source licensed to the general public under open-source software licenses such as the Apache 2.0 Software License. Such licenses can grant licensees broad permissions to use, copy, modify and redistribute contributed code. As a result, open-source development and licensing practices can limit the value of certain of our intellectual property assets.

As of February 2, 2018, we had been granted or had acquired 118 U.S. patents and had 73 U.S. patent applications pending. We also had 22 issued patents and 41 patent applications pending in foreign jurisdictions. Our patents expire between 2023 and 2036. We regularly review our development efforts to assess the existence and patentability of new intellectual property. We also pursue the registration of our domain names, trademarks and service marks and copyrights in our software in the United States and in certain locations outside the United States.

Legal Proceedings

From time to time, we are involved in legal proceedings and subject to claims arising in the ordinary course of our business. Although the results of litigation and claims cannot be predicted with certainty, we currently believe that the resolution of these ordinary course matters will not have a material adverse effect on our business, operating results, financial condition or cash flows. Even if any particular litigation is not resolved in a manner that is adverse to our interests, such litigation can have a negative impact on us because of defense and settlement costs, diversion of management resources from our business and other factors.

Facilities

We currently lease approximately 66,510 square feet of space for our current corporate headquarters in San Francisco, California under a lease agreement that expires in June 2019. Our other primary offices are in New York, London and Singapore under leases that expire at varying times between January 2019 and December 2030. We intend to add new facilities or expand existing facilities as we grow our business, and we believe that suitable additional space will be available as needed to accommodate any such expansion of our organization.

Employees

As of February 2, 2018, we had 2,518 full-time employees. Of these employees, 1,712 were in the United States, and 806 were in our international locations.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of February 2, 2018:

Name	Age	Position
Robert Mee	54	Chief Executive Officer and Director
William Cook	59	President
Onsi Fakhouri	34	Senior Vice President, Cloud R&D
Cynthia Gaylor	44	Senior Vice President, Chief Financial Officer
Edward Hieatt	40	Senior Vice President, Services
Andrew Cohen	52	Senior Vice President, General Counsel and Corporate Secretary
Scott Yara	44	Senior Vice President, Products
Paul Maritz	62	Chairman of the Board
Michael S. Dell	52	Director
Zane Rowe	47	Director
Egon Durban	44	Director
William D. Green	64	Director
Marcy S. Klevorn	58	Director
Khozema Z. Shipchandler	43	Director

Robert Mee

Mr. Mee has served as our Chief Executive Officer and as a member of our board of directors since August 2015. Prior to that, Mr. Mee was our Senior Vice President of Products and Research & Development from April 2013 to August 2015. Mr. Mee was part of Pivotal's founding team in April 2013. Prior to joining Pivotal, Mr. Mee led the Pivotal Labs Division at DellEMC, a data storage, information security, virtualization, analytics and cloud computing company, from 2012 to April 2013, where he was responsible for all aspects of the Pivotal Labs business. Prior to DellEMC, he served as Founder and Chief Executive Officer of Pivotal Labs LLC from 1989 until it was acquired by DellEMC in 2012. We believe that Mr. Mee is qualified to serve on our board of directors because of his leadership experience serving as our Chief Executive Officer and the Founder and Chief Executive Officer of Pivotal Labs LLC, his deep knowledge of and expertise in agile software development and the technology industry generally, and his background as part of Pivotal's founding team.

William Cook

Mr. Cook has served as our President since April 2013. Mr. Cook was part of Pivotal's founding team in April 2013. Prior to joining Pivotal, Mr. Cook served as President of the Greenplum Division at DellEMC from 2010 to 2013, where he was responsible for all aspects of the Greenplum business. Prior to DellEMC, Mr. Cook was the Chief Executive Officer of Greenplum, Inc., an open-source data company, from 2006 until Greenplum's acquisition by DellEMC in 2010. Prior to Greenplum, Mr. Cook held leadership positions at various companies, including spending 19 years at Sun Microsystems, a computer systems and software company, where he most recently served as Senior Vice President of U.S. Sales.

Onsi Fakhouri

Mr. Fakhouri has served as our Senior Vice President, Cloud R&D, since May 2017, and is responsible for the development of Pivotal's cloud-native offerings. Prior to that, Mr. Fakhouri was Vice President, Cloud R&D from January 2016 to May 2017, and Vice President, Engineering for Cloud

Foundry from April 2015 to January 2016. He also was a distinguished software engineer and product manager from 2013 to April 2015. Prior to joining Pivotal in 2013, Mr. Fakhouri was a senior software engineer in the Pivotal Labs Division at DellEMC from 2012 to 2013. Prior to DellEMC, he was a software engineer at Pivotal Labs LLC from September 2010 until it was acquired by DellEMC in 2012.

Cynthia Gaylor

Ms. Gaylor has served as our Senior Vice President and Chief Financial Officer since May 2016. Prior to joining us, Ms. Gaylor was an independent strategic advisor from November 2014 to May 2016. From June 2013 to October 2014, Ms. Gaylor was the Head of Corporate Development and an Advisor at Twitter. Prior to Twitter, Ms. Gaylor was a Managing Director at Morgan Stanley, serving in various positions in the technology investment banking group between March 2006 and May 2013.

Edward Hieatt

Mr. Hieatt has served as our Senior Vice President, Services, since August 2015, and is responsible for our Customer Success Organization. Prior to that, Mr. Hieatt was Vice President of Labs from January 2014 to August 2015. Prior to joining Pivotal in 2013, Mr. Hieatt was Senior Director of Engineering at the Pivotal Labs Division of DellEMC from 2012 to 2013, where he was responsible for the operations of the Pivotal Labs consultancy. Prior to DellEMC, he served as Vice President of Engineering of Pivotal Labs LLC, which he joined as a software engineer in 2003, until it was acquired by DellEMC in 2012.

Andrew Cohen

Mr. Cohen has served as our Senior Vice President, General Counsel and Corporate Secretary since July 2016. From our founding in April 2013 to July 2016, Mr. Cohen was Vice President, General Counsel and Corporate Secretary. Prior to joining Pivotal, Mr. Cohen held various leadership positions at DellEMC from 1998 to 2013, including serving as Vice President and Assistant General Counsel from January 2007 to April 2013, where he was responsible for a number of legal functions, including compliance, litigation, mergers and acquisitions, investigations and real estate, as well as leading a compliance technology solutions team.

Scott Yara

Mr. Yara has served as our Senior Vice President, Products, since September 2016. Mr. Yara was our President and Head of Products from July 2014 to September 2016 and was Senior Vice President, Products from April 2013 to July 2014. Mr. Yara was part of Pivotal's founding team in April 2013. Prior to joining Pivotal, Mr. Yara served as Senior Vice President of the Greenplum Division at DellEMC from August 2010 to April 2013, where he was responsible for product development. Prior to DellEMC, Mr. Yara co-founded Greenplum, which was acquired by DellEMC in 2010.

Paul Maritz

Mr. Maritz has served as a member of our board of directors since April 2013 and Chairman of our board of directors since September 2016. Mr. Maritz served as our Chief Executive Officer from April 2013 through August 2015. From September 2012 through March 2013, Mr. Maritz served as Chief Strategist at DellEMC. Mr. Maritz also served as a director of VMware, a cloud infrastructure and digital workspace technology company and majority-owned subsidiary of Dell Technologies, from July 2008, when he joined VMware as Chief Executive Officer, to December 2017. Mr. Maritz was VMware's Chief Executive Officer from July 2008 through August 2012 and President from July 2008 to January 2011. Prior to joining VMware, he was President of DellEMC's Cloud Infrastructure and Services Division after DellEMC acquired Pi Corporation in February 2008. Mr. Maritz was a founder of Pi, a software company focused on building cloud-based solutions, and served as its Chief Executive Officer. Before founding Pi, Mr. Maritz spent 14 years working at Microsoft Corporation, a multinational technology company, where he served as a member of the five-person Executive Committee that managed the company. We believe that Mr. Maritz is qualified to serve on our board of directors because of his experience serving in various executive positions at Pivotal, VMware, DellEMC and other global technology companies, which provided him in-depth knowledge of our business and the issues we face. In addition, Mr. Maritz's substantial experience in the information technology sector, ranging from development of software products to founding a company developing cloud computing software, provides the board of directors with significant expertise on a variety of issues important to our business.

Michael S. Dell

Mr. Dell has served as a member of our board of directors since September 2016. He has served as Chairman and Chief Executive Officer of Dell Technologies since October 2013. Mr. Dell has held the title of Chairman of Dell Inc. since he founded that company in 1984. Mr. Dell also served as Chief Executive Officer of Dell Inc. from 1984 until July 2004 and resumed that role in January 2007. In 1998, Mr. Dell formed MSD Capital, L.P. for the purpose of managing his and his family's investments, and, in 1999, he and his wife established the Michael & Susan Dell Foundation to provide philanthropic support to a variety of global causes. Mr. Dell also serves as a director and non-executive Chairman of the board of directors of VMware and of SecureWorks Corp., a majority-owned subsidiary of Dell Technologies. As the Chairman, Chief Executive Officer and founder of Dell Technologies, Mr. Dell oversees one of the world's largest technology companies and is recognized as one of the leading innovators and influencers in the business world. Mr. Dell has decades of experience leading a complex, international technology enterprise and possesses extensive knowledge of internet-based technologies and the needs and expectations of enterprise customers. We believe that Mr. Dell, who has successfully led Dell Inc. through many transitions in information technology and enterprise computing, brings extensive and valuable experience to our board of directors.

Zane Rowe

Mr. Rowe has served as a member of our board of directors since September 2016. Mr. Rowe has served as Chief Financial Officer and Executive Vice President of VMware since March 2016. Before joining VMware, he served as Executive Vice President and Chief Financial Officer of DellEMC from October 2014 through February 2016. Prior to joining DellEMC, Mr. Rowe was Vice President of North American Sales of Apple Inc. from May 2012 to May 2014. He was Executive Vice President and Chief Financial Officer of United Continental Holdings, Inc., an airline holdings company, from October 2010 until April 2012 and was Executive Vice President and Chief Financial Officer of Continental Airlines from August 2008 to September 2010. Mr. Rowe currently serves on the board of directors of Sabre Corporation. We believe that Mr. Rowe is qualified to serve on our board of directors because of his financial expertise and experience in sales, operations and strategic roles, as well as his extensive experience in the technology industry.

Egon Durban

Mr. Durban has served as a member of our board of directors since September 2016. He has been a member of the board of directors of Dell Technologies since the closing of Dell's going-private transaction in October 2013. Mr. Durban is a Managing Partner and Managing Director of Silver Lake, a global private equity firm. Mr. Durban joined Silver Lake in 1999 as a founding principal. Mr. Durban also serves on the boards of directors of Motorola Solutions, Inc., VMware and SecureWorks Corp. As the Managing Partner, Managing Director and a founding principal of one of the leading global technology investment funds, Mr. Durban possesses considerable financial acumen, deep knowledge of global trends in information technology and expertise in conducting complex business transactions. We believe that Mr. Durban also brings valuable experience from his service on other public company boards to his service on our board of directors.

William D. Green

Mr. Green has served as a member of our board of directors since August 2015. Mr. Green has served as a director of Dell Technologies since September 2016. Previously, he served as a director of DellEMC from July 2013 to August 2016 and as DellEMC's independent Lead Director from February 2015 to August 2016. Mr. Green served as Chairman of the board of directors of Accenture plc, a global management consulting, technology services and outsourcing company, from August 2006 until his retirement in February 2013, and as Chief Executive Officer of that company from September 2004 through December 2010. He was elected as a partner of Accenture plc in 1986. Mr. Green is also a member of the board of directors of S&P Global Inc. (formerly known as McGraw Hill Financial, Inc.). We believe that Mr. Green is qualified to serve on our board of directors because of his leadership and operating experience as the former Chairman of the Board and Chief Executive Officer of Accenture, his broad international business expertise and his deep understanding of the information technology industry.

Marcy S. Klevorn

Ms. Klevorn has served as a member of our board of directors since May 2016. Ms. Klevorn has served as executive vice president and president of Mobility, Ford Motor Company, since June 2017. In this role, she is responsible for overseeing Ford Smart Mobility LLC, which was formed to accelerate the company's plans to design, build, grow and invest in emerging mobility services, as well as Information Technology and Global Data, Insight and Analytics. Previously, Ms. Klevorn was group vice president, Information Technology and Chief Information Officer from January 2015 to January 2017. From 1983 to January 2015, Ms. Klevorn worked at various positions at Ford Motor Company. We believe that Ms. Klevorn is qualified to serve on our board of directors because of her extensive experience serving as an executive of Ford and her deep understanding of the information technology industry.

Khozema Z. Shipchandler

Mr. Shipchandler has served as a member of our board of directors since December 2016. He has served as Vice President and Chief Financial Officer of GE Digital, an industrial software solutions and services subsidiary of General Electric, since October 2015. Previously, he served as Vice President of the Corporate Audit Staff of General Electric from January 2014 to October 2015. From 2011 to December 2013, he served as Chief Financial Officer, GE, in the Middle East, North Africa & Turkey. From 1996 to 2011, he held various finance leadership positions, principally in the Corporate and Aviation Divisions of General Electric. We believe that Mr. Shipchandler is qualified to serve on our board of directors because of his experience serving as an executive of GE Digital and his expertise and experience in finance, accounting and global operations.

Messrs. Mee, Dell, Durban, Green and Maritz were nominated as directors pursuant to the nomination rights granted to DellEMC under our Fifth Amended and Restated Shareholders' Agreement (the "shareholders' agreement"). Mr. Rowe, Ms. Klevorn and Mr. Shipchandler were nominated as directors pursuant to the nomination rights granted to VMware, Ford Motor Company and General Electric Company, respectively, under the shareholders' agreement.

Settlement of SEC Proceeding with Mr. Dell

On October 13, 2010, a federal district court approved settlements by Dell Inc. and Mr. Dell with the SEC resolving an SEC investigation into Dell Inc.'s disclosures and alleged omissions before fiscal 2008 regarding certain aspects of its commercial relationship with Intel Corporation and into separate accounting and financial reporting matters. Dell Inc. and Mr. Dell entered into the settlements without admitting or denying the allegations in the SEC's complaint, as is consistent with common SEC practice. The SEC's allegations with respect to Mr. Dell and his settlement were limited to the alleged failure to provide adequate disclosures with respect to Dell Inc.'s commercial relationship with Intel Corporation prior to fiscal 2008. Mr. Dell's settlement did not involve any of the separate accounting fraud charges settled by Dell Inc. and others. Moreover, Mr. Dell's settlement was limited to claims in which only negligence, and not fraudulent intent, is required to establish liability, as well as secondary liability claims for other non-fraud charges. Under his settlement, Mr. Dell consented to a permanent injunction against future violations of these negligence-based provisions and other non-fraud based provisions related to periodic reporting. Specifically, Mr. Dell consented to be enjoined from violating Sections 17(a)(2) and (3) of the Securities Act and Rule 13a-14 under the Exchange Act, and from aiding and abetting violations of Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. In addition, Mr. Dell agreed to pay a civil monetary penalty of $4 million, which has been paid in full. The settlement did not include any restrictions on Mr. Dell's continued service as an officer or director of Dell Inc.

Board of Directors

Our board of directors is currently composed of eight members and has three vacancies. Upon the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering, the board of directors will be divided into two groups, Group I and Group II. The holders of Class B common stock, voting as a separate class, will be entitled to elect at least 80% of the total number of directors that we would have if there were no vacancies on our board of directors at such time. Subject to any rights of any series of preferred stock to elect directors, the holders of Class A common stock and the holders of Class B common stock, voting together as a single class, will be entitled to elect our remaining directors, with each share of Class A common stock and each share of Class B common stock entitled to one vote per share in any such election. Each director elected by the holders of Class B common stock, voting as a separate class, will be designated a Group I Member, and each director elected by the holders of Class A common stock and Class B common stock, voting together as a single class, will be designated a Group II Member. The number of authorized Group II directorships may not be decreased below one. Mr. Dell, Mr. Durban, Mr. Green, Mr. Maritz, Mr. Mee and Mr. Rowe will be the initial Group I Members, and Ms. Klevorn and Mr. Shipchandler will be the initial Group II Members. If at any time there are no longer any shares of our Class B common stock outstanding, all Group I Members will be automatically designated as Group II Members, and the number of Group II directorships will automatically be increased by the number of former Group I directorships to equal the number of directors on our entire board of directors, including any vacancies.

Upon the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering, our board of directors will be further divided into the following three classes that will serve staggered three-year terms:

- Class I, whose initial term will expire at the first annual meeting of stockholders to be held after the closing of this offering;
- Class II, whose initial term will expire at the second annual meeting of stockholders to be held after the closing of this offering; and
- Class III, whose initial term will expire at the third annual meeting of stockholders to be held after the closing of this offering.

Mr. Maritz, Mr. Rowe and Ms. Klevorn will serve as Class I directors, Mr. Mee, Mr. Durban and Mr. Shipchandler will serve as Class II directors, and Mr. Dell and Mr. Green will serve as Class III directors.

At each annual meeting of stockholders after the initial division of the board of directors into three classes, the successors to directors whose terms will expire on such date will serve from the time of their election until the third annual meeting following their election and until their successors are duly elected and qualified or their earlier death, resignation or removal. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so as to ensure that the classes are as nearly equal in number as the then authorized number of directors permits.

If at any time or from time to time any Group I directorship is vacant, one of the existing Group I Members to be designated in writing by Dell Technologies will be entitled to cast, on all matters upon which a vote or consent of the board of directors is taken, a number of votes equal to one plus the number of vacant Group I directorships then existing, and all other directors will be entitled to cast one vote. Upon the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering, there will be three vacant Group I directorships. Mr. Dell will be the initial Group I Member entitled to cast one vote for each such vacant directorship and, as a result, will be entitled initially to cast four votes on any matter submitted to a vote of our board of directors.

Director Independence

We are a "controlled company" under the rules of the New York Stock Exchange. As a result, we qualify for exemptions from, and have elected not to comply with, certain corporate governance requirements under the rules, including the requirements that within one year of the completion of this offering we have a board that is composed of a majority of "independent directors," as defined under the rules, and a compensation committee and a nominating and corporate governance committee that are composed entirely of independent directors. Even though we are a controlled company, we are required to comply with the rules of the SEC and the New York Stock Exchange relating to the membership, qualifications and operations of the audit committee, as discussed below.

The rules of the New York Stock Exchange define a "controlled company" as a company of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company. After the closing of this offering, Dell Technologies will, indirectly through its subsidiaries (including VMware), continue to own none of the outstanding shares of our Class A common stock and all of the outstanding shares of our Class B common stock, representing 70.1% of the total outstanding shares of common stock or 95.9% of the combined voting power of the outstanding common stock. Through its control of shares of common stock representing a majority of the votes entitled to be cast in the election of the Group I and Group II directors, Dell Technologies will control the vote to elect all of our directors. Accordingly, we will qualify as a "controlled company" and will be able to rely on the controlled company exemption from these provisions. If we cease to be a controlled company and the Class A common stock continues to be listed on the New York Stock Exchange, we will be required to comply with the director independence requirements of the New York Stock Exchange relating to the board of directors, compensation committee and nominating and corporate governance committee by the date our status as a controlled company changes or within specified transition periods applicable to certain provisions, as the case may be.

Our board of directors has determined that Mr. Green, Ms. Klevorn and Mr. Shipchandler, constituting three of our eight directors, are independent directors under the New York Stock Exchange rules.

Board Committees

Our board of directors has established an audit committee and a compensation committee, each having the composition and responsibilities described below. Our board will adopt a written charter for each of the committees, copies of which will be posted on our website after this offering.

Audit Committee

Upon the closing of this offering, our audit committee will consist of Mr. Green, who will chair the committee, Mr. Rowe and Mr. Shipchandler. We intend to rely on the phase-in rules of the New York Stock Exchange with respect to the requirement that the audit committee be composed entirely of members of our board of directors who satisfy the standards of independence established for independent directors under the New York Stock Exchange rules and the additional independence standards applicable to audit committee members established pursuant to Rule 10A-3 under the Exchange Act, as determined by our board of directors. Our board of directors has determined that each proposed committee member meets the "financial literacy" requirement for audit committee members under the New York Stock Exchange rules and is an "audit committee financial expert" within the meaning of the SEC rules.

The audit committee's primary responsibilities will include, among other matters:

- appointing, retaining, compensating and overseeing the work of our independent registered public accounting firm or terminating our independent audit firm;
- assessing the independence and performance of the independent registered public accounting firm;
- reviewing with our independent registered public accounting firm the scope and results of the firm's annual audit of our financial statements;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the interim and annual financial statements that we will file with the SEC;
- pre-approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- reviewing our accounting and financial reporting policies and practices and accounting controls, as well as compliance with legal and regulatory requirements;
- periodically reviewing and approving changes to our code of business conduct and ethics and other policies with respect to legal compliance, conflicts of interest and ethical conduct;
- reviewing with our management the scope and results of management's evaluation of our disclosure controls and procedures and management's assessment of our internal control over financial reporting, including the related certifications to be included in the periodic reports we will file with the SEC; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls or auditing matters, or other ethics or compliance issues.

Compensation Committee

Upon the closing of this offering, our compensation committee will consist of Mr. Maritz, who will chair the committee, and Mr. Green.

The compensation committee's primary responsibilities will include, among other matters:

- reviewing and approving the compensation of our executive officers, including our chief executive officer;
- evaluating the need for, and provisions of, employment contracts or severance arrangements for our executive officers;

- reviewing the compensation of our directors for service on our board of directors and its committees and recommending any changes to such compensation to our board of directors;
- acting as administrator of our equity incentive plans;
- reviewing and discussing with our board of directors our management succession plans, as well as our leadership development strategies and executive retention and diversity strategies; and
- establishing and reviewing general policies relating to compensation and benefits of our employees.

Codes of Ethics

In connection with this offering, our board of directors will adopt a code of business conduct and ethics that applies to all of our employees, officers and directors, including our Chief Executive Officer, Chief Financial Officer and other executive and senior financial officers, as well as a code of ethics that applies to our Chief Executive Officer, President, Chief Financial Officer, Vice President, Accounting & Tax and persons performing similar functions (together, the "codes of ethics"). Upon closing of this offering, the full text of our codes of ethics will be posted on the investor relations section of our website. We intend to disclose future amendments to our codes of ethics, or any waivers thereof, on our website.

Compensation Committee Interlocks and Insider Participation

None of our executive officers has served as a member of a compensation committee (or if no committee performs that function, the board of directors) of any other entity that has an executive officer serving as a member of our board of directors.

Director Compensation

The following table sets forth information concerning the compensation earned by each of our non-employee directors during the fiscal year ended February 2, 2018.

Name and Principal Position	Fees Earned or Paid in Cash ($)	Total ($)
Paul Maritz	—	—
Michael S. Dell	—	—
Zane Rowe	—	—
Egon Durban	—	—
William D. Green	40,000	40,000
Marcy S. Klevorn	—	—
Khozema Z. Shipchandler	—	—

Certain of our non-employee directors, currently Messrs. Green and Maritz, will be eligible to receive compensation for their board service. Our board of directors has adopted a compensation program for these directors that will enable us to attract qualified directors, provide them with compensation at a level that is consistent with our compensation objectives and, in the case of equity-based compensation, align their interests with those of our stockholders.

These directors will be eligible to receive the following annual cash retainers, payable in annual installments in arrears:

- Board Chair: $30,000
- Board Member: $35,000

- Audit Committee Chair: $20,000
- Audit Committee Member: $10,000
- Compensation Committee Chair: $15,000
- Compensation Committee Member: $7,500

These directors will be eligible to receive the following equity-based compensation in the form of restricted stock units with respect to shares of Class A common stock granted pursuant to the 2018 Equity Incentive Plan:

- an initial grant in the amount of $300,000, vesting in equal annual installments over three years, to be made in connection with this offering; and
- an annual grant in the amount of $200,000, vesting after one year, to be made on or about the date of our annual stockholder meeting.

We will also reimburse all of our directors for their reasonable expenses incurred in attending meetings of our board of directors or committees.

Our amended and restated certificate of incorporation and amended and restated bylaws provide that our directors will be entitled to indemnification from us to the fullest extent permitted by the Delaware General Corporation Law. Prior to the closing of the offering, we expect to enter into indemnification agreements with each of our directors. In addition, we provide our directors with liability insurance coverage for any liability arising out of their actions in that capacity. For more information see "Executive Compensation—Indemnification of Directors and Officers."

EXECUTIVE COMPENSATION

The following table sets forth information concerning the compensation paid to our principal executive officer and our two other most highly compensated executive officers during our fiscal year ended February 2, 2018 (collectively referred to as our "named executive officers").

FISCAL 2018 SUMMARY COMPENSATION TABLE

Name and Principal Position	Fiscal Year Ended	Salary ($)	Option Awards ($) (1)	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)	Total ($)
Robert Mee	2018	500,000	1,642,800	548,815	2,969	2,694,764
Chief Executive Officer						
William Cook	2018	400,000	1,642,800	462,160	9,107	2,514,067
President						
Onsi Fakhouri	2018	203,269 (2)	1,272,320	110,930	10,300 (3)	1,597,019
Senior Vice President, Cloud R&D						

(1) The amounts reported in this column represent the aggregate grant date fair value of the stock option awards granted to the named executive officers during fiscal 2018, as calculated in accordance with FASB Accounting Standards Codification Topic 718. The assumptions used in calculating the grant date fair value of the stock option awards in this column are described in Note 13 to our consolidated financial statements included elsewhere in this prospectus.

(2) Amount represents a prorated portion of Mr. Fakhouri's annual salary of $280,000.

(3) Amounts represent matching payments made pursuant to our 401(k) plan and a patent bonus.

Employment, Severance and Change in Control Arrangements

Change in Control Severance Agreements

We have entered into double-trigger change in control severance agreements with each of our named executive officers that provide for the change in control benefits set forth below. Each agreement automatically renews for successive one-year terms on January 1 of each year, unless we or the named executive officer give notice of termination not later than April 1 of the preceding year; provided, however, that if a change in control (as defined in the agreement) has occurred during a term, the term will expire 24 months following the change in control.

If, during a potential change in control period and for 24 months following a change in control, the named executive officer's employment is terminated by us without cause (as defined in the agreement), by reason of death or disability or by the named executive officer with good reason (as defined in the agreement), we will be obligated to: (1) pay an amount equal to 100% of the named executive officer's then current annual base salary in cash in a lump sum, (2) pay an amount equal to 100% of the named executive officer's target annual bonus for the current fiscal year in cash in a lump sum, (3) continue to provide the named executive officer and his or her dependents health insurance benefits for 24 months following termination and (4) pay a portion of the named executive officer's bonus compensation for the current fiscal year in cash in a lump sum, prorated through the date of termination. A potential change in control period is defined to begin upon (1) our execution of an agreement, the consummation of which would result in the occurrence of a change in control, (2) the public announcement of an action, the consummation of which would result in the occurrence of a change in control or (3) adoption by our board of a resolution to the effect that a potential change in control has occurred. A potential change in control period is defined to end upon a change in control, unless the potential change in control event terminates in specified circumstances earlier.

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Incentive Plan Awards

Our named executive officers were eligible to participate in our Fiscal Year 2018 Bonus Plan. Under the Fiscal Year 2018 Bonus Plan, bonus payments were determined as a percentage of each named executive officer's bonus target and our financial performance.

Outstanding Equity Awards at Fiscal Year End

The following table sets forth information concerning outstanding equity awards for our named executive officers as of the end of our fiscal year ended February 2, 2018.

OUTSTANDING EQUITY AWARDS AT 2018 FISCAL YEAR END

	Option Awards				
Name	Grant Date	Numbers of Securities Underlying Unexercised Options (#) Exercisable	Numbers of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date
Robert Mee	6/28/2013	500,000	—	$ 5.06	6/28/2023
	5/13/2015	1,000,000	500,000(1)	$ 6.78	5/13/2025
	3/15/2017	—	500,000(1)	$ 8.58	3/15/2027
William Cook	6/28/2013	500,000	—	$ 5.06	6/28/2023
	5/13/2015	1,000,000	500,000(1)	$ 6.78	5/13/2025
	3/15/2017	—	500,000(1)	$ 8.58	3/15/2027
Onsi Fakhouri	6/28/2013	6,750	—	$ 5.06	6/28/2023
	10/30/2014	4,062	938(1)	$ 6.26	10/30/2024
	5/13/2015	100,000	50,000(1)	$ 6.78	5/13/2025
	8/2/2016	37,500	62,500(1)	$ 8.56	8/2/2026
	8/8/2017	—	350,000(1)	$ 9.90	8/8/2027

(1) This option becomes vested and exercisable over a four-year period, with 25% of the total original number of shares subject to the option vesting on the first anniversary of the grant date and 1/48th of such shares vesting each month thereafter.

Employee Benefit Plans

2018 Equity Incentive Plan

Our board of directors adopted our 2018 Equity Incentive Plan (the "2018 Plan") on April 4, 2018, which will become effective in connection with this offering, subject to approval by our stockholders. All shares that remain available for issuance under our 2013 Plan as of the effectiveness of the registration statement will become available for issuance under the 2018 Plan and no further equity awards may be granted under our 2013 Plan. The 2018 Plan provides for the grant of equity-based awards to our employees, certain of our non-employee directors and consultants or advisors.

Subject to approval by our compensation committee, it is anticipated that, in connection with this offering, our employees, including our named executive officers, will, and certain of our non-employee directors may, be granted restricted stock units with respect to approximately 8,150,000 shares of our Class A common stock, and that certain of our employees will be granted options to purchase approximately 1,000,000 shares of our Class A common stock, at an exercise price per share equal to the initial public offering price. These estimated share numbers are based on an assumed initial public offering price of $15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

Administration. The 2018 Plan will be administered by the compensation committee of our board of directors (unless another committee is designated by our board of directors), which will have the authority to determine eligible participants, the types of awards to be granted, the number of shares covered by awards, the terms and conditions of awards (and amendments to any terms and conditions) and the methods by which awards may be settled, exercised, cancelled, forfeited or suspended, and to make any other determination and take any other action that it deems necessary or desirable for the administration of the 2018 Plan and due compliance with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

Shares Available for Awards. The maximum number of shares of our Class A common stock available for issuance under the 2018 Plan as of the effectiveness of the registration statement will initially equal the sum of (i) 14,000,000 shares and (ii) the total number of shares then available for issuance under the 2013 Plan. The share pool will be increased on the first day of each fiscal year by the lesser of (i) 5% of the aggregate number of shares of our Class A common stock and Class B common stock outstanding (on a fully diluted basis) on the last day of the immediately preceding fiscal year and (ii) a number of shares of our Class A common stock determined by our board of directors in its discretion. Any shares underlying awards outstanding under the 2018 Plan or the 2013 Plan that are forfeited, cancelled, expired, terminated or are otherwise lapsed or are settled in cash, in whole or in part, excluding any shares underlying awards that are tendered or withheld in respect of taxes or to pay the exercise price of an award, will become available for future grant under the 2018 Plan.

In the event the administrator determines that, as a result of certain changes in our corporate structure, including any extraordinary dividend or other distribution, recapitalization, stock split, reorganization, merger, consolidation, spin-off, or other similar corporate transaction or event affecting our common stock, or changes in applicable laws, regulations or accounting principles, an adjustment is appropriate to prevent dilution or enlargement of the benefits intended to be made available under the 2018 Plan, then the administrator will make equitable adjustments to prevent undue enrichment or harm to the number and type of shares that thereafter may be made the subject of awards, the number and type of shares subject to outstanding awards, and the grant, purchase, exercise or hurdle price of any outstanding award.

In any one calendar year, non-employee directors may not be granted cash or stock based awards under the 2018 Plan that relate to more than $750,000 in the aggregate.

The maximum number of shares available for issuance with respect to incentive stock options ("ISOs") is 14,000,000.

Stock Options. The 2018 Plan permits the grant of ISOs to employees and/or nonstatutory stock options ("NSOs") to all eligible participants. The exercise price of stock options will be determined by the administrator. However, except in the case of substitute awards, the exercise price may not be less than the fair market value of our Class A common stock on the grant date. The administrator may determine the terms and conditions applicable to each grant of stock options, including the term of the options (which may not exceed 10 years), the time or times at which options become vested and exercisable and the method of payment of the exercise price. The terms of any award of ISOs are required to comply in all respects with the provisions of Section 422 of the Internal Revenue Code of 1986, as amended (the "Code").

Stock Appreciation Rights. The 2018 Plan permits the grant of stock appreciation rights ("SARs"), which entitle the holder to receive shares of our Class A common stock or cash having an aggregate value equal to the appreciation in the fair market value of our Class A common stock between the grant date and the exercise date, times the number of shares subject to the SAR. SARs may be granted to participants either alone or in tandem with other awards granted under the 2018 Plan. The exercise price of a SAR will be determined by the administrator. However, except in the case of substitute awards, the exercise price may not be less than the fair market value of our Class A common stock on the grant date. The administrator may determine the terms and conditions applicable to each grant of SARs, including the term of the SARs (which may not exceed 10 years) and the time or times at which a SAR may be exercised or settled.

Restricted Stock and RSUs. The 2018 Plan permits the grant of restricted stock and restricted stock units ("RSUs"). Restricted stock awards are grants of shares of our Class A common stock, subject to certain conditions and restrictions as specified in the applicable award agreement. RSUs represent the right to receive shares of our Class A common stock (or a cash amount equal to the value of our common stock) on future dates as specified in the applicable award agreement.

Performance Awards. The 2018 Plan permits the grant of performance awards that are payable upon the achievement of performance goals determined by the administrator. The administrator may, in its discretion, increase or reduce the amount of a settlement otherwise to be made in connection with a performance award.

Other Cash-Based Awards and Other Stock-Based Awards. The 2018 Plan permits the grant of other cash-based and other stock-based awards, the terms and conditions of which will be determined by the administrator.

Effect of Termination of Service or a Change in Control on Awards. In the event of a participant's termination of service, the administrator may determine the extent to which an award may be exercised, settled, vested, paid or forfeited prior to the end of a performance period, or the vesting, exercise or settlement of such award. In the event of a change in control of the company (as defined in the 2018 Plan), the administrator may, in its discretion, take certain actions with respect to outstanding awards, including the continuation or assumption of awards, substitution or replacement of awards by a successor entity, acceleration of vesting and lapse of restrictions, determination of the attainment of performance conditions for performance awards or cancellation of awards in consideration of a payment.

Amendment and Termination. Our board of directors has the authority to amend, alter, suspend, discontinue or terminate the 2018 Plan, provided that no such action may be taken without stockholder approval, if the approval is necessary to comply with applicable law or stock exchange rules, or without the consent of the affected participant, if such action would materially adversely affect the rights of such participant (unless such action is taken to cause the 2018 Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations or to impose any recoupment provisions on an award).

No Repricing. Except pursuant to an adjustment by the administrator permitted under the 2018 Plan, no action may directly or indirectly reduce the exercise or hurdle price of any award established at the time of grant without stockholder approval.

Term of the Plan. No awards may be granted under the 2018 Plan after the earliest of (i) the 10-year anniversary of the effectiveness of the registration statement, (ii) the maximum number of shares of our Class A common stock available for issuance has been issued or (iii) our board of directors terminates the plan.

Employee Stock Purchase Plan

Our board of directors adopted our Employee Stock Purchase Plan (the "ESPP") on April 4, 2018, which will become effective in connection with this offering, subject to approval by our stockholders.

Purpose of the ESPP. The ESPP is intended to provide our employees and employees of participating subsidiaries and affiliates with an opportunity to acquire a proprietary interest in our company through the purchase of shares of our Class A common stock. The ESPP has two components: (i) one component is intended as a tax-qualified employee stock purchase plan under Section 423(b) of the Code and (ii) the other component, which is not intended to be tax-qualified under Section 423 of the Code, authorizes the grant of options to purchase shares of our Class A common stock pursuant to rules, procedures or sub-plans adopted by the administrator that are designed to achieve tax, securities laws or other objectives for eligible employees.

Shares Reserved. The maximum number of shares available for issuance under the ESPP will initially not exceed in the aggregate 2,800,000 shares of our Class A common stock. The share pool will be increased on the first day of each fiscal year by the least of (i) 5,500,000 shares of our Class A common stock, (ii) 1% of the aggregate number of shares of our Class A common stock and Class B common stock outstanding (on a fully diluted basis) on the last day of the immediately preceding fiscal year and (iii) a number of shares of our Class A common stock determined by our board of directors in its discretion.

Administration. Our ESPP will be administered by the compensation committee of our board of directors (unless another committee is designated by our board of directors), which will have the authority to take any actions necessary or desirable for the administration of the ESPP, including adopting sub-plans or special rules applicable to participants in particular participating subsidiaries or affiliates or particular locations. The administrator may change the minimum and maximum amounts of compensation (as defined in the ESPP) for payroll deductions, the frequency with which a participant may elect to change his or her rate of payroll deductions, the dates by which a participant is required to submit an enrollment form and the effective date of a participant's withdrawal from the ESPP due to a termination or transfer of employment or change in status.

Eligibility. Unless otherwise determined by the administrator in a manner that is consistent with Section 423 of the Code, any individual who is an eligible employee as of the last date of the enrollment period for a particular offering period is eligible to participate in such offering period, subject to the requirements of Section 423 of the Code. An eligible employee will not be granted an option under the Section 423 component of the ESPP if such grant would result in the employee owning 5% or more of the total combined voting power or value of all classes of our and our subsidiaries' stock or if such grant would permit the employee to purchase our and our subsidiaries' and affiliates' stock at a rate that exceeds $25,000 of the fair market value of the stock for each calendar year in which such option is outstanding at any time.

Offering Periods. Unless otherwise determined by the administrator, each offering period under the ESPP will have a duration of six months commencing on January 11 or July 11 and ending on July 10 or January 10. The initial offering period under the ESPP will commence on the date of the effectiveness of the registration statement and end on January 10, 2019.

Participation. Participation in the ESPP is voluntary. Eligible employees may elect to participate in the ESPP by completing an enrollment form and submitting it in accordance with the enrollment procedures established by the administrator, upon which the employee authorizes payroll deductions from his or her paycheck on each payroll date during the offering period in an amount equal to at least 1% of his or her compensation, but not more than the contribution limit. The contribution limit for each offering period is the lesser of (i) 15% of an eligible employee's compensation for the offering period or (ii) $7,500.

Each eligible employee as of the effectiveness of the registration statement will be automatically enrolled in the initial offering period and will be required to submit an enrollment form within 10 business days after the registration statement on Form S-8 is filed to register the shares of our Class A common stock under the ESPP. If no such enrollment form is timely filed, the participant will be deemed to have withdrawn from the offering for the initial offering period.

Participants may decrease (but not increase) their rate of payroll deductions only once during an offering period (twice during the initial offering period) by submitting a new enrollment form which will become effective 10 business days after the date on which the new enrollment form is submitted. The deduction rate selected for an offering period will remain in effect for subsequent offering periods unless the participant (i) submits a new enrollment form authorizing a new level of payroll deductions, (ii) withdraws from the ESPP or (iii) terminates employment or otherwise becomes ineligible to participate in the ESPP.

Grant and Exercise of Options. Each participant will be granted, on the grant date of each offering period, an option to purchase, on each purchase date during such offering period, a number of shares of our Class A common stock determined by dividing the participant's accumulated payroll deductions by the purchase price. The purchase price for the option will equal the lesser of 85% of the fair market value of a share (or such greater percentage as designated by the administrator) on (i) the option's grant date or (ii) the purchase date. A participant's option will be exercised automatically on each purchase date in each offering period to purchase the maximum number of whole shares of our Class A common stock that can be purchased with the amounts in the participant's notional account. Unless otherwise determined by the administrator, a participant may not purchase more than 3,000 shares of our Class A common stock during any one offering period.

Withdrawal. Participants may withdraw from an offering at any time prior to the last day of the offering period by submitting a revised enrollment form indicating his or her election to withdraw. The accumulated payroll deductions held on behalf of the participant in his or her notional account will be returned to the participant, and the participant's option will be automatically terminated.

Termination of Employment; Change in Employment Status; Transfer of Employment. On termination of a participant's employment for any reason, or a change in the participant's employment status following which the participant is no longer an eligible employee, the participant will be deemed to have withdrawn from the ESPP effective as of the date of such termination of employment or change in status, the accumulated payroll deductions remaining in the participant's notional account will be returned to the participant, and the participant's option will be automatically terminated. A participant whose employment transfers between the Company and a participating subsidiary or affiliate will not be treated as having terminated employment or purposes of participating in the ESPP or an offering.

Adjustments Upon Changes in Capitalization; Corporate Transactions. In the event of any dividend or other distribution, recapitalization, stock split, reorganization, merger, consolidation, spin-off, or other change in our company's structure affecting our Class A common stock, then in order to prevent dilution or enlargement of the benefits intended to be made available under the ESPP, the administrator will make equitable adjustments to the number and class of shares that may be issued under the ESPP, the purchase price per share, and the number of shares covered by each outstanding option.

In the event of a corporate transaction (as defined in the ESPP), each outstanding option will be assumed (or an equivalent option substituted) by the successor corporation or a parent or subsidiary of such successor corporation. If the successor corporation refuses to assume or substitute such option, the offering period will be shortened by setting a new purchase date on which the offering period will end. The new purchase date for the offering period will occur before the date of the corporate transaction.

Amendment and Termination. The administrator may, in its sole discretion, amend, suspend or terminate the ESPP at any time and for any reason. The administrator may elect, upon termination of the ESPP, to terminate all outstanding offering periods either immediately or once shares have been purchased on the next purchase date or permit offering periods to expire in accordance with their terms.

Amended and Restated 2013 Stock Plan

Our board of directors adopted, and our stockholders approved, our 2013 Plan in April 2013. The 2013 Plan was amended and restated in December 2013, May 2015 and August 2017.

As of February 2, 2018, we had granted options or rights to purchase 74,767,336 shares of our Class A common stock under our 2013 Plan, 54,387,850 of which were outstanding. As of February 2, 2018, 8,019,426 shares of Class A common stock remained available for future grants. The options outstanding as of February 2, 2018 had a weighted-average exercise price of $7.82 per share.

Types of Awards; Eligibility. Our 2013 Plan allows for the grant of stock options, which may be ISOs or NSOs, restricted stock and any other stock-based award with respect to our Class A common stock to our employees, consultants and non-employee directors.

Share Reserve. As of February 2, 2018, the aggregate number of shares of our Class A common stock reserved for grant or issuance under our 2013 Stock Plan was 8,019,426, subject to adjustment by the plan administrator in the event of certain changes in our corporate structure, including any stock split, reverse stock split, stock dividend, combination or reclassification of shares, recapitalization or other change in capital structure, or any extraordinary cash dividend.

Administration. Our board of directors, or a committee appointed by our board of directors, acts as the plan administrator of our 2013 Plan. The plan administrator has full authority to take all actions and to make all determinations required or provided for under the 2013 Plan and any stock-based award granted thereunder. The plan administrator also has full authority to determine who may receive stock-based awards under the 2013 Plan, the type, terms and conditions of any stock-based award and the number of shares of Class A common stock subject to the stock-based award or to which any stock-based award relates.

Stock Options. ISOs and NSOs are granted pursuant to a form of agreement or grant approved by the plan administrator. The plan administrator determines the exercise price of a stock option, provided that such exercise price may not be less than 100%, or in the case of an ISO granted to an individual who owns stock representing more than 10% of the voting power of all classes of our stock or any parent or subsidiary of us, 110% of the fair market value of our Class A common stock on the date of grant. Stock options vest at the rate specified by the plan administrator and are exercisable at such time and subject to such terms and conditions as are determined by the plan administrator, provided that stock options may only be exercised during the quarterly exercise period determined by the plan administrator. The terms of stock options are determined by the plan administrator, up to a maximum term of ten years, or, in the case of an individual who owns stock representing more than 10% of the voting power of all classes of our stock or any parent or subsidiary of us, five years from the date of grant.

Unless the terms of the option holder's agreement provide otherwise, if an option holder's service relationship with us ceases due to death or disability, all of the option holder's stock options will vest fully, and his or her estate may exercise any vested options during any quarterly exercise period within one year of such determination. If the option holder's service relationship with us is terminated by us without cause or by the option holder for any reason, the option holder may exercise any vested options during any quarterly exercise period within 90 days of the date of termination. If an option holder's service relationship with us is terminated by us for cause, any vested options will automatically terminate.

To the extent that the aggregate fair market value, as determined on the date of grant, of the Class A common stock with respect to which ISOs are exercisable for the first time by an employee during any calendar year under the 2013 Plan exceeds $100,000, such stock options are treated as NSOs. Additionally, if an employee does not remain employed by us at all times from the time an ISO is granted until three months prior to the date of exercise thereof, such stock option is treated as an NSO.

Restricted Stock. Restricted stock may be granted by the plan administrator. The plan administrator may determine the terms and conditions of such restricted stock, including the number of shares awarded, the purchase price, if any, to be paid by the recipient, the time, if any, at which such restricted stock may be subject to forfeiture, the vesting schedule, if any, and rights to acceleration thereof.

Other Stock-Based Awards. Other stock-based awards may be granted by the plan administrator. Other stock-based awards may include any of the following: shares of Class A common stock awarded purely as a bonus, shares of Class A common stock in payment of the amounts due under incentive or performance plans, stock equivalent units, restricted stock units and awards valued by reference to the value of shares of Class A common stock. The plan administrator may condition the grant or vesting of other stock-based awards upon the attainment of specified performance criteria or upon the completion of a specified performance period.

Adjustments; Corporate Transactions. In the event of certain changes in our corporate structure, including any stock split, reverse stock split, stock dividend, combination or reclassification of shares, recapitalization or other change in capital structure, or any extraordinary cash dividend, the plan administrator will make appropriate adjustments to outstanding awards in such manner as the plan administrator may determine.

Change in Control. In the event of a change in control of the company (as defined in the 2013 Plan), the plan administrator may (i) accelerate, vest or cause the restrictions to lapse with respect to all or any portion of a stock award, (ii) cancel any stock award for fair value, (iii) provide for the issuance of substitute stock awards that will substantially preserve the otherwise applicable terms of any affected stock award or (iv) in the case of a merger or consolidation in which Pivotal is not the surviving entity, terminate all outstanding stock awards that provide for elected exercise.

Amendment and Termination. The 2013 Plan will terminate in 2023. However, the plan administrator may amend, suspend or earlier terminate the 2013 Plan, provided that the plan administrator may not adversely impair the existing rights of any participant without such participant's consent and may not take any of the following actions without stockholder consent:

- increase the aggregate number of shares of Class A common stock that may be issued under the plan, other than due to adjustments for corporate transactions;
- change the classification of individuals eligible to receive stock awards under the 2013 Plan;
- decrease the minimum exercise price of any stock options;
- extend the maximum stock option period;
- award any stock option in replacement of a cancelled stock option with a higher exercise price, subject to certain exceptions; or
- take any action that would require stockholder approval in order for the 2013 Plan to continue to comply with Section 422 of the Code, to the extent applicable to ISOs or the rules of any exchange or system on which our securities are listed or traded at our request.

401(k) Plan

We maintain a defined contribution savings plan under Section 401(k) of the Internal Revenue Code (the "401(k) Plan"). Under the 401(k) Plan, certain employees who meet minimum age and service requirements may defer a portion of their annual compensation on a pre-tax basis. The 401(k) Plan permits us to match pre-tax employee contributions up to 6% of eligible compensation during each pay period, subject to a $5,000 maximum match per participant each year.

Indemnification of Directors and Officers

Our amended and restated certificate of incorporation (our "certificate of incorporation") and our amended and restated bylaws (our "bylaws") to be effective prior to the closing of this offering provide for the indemnification of our directors and officers to the fullest extent permitted by the Delaware General Corporation Law (the "DGCL"). Our amended and restated certificate of incorporation and bylaws state that each person who was or is made a party to, or is threatened to be made a party to, any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was one of our directors or officers, or, while serving as one of our directors or officers, is or was serving at our request as a director, officer, employee or agent of another corporation, limited liability company, partnership, joint venture, trust, enterprise or nonprofit entity, will be indemnified and held harmless by us to the fullest extent authorized by the DGCL against all liability and loss suffered and all expenses (including attorneys' fees) reasonably incurred by such person in connection with the foregoing.

Prior to the closing of the offering, we expect to enter into indemnification agreements with each of our directors and executive officers to afford them contractual assurances regarding the scope of their indemnification and to provide procedures for the determination of their right to receive indemnification and to receive reimbursement of expenses as incurred in connection with any related legal proceedings. In addition, we provide our directors and executive officers with liability insurance coverage for any liability arising out of their actions in that capacity regardless of whether we would otherwise be permitted to provide indemnification for such liabilities under the DGCL. We believe that these agreements and arrangements are necessary to attract and retain qualified individuals to serve as our directors and executive officers.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

We describe below transactions and series of similar transactions, during our last three fiscal years or currently proposed, to which we were a party or will be a party, in which:

- the amounts involved exceeded or will exceed $120,000; and
- any of our directors, executive officers or beneficial holders of more than 5% of any class of our capital stock had or will have a direct or indirect material interest.

Other than as described below, there have not been, nor are there currently proposed, any transactions or series of similar transactions with such persons to which we have been or will be a party other than compensation arrangements, which are described where required under "Management—Board Structure and Compensation of Directors" and "Executive Compensation."

We were formed by DellEMC and VMware, now a majority-owned subsidiary of DellEMC, in April 2013. Since then, DellEMC has been our majority stockholder. On September 7, 2016, Dell Technologies acquired DellEMC. As a result of the acquisition, Dell Technologies became our majority stockholder. We jointly market and sell our products and services with DellEMC and VMware pursuant to commercial agreements with them. While we have in the past received certain administrative services from Dell Technologies, DellEMC and VMware, over time we have reduced our reliance on these entities for most of these services. For additional information about our relationships with DellEMC and VMware, see Note 15 to our consolidated financial statements included elsewhere in this prospectus.

Dell Technologies as Our Controlling Stockholder

After this offering, Dell Technologies, as our majority stockholder, will continue to have the power, acting alone, to approve any action requiring a vote of shares representing a majority of the combined voting power of both classes of our outstanding common stock. As long as Dell Technologies continues to control a majority of the outstanding shares of our Class B common stock and a majority of all outstanding shares of our common stock, it will be able to exercise control over all matters requiring approval by our stockholders, including the election of our directors and approval of significant corporate transactions. Dell Technologies' controlling interest may discourage or prevent a change in control of our company that other holders of our common stock may favor. Dell Technologies is not subject to any contractual obligation to retain any of our common stock, except that it has agreed not to sell or otherwise dispose of any of our common stock for a period ending 180 days after the date of this prospectus without the prior written consent of Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters, subject to specified exceptions, as described under "Underwriters."

Transactions with Dell Technologies or Dell

Master Transaction Agreement

In connection with this offering, we are entering into a master transaction agreement with Dell Technologies which contains key provisions relating to our ongoing relationship with Dell Technologies. The master transaction agreement also contains agreements relating to the conduct of future transactions and governs the relationship between Dell Technologies and us subsequent to this offering. Unless otherwise required by the specific provisions of the agreement, the master transaction agreement will terminate on a date that is three years after the first date on which the Dell Technologies Group ceases to beneficially own at least 20% of our then-outstanding common stock. Notwithstanding such termination, the provisions of the master transaction agreement related to our cooperation with Dell Technologies in connection with future litigation will survive seven years after the date on which any distribution or transfer by Dell Technologies of the Class B common stock to Dell Technologies stockholders or security holders occurs in connection with a transaction intended to qualify for non-recognition of gain and loss under Section 355 of the Internal Revenue Code.

Future Distributions. We have agreed to cooperate with Dell Technologies to accomplish a distribution by Dell Technologies of our common stock, and we have agreed to promptly take any and all actions necessary or desirable to effect any such distribution. Dell Technologies will determine, in its sole discretion, whether such distribution shall occur, the date of the distribution and the form, structure and all other terms of any transaction to effect the distribution. A distribution may not occur at all. At any time prior to completion of the distribution, Dell Technologies may decide to abandon the distribution, or may modify or change the terms of the distribution, which could have the effect of accelerating or delaying the timing of the distribution.

Approval Rights of Holders of Class B Common Stock. Under the master transaction agreement, until such time as the Dell Technologies Entities cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the Voting Power, or no shares of our Class B common stock remain outstanding, the affirmative vote of the holders of a majority of the outstanding shares of Class B common stock, voting as a separate class, is required prior to taking certain actions, including, subject to certain exceptions:

- adopting or implementing any stockholder rights plan or similar takeover defense measure;
- entering into a merger, consolidation, business combination or sale of all or substantially all of our assets, or selling, transferring or licensing any of our business, operations or intellectual property for aggregate consideration in excess of $100 million in any calendar-year period;
- acquiring the stock or assets of another entity in transactions involving in excess of $250 million;
- issuing any capital stock or stock equivalent except to our subsidiaries, pursuant to the conversion, exercise or exchange of any outstanding stock equivalent or pursuant to our employee benefit or compensation plans;
- authorizing the aggregate amount of our equity awards to be granted in any fiscal year;
- taking any actions to dissolve, liquidate or wind up our company;
- declaring dividends on our capital stock;
- entering into any exclusive or exclusionary arrangement with a third party involving, in whole or in part, products or services that are similar to those of Dell Technologies;
- approving, amending or repealing our amended and restated certificate of incorporation or bylaws, or the certificate of incorporation or bylaws of certain of our subsidiaries;
- acquiring the business, operations, securities or indebtedness of another entity for consideration in excess of $250 million in any calendar-year period;
- incurring indebtedness in excess of $200 million;
- approving, modifying or terminating any employee equity or pension plan;
- entering into any legal settlement resulting in payment by us in excess of $100 million or that would impose limitations on our operations that would reasonably be expected to have a material adverse effect on us; and
- entering into any other types of transactions involving consideration in excess of $100 million.

For the definitions of Dell Technologies Entities and Voting Power, see "Description of Capital Stock—Common Stock." These approval rights are also included as provisions of our amended and restated certificate of incorporation that will in effect prior to the closing of this offering.

Indemnification. The master transaction agreement provides for cross-indemnities that generally place the financial responsibility on us and our subsidiaries for all liabilities associated with the current and historical Pivotal business and operations and generally place on Dell Technologies the financial responsibility for liabilities associated with all of Dell Technologies' other current and historical businesses and operations, in each case regardless of the time those liabilities arise. The master transaction agreement also contains indemnification provisions under which we and Dell Technologies each indemnify the other with respect to breaches of the master transaction agreement or any intercompany agreement.

In addition to our general indemnification obligations described above relating to the current and historical Pivotal business and operations, we will indemnify Dell Technologies against liabilities arising from misstatements or omissions in this prospectus or the registration statement of which it is a part, except for misstatements or omissions relating to information that Dell Technologies provided to us specifically for inclusion in this prospectus or the registration statement of which it forms a part. We will also indemnify Dell Technologies against liabilities arising from any misstatements or omissions in our subsequent SEC filings and from information we provide to Dell Technologies specifically for inclusion in Dell Technologies' annual or quarterly reports following the completion of this offering, but only to the extent that the information pertains to us or our business or to the extent Dell Technologies provides us prior written notice that the information will be included in its annual or quarterly reports and the liability does not result from the action or inaction of Dell Technologies.

In addition to Dell Technologies' general indemnification obligations described above relating to the current and historical Dell Technologies business and operations, Dell Technologies will indemnify us for liabilities under litigation matters related to Dell Technologies' business and for liabilities arising from misstatements or omissions with respect to information that Dell Technologies provided to us specifically for inclusion in this prospectus or the registration statement of which it forms a part. Dell Technologies will also indemnify us against liabilities arising from information Dell Technologies provides to us specifically for inclusion in our annual or quarterly reports following the completion of this offering, but only to the extent that the information pertains to Dell Technologies or Dell Technologies' business or to the extent we provide Dell Technologies prior written notice that the information will be included in our annual or quarterly reports and the liability does not result from our action or inaction.

For liabilities arising from events occurring on or before the time of this offering, the master transaction agreement contains a general release. Under this provision, we release Dell Technologies and its subsidiaries, successors and assigns, and Dell Technologies releases us and our subsidiaries, successors and assigns, from any liabilities, subject to certain exceptions, arising from events between us on the one hand, and Dell Technologies on the other hand, occurring on or before the time of this offering, including in connection with the activities to implement this offering. The general release does not apply to liabilities allocated between the parties under the master transaction agreement or other intercompany agreements or to specified ongoing contractual arrangements.

Accounting Matters; Legal Policies. Under the master transaction agreement, we will use our reasonable best efforts to use the same independent certified public accounts selected by Dell Technologies and to maintain the same fiscal year as Dell Technologies until such time as Dell Technologies is no longer required under GAAP to consolidate our financial statements. We will also use our reasonable best efforts to complete our audit and provide Dell Technologies with all financial and other information on a timely basis such that Dell Technologies may meet its deadlines for its filing annual and quarterly financial statements.

Additionally, for as long as any member of the Dell Technologies Group is providing us with legal services under the shared services agreement, the master transaction agreement will require us to comply with all Dell Technologies policies and directives identified by Dell Technologies as critical to legal and regulatory compliance and to not adopt legal or regulatory policies or directives inconsistent with the policies identified by Dell Technologies.

Administrative Services from Dell

Dell has acted as our paying agent and paid certain value-added taxes and property taxes on our behalf. The total amount of these types of taxes that Dell has paid on our behalf was $0.1 million in fiscal 2018.

Sales of our Products and Services to Dell

In December 2015, we entered into a master ordering agreement under which we may from time to time sell to Dell our software and strategic services for its internal use. Revenue recognized from Dell was $3.1 million in fiscal 2018 for sales of our products and services to Dell.

Tax Sharing Agreement with Dell Technologies or Dell

We entered into a tax sharing agreement with Dell Technologies, DellEMC and their respective affiliates. The tax sharing agreement governs the respective rights, responsibilities and obligations of Dell Technologies and us after this offering with respect to certain tax liabilities and benefits, tax attributes, tax contests and other matters regarding income taxes, non-income taxes and related tax returns.

Under the tax sharing agreement, Dell Technologies generally is responsible for any U.S. federal, state or local or non-U.S. income taxes reportable on an affiliated, consolidated, combined or unitary return that includes Dell Technologies entities (other than returns that solely include us and our subsidiaries). For tax periods in which we or one of our subsidiaries are included in such a return, we are responsible for our portion of such income tax liability (with certain technical adjustments) as if we and our subsidiaries had filed a separate tax return that included only us and our subsidiaries for that period. We do not expect to continue to be a part of the Dell Technologies consolidated U.S. federal return for income tax purposes after this offering. We and Dell Technologies each are responsible for any non-income taxes attributable to our respective businesses for all periods.

Dell Technologies is primarily responsible for preparing and filing, and has control with respect to contests related to, any tax return with respect to the Dell affiliated return for U.S. federal income tax purposes and with respect to any consolidated, combined or unitary return for non-U.S. or U.S. state or local income tax purposes that includes Dell Technologies or any of its subsidiaries (and us or one of our subsidiaries). Under the tax sharing agreement, we generally are responsible for preparing and filing, and with controlling tax contests with respect to, any tax returns that include only us and our subsidiaries.

Without the prior written consent of Dell Technologies, we may not take any actions (including certain issuances of capital stock) which cause a distribution by Dell Technologies to fail to qualify as a tax-free distribution under Section 355 of the Internal Revenue Code. We will indemnify Dell Technologies for any breach by us of the tax sharing agreement (including any breach of our obligation not to cause a distribution by Dell Technologies to fail to be a distribution within the meaning of Section 355 of the Internal Revenue Code). Dell Technologies will indemnify us for any breach by Dell Technologies of the tax sharing agreement. If a distribution by Dell Technologies fails to qualify as a tax-free distribution under Section 355 of the Internal Revenue Code and neither we nor Dell Technologies has breached the tax sharing agreement, we and Dell Technologies will each generally be liable for 50% of any resulting tax.

The total amounts paid to us by Dell Technologies under the tax sharing agreement were $16.4 million for tax assets related to fiscal 2017 and $19.7 million for tax assets related to fiscal 2018. In addition, we have recorded an estimate of $30.0 million related to fiscal 2018 U.S. federal tax losses that we expect DellEMC to include in their consolidated U.S. federal tax return. For a discussion on how Tax Reform impacted the amounts paid to us under the tax sharing agreement, see Notes 2 and 10 to our consolidated financial statements included elsewhere in this prospectus. Prior to our entering into this tax sharing agreement, our U.S. federal and state net operating losses and research credits and foreign tax credits were fully applied against the consolidated return of DellEMC as we were included in DellEMC's consolidated U.S. federal and state income tax returns.

Transactions with DellEMC

Administrative Services Agreements with DellEMC

In April 2013, in order to assist us as a newly formed company, DellEMC entered into shared services and employee matters agreements with us. Under these agreements, DellEMC provides us with certain management and administrative services, including:

- routine management, administration, finance and accounting, legal and human resources services;
- paying agent services for domestic payroll, certain accounts payable and other expenses; and
- support services to Pivotal in countries where Pivotal does not have a legal entity.

DellEMC also charges us expenses related to administrative services such as facilities and IT systems for Pivotal employees who worked from DellEMC offices. DellEMC provides us these services in exchange for a service fee equal to the operating costs of providing the services plus a markup equal to a percentage of such operating costs. Our expenses under these agreements primarily consists of salaries, benefits, travel and rent. The total amounts that we paid to DellEMC and its subsidiaries under these agreements totaled $405.8 million for fiscal 2016, $305.5 million for fiscal 2017 and $81.7 million in fiscal 2018.

Sales of our Products and Services to DellEMC

From time to time, we have sold our software and strategic services to DellEMC for its internal use. Revenue recognized from DellEMC was $9.1 million in fiscal 2016, $8.9 million in fiscal 2017 and $12.2 million in fiscal 2018 for sales of our products and services.

Agency Agreements with DellEMC

We entered into domestic and international agency agreements with DellEMC which enabled DellEMC to sell our products and services leveraging the DellEMC enterprise relationships and its end-user customer contracts. In exchange for such services, we pay an agency fee to DellEMC which is based on a percentage of the invoiced contract amounts. Such percentage ranged from 1.5% to 5.0% during fiscal 2016, fiscal 2017 and fiscal 2018. We paid agency fees to DellEMC in the amounts of $7.7 million in fiscal 2016, $6.4 million in fiscal 2017 and $6.9 million in fiscal 2018.

Asset Purchases from DellEMC

In January 2016, in connection with the establishment of our China-based subsidiary, Pivotal Technology (Beijing) Co., Ltd. ("Pivotal Beijing"), Pivotal Beijing purchased certain fixed assets from DellEMC Information Technology Research & Development (Beijing) Co., Ltd., a China-based subsidiary of DellEMC, for a total purchase price of 1.2 million Chinese Yuan Renminbi (or approximately US$0.2 million), which was the net book value of the assets as of the sale date.

In December 2017, in connection with leasehold improvements to our Palo Alto facility, we purchased certain fixed assets from DellEMC for a total purchase price of $1.2 million, which was the net book value of the assets as of the sale date.

Transactions with VMware

Administrative Services Agreements with VMware

In April 2013, in order to assist us as a newly formed company, VMware entered into shared services and employee matters agreements with us. Under these agreements, VMware provides us with certain management and administrative services, including:

- routine management, administration, finance and accounting, legal and human resources services;
- paying agent services for domestic payroll, certain accounts payable and other expenses; and
- support services to Pivotal in countries where Pivotal does not have a legal entity.

VMware also charges us expenses related to administrative services such as facilities and IT systems for Pivotal employees who worked from VMware offices. VMware provided us these services in exchange for a service fee equal to the operating costs of providing the services plus a markup equal to a percentage of such operating costs. Our expenses under these agreements primarily consisted of salaries, benefits, travel and rent. The total amounts that we paid to VMware and its subsidiaries under these agreements were $4.5 million for fiscal 2016, $1.2 million for fiscal 2017 and $0.2 million in fiscal 2018.

Sales of our Products and Services to VMware

From time to time, we have sold our software products and professional, software support and other services to VMware for its internal use. Revenue recognized was $5.2 million in fiscal 2016, $8.2 million in fiscal 2017 and $2.1 million in fiscal 2018 for sales of our products and services.

Agency Agreements with VMware

We entered into domestic and international agency agreements with VMware which enabled VMware to sell our products and services leveraging the VMware enterprise relationships and its end-user customer contracts. In exchange, we pay an agency fee to VMware for these services, which is based on a percentage of the invoiced contract amounts. Such percentage ranged from 4% to 10% during fiscal 2016, fiscal 2017 and fiscal 2018. We paid agency fees to VMware of $5.3 million in fiscal 2016, $3.4 million in fiscal 2017 and $1.4 million in fiscal 2018.

Transactions with General Electric

In the ordinary course of business, we have sold subscriptions and services to General Electric Company for its internal use. Revenue recognized was $3.6 million for fiscal 2016, $10.8 million for fiscal 2017 and $11.0 million in fiscal 2018.

Transactions with Ford

In the ordinary course of business, we have sold subscriptions and services to Ford Motor Company for its internal use. Revenue recognized was $32.0 million for fiscal 2017 and $31.3 million in fiscal 2018.

Sales of Securities

Series C and Series C-1 Preferred Stock Financing

In May 2016, we issued an aggregate of 22,396,523 shares of our Series C preferred stock at a price per share of $10.4034 and an aggregate of 40,371,416 shares of our Series C-1 preferred stock at a price per share of $10.4034. As a result of the issuance, we received $252.5 million in net cash proceeds and converted a $400.0 million net payable due to DellEMC into shares of Series C-1 preferred stock.

The following table sets forth the number of shares of Series C and Series C-1 preferred stock issued to beneficial owners of more than 5% of a class of our capital stock (in thousands):

Name	Number of Shares of Series C Preferred Stock	Number of Shares of Series C-1 Preferred Stock	Total Purchase Price
Ford Motor Company	17,517	—	$ 182,233
General Electric Company	4,399	—	$ 45,767
VMware, Inc.	—	1,922	$ 20,000
EMC Corporation	—	38,449	$ 400,000

Other Related Party Transactions

Shareholders' Agreement

In connection with this offering, we are entering into a Sixth Amended and Restated Shareholders' Agreement (the "shareholders' agreement") with certain of our stockholders, including Dell Technologies and certain of its subsidiaries (including DellEMC, but excluding VMware), VMware, GE and its subsidiary GE International Holdings B.V. and Ford.

The shareholders' agreement grants the stockholders party thereto demand and piggyback registration rights. We are required to pay the registration expenses in connection with the registrations, other than any underwriting discounts and commissions and internal administrative and similar costs of the selling stockholder. For a more detailed description of these registration rights, which will continue after the closing of this offering, see "Description of Capital Stock—Registration Rights."

Indemnification Agreements and Directors' and Officers' Liability Insurance

We have entered or will enter into indemnification agreements with each of our directors and executive officers, as described in "Executive Compensation—Indemnification of Directors and Officers."

Policies and Procedures with Respect to Transactions with Related Persons

Before our initial public offering, we had not adopted any policies or procedures for the review, approval or ratification of transactions with related persons. After our initial public offering, our board of directors intends to adopt a written policy setting forth the policies and procedures for the review and approval or ratification of such transactions. The policy will cover, with various exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant, where the amount involved exceeds $120,000 and a related person had or will have a direct or indirect material interest, including, without limitation, purchases of goods or services by or from the related person or entities in which the related person has a direct or indirect material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. This policy will not apply to agreements entered into with Dell Technologies or its subsidiaries or affiliates that are in existence at the time of the completion of this offering, including the agreements described in this section. The board of directors or an appropriate committee of the board of directors designated by the board of directors for such purpose will be responsible for reviewing and approving transactions with related persons.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information as of February 2, 2018 regarding beneficial ownership of our common stock before and immediately following the completion of this offering by:

- each person whom we know to own beneficially more than 5% of our Class A common stock or Class B common stock;
- each of the directors and named executive officers individually;
- all directors and executive officers as a group; and
- the selling stockholder.

In accordance with the rules of the SEC, beneficial ownership includes voting or investment power with respect to securities and includes the shares issuable pursuant to such stock options that are exercisable as of or within 60 days after February 2, 2018. Shares issuable pursuant to stock options are deemed outstanding for computing the percentage of the person holding such securities but are not outstanding for computing the percentage of any other person.

We have based our calculation of the percentage of beneficial ownership prior to this offering on 41,705,120 shares of our Class A common stock outstanding and 175,514,272 shares of our Class B common stock outstanding as of February 2, 2018, which includes 37,412,396 shares of our outstanding Series B and Series C convertible preferred stock convertible into an equivalent number of shares of our Class A common stock and 110,466,653 shares of our outstanding Series A and Series C-1 convertible preferred stock convertible into an equivalent number of shares of our Class B common stock prior to the closing of this offering, as if this conversion had occurred as of February 2, 2018. We have based our calculation of the percentage of beneficial ownership after this offering on 74,822,120 shares of our Class A common stock outstanding and 175,514,272 shares of our Class B common stock outstanding immediately after the completion of this offering, assuming that the underwriters will not exercise their over-allotment option to purchase up to an additional 5,550,000 shares of our Class A common stock from us in full. Because each holder of shares of our Class B common stock may convert such shares into an equal number of shares of our Class A common stock at any time, and from time to time, at such holder's option, the beneficial owners of outstanding shares of our Class B common stock are deemed to be the beneficial owners of an equal number of shares of our Class A common stock.

Unless otherwise indicated, the address for each listed stockholder is: c/o Pivotal Software, Inc., 875 Howard Street, Fifth Floor, San Francisco, California 94103. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock.

Name of Beneficial Owner	Number of Shares of Class A Beneficially Owned (1)			Percentage of Shares of Class A Beneficially Owned (1)		Number of Shares of Class B Beneficially Owned (1)		Percentage of Shares of Class B Beneficially Owned (1)		Percentage of Total Voting Power (1)	
	Before Offering	Shares Being Sold	After Offering	Before Offering	After Offering	Before Offering	After Offering	Before Offering	After Offering	Before Offering	After Offering
Principal and Selling Stockholders:											
Michael S. Dell (2)	175,514,272	—	175,514,272	80.8%	70.1%	175,514,272	175,514,272	100%	100%	97.7%	95.9%
Dell Technologies Inc. (3)	175,514,272	—	175,514,272	80.8%	70.1%	175,514,272	175,514,272	100%	100%	97.7%	95.9%
EMC Corporation (3)	175,514,272	—	175,514,272	80.8%	70.1%	175,514,272	175,514,272	100%	100%	97.7%	95.9%
SLP investment funds (4)	131,306,110	—	131,306,110	75.9%	63.7%	131,306,110	131,306,110	74.8%	74.8%	73.1%	71.8%
VMware, Inc. (3)	44,208,162	—	44,208,162	20.4%	17.7%	44,208,162	44,208,162	25.2%	25.2%	24.6%	24.2%
Affiliate of General Electric Company (5)	19,415,075	3,883,000	15,532,075	46.6%	20.8%	—	—	—	—	1.1%	*
Ford Motor Company (6)	17,516,709	—	17,516,709	42.0%	23.4%	—	—	—	—	1.0%	1.0%
Named Executive Officers and Directors:											
Robert Mee (7)	1,687,500	—	1,687,500	3.9%	2.2%	—	—	—	—	*	*
William Cook (8)	1,687,500	—	1,687,500	3.9%	2.2%	—	—	—	—	*	*
Onsi Fakhouri (9)	162,186	—	162,186	*	*	—	—	—	—	*	*
Paul Maritz (10)	854,166	—	854,166	2.0%	1.1%	—	—	—	—	*	*
Michael S. Dell (2)	175,514,272	—	175,514,272	80.8%	70.1%	175,514,272	175,514,272	100%	100%	97.7%	95.9%
Zane Rowe	—	—	—	—	—	—	—	—	—	—	—
Egon Durban	—	—	—	—	—	—	—	—	—	—	—
William D. Green (11)	50,000	—	50,000	*	*	—	—	—	—	*	—
Marcy S. Klevorn	—	—	—	—	—	—	—	—	—	—	—
Khozema Shipchandler	—	—	—	—	—	—	—	—	—	—	—
All executive officers and directors as a group (14 persons) (12)	182,382,706	—	182,382,706	81.4%	70.9%	175,514,272	175,514,272	100%	100%	97.7%	95.9%

* Less than 1%.

(1) The percentage of beneficial ownership as to any person as of a particular date is calculated by dividing the number of shares beneficially owned by the person, which includes the number of shares as to which such person has the right to acquire voting or investment power (including upon conversion of such person's Class B common stock with respect to the calculation of beneficial ownership percentage of Class A common stock) as of or within 60 days after such date, by the sum of the number of shares outstanding as of such date plus the number of shares as to which such person has the right to acquire voting or investment power (including upon conversion of such person's Class B common stock with respect to the calculation of beneficial ownership percentage of Class A common stock) as of or within 60 days after such date. Consequently, the denominator for calculating beneficial ownership percentages may be different for each beneficial owner.

(2) Represents 131,306,110 shares of Class B common stock held directly by EMC Corporation and 44,208,162 shares of Class B common stock held directly by VMware. Mr. Dell is the Chairman and CEO of Dell Technologies and, as of February 2, 2018, was the beneficial owner of Dell Technologies common stock representing a majority of the total voting power of the outstanding shares of all outstanding classes of common stock of Dell Technologies. As a result of the foregoing, Mr. Dell may be deemed to be the beneficial owner of all of the shares of our common stock beneficially owned by Dell Technologies. Shares of Class A common stock shown as beneficially owned by Mr. Dell are issuable upon conversion of the same number of shares of Class B common stock deemed to be beneficially owned by Mr. Dell. Mr. Dell's address is c/o One Dell Way, Round Rock, Texas 78682.

(3) Represents 131,306,110 shares of Class B common stock held directly by EMC Corporation and 44,208,162 shares of Class B common stock held directly by VMware. EMC Corporation is, as of February 2, 2018, indirectly wholly-owned by Dell Technologies through directly and indirectly held wholly-owned subsidiaries of Dell Technologies, consisting of Denali Intermediate Inc. and Dell Inc. As of such date, Dell Inc. directly owns all of the outstanding common stock of EMC Corporation. EMC Corporation was, as of February 2, 2018, through direct ownership and through the ownership of directly held wholly-owned subsidiaries of EMC Corporation, consisting of EMC Assets LLC and VMware Holdco LLC, the beneficial owner of VMware common stock representing a majority of the total voting power of the outstanding shares of all outstanding classes of common stock of VMware. As a result of the foregoing, Dell Technologies, Denali Intermediate Inc. and Dell Inc. may be deemed to be the beneficial owner of all of the shares of our common stock beneficially owned by EMC Corporation, including all of the shares of our common stock beneficially owned by VMware. Shares of Class A common stock shown as beneficially owned by Dell Technologies, EMC Corporation and VMware are issuable upon conversion of the same number of shares of Class B common stock beneficially owned by such stockholders. The address for Dell Technologies and EMC Corporation is c/o One Dell Way, Round Rock, Texas 78682 and the address for VMware is 3401 Hillview Avenue, Palo Alto, California 94304.

(4) Represents 131,306,110 shares of Class B common stock held directly by EMC Corporation. The SLP investment funds consist of Silver Lake Partners III, L.P., Silver Lake Technology Investors III, L.P., Silver Lake Partners IV, L.P., Silver Lake Technology Investors IV, L.P. and SLP Denali Co-Invest, L.P. The SLP investment funds have the right, under an agreement with Dell Technologies and other Dell Technologies stockholders, to approve the sale by Dell Technologies or specified subsidiaries of Dell Technologies, including EMC Corporation, of any shares of our common stock held by them. As a result, the SLP investment funds may be deemed to share beneficial ownership of all of the shares of our common stock owned by Dell Technologies and its specified subsidiaries. The general partner of each of Silver Lake Partners III, L.P. and Silver Lake Technology Investors III, L.P. is Silver Lake Technology Associates III, L.P., and the general partner of Silver Lake Technology Associates III, L.P. is SLTA III (GP), L.L.C. ("SLTA III"). The general partner of SLP Denali Co-Invest, L.P. is SLP Denali Co-Invest GP, L.L.C., and the managing member of SLP Denali Co-Invest GP, L.L.C. is Silver Lake Technology Associates III, L.P. The general partner of each of Silver Lake Partners IV, L.P. and Silver Lake Technology Investors IV, L.P. is Silver Lake Technology Associates IV, L.P., and the general partner of Silver Lake Technology Associates IV, L.P. is SLTA IV (GP), L.L.C. ("SLTA IV"). The managing member of SLTA III and SLTA IV is Silver Lake Group, L.L.C. The managing members of Silver Lake Group, L.L.C. are Michael Bingle, Egon Durban, Kenneth Hao and Gregory Mondre. Shares of Class A common stock shown as indirectly beneficially owned by the SLP investment funds are issuable upon conversion of the same number of shares of Class B common stock which may be deemed to be indirectly beneficially owned by the SLP investment funds. The address of each of the SLP investment funds and entities named above is 2775 Sand Hill Road, Suite 100, Menlo Park, California 94025.

(5) General Electric Company, as the ultimate parent of GE International Holdings B.V., is the sole beneficial owner of all shares of our common stock owned of record by GE International Holdings B.V. The address of GE International Holdings B.V. is Bellsingel 26, 1119 NV Schiphol-Rijk, The Netherlands. The address for General Electric Company is 41 Farnsworth Street, Boston, Massachusetts 02210.

(6) The address of Ford Motor Company is One American Road, Dearborn, Michigan 48126.

(7) Consists of 1,687,500 shares issuable pursuant to options that are exercisable as of or within 60 days after February 2, 2018 held by Mr. Mee.

(8) Consists of 1,687,500 shares issuable pursuant to options that are exercisable as of or within 60 days after February 2, 2018 held by Mr. Cook.

(9) Consists of (i) 3,250 shares held by Mr. Fakhouri and (ii) 158,936 shares issuable pursuant to options that are exercisable as of or within 60 days after February 2, 2018.

(10) Consists of 854,166 shares issuable pursuant to options that are exercisable as of or within 60 days after February 2, 2018 held by Mr. Maritz.

(11) Consists of 50,000 shares issuable pursuant to options that are exercisable as of or within 60 days after February 2, 2018 held by Mr. Green.

(12) Consists of (i) 175,527,522 shares held by all executive officers and directors as a group and (ii) 6,855,184 shares issuable pursuant to options that are exercisable as of or within 60 days after February 2, 2018.

DESCRIPTION OF CAPITAL STOCK

The following description summarizes important terms of our amended and restated certificate of incorporation and our bylaws, in each case as they will be in effect upon the filing of our amended and restated certificate of incorporation and the adoption and effectiveness of our amended and restated bylaws prior to the closing of this offering, that affect the rights of holders of our capital stock. This description is intended as a summary and may not contain all the information that is important to you. For more information, you should refer to the forms of our amended and restated certificate of incorporation and bylaws, copies of which will be filed as exhibits to the registration statement of which this prospectus is a part, as well as the relevant portions of the DGCL.

Authorized and Outstanding Capital Stock

Upon the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering, our authorized capital stock will consist of 4,000,000,000 shares of Class A common stock, par value $0.01 per share, 500,000,000 shares of Class B common stock, par value $0.01 per share, and 500,000,000 shares of preferred stock, par value $0.01 per share.

Upon the closing of this offering, after giving effect to the sale of the shares of Class A common stock offered hereby, there will be 74,822,120 shares of Class A common stock outstanding, assuming no exercise of the underwriters' over-allotment option and no exercise of outstanding options to purchase shares of Class A common stock, 175,514,272 shares of Class B common stock outstanding and no shares of preferred stock outstanding. Dell Technologies will own, indirectly through its subsidiaries (including VMware), no shares of our outstanding Class A common stock and all of the shares of our outstanding Class B common stock.

As of February 2, 2018, after giving effect to the automatic conversion of (i) 37,412,396 shares of our outstanding Series B and Series C convertible preferred stock into an equivalent number of shares of our Class A common stock and (ii) 110,466,653 shares of our outstanding Series A and Series C-1 convertible preferred stock into an equivalent number of shares of our Class B common stock, there were 41,705,120 shares of Class A common stock outstanding held by 931 stockholders of record and 175,514,272 shares of our Class B common stock outstanding held by two stockholders of record.

Common Stock

The rights of the holders of the Class A common stock and the Class B common stock under our amended and restated certificate of incorporation will be identical, except with respect to voting and conversion, as described below.

Voting Rights

Votes Per Share. Generally, each share of Class A common stock is entitled to one vote and each share of Class B common stock is entitled to ten votes upon any matter submitted to a vote of our stockholders, and holders of the Class A common stock and the Class B common stock will vote together as a single class and their votes will be counted and totaled together on all matters submitted to a stockholder vote, subject to certain exceptions, including with respect to the election of directors, certain actions to convert the Class B common stock and certain actions that require the consent of the holders of the Class B common stock, each described below.

Election of Directors. The holders of Class B common stock, voting as a separate class, will be entitled to elect at least 80% of the total number of directors that we would have if there were no vacancies on our board of directors at such time. Each such director will be referred to as a Group I Member. Subject to any rights of any series of preferred stock to elect directors, the holders of Class A common stock and the holders of Class B common stock, voting together as a single class, will be entitled to elect our remaining directors, which will be referred to as our Group II Members, with each share of Class A common stock and each share of Class B common stock entitled to one vote per share in any such election. If at any time there are no shares of our Class B common stock outstanding, all Group I Members will be automatically designated as Group II Members, and the number of Group II directorships will automatically be increased by the number of former Group I directorships to equal the number of directors on our entire board of directors, including any vacancies.

If at any time or from time to time any Group I directorship is vacant, one of the existing Group I Members to be designated in writing by Dell Technologies will be entitled to cast, on all matters upon which a vote or consent of the board of directors is taken, a number of votes equal to one plus the number of vacant Group I directorships then existing, and all other directors will be entitled to cast one vote. Upon the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering, there will be three vacant Group I directorships. Mr. Dell will be the initial Group I Member entitled to cast one vote for each such vacant directorship and, as a result, will be entitled initially to cast four votes on any matter submitted to a vote of our board of directors.

Our amended and restated certificate of incorporation also provides that our board of directors will be classified into three classes with staggered three-year terms. Accordingly, only one-third of our board of directors will be elected at each annual meeting. Each class will consist, as nearly as possible, of one-third of the total number of directors other than those elected by holders of our preferred stock, if any.

For additional information about our board of directors, see "Management—Board of Directors."

Amendments to Our Certificate of Incorporation. An amendment to our amended and restated certificate of incorporation will require the affirmative vote of the holders of shares of our capital stock representing a majority of the votes entitled to be cast with respect to such amendment, voting together as a single class, subject to applicable law and certain exceptions described below. In addition, until such time (if any) as the Dell Technologies Entities (as defined below) cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the votes entitled to be cast by our issued and outstanding capital stock, voting together as a single class with each share of Class B common stock having ten votes and each share of Class A common stock having one vote (the "Voting Power"), or there are no shares of our Class B common stock outstanding, the prior affirmative vote of the holders of a majority of the outstanding shares of Class B common stock, voting as a separate class, is required with respect to any such amendment. See "—Common Stock—Approval Rights of Holders of Class B Common Stock." From and after such time (if any) as the Dell Technologies Affiliates (as defined below) cease to beneficially own in the aggregate shares representing a majority of the Voting Power, the affirmative vote of the holders of shares of our capital stock representing not less than 66 $^{2}/_{3}$% of the Voting Power will be required to adopt, amend or repeal certain provisions in our amended and restated certificate of incorporation, including provisions related to the voting rights of the Class A common stock and Class B common stock, consent rights of holders of the Class B common stock, corporate opportunities, composition of our board of directors and related matters, stockholder action by written consent, amendments of our bylaws, indemnification of our directors and officers, establishing an exclusive forum for certain stockholder litigation and certain business combinations subject to Section 203 of the DGCL.

In addition, our amended and restated certificate of incorporation states that, notwithstanding any provisions of the DGCL, the number of authorized shares of the Class A common stock, the Class B common stock or the preferred 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 our capital stock, voting together as a single class, representing a majority of the Voting Power, and no vote of the holders of any of the Class A common stock, the Class B common stock or the preferred stock voting as a separate class will be required to approve the increase or decrease. The holders of our common stock will not be entitled to vote on any amendment to our amended and restated certificate of incorporation that relates solely to the terms of one or more outstanding series of preferred stock if the holders of the affected series are entitled by our amended and restated certificate of incorporation or the DGCL to vote on such amendment either separately or together with the holders of one or more other outstanding series of preferred stock.

Amendments to Our Bylaws. Our board of directors may from time to time adopt, amend or repeal our bylaws, but until such time (if any) as the Dell Technologies Entities cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the Voting Power or there are no shares of our Class B common stock outstanding, the prior affirmative vote of the holders of a majority of the outstanding shares of Class B common stock, voting as a separate class, is required with respect to any such amendment. Subject to the rights of holders of any outstanding series of preferred stock and subject to applicable law, for so long as the Dell Technologies Affiliates beneficially own in the aggregate shares of our capital stock representing a majority of the Voting Power, the bylaws may be amended, altered and repealed, and new bylaws made by the stockholders, by the affirmative vote of holders of shares of our capital stock representing a majority of the Voting Power. If at any time the Dell Technologies Affiliates do not beneficially own in the aggregate shares of our capital stock representing a majority of the Voting Power, the affirmative vote of holders of shares of our capital stock representing not less than 66 $^{2}/_{3}$ % of the Voting Power will be required to amend, alter and repeal the bylaws, and to make new bylaws, in addition to any vote otherwise required by law.

Quorum for Stockholder Meeting; Required Vote. Unless otherwise required by express provision of applicable law, the rules of the New York Stock Exchange or our amended and restated certificate of incorporation or bylaws, which express provision will govern, at any stockholder meeting, the holders of shares representing a majority of the of the votes entitled to be cast by the shares of our capital stock outstanding and entitled to vote at the meeting, present in person or represented by proxy, will constitute a quorum. Except in the election of directors (as described below), when a quorum is present at any stockholder meeting, the affirmative vote of the holders of shares representing a majority of the votes entitled to be cast by the shares of stock present in person or represented by proxy at the meeting and entitled to vote on such matter will decide such matter unless the matter is one upon which a different vote is required by express provision of applicable law, the rules of the New York Stock Exchange or our amended and restated certificate of incorporation or bylaws, in which case such express provision will govern.

Subject to the rights of holders of any outstanding series of preferred stock, each director will be elected by a plurality of the votes cast by the holders of the shares of our capital stock present in person or represented by proxy at the meeting and entitled to vote on the election of such director. See "Election of Directors" above for additional information.

Conversion Rights

Outstanding shares of our Class B common stock may be voluntarily converted, and will be automatically converted, into shares of our Class A common stock on a share-for-share basis in the circumstances specified in our amended and restated certificate of incorporation. Shares of our Class A common stock have no conversion rights.

Voluntary Conversion. Each holder of shares of Class B common stock may convert such shares into an equal number of shares of Class A common stock at any time, and from time to time, at such holder's option, so long as a Section 355 transaction, as discussed below under "Termination of Voluntary and Automatic Conversion Rights," has not occurred.

Automatic Conversion. Each outstanding share of Class B common stock will be automatically converted into one share of Class A common stock in the following circumstances so long as a Section 355 transaction has not occurred:

- upon a transfer of such share of Class B common stock if, after such transfer, such share is not beneficially owned by a Dell Technologies Entity; or
- on the date (if any) on which the number of outstanding shares of Class B common stock beneficially owned by the Dell Technologies Entities ceases to represent in the aggregate at least 10% of the number of outstanding shares of our common stock on such date.

For purposes of our amended and restated certificate of incorporation, a Dell Technologies Entity includes one or more of the following (excluding, in each case, us and our subsidiaries):

(1) Dell Technologies Inc., any of its successors by way of merger, consolidation or share exchange, any acquiror of all or substantially all of its assets, and any person of which Dell Technologies Inc. becomes a subsidiary; and

(2) any subsidiary of any of the entities referred to in the immediately preceding clause (1).

For purposes of our amended and restated certificate of incorporation, a Dell Technologies Affiliate includes each of the following (excluding, in each case, us, our subsidiaries, any legal entity of which we are the beneficial owner of voting interests representing 20% or more in voting power of such entity's outstanding voting interests and any other legal entity that, directly or indirectly, is controlled by us):

(1) any Dell Technologies Entity;

(2) any legal entity of which any of the entities referred to in clause (1) of the definition of Dell Technologies Entity is the beneficial owner of voting interests representing 20% or more in voting power of the outstanding voting interests of such entity;

(3) any other legal entity that, directly or indirectly, is controlled by, controls or is under common control with any of the entities referred to in clause (1) of the definition of Dell Technologies Entity; and

(4) any of (a) Mr. Dell, (b) any legal entity of which Mr. Dell is the beneficial owner of voting interests representing 20% or more in voting power of the outstanding voting interests of such entity, (c) any other legal entity that, directly or indirectly, is controlled by Mr. Dell, (d) the Susan Lieberman Dell Separate Property Trust, referred to as the Dell Trust, (e) MSDC Denali Investors, L.P. and MSDC Denali EIV, LLC, referred to as the MSD Funds, and (f) specified permitted transferees of Mr. Dell, the Dell Trust and the MSD Funds, as described below.

The permitted transferees of Mr. Dell and the Dell Trust include the following persons and entities:

- Mr. Dell, the Dell Trust or any immediate family member, as defined in our amended and restated certificate of incorporation, of Mr. Dell;
- the Michael & Susan Dell Foundation and any other private foundation or supporting organization (as defined in Section 509(a) of the Internal Revenue Code) established and principally funded directly or indirectly by Mr. Dell and/or his spouse;
- one or more trusts whose current beneficiaries are, and will remain for so long as such trust holds our securities, any of (or any combination of) Mr. Dell, one or more of his immediate family members or any charitable entities referred to in the preceding bullet point;

- any corporation, limited liability company, partnership or other legal entity wholly owned by any one or more persons or legal entities described in any one of the three preceding bullet points; and

- from and after Mr. Dell's death, any recipient under his will, any revocable trust established by him that becomes irrevocable upon his death, or by the laws of descent and distribution.

The permitted transferees of an MSD Fund include the following entities:

- any of its controlled affiliates (other than portfolio companies); and

- an affiliated private equity fund of such MSD Fund that remains such an affiliate or affiliated private equity fund of such MSD Fund.

Termination of Voluntary and Automatic Conversion Rights. The foregoing conversion rights of the Class B common stock will cease, and shares of the Class B common stock will no longer be convertible into shares of Class A common stock, except as indicated below, if Dell Technologies and its subsidiaries transfer all or any portion of our common stock or preferred stock (if any) to Dell Technologies stockholders or other security holders in connection with a transaction intended to qualify as a tax-free distribution under Section 355 of the Internal Revenue Code or any successor statute (a "Section 355 transaction"). Following the Section 355 transaction, we may submit for stockholder approval, subject to the conditions described below, a proposal to convert all outstanding shares of our Class B common stock into shares of Class A common stock, provided that our board of directors has previously received an opinion of counsel and/or a favorable private letter ruling from the Internal Revenue Service, in each case satisfactory to Dell Technologies in its sole and absolute discretion, which discretion shall be exercised in good faith solely to preserve the intended tax treatment of the Section 355 transaction, to the effect that such conversion will not affect the intended tax treatment of the Section 355 transaction. Approval of such conversion will require the affirmative vote of the holders of a majority of the votes cast by the holders of the Class A common stock, voting as a separate class, and the affirmative vote of the holders of a majority of the votes cast by the holders of the Class B common stock, voting as a separate class, unless our board of directors (i) has determined that approval of such conversion by the affirmative vote of a majority of the votes cast by the holders of the Class A common stock and the holders of the Class B common stock, voting together as a single class, would not affect the intended tax treatment of the Section 355 transaction, subject to the receipt by our board of directors of an opinion of counsel or a favorable private letter ruling from the Internal Revenue Service regarding such intended tax treatment of the Section 355 transaction, and (ii) has received the prior written consent thereto from Dell Technologies, in its sole and absolute discretion, in which case neither the holders of our Class A common stock or Class B common stock will be entitled to a separate class vote and approval of such conversion will require the affirmative vote of the holders of a majority of the votes cast by the holders of our Class A common stock and the Class B common stock, voting together as a single class. Each outstanding share of Class B common stock that is not distributed in such Section 355 transaction will automatically be converted into one share of Class A common stock.

Liquidation, Dissolution and Winding Up

Shares of Class A common stock and Class B common stock will rank *pari passu* with each other as to any distribution of assets in the event of any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, subject to any prior distribution rights of any preferred stock then outstanding.

Dividends

Subject to the provisions of any outstanding series of preferred stock, our board of directors, in its discretion, may declare and pay dividends on our Class A common stock and Class B common stock out of funds legally available for the payment of dividends.

No dividend or distribution may be declared or paid on any share of Class A common stock unless a dividend or distribution, payable in the same consideration and manner, is simultaneously declared or paid on each share of Class B common stock, without preference or priority of any kind, except as described in the following paragraph. Similarly, no dividend or distribution may be declared or paid on any share of Class B common stock unless a dividend or distribution, payable in the same consideration and manner, is simultaneously declared or paid on each share of Class A common stock, without preference or priority of any kind, except as described in the following paragraph.

If dividends are declared that are payable in shares of Class A common stock or in shares of Class B common stock, or in rights, options, warrants or other securities convertible into or exercisable or exchangeable for shares of Class A common stock or shares of Class B common stock, such dividends will be declared at the same rate on both classes of common stock. In such an event, the dividends payable in shares of Class A common stock or in rights, options, warrants or other securities convertible into or exercisable or exchangeable for shares of Class A common stock will be payable to holders of Class A common stock and the dividends payable in shares of Class B common stock or in rights, options, warrants or other securities convertible into or exercisable or exchangeable for shares of Class B common stock will be payable to holders of Class B common stock.

Rights in Connection with Certain Transactions

Subject to the rights of holders of any series of preferred stock, in the event of any reorganization, consolidation or merger of our company with or into any other person or persons, each holder of a share of Class A common stock and each holder of a share of Class B common stock will be entitled to be treated in the same proportion and same manner and, with respect to each such share, receive the same kind and amount of per-share consideration other than a difference in kind or amount of capital stock and other securities received that is limited to preserving the relative voting power of the holders of Class A common stock and Class B common stock in effect prior to any such transaction, unless the different treatment is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A common stock and Class B common stock entitled to vote thereon, each voting separately as a class. If the holders of shares of Class A common stock or shares of Class B common stock are granted rights to elect to receive one of two or more alternative forms of consideration in respect of a merger or consolidation, the foregoing provision of our amended and restated certificate of incorporation will be deemed satisfied if holders of shares of Class A common stock and holders of shares of Class B common stock are granted substantially identical election rights.

Approval Rights of Holders of Class B Common Stock

In addition to any other vote required by law or by our amended and restated certificate of incorporation, until such time (if any) as the Dell Technologies Entities cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the Voting Power or no shares of our Class B common stock remain outstanding, the prior affirmative vote of the holders of a majority of the outstanding shares of Class B common stock, voting as a separate class, is required in order to authorize us or any of our subsidiaries to take certain actions, including, subject to certain exceptions:

- adopting or implementing any stockholder rights plan or similar takeover defense measure;

- entering into a merger, consolidation, business combination or sale of all or substantially all of our assets, or selling, transferring or licensing any of our business, operations or intellectual property for aggregate consideration in excess of $100 million in any calendar-year period;
- acquiring the stock or assets of another entity in transactions involving in excess of $250 million;
- issuing any capital stock or stock equivalent except to our subsidiaries, pursuant to the conversion, exercise or exchange of any outstanding stock equivalent or pursuant to our employee benefit or compensation plans;
- authorizing the aggregate amount of our equity awards to be granted in any fiscal year;
- taking any actions to dissolve, liquidate or wind up our company;
- declaring dividends on our capital stock;
- entering into any exclusive or exclusionary arrangement with a third party involving, in whole or in part, products or services that are similar to those of Dell Technologies;
- approving, amending or repealing our amended and restated certificate of incorporation or bylaws, or the certificate of incorporation or bylaws of certain of our subsidiaries;
- acquiring the business, operations, securities or indebtedness of another entity for consideration in excess of $250 million in any calendar-year period;
- incurring indebtedness in excess of $200 million;
- approving, modifying or terminating any employee equity or pension plan;
- entering into any legal settlement resulting in payment by us in excess of $100 million or that would impose limitations on our operations that would reasonably be expected to have a material adverse effect on us; and
- entering into any other types of transaction involving consideration in excess of $100 million.

Other Rights

Holders of our Class A common stock or Class B common stock will not have any preemptive, cumulative voting, subscription, redemption or sinking fund rights.

Assessability

All shares of Class A common stock and Class B common stock to be outstanding upon the completion of this offering will be fully paid and nonassessable.

Preferred Stock

Following this offering, our board of directors will have broad discretion with respect to the creation and issuance of preferred stock without stockholder approval, subject to the consent rights of holders of our Class B common stock described under "—Common Stock—Approval Rights of Holders of Class B Common Stock" and any applicable rights of holders of shares of any series of preferred stock outstanding from time to time. Our amended and restated certificate of incorporation authorizes the board of directors from time to time and without further stockholder action to adopt a resolution or resolutions providing for the issuance of authorized but unissued shares of preferred stock in one or more series and in such amounts as may be determined by the board of directors. The powers, designation, preferences and relative, participating, optional and other special rights of each series of preferred stock, and the qualifications, limitations and restrictions of shares of the series, if any, will be as set forth in such resolution or resolutions. The authority of the board of directors to fix the terms of any such series of preferred stock will include, without limitation, the power to determine the following:

- the designation of the series;
- the number of shares of the series;
- the amounts or rates at which dividends, if any, will be payable on, and the preferences, if any, of, shares of the series in respect of dividends, and whether such dividends will be cumulative or noncumulative;
- the dates on which dividends, if any, will be payable;
- the redemption rights and price or prices, if any, for shares of the series;
- the terms and amount of any sinking fund provided for the purchase or redemption of shares of the series;
- the amounts payable on, and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of our affairs;
- whether the shares of the series will be convertible into or exchangeable for shares of any other class or series, or any other security, of our company or any other corporation or other person, and, if so, the specification of such other class or series or such other security, the conversion or exchange price or prices or rate or rates, any adjustments thereof, the date or dates at which such shares will be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made;
- restrictions on the issuance of shares of the same series or any other series;
- the voting rights, if any, of the holders of shares of the series generally or upon specified events; and
- any other powers, preferences and relative, participating, optional or other special rights of shares of the series, and any qualifications, limitations or restrictions of shares of the series, all as may be determined from time to time by the board of directors and stated in the resolution or resolutions providing for the issuance of the series.

The holders of our common stock may be adversely affected by the rights, privileges and preferences of holders of shares of any series of preferred stock which the board of directors may designate and we may issue from time to time. Among other actions, by authorizing the issuance of shares of preferred stock with particular voting, conversion or other rights, the board of directors could adversely affect the voting power of the holders of the common stock and otherwise could discourage any attempt to effectuate a change in control of our company, even if such a transaction would be beneficial to the interests of our stockholders.

Stock Options

As of February 2, 2018, stock options to purchase an aggregate of 54,387,850 shares of our Class A common stock were outstanding under our 2013 Stock Plan. As of February 2, 2018, 8,019,426 additional shares of Class A common stock were available for future grant as equity awards under our 2013 Stock Plan. For additional information, see "Executive Compensation—Employee Benefit Plans—Amended and Restated 2013 Stock Plan."

Corporate Opportunity Provisions of Our Amended and Restated Certificate of Incorporation

To address potential conflicts of interest between us and the Dell Technologies Affiliates, Silver Lake and its affiliates, VMware and its subsidiaries, General Electric Company and an affiliate, and Ford

Motor Company (the "Specified Entities") with respect to corporate opportunities that otherwise are permitted to be undertaken by us, our amended and restated certificate of incorporation contains provisions regulating and defining the conduct of our affairs as they may involve the Specified Entities and their respective officers and directors, and our powers, rights, duties and liabilities and those of our officers, directors and stockholders in connection with our relationship with the Specified Entities. These provisions relate not only to corporate opportunities affecting our company and our subsidiaries, but also affecting any legal entity of which our company is the beneficial owner of voting interests representing 20% or more in voting power of the outstanding voting interests of such entity or any other legal entity that, directly or indirectly, is controlled by our company, all of which are referred to as "we," "us" and "our company" for purposes of this description. In general, the provisions of our amended and restated certificate of incorporation recognize that we and the Specified Entities may engage in the same, similar or related activities or lines of business or other business activities that overlap or compete with those of the other, may have an interest in the same areas of corporate opportunities and will continue to have contractual, corporate and business relations with each other, including as a result of service by officers and directors of the Specified Entities on our board of directors and in transactions conducted pursuant to the agreements described under "Certain Relationships and Related Transactions—Transactions with Dell Technologies and Dell," "—Transactions with DellEMC," "—Transactions with VMware," "—Transactions with General Electric" and "—Transactions with Ford."

Under our amended and restated certificate of incorporation, a "corporate opportunity" generally is a potential transaction or business opportunity that we are financially able, contractually permitted or legally able to undertake, that is, from its nature, in our line of business, or is of practical advantage to us, or is one in which we, but for the corporate opportunity provisions of amended and restated our certificate of incorporation, would have an interest or a reasonable expectancy.

Our amended and restated certificate of incorporation states that, except as otherwise agreed in writing between us and a Specified Entity, the Specified Entities will have no duty to refrain from:

- engaging in the same or similar activities or lines of business as those in which we are engaged;
- doing business with any of our clients, customers or vendors; or
- employing, or otherwise engaging or soliciting for such purpose, any of our officers, directors or employees.

Our amended and restated certificate of incorporation provides that if any Specified Entity is offered, or acquires knowledge of, a potential transaction or business opportunity that is or may be a corporate opportunity for us, we will, to the fullest extent permitted by law, renounce any interest or expectancy in any such potential transaction or business opportunity or being offered an opportunity to participate in it, and waive any claim that such a potential transaction or corporate opportunity constituted a corporate opportunity that should have been presented to us. In any such case, each Specified Entity will, to the fullest extent permitted by law, not be liable to us or our stockholders for breach of any fiduciary duty as our direct or indirect stockholder by reason of the fact that any one or more of the Specified Entities pursues or acquires such potential transaction or business opportunity for itself, directs such potential transaction or business opportunity to another person, or otherwise does not communicate information regarding such potential transaction or business opportunity to us.

If one of our directors or officers who is also a director and/or officer of a Specified Entity is offered, or acquires knowledge of, a potential transaction or business opportunity that is or may be a corporate opportunity for us, our amended and restated certificate of incorporation provides that:

- we, to the fullest extent permitted by law, renounce any interest or expectancy in such potential transaction or business opportunity or being offered an opportunity to participate in it, and waive any claim that such a potential transaction or business opportunity constituted a corporate opportunity that should have been presented to us; and

- such an officer or director will have no duty to communicate or present such a potential transaction or business opportunity to us and will, to the fullest extent permitted by law, not be liable to us or our stockholders for breach of any fiduciary duty as our officer or director, including, without limitation, by reason of the fact that any one or more of the Specified Entities pursues or acquires such potential transaction or business opportunity for itself, directs such potential transaction or business opportunity to another person, or otherwise does not communicate information regarding such potential transaction or business opportunity to us.

Notwithstanding the foregoing provisions, our amended and restated certificate of incorporation provides that we will not renounce any interest or expectancy we may have in any corporate opportunity that is expressly offered to any of our officers or directors in writing solely in such individual's capacity as an officer or director of our company.

The corporate opportunity provisions in our amended and restated certificate of incorporation will continue in effect with respect to a Specified Entity until such Specified Entity ceases to own beneficially capital stock representing at least 10% of the Voting Power, and no director, officer, principal, member, partner, employee or representative of such Specified Entity is serving as a director or officer of our company.

Any person purchasing or otherwise acquiring or holding any interest in shares of our capital stock will be deemed to have notice of and to have consented to the provisions of our amended and restated certificate of incorporation related to corporate opportunities that are described above.

Exclusive Forum Provision

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by, or other wrongdoing by, any of our directors, officers or other employees, or stockholders to us or our stockholders;
- any action asserting a claim arising pursuant to any provision of the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; and
- any action asserting a claim governed by the internal affairs doctrine.

Any person purchasing or otherwise acquiring or holding any interest in shares of our capital stock will be deemed to have notice of and to have consented to the provisions described above.

Anti-Takeover Effects of Provisions of Our Amended and Restated Certificate of Incorporation and Bylaws

Our amended and restated certificate of incorporation and bylaws contain provisions that could have the effect of delaying or deferring a change in control of our company. The amended and restated certificate of incorporation and bylaw provisions, among other matters:

- provide that our Class B common stock is generally entitled to ten votes per share, while our Class A common stock is entitled to one vote per share, subject to certain exceptions, enabling Dell Technologies, as the beneficial owner of all outstanding shares of our Class B common stock and a majority of the outstanding shares of our common stock upon the closing of this offering, to control the outcome of substantially all matters submitted to a vote of our stockholders, including the election of directors;

- provide that, so long as any shares of our Class B common stock are outstanding, the holders of shares of our Class B common stock, voting as a separate class, will be entitled to elect at least 80% of our directors and that Dell Technologies may designate a Group I Member that will be entitled to cast, on all matters upon which a vote or consent of the board of directors is taken, a number of votes equal to one plus the number of vacant Group I directorships then existing;

- provide that any merger, consolidation, business combination or sale of all or substantially all of our assets, must be approved by the holders of a majority of the outstanding shares of our Class B common stock until such time (if any) as the Dell Technologies Entities cease to beneficially own in the aggregate shares of our capital stock representing at least 30% of the Voting Power or no shares of Class B common stock are outstanding as described under "—Common Stock—Approval Rights of Holders of Class B Common Stock";

- provide for certain supermajority thresholds for the stockholders to amend certain provisions of our amended and restated certificate of incorporation or to amend our bylaws as described under "—Common Stock—Voting Rights";

- provide for the classification of the board of directors into three classes, with approximately one-third of the directors to be elected each year;

- provide that a director may be removed only for cause at any time when the Dell Technologies Affiliates do not beneficially own in the aggregate shares of capital stock representing a majority of the votes entitled to be cast to elect such director;

- provide that any vacancy on the board of directors may be filled only by the affirmative vote of, (i) in the case of any Group I Member, a majority of votes entitled to be cast by the remaining Group I Members then in office at any time when the Dell Technologies Affiliates do not beneficially own in the aggregate shares of capital stock representing a majority of the votes entitled to be cast to elect any Group I Member, and (ii) in the case of any Group II Member, a majority of votes entitled to be cast by the remaining directors then in office at any time when the Dell Technologies Affiliates do not beneficially own in the aggregate shares of capital stock representing a majority of the votes entitled to be cast to elect any Group II Member;

- provide for the prohibition of cumulative voting in the election of directors or any other matters, which would otherwise allow less than a majority of stockholders to elect director candidates;

- provide that a special meeting of stockholders may be called only by the board chairperson, the vote of a majority of the votes entitled to be cast by the directors then in office or, so long as the Dell Technologies Affiliates beneficially own in the aggregate shares of our capital stock representing a majority of the Voting Power, Dell Technologies;

- provide that, at any time when the Dell Technologies Affiliates do not beneficially own in the aggregate shares of our capital stock representing a majority of the Voting Power, any action required or permitted to be taken by our stockholders at any annual or special meeting may not be effected by a written consent in lieu of a meeting (other than any exercise of the consent rights of the holders of our Class B common stock described under "—Common Stock—Approval Rights of Holders of Class B Common Stock");

- establish advance notice procedures for stockholders to make nominations of candidates for election as directors or to present any other business for consideration at any annual or special stockholder meeting; and

- provide authority for the board of directors without stockholder approval, other than approval by holders of our Class B common stock exercising their consent rights described under "—Common Stock—Approval Rights of Holders of Class B Common Stock," to provide for the issuance of up to 500,000,000 shares of preferred stock, in one or more series, with terms and conditions, and having rights, privileges and preferences, to be determined by the board of directors.

Section 203 of the DGCL

Under our amended and restated certificate of incorporation, we will become subject to Section 203 of the DGCL at such time (if any) as the Dell Technologies Affiliates cease to beneficially own in the aggregate shares of our capital stock representing at least 10% of the Voting Power. Until such date, we have elected in our amended and restated certificate of incorporation not to be governed by Section 203.

Section 203, with specified exceptions, prohibits a Delaware corporation listed on a national securities exchange from engaging in any "business combination" with any "interested stockholder" for a period of three years following the time that the stockholder became an interested stockholder unless:

- before that time, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;

- upon consummation of the transaction which 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, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned by persons who are directors and also officers and by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- at or after that time, the business combination is approved by the 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 $66\,^{2}/_{3}$% of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 defines "business combination" to include the following transactions, subject to specified exceptions:

- any merger or consolidation of the corporation or any majority-owned subsidiary of the corporation with the interested stockholder or, in specified circumstances, any other entity if the merger or consolidation is caused by the interested stockholder;

- any sale, lease, exchange, mortgage, pledge, transfer or other disposition involving the interested stockholder of assets of the corporation or of any majority-owned subsidiary of the corporation which have an aggregate market value equal to 10% or more of either (1) the aggregate market value of the consolidated assets of the corporation or (2) the aggregate market value of all outstanding stock of the corporation;

- subject to certain limited exceptions, any transaction that results in the issuance or transfer by the corporation or any majority-owned subsidiary of the corporation of any stock of the corporation to the interested stockholder;

- any transaction involving the corporation or any majority-owned subsidiary of the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation or any such subsidiary owned by the interested stockholder; or

- any receipt by the interested stockholder of any direct or indirect benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation or any majority-owned subsidiary of the corporation.

In general, Section 203 defines an "interested stockholder" as any entity or person who beneficially owns, or within three years prior to the determination of interested stockholder status beneficially owned, 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by that entity or person, subject to specified exceptions.

The application of Section 203 may make it difficult and expensive for a third party to pursue a takeover attempt with respect to our company that our board of directors does not approve even if some of our stockholders would support such a takeover attempt.

Registration Rights

Our shareholders' agreement to be in effect upon the filing and effectiveness of our amended and restated certificate of incorporation prior to the closing of this offering provides the parties to that agreement, including certain holders of 5% or more of our outstanding capital stock and entities affiliated with certain of our directors, with certain registration rights with respect to their shares of Class A common stock (the "registrable securities"), subject to certain exceptions. The holders of an aggregate of 209,043,668 shares of our Class A common stock, including shares issuable upon the conversion of all shares of Class B common stock, are entitled to exercise the registration rights described below. The registration of shares of our Class A common stock pursuant to the exercise of these registration rights would enable the holders to sell these shares without restriction under the Securities Act when the applicable registration statement is effective. We will pay the registration expenses, other than underwriting discounts and commissions and stock transfer taxes, of the holders of the registrable securities registered pursuant to the demand and piggyback registration rights described below.

Demand Registration Rights. At any time beginning 180 days after the closing of this offering, parties to the shareholders' agreement holding in the aggregate at least 25% of the registrable securities then outstanding may request that we file a registration statement to register the offer and sale of their registrable securities. If the request is to file a registration statement on Form S-3, such registration may be requested by parties to the shareholders' agreement holding in the aggregate at least 10% of the registrable securities then outstanding, so long as we are eligible to file a registration statement on Form S-3. Such request for registration must cover at least 5% of the registrable securities then outstanding, and we are not required to support more than one demand registration in any rolling six-month period or more than two demand registrations in any calendar year. We have the right to defer a demand registration in certain circumstances not more than twice and for not more than 180 days in any 12-month period.

Piggyback Registration Rights. If we propose to register the offer and sale of shares of our Class A common stock or other equity securities under the Securities Act, other than with respect to a demand registration, a registration statement on Form S-4, Form S-8 or similar forms, an offering of convertible debt and certain other exceptions, the holders of registrable securities may request that we include their registrable securities in such registration, subject to certain marketing and other limitations. As a result, when we propose to file a registration statement under the Securities Act, subject to certain exceptions, these holders are entitled to notice of the registration and the right to include their registrable securities in the registration, subject to limitations that the underwriters may impose on the amount of securities included in the offering.

Limitation of Liability and Indemnification

Our amended and restated certificate of incorporation provides that, to the fullest extent permitted by the DGCL, our directors will not be personally liable to us or our stockholders for monetary damages resulting from a breach of their fiduciary duties as directors, except for liability (1) for any breach of the director's duty of loyalty to us or our stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) under Section 174 of the DGCL or (4) for any transaction from which the director derived an improper benefit.

For information about the indemnification provisions of our amended and restated certificate of incorporation and bylaws, see "Executive Compensation—Indemnification of Directors and Officers."

Transfer Agent and Registrar

We expect to appoint Computershare Trust Company, N.A. to act as the transfer agent and registrar for our Class A and Class B common stock.

Listing of Common Stock

We have applied to list the Class A common stock on the New York Stock Exchange under the trading symbol "PVTL."

MATERIAL U.S. FEDERAL INCOME AND ESTATE TAX CONSEQUENCES FOR NON-U.S. HOLDERS OF CLASS A COMMON STOCK

The following is a discussion of the material U.S. federal income and estate tax consequences of the ownership and disposition of our Class A common stock acquired in this offering by a "Non-U.S. Holder" that does not own, and has not owned, actually or constructively, more than 5% of our Class A common stock. You are a Non-U.S. Holder if for U.S. federal income tax purposes you are a beneficial owner of our Class A common stock that is:

- a nonresident alien individual;
- a foreign corporation; or
- a foreign estate or trust.

You are not a Non-U.S. Holder if you are a nonresident alien individual present in the United States for 183 days or more in the taxable year of disposition, or if you are a former citizen or former resident of the United States for U.S. federal income tax purposes. You are also not a Non-U.S. Holder if you are present in the United States for 31 days or more during the year of disposition and a total of 183 days or more over the current year and two preceding calendar years, counting days in the first preceding year as 1/3 of a day and days in the second preceding year as 1/6 of a day. If you are any such person, you should consult your tax adviser regarding the U.S. federal income tax consequences of the ownership and disposition of our Class A common stock.

If you are a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes), the U.S. federal income tax treatment of a partner will generally depend on the status of the partner and your activities. Partners and beneficial owners in partnerships that own our Class A common stock should consult their own tax advisors as to the particular U.S. federal income and estate tax consequences applicable to them.

This discussion is based on the Internal Revenue Code of 1986, as amended to the date hereof (the "Code"), administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, changes to any of which subsequent to the date of this prospectus may affect the tax consequences described herein, possibly with retroactive effect. This discussion does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including alternative minimum tax and Medicare contribution tax consequences and does not address any aspect of state, local or non-U.S. taxation, or any taxes other than income and estate taxes. You should consult your tax adviser with regard to the application of the U.S. federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Dividends

As discussed under "Dividend Policy" above, we do not currently expect to make distributions on our Class A common stock. In the event that we do make distributions of cash or other property, those 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. To the extent those distributions exceed our current and accumulated earnings and profits, they will constitute a return of capital, which will first reduce your basis in our Class A common stock, but not below zero, and then will be treated as gain from the sale of our Class A common stock, as described below under "—Gain on Disposition of Our Class A Common Stock."

Dividends paid to you generally will be subject to withholding tax at a 30% rate or a reduced rate specified by an applicable income tax treaty. In order to obtain a reduced rate of withholding, you will be required to provide a properly executed applicable Internal Revenue Service ("IRS") Form W-8 certifying your entitlement to benefits under a treaty.

If dividends paid to you are effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on the dividends in the same manner as a U.S. person. In this case, you will be exempt from the withholding tax discussed in the preceding paragraph, although you will be required to provide a properly executed IRS Form W-8ECI in order to claim an exemption from withholding. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our Class A common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) on your effectively connected earnings and profits (subject to certain adjustments) if you are a corporation.

See also the section below titled "—FATCA" for additional withholding rules that may apply to dividends paid to certain foreign financial institutions or non-financial foreign entities.

Gain on Disposition of Our Class A Common Stock

Subject to the discussions below under "—Information Reporting and Backup Withholding" and "—FATCA," you generally will not be subject to U.S. federal income or withholding tax on gain realized on a sale or other taxable disposition of our Class A common stock unless:

- the gain is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), or
- we are or have been a "United States real property holding corporation," as defined in the Code, at any time within the five-year period preceding the disposition or your holding period, whichever period is shorter, and our Class A common stock has ceased to be regularly traded on an established securities market prior to the beginning of the calendar year in which the sale or disposition occurs.

We believe that we are not, and do not anticipate becoming, a United States real property holding corporation.

If you recognize gain on a sale or other disposition of our Class A common stock that is effectively connected with your conduct of a trade or business in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by you in the United States), you will generally be taxed on such gain in the same manner as a U.S. person. You should consult your tax adviser with respect to other U.S. tax consequences of the ownership and disposition of our Class A common stock, including the possible imposition of a branch profits tax at a rate of 30% (or a lower treaty rate) if you are a corporation.

Information Reporting and Backup Withholding

Information returns are required to be filed with the IRS in connection with payments of dividends on our Class A common stock. In addition, copies of the information returns reporting such dividends may be made available to the tax authorities in the country in which you reside under the provisions of an applicable treaty. Unless you comply with certification procedures to establish that you are not a U.S. person, information returns may also be filed with the IRS in connection with the proceeds from a sale or other disposition of our Class A common stock. You may be subject to backup withholding on payments on our Class A common stock or on the proceeds from a sale or other disposition of our Class A common stock unless you comply with certification procedures to establish that you are not a U.S. person or otherwise establish an exemption. Your provision of a properly executed applicable IRS Form W-8 certifying your non-U.S. status will permit you to avoid backup withholding, provided that the applicable withholding agent does not have actual knowledge or reason to know that the holder is not a Non-U.S. Holder. Amounts withheld under the backup withholding rules are not additional taxes and may be refunded or credited against your U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

FATCA

Provisions of the Code commonly referred to as "FATCA" require withholding of 30% on payments of dividends on our Class A common stock, as well as of gross proceeds of dispositions occurring after December 31, 2018 of our Class A common stock, to "foreign financial institutions" (which is broadly defined for this purpose and in general includes investment vehicles) and certain other non-U.S. entities unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied, or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. If FATCA withholding is imposed, a beneficial owner that is not a foreign financial institution generally may obtain a refund of any amounts withheld by filing a U.S. federal income tax return (which may entail significant administrative burden). You should consult your tax adviser regarding the effects of FATCA on your investment in our Class A common stock.

Federal Estate Tax

Individual Non-U.S. Holders and entities the property of which is potentially includible in such an individual's gross estate for U.S. federal estate tax purposes (for example, a trust funded by such an individual and with respect to which the individual has retained certain interests or powers) should note that, absent an applicable treaty exemption, our Class A common stock will be treated as U.S.-situs property subject to U.S. federal estate tax.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our Class A common stock, and we cannot predict the effect, if any, that market sales of shares of our Class A common stock or the availability of shares of our Class A common stock for sale will have on the market price of our Class A common stock prevailing from time to time. Nevertheless, future sales of substantial amounts of our Class A common stock in the public market following this offering could adversely affect market prices prevailing from time to time and could impair our ability to raise capital through the sale of our equity securities. Furthermore, because only a limited number of shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our Class A common stock in the public market after the restrictions lapse. These sales may adversely affect the prevailing market price and our ability to raise equity capital in the future.

Upon completion of this offering, we will have 80,372,120 shares of Class A common stock outstanding and 175,514,272 shares of Class B common stock outstanding assuming the exercise of the underwriters' over-allotment option, the conversion of all outstanding shares of preferred stock and no exercise of any options as of February 2, 2018. Of these shares, the 37,000,000 shares of our Class A common stock, or 42,550,000 shares of our Class A common stock if the underwriters exercise their over-allotment option in full, sold in this offering will be freely transferable without restriction or registration under the Securities Act, except for any shares purchased by one of our existing "affiliates," as that term is defined in Rule 144 under the Securities Act. The remaining 37,822,120 shares of Class A common stock and 175,514,272 shares of Class B common stock outstanding are "restricted" shares within the meaning of Rule 144. Restricted shares and the shares of Class A common stock into which such securities are convertible may be sold in the public market only if registered or if they qualify for an exemption from registration under Rule 144 or 701 under the Securities Act. As a result of the contractual lock-up period ending 180 days after the date of this prospectus described below and the provisions of Rules 144 and 701, these shares will be available for sale in the public market as follows:

Number of Shares	Date
0	On the date of this prospectus.
37,822,120	After 180 days from the date of this prospectus (subject, in some cases, to volume limitations).

The remainder of the shares will be eligible for sale in the public market from time to time thereafter subject, in some cases, to the volume and other restrictions of Rule 144, as described below.

Rule 144

In general, under Rule 144 as currently in effect, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the three months preceding, a sale and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. In general, under Rule 144 as currently in effect, persons who have beneficially owned restricted shares of our common stock for at least six months but who are our affiliates at the time of, or any time during the three months preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares of our Class A common stock then outstanding, which will equal approximately 748,221 shares immediately after this offering, assuming no exercise of the underwriters' over-allotment option to purchase additional shares; or

- the average weekly trading volume of our Class A 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 the sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales by affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144 to the extent applicable.

Rule 701

In general, under Rule 701, any of our employees, directors, officers, consultants or advisors who purchases shares from us in connection with a compensatory stock or option plan or other written agreement before the effective date of this offering is entitled to resell such shares 90 days after the effective date of this offering in reliance on Rule 144, without having to comply with the holding period requirements or other restrictions contained in Rule 701.

Securities issued in reliance on Rule 701 are restricted securities and, subject to the contractual restrictions described above, beginning 90 days after the date of this prospectus, may be sold by persons other than "affiliates," as defined in Rule 144, subject only to the manner of sale provisions of Rule 144 and by "affiliates" under Rule 144 without compliance with its one-year minimum holding period requirement.

Stock Options

As of February 2, 2018, options to purchase a total of 54,387,850 shares of Class A common stock were outstanding. All of the shares subject to options are subject to lock-up agreements or market standoff provisions. An additional 8,019,426 shares of Class A common stock were available for future grants under our 2013 Plan.

Upon completion of this offering, we intend to file a registration statement under the Securities Act covering all shares of Class A common stock subject to outstanding options or issuable pursuant to our 2013 Plan. Subject to Rule 144 volume limitations applicable to affiliates, shares registered under any registration statements will be available for sale in the open market, beginning 90 days after the date of the prospectus, except to the extent that the shares are subject to vesting restrictions with us or the contractual restrictions described below.

Lock-up Agreements and Market Standoff Provisions

Our directors, executive officers, the selling stockholder and the holders of substantially all of our equity securities will agree subject to certain exceptions, not to offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock for a period ending 180 days after the date of this prospectus, without the prior written consent of Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC. See "Underwriters" for more information.

UNDERWRITERS

Under the terms and subject to the conditions in an underwriting agreement dated the date of this prospectus, the underwriters named below, for whom Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC are acting as representatives, have severally agreed to purchase, and we have agreed to sell to them, severally, the number of shares indicated below.

Name	Number of Shares
Morgan Stanley & Co. LLC	
Goldman Sachs & Co. LLC	
Citigroup Global Markets Inc.	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Barclays Capital Inc.	
Credit Suisse Securities (USA) LLC	
RBC Capital Markets, LLC	
UBS Securities LLC	
Wells Fargo Securities, LLC	
KeyBanc Capital Markets Inc.	
William Blair & Company, L.L.C.	
Mischler Financial Group, Inc.	
Samuel A. Ramirez & Company, Inc.	
Siebert Cisneros Shank & Co., L.L.C.	
The Williams Capital Group, L.P.	
Total	37,000,000

The underwriters are offering the shares of Class A common stock subject to their acceptance of the shares from us and subject to prior sale. The underwriting agreement provides that the obligations of the several underwriters to pay for and accept delivery of the shares of Class A common stock offered by this prospectus are subject to the approval of certain legal matters by their counsel and to certain other conditions. The underwriters are obligated to take and pay for all of the shares of Class A common stock offered by this prospectus if any such shares are taken. However, the underwriters are not required to take or pay for the shares covered by the underwriters' over-allotment option described below.

The underwriters initially propose to offer part of the shares of Class A common stock directly to the public at the offering price listed on the cover page of this prospectus and part to certain dealers. After the initial offering of the shares of Class A common stock, the offering price and other selling terms may from time to time be varied by the representatives. The offering of the shares of Class A common stock by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 5,550,000 additional shares of Class A common stock at the public offering price listed on the cover page of this prospectus, less underwriting discounts and commissions. The underwriters may exercise this option solely for the purpose of covering over-allotments, if any, made in connection with the offering of the shares of Class A common stock offered by this prospectus. To the extent the option is exercised, each underwriter will become obligated, subject to certain conditions, to purchase about the same percentage of the additional shares of Class A common stock as the number listed next to the underwriter's name in the preceding table bears to the total number of shares of Class A common stock listed next to the names of all underwriters in the preceding table.

The following table shows the per share and total public offering price, underwriting discounts and commissions, and proceeds before expenses to us and the selling stockholder. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional 5,550,000 shares of Class A common stock to cover over-allotments.

		Total	
	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts and commissions	$	$	$
Proceeds, before expenses to us	$	$	$
Proceeds, before expenses to the selling stockholder	$	$	$

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately $3.7 million. We have agreed to reimburse the underwriters for expenses relating to clearance of this offering with the Financial Industry Regulatory Authority up to $50,000.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of Class A common stock offered by them.

We have applied to list our Class A common stock on the New York Stock Exchange under the trading symbol "PVTL."

We, all of our directors and officers, the selling stockholder and the holders of substantially all of our outstanding securities have agreed or will agree that, subject to certain exceptions, without the prior written consent of Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters, we and they will not, during the period ending 180 days after the date of this prospectus (the "restricted period"):

- offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of Class A common stock, Class B common stock or any securities convertible into or exercisable or exchangeable for shares of Class A common stock or Class B common stock;

- file any registration statement with the SEC relating to the offering of any shares of Class A common stock, Class B common stock or any securities convertible into or exercisable or exchangeable for Class A common stock or Class B common stock; or

- enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Class A common stock or Class B common stock

whether any such transaction described above is to be settled by delivery of Class A common stock, Class B common stock or such other securities, in cash or otherwise. In addition, we and each such person agrees that, without the prior written consent of Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC, as representatives of the underwriters, we or such other person will not, during the restricted period, make any demand for, or exercise any right with respect to, the registration of any shares of Class A common stock, Class B common stock or any security convertible into or exercisable or exchangeable for Class A common stock or Class B common stock.

Notwithstanding the above, the representatives have agreed in the underwriting agreement that the lock-up agreement applicable to us does not apply to:

- the shares of our Class A common stock to be sold by us in this offering;

- the issuance by us of shares of Class A common stock or securities convertible into or exercisable or exchangeable for Class A common stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of restricted stock units (including net settlement), in each case outstanding as of the date of this prospectus and described in this prospectus so long as, before any such issuance, we cause each such recipient of such shares of Class A common stock to execute and deliver a lock-up agreement to the representatives;

- the grant of stock options, stock awards, restricted stock, restricted stock units or other equity awards or shares of Class A common stock or other awards pursuant to any employee benefit plan described in this prospectus so long as, before any such grant or issuance, we cause each such recipient of such shares of Class A common stock to execute and deliver a lock-up agreement to the representatives;

- the issuance by us of any shares of common stock or other securities sold or issued, or the entry into an agreement to sell or issue shares of common stock or other securities, in connection with an acquisition by us or any of our subsidiaries of the securities, business, technology, property, or other assets of another person or entity (including pursuant to any employee benefit plan we or any of our subsidiaries assume in connection with any such acquisition) or in connection with any joint venture, commercial relationship or other strategic transaction, so long as the aggregate number of shares of common stock or securities convertible into or exercisable for common stock (on an as-converted or as-exercised basis, as the case may be) that we may sell or issue or agree to sell or issue pursuant to such an agreement does not exceed 5% of the total number of shares of our common stock issued and outstanding immediately following the completion of this offering, and so long as, before any such issuance, we cause each such recipient of such securities to execute and deliver a lock-up agreement to the representatives; or

- the filing by us of registration statements on Form S-8 in respect of our employee benefit plans described in this prospectus.

In addition, notwithstanding the lock-up agreements applicable to our directors, executive officers and the current holders of all of our common stock and other equity securities, each referred to as a lock-up party, the representatives have agreed that such lock-up agreements do not apply to:

- the sale of shares of Class A common stock pursuant to the underwriting agreement;

- transactions relating to shares of Class A common stock acquired in this offering or securities acquired in open market transactions after the completion of this offering so long as no filing under Section 16(a) of the Exchange Act will be required or will be voluntarily made during the restricted period in connection with subsequent sales of common stock or other securities acquired in such open market transactions;

- transfers of the lock-up party's securities (1) as a bona fide gift, bona fide estate planning purposes or charitable contribution, (2) to any beneficiary of the lock-up party, including the beneficiary's nominee or custodian, pursuant to a will or other testamentary document or applicable laws of descent, (3) if the lock-up party is a corporation, partnership, limited liability company or other business entity, (x) to another corporation, partnership, limited liability company, or other business entity (or in each case its nominee or custodian) that controls, is controlled by or is under common control with the lock-up party or (y) as part of a disposition, transfer or distribution by the lock-up party to its equity holders, limited partners or members (or in each case its nominee or custodian), or any investment fund or other entity controlled or managed by the lock-up party, (4) to an immediate family member of the lock-up party, which means any relationship by blood, marriage or adoption, but not more remote than first cousin, or to any trust, partnership or limited liability company for the direct or indirect benefit of the lock-up party or one or more immediate family members, or (5) transfers or distributions of the lock-up party's securities by a stockholder that is a trust to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust, so long as, in each case, (A) each donee, trustee, distributee or transferee signs and delivers a lock-up agreement and (B) no filing by any party under the Exchange Act or other public announcement will be required or will be voluntarily made in connection with such transfer during the restricted period;

- transfers of the lock-up party's securities that occur by operation of law pursuant to a qualified domestic order or in connection with a divorce settlement, so long as (1) with respect to any transfer in connection with a divorce settlement, each transferee executes and delivers to the representatives a lock-up agreement substantially in the form of the lock-up agreement and (2) if the lock-up party is required to file a report under Section 16(a) of the Exchange Act during the restricted period reporting a reduction in beneficial ownership of shares of common stock or other securities, the lock-up party includes a statement in such report to the effect that such transfer occurred pursuant to such a domestic order or in connection with a divorce settlement;

- the conversion of any of our convertible securities or other rights described in this prospectus or otherwise disclosed to the underwriters in writing into shares of Class A common stock or other securities, so long as such shares of Class A common stock or other securities continue to be subject to the restrictions on transfer set forth in the lock-up agreement;

- the exercise or settlement of stock options or restricted stock units granted under any stock-based employee benefit plan or other equity award plan described in this prospectus (excluding all manners of exercise that would involve a sale in the open market of any securities relating to such stock options or restricted stock units, whether to cover the applicable aggregate exercise price, withholding tax obligations or otherwise), so long as (a) the underlying shares of common stock continue to be subject to the restrictions set forth in the lock-up agreement and (b) if the lock-up party is required to file a report under Section 16(a) of the Exchange Act during the restricted period, the lock-up party will include a statement in such report clearly indicating that (1) the filing relates to the circumstances described in this paragraph and (2) no shares of common stock or other securities were sold by the reporting person;

- the receipt by the lock-up party from us of shares of common stock and the disposition of the lock-up party's securities to us upon the exercise of stock options on a "cashless" or "net exercise" basis to the extent permitted by a benefit plan so long as such "cashless" or "net exercise" is effected solely by the surrender of outstanding stock options (or the common stock issuable upon the exercise thereof) to us and our cancellation of all or a portion thereof to pay the exercise price (excluding, for the avoidance of doubt, all manners of exercise that would involve a sale in the open market of any securities relating to such stock options, whether to cover the applicable aggregate exercise price, withholding tax obligations or otherwise) so long as (A) the underlying shares of common stock continue to be subject to the restrictions set forth in the lock-up agreement and (B) no filing under Section 16 of the Exchange Act, reporting a reduction in beneficial ownership will be required or voluntarily made during the restricted period;

- the disposition of the lock-up party's securities to us solely to cover tax withholding obligations of the lock-up party in connection with (1) the vesting of restricted stock units or other awards granted under a benefit plan or (2) the exercise of stock options, so long as (a) the underlying shares of common stock continue to be subject to the restrictions set forth in the lock-up agreement and (b) if the lock-up party is required to file a report under Section 16(a) of the Exchange Act during the restricted period reporting a reduction in beneficial ownership of shares of common stock or other securities related to such disposition of the lock-up party's securities to us by the lock-up party solely to satisfy tax withholding obligations, the lock-up party will include a statement in such report to the effect that the filing relates to the satisfaction of tax withholding obligations of the lock-up party in connection with such vesting or exercise;

- transfers of the lock-up party's securities to us pursuant to agreements under which (1) such securities were issued and (2) we has the option to repurchase such securities or other security or a right of first refusal with respect to transfers of such securities or other security so long as no filing under Section 16 of the Exchange Act, reporting a reduction in beneficial ownership of shares of common stock, shall be required or shall be voluntarily made within 30 days after the date of this prospectus, and after such 30th day, any filing under Section 16 of the Exchange Act shall clearly indicate in the footnotes thereto that (1) the filing relates to the circumstances described in this paragraph and (2) no securities or other securities were sold by the reporting person;

- transfers of the lock-up party's securities pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction made to all holders of the common stock that is expected to result in a change of control (as defined in the lock-up agreement) of our company (including, without limitation, entering into any lock-up, voting or similar agreement pursuant to which the lock-up party may agree to transfer, sell, tender or otherwise dispose of common stock or other securities in connection with any such transaction, or vote any securities in favor of any such transaction) that has been approved by our board of directors, so long as, if such third-party tender offer, merger, consolidation or other such transaction is not completed, the common stock owned by the lock-up party remains subject to the restrictions contained in the lock-up agreement; or

- the establishment or amendment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, so long as (1) such plan does not provide for the transfer of common stock during the restricted period and (2) to the extent a public announcement or filing under the Exchange Act, if any, is required of or voluntarily made by or on behalf of the lock-up party or us regarding the establishment or amendment of such a plan, such announcement or filing includes a statement to the effect that no transfer of common stock may be made under such plan during the restricted period.

Morgan Stanley & Co. LLC and Goldman Sachs & Co. LLC may release the Class A common stock, Class B common stock and other securities subject to the lock-up agreements described above in whole or in part at any time.

In order to facilitate the offering of the Class A common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of the Class A common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the underwriting agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under the over-allotment option. The underwriters can close out a covered short sale by exercising the over-allotment option or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters will consider, among other things, the open market price of shares compared to the price available under the over-allotment option. The underwriters may also sell shares in excess of the over-allotment option, creating a naked short position. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the Class A common stock in the open market after pricing that could adversely affect investors who purchase shares of Class A common stock in this offering. As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of Class A common stock in the open market to stabilize the price of the common stock. These activities may raise or maintain the market price of the Class A common stock above independent market levels or prevent or retard a decline in the market price of the Class A common stock. The underwriters are not required to engage in these activities and may end any of these activities at any time.

We and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

A prospectus in electronic format may be made available on websites maintained by one or more underwriters, or selling group members, if any, participating in this offering. The representative may agree to allocate a number of shares of Class A common stock to underwriters for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters that may make Internet distributions on the same basis as other allocations.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Certain of the underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for Dell and its affiliates, including us, for which they received or will receive customary fees and expenses.

In September 2017, we entered into the Revolving Credit Facility with Silicon Valley Bank, as administrative agent, and other banks, including Citigroup Global Markets Inc., Barclays Capital Inc. and KeyBanc Capital Markets Inc. or their respective affiliates. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" for additional information.

Additionally, Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC and RBC Capital Markets, LLC or their respective affiliates have provided Denali Holding Inc. ("Denali") and Dell with certain debt financing in connection with Denali's acquisition of DellEMC. Barclays Capital Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC, RBC Capital Markets, LLC and UBS Securities LLC or their respective affiliates also have provided advisory services to Denali, Dell and/or Silver Lake Partners in connection with Denali's acquisition of DellEMC. In addition, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Barclays Capital Inc., Credit Suisse Securities (USA) LLC, Goldman Sachs & Co. LLC, RBC Capital Markets, LLC, UBS Securities LLC and Wells Fargo Securities, LLC or their respective affiliates provided advisory services and/or are lenders under various of Dell's credit facilities.

During the period beginning 180 days prior to the original submission of the registration statement of which this prospectus forms a part, certain of our employees, who each have immediate family members who are associated persons of one of the underwriters, were granted options exercisable for an aggregate of 21,000 shares of our Class A common stock. Pursuant to FINRA Rule 5110, such employees are deemed to be associated persons of the underwriters and the options granted to such employees are each an item of value that is deemed by FINRA to be included in the total underwriting compensation received by the underwriters in connection with this offering.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve our securities and instruments. The underwriters and their respective affiliates may also make investment recommendations or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long or short positions in such securities and instruments.

Pricing of the Offering

Prior to the closing of this offering, there has been no public market for our Class A common stock. The initial public offering price will be determined by negotiations between us and the representatives. Among the factors we intend to consider in determining the initial public offering price will be our future prospects and those of our industry in general, our sales, earnings and certain other financial and operating information in recent periods, and the price-earnings ratios, price-sales ratios, market prices of securities, and certain financial and operating information of companies engaged in activities similar to ours.

Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State") an offer to the public of the shares of Class A common stock may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of the shares of Class A common stock may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) 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 Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the shares of Class A common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to the shares of Class A common stock in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the shares of Class A common stock to be offered so as to enable an investor to decide to purchase the shares of Class A common stock, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("FSMA")) received by it in connection with the issue or sale of the shares of Class A common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the shares of Class A common stock in, from or otherwise involving the United Kingdom.

Canada

The shares of Class A common stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* . Any resale of the shares of Class A common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Hong Kong

The shares of Class A common stock have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares of Class A common stock has been or may be issued or has been or may be in the possession of any person for the purposes of issuance, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares of Class A common stock which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

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 of Class A common stock may not be circulated or distributed, nor may the shares of Class A common stock 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 pursuant to Section 275(1), 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 of Class A common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) 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) the sole purpose of which is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares of common stock pursuant to an offer made under Section 275 of the SFA except:

(a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(b) where no consideration is or will be given for the transfer;

(c) where the transfer is by operation of law;

(d) as specified in Section 276(7) of the SFA; or

(e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Japan

No registration pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "FIEL") has been made or will be made with respect to the solicitation of the application for the acquisition of the shares of Class A common stock.

Accordingly, the shares of Class A common stock have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements, and otherwise in compliance with, the FIEL and the other applicable laws and regulations of Japan.

For Qualified Institutional Investors ("QII")

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the shares of Class A common stock constitutes either a "QII only private placement" or a "QII only secondary distribution" (each as described in Paragraph 1, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the shares of Class A common stock. The shares of Class A common stock may only be transferred to QIIs.

For Non-QII Investors

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the shares of Class A common stock constitutes either a "small number private placement" or a "small number private secondary distribution" (each as is described in Paragraph 4, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the shares of Class A common stock. The shares of Class A common stock may only be transferred en bloc without subdivision to a single investor.

LEGAL MATTERS

The validity of the issuance of the shares of Class A common stock offered hereby will be passed upon for us by Davis Polk & Wardwell LLP, Menlo Park, California. Fenwick & West LLP, Mountain View, California, is representing the underwriters.

EXPERTS

The financial statements as of February 3, 2017 and February 2, 2018 and for each of the three years in the period ended February 2, 2018 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to our Class A common stock offered under this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement and the exhibits and the consolidated financial statements and related notes filed as a part of the registration statement. For further information with respect to us and our Class A common stock, we refer you to the registration statement, including the exhibits and the consolidated financial statements and notes filed as a part of the registration statement. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. A copy of the registration statement, including the exhibits and the consolidated financial statements and related notes filed as a part of the registration statement, may be read and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains a website at www.sec.gov, from which interested persons can electronically access the registration statement, including the exhibits and the consolidated financial statements and related notes filed as a part of the registration statement.

As a result of the offering, we will be required to file periodic reports, proxy statements and other information with the SEC. These periodic reports, proxy statements and other information will be available for inspection and copying at the SEC's public reference facilities and the website of the SEC referred to above. We also maintain a website at https://pivotal.io. Our website and the information contained on or accessible from our website shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Pivotal Software, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Pivotal Software, Inc. and its subsidiaries ("the Company") as of February 2, 2018 and February 3, 2017, and the related consolidated statements of operations, of comprehensive loss, of redeemable convertible preferred stock and stockholders' deficit and of cash flows for each of the three years in the period ended February 2, 2018, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of February 2, 2018 and February 3, 2017, and the results of its operations and its cash flows for each of the three years in the period ended February 2, 2018 in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 2 to the consolidated financial statements, the Company changed the manner in which it accounts for revenues from contracts with customers as of February 4, 2017.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. 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, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
March 9, 2018, except for the effects of the reverse stock split discussed in Note 1 to the consolidated financial statements, as to which the date is April 9, 2018

We have served as the Company's auditor since 2013.

Pivotal Software, Inc.

Consolidated Balance Sheets

(in thousands, except per share amounts)

	February 3, 2017	February 2, 2018	Pro Forma February 2, 2018 (unaudited)
Assets			
Current assets:			
Cash and cash equivalents	$ 133,873	$ 73,012	
Accounts receivable, less allowance for doubtful accounts of $4,067 and $3,264 as of February 3, 2017 and February 2, 2018, respectively	145,372	210,677	
Due from Parent	—	31,096	
Deferred sales commissions, current	33,838	38,937	
Other assets, current	15,606	13,012	
Total current assets	328,689	366,734	
Property, plant and equipment, net	28,991	31,985	
Intangible assets, net	37,812	26,651	
Goodwill	696,226	696,226	
Deferred income taxes	360	463	
Deferred sales commissions, noncurrent	19,629	24,890	
Other assets, noncurrent	4,538	6,448	
Total assets	$ 1,116,245	$ 1,153,397	
Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)			
Current liabilities:			
Accounts payable	$ 4,622	$ 17,214	
Due to Parent	53,980	15,451	
Accrued expenses	41,573	64,251	
Income taxes payable	—	1,748	
Deferred revenue, current	176,976	260,341	
Other liabilities, current	2,385	1,109	
Total current liabilities	279,536	360,114	
Deferred revenue, noncurrent	65,656	57,126	
Deferred income taxes	7,691	427	
Debt, noncurrent	—	20,000	
Other liabilities, noncurrent	5,679	7,931	
Total liabilities	358,562	445,598	
Commitments and contingencies (Note 16)			
Redeemable convertible preferred stock			
Series A redeemable convertible preferred stock, $0.01 par value; 140,190 shares authorized as of February 3, 2017 and February 2, 2018; 70,095 shares issued and outstanding as of February 3, 2017 and February 2, 2018; liquidation preference of $490,667 as of February 2, 2018; no shares authorized and no shares issued and outstanding, pro forma (unaudited)	490,667	490,667	$ —
Series B redeemable convertible preferred stock, $0.01 par value; 30,032 shares authorized as of February 3, 2017 and February 2, 2018; 15,016 shares issued and outstanding as of February 3, 2017 and February 2, 2018; liquidation preference of $105,111 as of February 2, 2018; no shares authorized and no shares issued and outstanding, pro forma (unaudited)	105,111	105,111	—
Series C redeemable convertible preferred stock, $0.01 par value; 44,793 shares authorized as of Februray 3, 2017 and February 2, 2018; 22,397 shares issued and outstanding as of February 3, 2017 and February 2, 2018; liquidation preference of $233,000 as of February 2, 2018; no shares authorized and no shares issued and outstanding, pro forma (unaudited)	233,000	233,000	—
Series C-1 redeemable convertible preferred stock, $0.01 par value; 80,743 shares authorized as of February 3, 2017 and February 2, 2018; 40,371 shares issued and outstanding as of February 3, 2017 and February 2, 2018; liquidation preference of $420,000 as of February 2, 2018; no shares authorized and no shares issued and outstanding, pro forma (unaudited)	419,549	419,549	—
Redeemable convertible preferred stock	1,248,327	1,248,327	—
Stockholders' equity (deficit):			
Class A common stock, $0.01 par value; 575,000 and 605,000 shares authorized as of February 3, 2017 and February 2, 2018, respectively; 2,667 and 4,293 shares issued and outstanding as of February 3, 2017 and February 2, 2018, respectively; 4,000,000 shares authorized and 41,705 shares issued and outstanding, pro forma (unaudited)	27	43	417
Class B common stock, $0.01 par value; 375,000 shares authorized as of February 3, 2017 and February 2, 2018; 65,048 shares issued and outstanding as of February 3, 2017 and February 2, 2018; 500,000 shares authorized and 175,514 shares issued and outstanding, pro forma (unaudited)	650	650	1,755
Additional paid-in capital	480,072	595,113	1,841,961
Accumulated deficit	(979,085)	(1,142,600)	(1,142,600)
Accumulated other comprehensive income	6,981	5,554	5,554
Total Pivotal stockholders' equity (deficit)	(491,355)	(541,240)	707,087
Non-controlling interest	711	712	712
Total stockholders' equity (deficit)	(490,644)	(540,528)	$ 707,799
Total liabilities, redeemable convertible preferred stock and stockholders' equity (deficit)	$ 1,116,245	$ 1,153,397	

The accompanying notes are an integral part of the consolidated financial statements.

Pivotal Software, Inc.

Consolidated Statements of Operations

(in thousands, except per share amounts)

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Revenue:			
Subscription	$ 94,976	$ 149,995	$ 259,018
Services	185,898	266,272	250,418
Total revenue	280,874	416,267	509,436
Cost of revenue:			
Subscription	33,830	31,253	30,472
Services	153,509	203,096	197,922
Total cost of revenue	187,339	234,349	228,394
Gross profit	93,535	181,918	281,042
Operating expenses:			
Sales and marketing	187,292	194,322	221,187
Research and development	120,493	152,122	160,947
General and administrative	58,472	61,994	67,204
Total operating expenses	366,257	408,438	449,338
Loss from operations	(272,722)	(226,520)	(168,296)
Other (expense) income, net	(6,183)	(3,732)	2,145
Loss before benefit from (provision for) income taxes	(278,905)	(230,252)	(166,151)
Benefit from (provision for) income taxes	(3,767)	(2,614)	2,637
Net loss	(282,672)	(232,866)	(163,514)
Less: Net loss (income) attributable to non-controlling interest	126	329	(1)
Net loss attributable to Pivotal	$ (282,546)	$ (232,537)	$ (163,515)
Net loss per share attributable to common stockholders, basic and diluted	$ (4.42)	$ (3.45)	$ (2.38)
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted	63,955	67,337	68,574
Pro forma net loss per share, basic and diluted (unaudited)			$ (0.76)
Weighted average shares used in computing pro forma net loss per share, basic and diluted (unaudited)			216,453

The accompanying notes are an integral part of the consolidated financial statements.

Pivotal Software, Inc.

Consolidated Statements of Comprehensive Loss

(in thousands)

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Net loss	$ (282,672)	$ (232,866)	$ (163,514)
Foreign currency translation adjustments	2,411	854	(1,427)
Comprehensive loss	(280,261)	(232,012)	(164,941)
Less: Net loss (income) attributable to the non-controlling interest	126	329	(1)
Comprehensive loss attributable to Pivotal	$ (280,135)	$ (231,683)	$ (164,942)

The accompanying notes are an integral part of the consolidated financial statements.

Pivotal Software, Inc.

Consolidated Statements of Cash Flows

(in thousands)

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Cash flows from operating activities:			
Net loss	$ (282,672)	$ (232,866)	$ (163,514)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	32,845	24,602	22,237
Stock-based compensation expense	31,008	28,851	28,629
Provision for doubtful accounts	—	2,325	609
Deferred income taxes	651	1,214	(6,969)
Other	(673)	(79)	1,178
Changes in assets and liabilities, net of acquisitions			
Accounts receivable	(16,366)	(95,435)	(66,136)
Due from Parent	—	—	(1,096)
Deferred sales commissions	(20,393)	(14,608)	(10,360)
Other assets	(2,117)	(6,358)	2,647
Accounts payable	(300)	(5,963)	12,636
Due to Parent	(254)	52,681	(34,984)
Net payable due to DellEMC (Note 15)	256,030	1,571	—
Deferred revenue	37,634	69,953	74,360
Accrued expenses	(4,862)	2,409	21,549
Other liabilities	(1,341)	5,352	2,723
Net cash provided by (used in) operating activities	29,190	(166,351)	(116,491)
Cash flows from investing activities:			
Additions to property, plant and equipment	(12,341)	(19,533)	(12,877)
Cash paid for business acquisitions	(21,215)	(7,800)	—
Cash paid for cost method investment	—	(1,583)	—
Net cash used in investing activities	(33,556)	(28,916)	(12,877)
Cash flows from financing activities:			
Proceeds from the issuance of Series C & C-1 redeemable convertible preferred stock, net of issuance costs	—	252,549	—
Proceeds from the issuance of common stock	8,270	5,727	9,757
Contributions from non-controlling interest	1,166	—	—
Contribution from DellEMC	—	—	42,874
Borrowings on credit facility, net of debt issuance costs	—	—	18,815
Net cash provided by financing activities	9,436	258,276	71,446
Effect of exchange rate changes on cash and cash equivalents	2,204	1,002	(2,939)
Net increase (decrease) in cash and cash equivalents	7,274	64,011	(60,861)
Cash and cash equivalents at beginning of fiscal period	62,588	69,862	133,873
Cash and cash equivalents at end of fiscal period	$ 69,862	$ 133,873	$ 73,012
Supplemental disclosure of cash flow information:			
Cash paid during the period for interest	$ —	$ —	$ 329
Cash paid during the period for income taxes	$ 3,482	$ 3,550	$ 892
Supplemental disclosure of non-cash financing:			
Net payable due to DellEMC converted to preferred stock (Note 15)	$ —	$ 400,000	$ —
Conversion of Series A preferred stock to Class B common stock	$ 59,500	$ —	$ —
Settlement of amounts due to Parent	$ —	$ —	$ 4,766
Investment from DellEMC included in due from Parent	$ —	$ —	$ 30,000

The accompanying notes are an integral part of the consolidated financial statements.

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Pivotal Software, Inc.

Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit

(in thousands)

	Redeemable Convertible Preferred Stock		Class A Common Stock		Class B Common Stock						
	Shares	Amount	Shares	Par value	Shares	Par value	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income	Non-controlling interest	Total stockholders' deficit
Balance, January 31, 2015	93,611	$ 655,278	80	$ 1	56,548	$ 565	$ 344,428	$ (464,002)	$ 3,716	$ —	$ (115,292)
Stock-based compensation (Pivotal equity)							17,287				17,287
Stock issued through exercise of common stock			1,603	16			8,254				8,270
Conversion of Series A preferred stock to Class B common stock	(8,500)	(59,500)			8,500	85	59,415				59,500
Investment from DellEMC, net							12,319				12,319
Investment from Vmware							2,984				2,984
Impact from equity transactions of Pivotal Labs Sydney Pty Ltd										1,166	1,166
Translation adjustment									2,411		2,411
Net Loss								(282,546)		(126)	(282,672)
Balance, January 29, 2016	85,111	595,778	1,683	17	65,048	650	444,687	(746,548)	6,127	1,040	(294,027)
Stock-based compensation (Pivotal equity)							23,996				23,996
Stock issued through exercise of stock options			984	10			5,717				5,727
Issuance of Preferred Series C, net of issuance costs	22,397	233,000									—
Issuance of Preferred Series C-1, net of issuance costs	40,371	419,549									—
Investment from DellEMC, net							4,396				4,396
Investment from Vmware							1,276				1,276
Translation adjustment									854		854
Net Loss								(232,537)		(329)	(232,866)
Balance, February 3, 2017	147,879	1,248,327	2,667	27	65,048	650	480,072	(979,085)	6,981	711	(490,644)
Stock-based compensation (Pivotal equity)							28,468				28,468
Stock issued through exercise of stock options			1,626	16			9,741				9,757
Investment from											

DellEMC, net							76,540				76,540
Investment from Vmware							292				292
Translation adjustment									(1,427)		(1,427)
Net Loss								(163,515)		1	(163,514)
Balance, February 2, 2018	147,879	$1,248,327	4,293	$ 43	65,048	$ 650	$ 595,113	$ (1,142,600)	$ 5,554	$ 712	$ (540,528)

The accompanying notes are an integral part of the consolidated financial statements.

Notes to Consolidated Financial Statements

1. Description of Business and Basis of Presentation

Description of Business

Pivotal Software, Inc. and its consolidated subsidiaries ("Pivotal," "we," "us," "our" and the "Company") provide an integrated solution that combines a cloud-native application platform, Pivotal Cloud Foundry ("PCF"), and services, Pivotal Labs ("Labs"). Our solution enables enterprises to adopt modern software and development methodologies that transform their products and the economics of their business. We help make software development and operations a strategic advantage for our customers to revolutionize the experiences they offer their own customers, drive new sources of revenue and improve the speed and cost of business operations.

We have one primary business activity: to provide an integrated solution that combines a cloud-native platform and strategic services. Our chief operating decision maker, who is the President and Chief Executive Officer, makes operating decisions, assesses performance, and allocates resources based upon discrete financial information at the consolidated level. Accordingly, we operate our business as a single reportable segment.

We were formed in April 2013. DellEMC and VMware, Inc. ("VMware") transferred teams and contributed assets and technology to us that have become key elements of our cloud-native platform and strategic services. We were incorporated in the State of Delaware on April 1, 2013 under the name GoPivotal, Inc. We changed our name to Pivotal Software, Inc. on October 31, 2013. Following the acquisition of EMC Corporation by Dell Technologies Inc. ("Dell Technologies") in September 2016, which we refer to as the "Dell Acquisition" in these notes to the consolidated financial statements, our majority stockholder became Dell Technologies. DellEMC and VMware, which is also controlled by Dell Technologies, are collectively referred to as the "Parent" in these notes to the consolidated financial statements. "DellEMC" refers to EMC Corporation, the wholly-owned subsidiary of Dell Inc. ("Dell") and the indirect wholly-owned subsidiary of Dell Technologies that directly and indirectly holds shares of our Class B common stock, whether before or after its acquisition by Dell Technologies. As of February 2, 2018, Dell Technologies owned 77.1% of our outstanding common stock.

Basis of Presentation

Our historical financial statements have been prepared on a basis in accordance with generally accepted accounting principles in the United States ("GAAP").

Dell Technologies is our majority stockholder, and we are an indirect subsidiary. Therefore, our results of operations and financial position are consolidated with Dell Technologies' financial statements. Pushdown accounting was not applied as a result of the Dell Acquisition, and consequently no change in basis was reflected in our consolidated financial statements. Our historical financial information includes estimates and allocations of certain corporate functions historically provided to us by DellEMC, including tax, accounting, treasury, legal and human resources services and other general corporate expenses. These estimates and allocations of costs are considered reasonable by our management. Our historical results are not necessarily indicative of what our results of operations, financial position, cash flows or costs and expenses would have been had we been an independent entity during the historical periods presented or what our results of operations, financial position, cash flows or costs and expenses will be in the future when we are a publicly traded, stand-alone company.

During the periods presented in the financial statements, we did not file separate U.S. tax returns, as we were generally included in the tax grouping of other Dell Technologies entities for U.S. federal tax purposes and in most U.S. state tax jurisdictions. The income tax benefit has been calculated using the separate return method. See Note 10 for more information.

1. Description of Business and Basis of Presentation (continued)

Fiscal Year

Our fiscal year is the 52- or 53-week period ending on the Friday nearest January 31. Our 2016 fiscal year ("fiscal 2016") ended on January 29, 2016 and our 2018 fiscal year ("fiscal 2018") ended on February 2, 2018, and both fiscal years were 52-week periods. Our 2017 fiscal year ("fiscal 2017") ended on February 3, 2017 and was a 53-week period.

Liquidity and Capital Resources

We have incurred losses since inception, and as of February 2, 2018, had an accumulated deficit of $1,142.6 million. We incurred a net loss of $163.5 million in fiscal 2018 and used $116.5 million of cash for operating activities in fiscal 2018.

On September 8, 2017, we entered into a credit agreement with Silicon Valley Bank and certain other banks named therein (the "Credit Agreement") for a senior secured revolving loan facility in an aggregate principal amount not to exceed $100.0 million (the "Revolving Facility"). We may also request from time to time, subject to certain conditions, increases in the commitments under the Revolving Facility in an aggregate amount of up to $50.0 million on the same maturity, pricing and other terms applicable to the then-existing commitments under the Revolving Facility. There can be no assurance that such increases will be available. Borrowings under the Revolving Facility are secured by our tangible assets. Our borrowing capacity under the Revolving Facility is based on our subscription revenue. The Credit Agreement will expire on September 8, 2020, unless it is terminated by us or an event of default has occurred prior to such date.

We have historically funded our operations through equity financings and through the accumulation of a net payable due to DellEMC, which was subsequently converted into preferred stock, as discussed in Note 15. We expect that the Revolving Facility along with cash on hand and accounts receivable will support our operations and cash flow requirements for at least the next twelve months. The continued execution of our long-term business plan may require us to raise additional capital through the issuance of equity or debt instruments. While we have historically been successful in obtaining equity financing, there can be no assurance that such additional financing, if necessary, will be available or, if available, that such financings can be obtained on satisfactory terms. In the event our results do not meet our forecast, we can enact cost savings measures as necessary to ensure there is sufficient cash for operations.

Reverse Stock Split

In April 2018, our board of directors and stockholders approved a 1-for-2 reverse stock split of our common stock and redeemable convertible preferred stock, which was effected on April 6, 2018. The par value of the common stock and redeemable convertible preferred stock was not adjusted as a result of the reverse stock split. All issued and outstanding share and per share amounts included in the accompanying consolidated financial statements have been adjusted to reflect this reverse stock split for all periods presented.

2. Summary of Significant Accounting Policies

Consolidation

The consolidated financial statements and accompanying notes are prepared in accordance with GAAP and include our accounts and the accounts of our majority-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements

The carrying amounts of our financial instruments, including cash equivalents, accounts receivable, accounts payable and accrued expenses, approximate their respective fair values due to their short-term nature.

Non-controlling Interest

In October 2015, we and Telstra Corporation Limited ("Telstra") jointly established a new company, Pivotal Labs Sydney Pty Limited ("Pivotal Sydney"), in Australia. The financial results of Pivotal Sydney have been consolidated with our results for fiscal 2016, fiscal 2017 and fiscal 2018 as we are the controlling stockholder. The portion of the results of operations of Pivotal Sydney allocable to Telstra is shown as net loss (income) attributable to the non-controlling interest in our consolidated statements of operations for fiscal 2016, fiscal 2017 and fiscal 2018. Additionally, the cumulative portion of the results of operations of Pivotal Sydney allocable to Telstra, along with the interest in the net assets of Pivotal Sydney attributable to Telstra, is shown as a component of non-controlling interest on our consolidated balance sheets.

Use of Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements. Estimates are revised as additional information becomes available. In the consolidated statements of operations, estimates are used when accounting for revenue arrangements, income taxes and the related valuation allowance and valuation of common stock options. In the consolidated balance sheet, estimates are used in determining the valuation and recoverability of assets, such as accounts receivable, fixed assets, deferred sales commissions, goodwill and other identifiable intangible assets, and estimates are used in determining the reported amounts of liabilities, including the impact of contingencies, all of which also impact the consolidated statements of operations. Actual results could differ from these estimates.

Unaudited Pro Forma Information

Prior to the closing of a qualified initial public offering ("IPO") as defined in our amended and restated certificate of incorporation, all outstanding shares of Series A and Series C-1 redeemable convertible preferred stock will be converted into Class B common stock, and all outstanding shares of Series B and Series C redeemable convertible preferred stock will be converted into Class A common stock.

The accompanying pro forma consolidated balance sheet information as of February 2, 2018 has been prepared assuming the automatic conversion of all outstanding shares of redeemable convertible preferred stock into 147,879,049 shares of common stock.

Unaudited pro forma net loss per share for fiscal 2018 has been computed to give effect to the automatic conversion of the redeemable convertible preferred stock into common stock as though the conversion had occurred as of the beginning of the period or the original date of issuance, if later.

Revenue Recognition

We elected to early adopt Accounting Standards Codification Topic 606, *Revenue From Contracts With Customers* ("ASC 606"), effective February 4, 2017, using the full retrospective transition method. Previously, we had recognized revenue under Accounting Standards Codification Topic 605, *Revenue Recognition* ("ASC 605"). Under this method, the consolidated financial statements for fiscal 2016 and

2. Summary of Significant Accounting Policies (continued)

fiscal 2017 are presented as if ASC 606 had been effective for those periods. We applied ASC 606 using a practical expedient where the transaction price allocated to the remaining performance obligations and an explanation of when we expect to recognize that amount as revenue for all reporting periods presented before the date of the initial application is not disclosed.

The cumulative impact to our accumulated deficit as of January 31, 2015 as a result of the adoption of ASC 606 was a decrease of $18.1 million. The change arose primarily from an increase to capitalized deferred sales commissions and changes in the timing of revenue recognition for certain software arrangements. The impacts on the consolidated financial statements for fiscal 2016 and fiscal 2017 from the adoption of this standard are as follows:

Fiscal 2016	ASC 605	Change in Accounting Principle	ASC 606
Revenue	$ 284,863	$ (3,989)	$ 280,874
Sales and marketing	$ 189,282	$ (1,990)	$ 187,292
Net loss	$ (280,673)	$ (1,999)	$ (282,672)
Deferred sales commissions, current	$ 19,743	$ 5,173	$ 24,916
Deferred sales commissions, noncurrent	$ 12,705	$ 1,239	$ 13,944
Deferred revenue, current	$ 108,848	$ (5,430)	$ 103,418
Deferred revenue, noncurrent	$ 73,460	$ (4,212)	$ 69,248
Accumulated deficit	$ (762,602)	$ 16,054	$ (746,548)

Fiscal 2017	ASC 605	Change in Accounting Principle	ASC 606
Revenue	$ 418,521	$ (2,254)	$ 416,267
Sales and marketing	$ 193,787	$ 535	$ 194,322
Net loss	$ (230,077)	$ (2,789)	$ (232,866)
Deferred sales commissions, current	$ 29,544	$ 4,294	$ 33,838
Deferred sales commissions, noncurrent	$ 18,046	$ 1,583	$ 19,629
Deferred revenue, current	$ 182,439	$ (5,463)	$ 176,976
Deferred revenue, noncurrent	$ 67,581	$ (1,925)	$ 65,656
Accumulated deficit	$ (992,350)	$ 13,265	$ (979,085)

In accordance with ASC 606, revenue is recognized when a customer obtains control of promised services, consisting of subscriptions of our software platform, professional services and historical software products sold on a perpetual license basis. The amount of revenue recognized reflects the consideration that we expect to be entitled to receive in exchange for these services. We apply the following five steps to recognize revenue:

1) *Identify the contract with a customer.* We consider the terms and conditions of our contracts to identify contracts under ASC 606. We consider that we have a contract with a customer when the contract is approved, we can identify each party's rights regarding the services to be transferred, we can identify the payment terms for the services, we have determined the customer has the ability and intent to pay, and the contract has commercial substance. We use judgment in determining the customer's ability and intent to pay, which is based upon factors including the customer's historical payment experience or, for new customers, credit and financial information pertaining to the customers.

2) *Identify the performance obligations in the contract.* Performance obligations in our contracts are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with

2. Summary of Significant Accounting Policies (continued)

other resources that are readily available from third parties or from us, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract. Our performance obligations consist of (i) subscriptions consisting of (a) licenses, (b) post contract support ("PCS"), which includes real-time support and online access to documentation, technical resources and discussion forums and (c) rights to continued delivery of unspecified upgrades, major releases and patches, (ii) professional services and (iii) other software offerings consisting of licenses and maintenance.

3) Determine the transaction price. We determine transaction price based on the consideration to which we expect to be entitled in exchange for transferring services to the customer. In determining the transaction price, any variable consideration would be considered, to the extent applicable, if, in our judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. None of our contracts contain a significant financing component.

4) Allocate the transaction price to performance obligations in the contract. If the contract contains a single performance obligation, the entire transaction price is allocated to that performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price ("SSP"). The transaction price in our subscription offering is allocated to the performance obligations that are rendered over time.

5) Recognize revenue when or as we satisfy a performance obligation. Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised services to a customer. We recognize revenue when we transfer control of the services to our customers for an amount that reflects the consideration that we expect to receive in exchange for those services. All revenue is generated from contracts with customers. For subscription arrangements, we also provide PCS and continuous unspecified upgrades, major releases and patches over the course of the subscription term, and services are therefore delivered over the life of the contract.

Subscription

We generate revenue from subscription sales of our software platform. The subscription offering provides customers with a term-based license to our platform, which includes, among other items, open-source software, support, security updates, enhancements, upgrades and compatibility to certified systems, all of which are offered on an if and when available basis. The fixed consideration related to subscription revenue is recognized ratably over the contract term beginning on the date that our platform is made available to the customer.

The typical subscription term is one to three years. Our contracts are non-cancelable over the contract term. Customers have the right to terminate their contracts generally only if we breach the contract and we fail to remedy the breach in accordance with the contractual terms.

Subscription revenue also includes certain historical software products that are sold on a perpetual license basis. Software revenue is recognized when the product is delivered to the customer. The risk of loss transfers and acceptance of the software license occurs when the license is made available for download. Perpetual license revenue represented less than 10% of total revenue in fiscal 2016 and was 2% or less of total revenue in fiscal 2017 and fiscal 2018.

Services

Services revenue is primarily derived from our Labs offering, as well as implementation and other professional services. To a lesser extent, services revenue also includes revenue from maintenance and

2. Summary of Significant Accounting Policies (continued)

support from perpetual licenses associated with our legacy data and application products. Labs, implementation and other services revenue are provided on a time and materials basis and recognized over time as services are delivered. Maintenance revenue related to legacy software licenses is recognized ratably over the term as the obligation to the customer is fulfilled.

Contracts with Multiple Performance Obligations

Most of our contracts with customers contain multiple promised services consisting of (i) our subscriptions and (ii) our services that are distinct and accounted for separately. The transaction price is allocated to the separate performance obligations on a relative SSP basis. We determine SSP based on our overall pricing and discounting objectives, taking into consideration the geographical region of the customer, type of offering, and value of contracts for the type of subscription and services sold.

Variable Consideration

Revenue from sales is recorded at the net sales price, which is the transaction price, and includes estimates of variable consideration. The amount of variable consideration that is included in the transaction price is constrained, and is included in the net sales price only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue will not occur when the uncertainty is resolved.

We provide support to our customers on an ongoing basis throughout the subscription term. Fees paid for support are non-refundable. Customers must deploy the then-current major release of our software to receive support. We do not offer refunds, rebates or credits to our customers in the normal course of business. The impact of other forms of variable consideration has not been material in the periods presented.

Sales through Agency Arrangements with Strategic Partners

We have separate agency arrangements with DellEMC and VMware where each party markets and jointly sells our subscriptions and related services to customers. Based on these agency agreements, DellEMC and VMware invoice our customers and collect invoiced amounts on our behalf. We bear the collectability risk if customers default on payments.

In fiscal 2016, revenue was recognized net of agency fees, as we were only entitled to receive the net amount of each customer transaction from DellEMC and VMware. We paid them $13.0 million in fiscal 2016, which is recorded as a reduction to revenue over the term of the underlying customer arrangements. In fiscal 2017, our agency arrangement with DellEMC was amended, and we concluded that based upon this amendment we were the principal of the transaction, and therefore, revenue is recognized on a gross basis. We paid DellEMC $6.4 million and $6.9 million in fiscal 2017 and fiscal 2018, respectively, which was initially recorded as deferred sales commissions on the consolidated balance sheets and recognized as sales and marketing expense over the term of the underlying customer arrangements. In fiscal 2017, we paid VMware $3.4 million, which was a reduction to revenue over the term of the underlying customer arrangements. In fiscal 2018, our agency arrangement with VMware was amended, and we concluded that based upon this amendment we were the principal of the transaction, and therefore, revenue was recognized on a gross basis. We paid VMware $1.4 million in fiscal 2018, which has been recorded as deferred sales commissions on the consolidated balance sheets and recognized as sales and marketing expense over the term of the underlying customer arrangements.

2. Summary of Significant Accounting Policies (continued)

No partners, other than DellEMC and VMware, are parties to our contractual arrangements with our customers.

Disaggregation of Revenue

We sell our subscription contracts and related services to customers located in two primary geographical markets: the United States and International. No country other than the United States represented 10% or more of our revenue in fiscal 2016, fiscal 2017 and fiscal 2018. See Note 17 for more information.

Deferred Revenue

Contract liabilities consist of deferred revenue and include payments received in advance of performance under the contract. Such amounts are recognized as revenue over the contractual period. During fiscal 2016, fiscal 2017 and fiscal 2018 we recognized revenue of $82.2 million, $103.4 million and $177.0 million respectively, which was included in the corresponding deferred revenue balance at the beginning of the reporting periods presented.

We receive payments from customers based upon contractual billing schedules; accounts receivable are recorded when the right to consideration becomes unconditional. We generally bill our customers annually in advance, although for our multi-year contracts, some customers prefer to pay the full multi-year contract amount in advance. Payment terms on invoiced amounts are typically 30 to 90 days. Contract assets include amounts related to our contractual right to consideration for both completed and partially completed performance obligations that may not have been invoiced; such amounts have been insignificant to date.

Costs to Obtain and Fulfill a Contract

We capitalize sales commissions and agency fees that are incremental to the acquisition of all contracts with customers. These costs are recorded as deferred sales commissions on the consolidated balance sheets. We determine whether costs should be deferred based on our sales compensation plans and agency agreements when the costs are in fact incremental and would not have occurred absent the customer contract. The deferred commission amounts are recoverable through the future revenue streams under the non-cancelable customer contracts.

Commissions paid upon the acquisition of an initial contract and any subsequent renewals are amortized over an estimated period of benefit which has been determined to be the contract term for subscription arrangements and expected service delivery period for professional services. A longer amortization period is not applied as the commission rates paid on initial and renewal sales are commensurate. Amortization is recognized on a straight-line basis and included in sales and marketing expense in the consolidated statements of operations. We periodically review these deferred costs to determine whether events or changes in circumstances have occurred that could impact the period of benefit of these deferred sales commissions. There were no material impairment losses for deferred sales commissions for fiscal 2016, fiscal 2017 and fiscal 2018.

2. Summary of Significant Accounting Policies (continued)

The following table presents a rollforward of our deferred sales commissions (in thousands):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Beginning balance	$ 18,467	$ 38,860	$ 53,467
Additions to deferred sales commissions	44,428	53,401	55,804
Amortization of deferred sales commissions	(24,035)	(38,794)	(45,444)
Ending balance	$ 38,860	$ 53,467	$ 63,827
Deferred sales commissions, current	$ 24,916	$ 33,838	$ 38,937
Deferred sales commissions, noncurrent	13,944	19,629	24,890
Total deferred sales commissions	$ 38,860	$ 53,467	$ 63,827

Remaining Performance Obligations

The typical contract term for subscription contracts is one to three years, while the contract term for professional services is generally less than twelve months. Our contracts are non-cancelable over the contractual term. As of February 3, 2017, the aggregate amount of the transaction price allocated to billed and unbilled remaining performance obligations for subscriptions and services for which revenue has not yet been recognized was approximately $475 million. As of February 2, 2018, the aggregate amount of the transaction price allocated to billed and unbilled remaining performance obligations for subscriptions and services for which revenue has not yet been recognized was approximately $820 million. We expect to recognize approximately 50% of the transaction price as subscription or services revenue over the next 12 months and the remainder thereafter.

Foreign Currency Translation

The local currency is the functional currency of our subsidiaries, with the exception of Ireland, which uses the U.S. dollar. Assets and liabilities are translated into U.S. dollars at exchange rates in effect at the balance sheet date. Income and expense items are translated at daily rates. Gains and losses from foreign currency transactions are included in other expense, net, in the consolidated statements of operations. Foreign currency translation adjustments are included in other comprehensive loss.

Cash and Cash Equivalents

Cash and cash equivalents are stated at carrying value, which approximate fair value, and include highly liquid investments with a maturity of 90 days or less at the time of purchase. Cash equivalents balances as of fiscal 2017 and fiscal 2018 were not material.

Accounts Receivable and Allowance for Doubtful Accounts

Trade accounts receivable are recorded at the invoiced amount, net of allowance for doubtful accounts. We maintain an allowance for doubtful accounts for the estimated probable losses on uncollectible accounts receivable. The allowance is determined by assessing the creditworthiness of our customers, our collections history, the age of the receivable and current market and economic conditions. For sales invoiced and collected through DellEMC and VMware, credit risk associated with customers is assumed by us. For details of the arrangements with DellEMC and VMware, see Note 15. The allowance for doubtful accounts is presented as a reduction in accounts receivable on the consolidated balance sheets. Uncollectible amounts are charged against the allowance account, and

2. Summary of Significant Accounting Policies (continued)

the write-offs were not material in the periods presented. The following table presents a rollforward of our allowance for doubtful accounts (in thousands):

	Fiscal Year Ended	
	February 3, 2017	February 2, 2018
Beginning balance	$ 1,742	$ 4,067
Provision for doubtful accounts	2,325	1,251
Cash recovered on previously reserved amounts	—	(1,478)
Amounts written off	—	(576)
Ending balance	$ 4,067	$ 3,264

Property, Plant and Equipment

Property, plant and equipment are recorded at cost, net of accumulated depreciation and impairment, if any. Depreciation commences when the asset is placed in service and is recognized on a straight-line basis over the estimated useful lives of the assets, or the shorter of their estimated useful lives or lease term for leasehold improvements, as follows:

	Estimated useful life
Furniture and fixtures	5 - 10 years
Equipment	3 - 5 years
Software	3 - 7 years
Leasehold improvements	5 - 10 years

Upon retirement or disposition, the asset cost and related accumulated depreciation are derecognized with any gain or loss recognized in the consolidated statements of operations. Repair and maintenance costs are expensed as incurred.

Research and Development Expense

Research and development costs are expensed as incurred. Research and development expense consists primarily of personnel costs, including salaries, benefits, bonuses and stock-based compensation, cloud infrastructure costs related to our research and development efforts and allocated overhead costs.

Intangible Assets and Goodwill

Intangible assets include developed technology, trademarks and trade names, customer relationships and customer lists and non-competition agreements. Intangible assets include those intangible assets contributed by DellEMC and VMware upon our formation that are not yet fully amortized as of February 3, 2017 and February 2, 2018, as well as intangible assets from our acquisitions of businesses. Intangible assets are amortized based on either the pattern in which the economic benefits of the intangible assets are estimated to be realized or on a straight-line basis, which

2. Summary of Significant Accounting Policies (continued)

approximates the economic benefit pattern. The estimated useful lives of intangible assets are as follows:

	Estimated useful life
Customer relationships	6 - 20 years
Developed technology	4 - 9 years
Trademarks and trade names	7 - 10 years
Non-compete agreements	7 years

Finite-lived intangible assets are reviewed for impairment on a quarterly basis. When events or changes indicate the carrying amount of an asset may not be recoverable, recoverability of these assets is measured by comparison of their carrying amount to future undiscounted cash flows to be generated. If impairment is indicated based on a comparison of the assets' carrying values and the undiscounted cash flows, the impairment loss is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets. There were no impairment charges in the periods presented.

Goodwill includes goodwill generated by our acquisitions of businesses as well as goodwill related to our formation. In conjunction with our formation, DellEMC and VMware contributed approximately $635 million of goodwill that represented the carrying values of the underlying contributed businesses that continue to operate as of fiscal 2018. Goodwill is not amortized and is carried at its historical cost. Goodwill is tested for impairment on an annual basis in the fourth fiscal quarter, or sooner if an indicator of impairment occurs. To determine whether goodwill is impaired, we first assess certain qualitative factors. Based on this assessment, if it is determined more likely than not that the fair value of a reporting unit is less than its carrying amount, we perform the quantitative analysis of the goodwill impairment test. For the quantitative analysis, we compare the fair value of our reporting units to their carrying values. If the estimated fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. However, if the fair value of the reporting unit is less than book value, then under the second step the carrying amount of the goodwill is compared to its implied fair value. There were no impairment charges in the fiscal periods presented.

Cost Method Investment

In fiscal 2017, we invested $1.6 million in Series A preferred stock of an early stage start-up company. The investment has been accounted for on a cost basis and included within other assets on the consolidated balance sheets. There were no impairment charges in the fiscal periods presented.

Deferred Offering Costs

Deferred offering costs are capitalized and consist of fees and expenses incurred in connection with the anticipated sale of our common stock in an IPO, including the legal, accounting, printing and other IPO-related costs. Upon completion of the IPO, these deferred IPO costs will be reclassified to stockholders' equity (deficit) and recorded against the proceeds from the offering. Should the planned IPO be abandoned, the deferred offering costs will be expensed immediately as a charge to operating expenses in the consolidated statement of operations. As of February 2, 2018, deferred offering costs of $1.2 million were recorded in other assets, noncurrent and in accrued expenses in the consolidated balance sheet. We did not record any deferred offering costs as of February 3, 2017.

2. Summary of Significant Accounting Policies (continued)

Advertising

Advertising costs are expensed as incurred. Advertising expense was $2.6 million, $3.0 million and $3.9 million in fiscal 2016, fiscal 2017 and fiscal 2018 respectively.

Income Taxes

When we were formed in April 2013, we had no foreign tax credits, research and development credits or net operating loss carryforwards. In the years subsequent to formation, our income tax expense and deferred tax balances have been recorded as if we had filed on a separate return basis. Additionally, we have determined that the separate return domestic deferred tax assets and certain foreign deferred tax assets are not more likely than not to be realized in the future, and consequently, a valuation allowance has been recorded against those assets. Since our formation until the closing of Dell Technologies' acquisition of EMC Corporation, our U.S. federal and state net operating losses and research credits and foreign tax credits were applied against DellEMC's consolidated returns as we were included in DellEMC's consolidated U.S. federal and state income tax returns. See Note 10 for more information.

We are required to estimate a provision for income taxes in each of the jurisdictions in which we operate. This process involves estimating the actual current tax exposure in each jurisdiction, including assessing the risks associated with tax audits, together with assessing temporary differences resulting from the different treatment of items for tax and financial reporting purposes. These differences result in deferred tax assets and liabilities, which are included within the consolidated balance sheets. We assess the likelihood that the deferred tax assets will be realized through future taxable income and record a valuation allowance to reduce gross deferred tax assets to an amount we believe is more likely than not to be realized. In the event that actual results differ from these estimates, the provision for income taxes could be materially impacted.

On December 22, 2017, the United States passed the law commonly known as the Tax Cuts and Jobs Act (the "TCJA" or "Tax Reform"). The legislation significantly changes U.S. tax law by, among other things, lowering corporate income tax rates, implementing a territorial tax system, imposing a transition tax on deemed repatriated earnings of foreign subsidiaries, and imposing a minimum tax on future foreign earnings. The TCJA permanently reduces the U.S. corporate income tax rate from a maximum of 35% to a flat 21% rate, effective for tax years beginning on or after January 1, 2018. The SEC staff issued Staff Accounting Bulletin No. 118 ("SAB 118") to address the application of U.S. GAAP in situations when a registrant does not have the necessary information available, prepared, or analyzed in reasonable detail to complete the accounting for certain income tax effects of the TCJA. We have recognized the revaluation of deferred tax assets and liabilities and included these amounts in our consolidated financial statements for the year ended February 2, 2018. We do not expect to owe any transition tax as we have deficits in our foreign earnings. The ultimate impact may differ from these provisional amounts, possibly materially, due to, among other things, additional analysis, changes in interpretations and assumptions we have made, additional regulatory guidance that may be issued, and actions we may take as a result of Tax Reform. Our accounting for income tax is expected to be complete when the fiscal 2018 U.S. corporate income tax return is filed later in 2018.

Accounting for Stock-Based Compensation

We use the Black-Scholes option-pricing model to determine the fair value of our stock option awards. Compensation expense, net of estimated forfeiture activity, is recognized on a straight-line basis over the awards' vesting periods.

2. Summary of Significant Accounting Policies (continued)

Our stock-based compensation includes awards related to our stock and awards previously granted by DellEMC and VMware to certain of our employees who transferred to our company at our formation and during subsequent years. These employees have been allowed to retain and vest in their historical DellEMC or VMware awards, in each case, so long as they remain employed by us and such awards are outstanding. These historical awards are recorded as stock-based compensation expense and as an investment from DellEMC or VMware in our consolidated financial statements, and are recognized on a straight-line basis.

In connection with the Dell Acquisition in fiscal 2017, vesting for all outstanding DellEMC stock options and restricted stock units was automatically accelerated on the last trading day prior to the effective date of the Dell acquisition. The expense associated with accelerated DellEMC awards held by our employees was $2.6 million and was recorded as stock-based compensation expense in the consolidated statement of operations in fiscal 2017.

Net Loss per Share Attributable to Common Stockholders

Basic net loss per share is based on the weighted-average effect of all common shares issued and outstanding and is calculated by dividing net loss attributable to common stockholders by the weighted-average shares outstanding during the period. Diluted net loss per share is calculated by dividing net loss by the weighted-average number of common shares used in the basic loss per share calculation plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive instruments. We exclude equity instruments from the calculation of diluted loss per share if the effect of including such instruments is anti-dilutive. Since we are in a net loss position for all periods presented, basic net loss per share is the same as diluted net loss per share for all periods as the inclusion of all potentially dilutive securities outstanding would have been anti-dilutive.

Concentration of Risk

Our financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents and trade account receivables. Cash deposits may be in excess of insured limits. We believe that the financial institutions that hold our cash deposits are financially sound and, accordingly, minimal credit risk exists with respect to these balances.

As of February 3, 2017 and February 2, 2018 no individual customer represented 10% or more of accounts receivable. No individual customer represented 10% or more of revenue for fiscal 2016, fiscal 2017 or fiscal 2018.

DellEMC and VMware invoice our customers and collect invoiced amounts on our behalf. As of February 3, 2017 and February 2, 2018, $81.1 million and $83.3 million invoiced on our behalf by DellEMC and VMware was recorded in accounts receivable.

Recently Issued Accounting Pronouncements

Compensation—Stock Compensation— In March 2016, the FASB issued ASU No. 2016-09, "Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Accounting." The update simplifies the income tax accounting and cash flow presentation related to share-based compensation by requiring the recognition of all excess tax benefits and deficiencies directly on the income statement and classification as cash flows from operating activities on the statement of cash flows. This update also makes several changes to the accounting for forfeitures and employee tax withholding on share-based compensation. We adopted ASU 2016-09 in fiscal 2018 and

2. Summary of Significant Accounting Policies (continued)

the impact was immaterial. We are continuing to apply an estimate for our forfeitures when determining stock based compensation expense.

Leases —In February 2016, the Financial Accounting Standards Board ("the FASB") issued Accounting Standards Update ("ASU") No. 2016-02, "Leases (Topic 842)," which requires lessees to recognize most lease liabilities on their balance sheets but recognize the expenses on their income statements in a manner similar to current practice. The update states that a lessee would recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term. Companies are required to use a modified retrospective approach for leases that exist or are entered into after the beginning of the earliest comparative period in the financial statements. The update is effective for annual and interim periods beginning with our fiscal 2020, and early adoption is permitted. We continue to evaluate the impact of this guidance on our consolidated financial statements and related disclosures, but expect that most of our operating lease commitments will be subject to the new standard and recognized as operating lease liabilities and right-of-use assets upon adoption.

Statement of Cash Flows —In August 2016, the FASB issued ASU No. 2016-15, "Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments (a consensus of the FASB Emerging Issues Task Force)." The update was issued with the objective of reducing the existing diversity in practice in how certain cash receipts and cash payments are presented and classified in the statement of cash flows under Topic 230 and other topics. The update is effective beginning with our fiscal 2019, including interim periods within that fiscal year. We are currently evaluating the impact of this guidance on our consolidated financial statements.

Business Combinations —In January 2017, the FASB issued ASU No. 2017-01, "Business Combinations (Topic 805): Clarifying the Definition of a Business," which clarifies when transactions should be accounted for as acquisitions (or disposals) of assets or business. This update is effective for us beginning with our fiscal 2019. Early adoption is permitted for transactions not previously reported in issued financial statements. We anticipate that the adoption of this guidance will result in more transactions being accounted for as asset acquisitions rather than business acquisitions.

Intangibles—Goodwill and Other— In January 2017, the FASB issued ASU No. 2017-04, "Intangibles—Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment." ASU 2017-04 eliminates Step 2 of the goodwill impairment test, which required us to determine the implied fair value of goodwill by allocating the reporting unit's fair value to each of its assets and liabilities as if the reporting unit was acquired in a business acquisition. Instead, the updated guidance requires an entity to perform its annual or interim goodwill impairment test by comparing the fair value of the reporting unit to its carrying value, and recognizing a non-cash impairment charge for the amount by which the carrying value exceeds the reporting unit's fair value with the loss not exceeding the total amount of goodwill allocated to that reporting unit. The updated guidance is effective for us for annual and interim periods beginning with our fiscal 2021, with early adoption permitted, and will be applied on a prospective basis. We do not expect that the adoption of this guidance will have a material impact on our consolidated financial statements.

Compensation—Stock Compensation— In May 2017, the FASB issued ASU No. 2017-09, "Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting." The update provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting under Topic 718. The updated guidance is effective for us beginning with our fiscal 2019. We do not expect that the adoption of this guidance will have a material impact on our consolidated financial statements.

3. Non-controlling Interest

In October 2015, we and Telstra jointly established a new company, Pivotal Sydney, in Australia. Pivotal Sydney was established with cash contributions from both parties and is 80% owned by us. The non-controlling interest's share of Pivotal Sydney is reflected in the consolidated financial statements.

4. Property, Plant and Equipment

Property, plant and equipment consisted of the following (in thousands):

	February 3, 2017	February 2, 2018
Furniture and fixtures	$ 5,624	$ 5,961
Equipment	17,817	19,723
Software	3,023	5,423
Leasehold improvements	19,873	37,796
Total property, plant and equipment	46,337	68,903
Accumulated depreciation	(17,346)	(36,918)
Property, plant and equipment, net	$ 28,991	$ 31,985

Depreciation expense recorded in the consolidated statements of operations was $5.7 million, $9.0 million and $11.0 million in fiscal 2016, fiscal 2017 and fiscal 2018, respectively.

5. Business Combinations

During fiscal 2016, we acquired all of the outstanding capital stock of a software and services company based in London. This acquisition complemented and expanded our Cloud Foundry expertise globally, and specifically, in the Europe, Middle East and Asia region. The acquisition was accounted for as a business combination.

The purchase price, net of cash acquired, was $13.4 million, all of which was paid for in cash consideration. Transaction costs of $0.3 million were incurred for financial, advisory, legal and accounting services. The purchase price was allocated to the assets acquired and the liabilities assumed based on estimated fair values as of the acquisition date as follows (in thousands):

	Amount
Accounts receivable	$ 814
Property, plant and equipment	7
Intangible assets—Developed technology	660
Goodwill	12,664
Other liabilities	(640)
Deferred income taxes	(132)
Total	$ 13,373

The intangible assets were valued based on replacement cost methodologies. The total weighted-average amortization period for intangible assets is 3.5 years. The intangible assets are being amortized on a straight-line basis, which approximates the economic use of the underlying assets. The goodwill is not deductible for U.K. income tax purposes.

Also during fiscal 2016, we acquired two businesses for aggregate cash consideration of $8.1 million. The consideration was allocated to the fair value of the assets acquired and liabilities assumed based on estimated fair values as of the respective acquisition dates. The aggregate allocation to goodwill, intangible assets and net assets was $4.7 million, $3.2 million and $0.2 million, respectively.

5. Business Combinations (continued)

During fiscal 2017, we acquired a business for aggregate cash consideration of $7.8 million. The consideration was allocated to the fair value of the assets acquired and liabilities assumed based on estimated fair values as of the acquisition date. The aggregate allocation to goodwill and intangible assets was $7.3 million and $0.5 million, respectively.

Goodwill from these acquisitions is calculated as the excess of the consideration over the fair value of the net assets, including intangible assets, and is primarily related to expected synergies from the transactions including complementary products that will enhance our overall product portfolio and expected synergies including developing customer relationships. The goodwill can be deductible for U.S. federal and international income tax purposes.

The results of these acquisitions have been included in the consolidated financial statements from the date of purchase. Pro forma results of operations and historical results of operations subsequent to purchase have not been presented as the results and financial positions of, and the purchase prices for, the acquired companies were not material, individually or in the aggregate, to our financial position or results of operations as of or for the years ended January 29, 2016, February 3, 2017 or February 2, 2018.

6. Intangible Assets and Goodwill

Intangible Assets

Intangible assets, excluding goodwill, consist of (in thousands):

	February 3, 2017		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Purchased technology	$ 90,198	$ (82,241)	$ 7,957
Trademarks and tradenames	12,900	(8,999)	3,901
Customer relationships and customer lists	55,800	(29,846)	25,954
Other	2,750	(2,750)	—
Intangible assets	$ 161,648	$ (123,836)	$ 37,812

	February 2, 2018		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Purchased technology	$ 90,198	$ (87,153)	$ 3,045
Trademarks and tradenames	12,900	(10,291)	2,609
Customer relationships and customer lists	55,800	(34,803)	20,997
Other	2,750	(2,750)	—
Intangible assets	$ 161,648	$ (134,997)	$ 26,651

6. Intangible Assets and Goodwill (continued)

Amortization expense on intangible assets was $20.0 million, $15.6 million and $11.2 million in fiscal 2016, fiscal 2017 and fiscal 2018, respectively. As of February 2, 2018, amortization expense on intangible assets for the next five fiscal years is expected to be as follows (in thousands):

Fiscal year	Amortization Expense
2019	$ 6,708
2020	4,796
2021	2,868
2022	2,181
2023	1,941
Thereafter	8,157

Goodwill

Changes in the carrying amount of goodwill, including from our formation and acquisitions occurring prior to fiscal 2017, on a consolidated basis for fiscal 2017 and fiscal 2018 consist of the following (in thousands):

	Fiscal Year end	
	February 3, 2017	February 2, 2018
Balance, beginning of year	$ 688,959	$ 696,226
Goodwill from acquisitions	7,267	—
Balance, end of year	$ 696,226	$ 696,226

An assessment of the recoverability of goodwill is performed, at least annually, in the fourth quarter of each fiscal year. The assessment is performed at the reporting unit level. Authoritative accounting guidance allows companies the option to assess qualitatively whether it is necessary to perform step one of the two step goodwill impairment test. In assessing the qualitative factors, we considered the following: (1) changes in industry, market conditions, and competitive environment, (2) changes in our enterprise value, taking into consideration the financial metrics of our peer companies, (3) budget-to-actual performance from prior year and (4) other factors such as changes in regulation. For fiscal 2017 and fiscal 2018, the qualitative assessment was performed to determine whether a quantitative assessment was necessary, and it was determined there were no indicators of potential impairment.

7. Fair Value of Financial Assets and Liabilities

Our estimate of fair value for financial assets and financial liabilities is based on the framework established in the fair value accounting guidance. The framework is based on the inputs used in valuation, gives the highest priority to quoted prices in active markets and requires that observable inputs be used in the valuations when available. Management determines fair value using the following hierarchy:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

7. Fair Value of Financial Assets and Liabilities (continued)

- 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.

Our cash equivalents are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. These instruments include money market funds.

8. Accrued Expenses

Accrued expenses consisted of the following (in thousands):

	February 3, 2017	February 2, 2018
Accrued salaries and benefits	$ 22,256	$ 30,389
Accrued commissions	4,158	16,619
Other	15,159	17,243
Accrued expenses	$ 41,573	$ 64,251

9. Debt

On September 8, 2017, we entered into a credit agreement and related security agreement with Silicon Valley Bank and certain other banks named therein for a senior secured revolving loan facility in an aggregate principal amount not to exceed $100.0 million (the "Revolving Facility"). Borrowings under the Revolving Facility are secured by our tangible assets. Our borrowing capacity under the Revolving Facility is based on subscription revenue. The Revolving Facility has a maturity date of September 8, 2020, unless it is terminated by us or an event of default has occurred prior to such date. The Revolving Facility limits our and our subsidiaries' ability to, among other things: incur additional indebtedness; incur liens or guarantee obligations; pay dividends or make other distributions; make acquisitions and other investments; dispose of assets; and engage in transactions with affiliates except on an arms-length basis.

Any borrowings under the Revolving Facility may be drawn, at our option, as Eurodollar or Alternate Base Rate ("ABR") loans. ABR loans bear interest at a rate equal to the greatest of (i) the prime rate, (ii) the federal funds rate plus 0.50% and (iii) 3.00%, in each case plus a margin ranging from 0% to 0.50%. Eurodollar loans bear interest at a rate equal to an adjusted LIBOR rate plus a margin ranging from 3.00% to 3.50%. The margins on outstanding borrowings are determined based on our average daily usage of the Revolving Facility. In addition, we are obligated to pay an unused commitment fee and other fees.

At February 2, 2018, $20.0 million was outstanding under the Revolving Facility. The weighted average interest rate on the outstanding borrowings under the Revolving Facility was 4.5% for fiscal 2018.

We have the option to repay any borrowings under the Revolving Facility prior to maturity without penalty. The Revolving Facility contains customary representations and warranties and requires us to comply with certain covenants, including financial covenants relating to our operating performance and liquidity. We were in compliance with these financial covenants as of February 2, 2018.

We may also request, subject to certain conditions, increases in the commitments under the Revolving Facility in an aggregate amount of up to $50.0 million on the same maturity, pricing and other terms applicable to the then-existing commitments under the Revolving Facility. There can be no assurance that such increases will be available.

10. Income Taxes

We began the fiscal year ended January 31, 2014 ("fiscal 2014") with no foreign tax credits, research and development credits or net operating loss carryforwards. Since fiscal 2014, our U.S. federal and state net operating losses and research credits and foreign tax credits have been fully applied against the consolidated returns of DellEMC or Dell Technologies as we were included in the consolidated U.S. federal and state income tax returns of DellEMC and, after Dell Technologies' acquisition of EMC Corporation, of Dell Technologies. Certain events such as a merger, sale, additional investment or this public offering could cause us to leave the consolidated Dell Technologies federal income tax return (a "deconsolidation event"). Upon a deconsolidation event, we will leave the consolidated Dell Technologies federal and certain state income tax returns. If such event had occurred on February 2, 2018, our federal net operating loss carryforwards would have been $0, our state net operating loss carryforwards would have been as low as $95.7 million, and our foreign net operating loss carryforwards would have been $226.5 million, all of which would be fully offset by a valuation allowance.

For purposes of the consolidated financial statements, our income tax expense and deferred tax balances have been recorded as if we had filed on a separate return basis.

On February 8, 2017, we signed a Tax Sharing Agreement ("TSA") with Dell Technologies. The primary impact of the TSA is that we will be compensated for our losses to the extent those losses generate a tax benefit by reducing the tax liability or increasing the tax benefit carryforward of the Dell group for U.S. federal and/or state tax purposes. Conversely, if our separate company income creates a tax detriment by increasing the tax liability or decreasing the tax benefit carryforward of the Dell group for U.S. federal and/or state tax purposes, we will compensate Dell Technologies for such amount. See Note 15 for further information.

The adoption of the TCJA increased the amount due from Dell Technologies under the TSA to approximately $50 million as we now expect to be fully reimbursed for our fiscal 2018 domestic losses. Of the $50 million, approximately $20 million was received in cash during the year ended February 2, 2018 and $30 million is included in Due from Parent in the consolidated balance sheets. This amount is provisional based on SAB 118. We will not have a tax liability under the transition tax as we have deficits in our foreign earnings. However, Dell Technologies will be able to benefit from our foreign deficits which will reduce their transition tax. Due to the complexities involved in determining the ultimate net impact of our deficits on Dell Technologies' tax liability, we are currently unable to estimate the amount of reimbursement we will ultimately receive and have not recorded any amount for this receivable pursuant to the TSA.

The TCJA also provided a one-time tax benefit of $7.4 million due to a change in the net operating loss carryforward for current and future losses from finite lived assets to indefinite lived assets. Indefinite lived losses are now available to offset indefinite lived intangibles which reduced our need for a valuation allowance on our U.S. deferred tax assets. In addition, we had a reduction in our deferred tax assets of $96.1 million due to the U.S. federal rate change from 35% to 21%, which was fully offset by a valuation allowance.

10. Income Taxes (continued)

The components of pre-tax loss for fiscal 2016, fiscal 2017 and fiscal 2018 are as follows (in thousands):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
United States	$ (181,635)	$ (163,614)	$ (118,356)
International	(97,270)	(66,638)	(47,795)
Loss before income taxes	$ (278,905)	$ (230,252)	$ (166,151)

The benefit from (provision for) income taxes for fiscal 2016, fiscal 2017 and fiscal 2018 consisted of the following (in thousands):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Federal:			
Current	$ (12)	$ —	$ —
Deferred	(1,162)	(1,208)	5,708
Total	(1,174)	(1,208)	5,708
State:			
Current	(116)	(47)	(32)
Deferred	(39)	(114)	537
Total	(155)	(161)	505
Foreign:			
Current	(2,988)	(1,353)	(4,300)
Deferred	550	108	724
Total	(2,438)	(1,245)	(3,576)
Benefit from (provision for) income taxes	$ (3,767)	$ (2,614)	$ 2,637

The fiscal 2016 and fiscal 2017 tax expense of $3.8 million and $2.6 million, respectively, was primarily due to foreign taxes due in profitable jurisdictions and U.S. federal deferred tax expense for the amortization of tax-deductible goodwill. The fiscal 2018 tax benefit of $2.6 million is the result of a one-time tax benefit of $7.4 million due to changes in the TCJA partially offset by foreign taxes due in our profitable jurisdictions.

10. Income Taxes (continued)

A reconciliation of our income tax benefit (provision) to the statutory federal tax rate is as follows (in thousands, except for rates):

	Fiscal 2016 Pre-Tax Net Loss	Fiscal 2016 Tax	Fiscal 2016 Rate %
Statutory federal tax rate	$ (278,905)	$ 97,617	35.0%
State taxes, net of federal taxes		7,897	2.8%
Tax rate differential for international jurisdictions and other international-related tax items		(30,284)	(10.9)%
U.S. tax credits		1,557	0.6%
Permanent items		(3,307)	(1.2)%
Valuation allowance		(79,084)	(28.4)%
Other		1,837	0.7%
Total		$ (3,767)	(1.4)%

	Fiscal 2017 Pre-Tax Net Loss	Fiscal 2017 Tax	Fiscal 2017 Rate %
Statutory federal tax rate	$ (230,252)	$ 80,588	35.0%
State taxes, net of federal taxes		6,478	2.8%
Tax rate differential for international jurisdictions and other international-related tax items		(13,846)	(6.0)%
U.S. tax credits		3,486	1.5%
Permanent items		(3,301)	(1.4)%
Valuation allowance		(72,597)	(31.5)%
Other		(3,422)	(1.5)%
Total		$ (2,614)	(1.1)%

	Fiscal 2018 Pre-Tax Net Loss	Fiscal 2018 Tax	Fiscal 2018 Rate %
Statutory federal tax rate	$ (166,151)	$ 56,043	33.7%
State taxes, net of federal taxes		4,319	2.6%
Tax rate differential for international jurisdictions and other international-related tax items		(14,187)	(8.5)%
U.S. tax credits		2,174	1.3%
Permanent items		(2,446)	(1.5)%
Valuation allowance		48,159	29.0%
Impact from U.S. tax reform		(96,139)	(57.9)%
Other		4,714	2.9%
Total		$ 2,637	1.6%

10. Income Taxes (continued)

The components of the noncurrent deferred tax assets and liabilities are as follows (in thousands):

	February 3, 2017	February 2, 2018
Deferred tax assets:		
Accrued expenses	$ 5,723	$ 3,052
Deferred revenue	29,970	9,157
Stock-based compensation	15,185	13,944
Credit carryforwards	11,942	16,863
Net operating losses	207,379	185,204
Gross deferred tax assets	270,199	228,220
Valuation allowance	(269,959)	(221,800)
Total deferred tax assets	240	6,420
Deferred tax liabilities:		
Property, plant and equipment, net	(1,391)	(654)
Intangible and other assets, net	(5,928)	(3,912)
Other liabilities, noncurrent	(252)	(1,818)
Total deferred tax liabilities	(7,571)	(6,384)
Net deferred tax (liabilities) assets	$ (7,331)	$ 36

As of February 2, 2018, a full valuation allowance was recorded against U.S. federal, state and certain foreign deferred tax assets because it was determined that, on a separate return basis, it was more likely than not that those deferred tax assets would not be realized. Primary reliance was placed on our forecast of future operating losses supported by the lack of historical profits. The valuation allowance increased by $72.6 million for fiscal 2017, primarily as a result of the net operating losses generated in the United States and Ireland. The valuation allowance decreased by $48.2 million for fiscal 2018, primarily due to a change in the effective U.S. tax rate from 35% to 21% which reduced our U.S. deferred tax assets and the related valuation allowance as a result of changes in the TCJA, partially offset by losses in certain jurisdictions.

On a separate return basis, we have gross federal, state and foreign net operating loss carryforwards of $627.8 million, $381.2 million and $226.5 million, respectively, as of February 2, 2018. If not utilized, the federal and state net operating loss carryforwards will begin to expire in 2033. The majority of the foreign net operating loss may be carried forward indefinitely. We have federal and state credit carryforwards of $10.6 million and $9.1 million, respectively, at February 2, 2018. Certain of these credit carryforwards will begin to expire in 2028 if not utilized, while others have an unlimited carryforward period. The foregoing discussion reflects our net operating loss and credit carryforwards on a separate return basis. As discussed above, however, the carryforwards will be eliminated or reduced upon a deconsolidation event.

Deferred income taxes have not been provided on basis differences related to investments in foreign subsidiaries because we intend to reinvest our foreign profits overseas indefinitely. Our basis difference for our investments in foreign subsidiaries would result in a deferred tax asset as we have incurred net losses in total internationally, and there are no plans to reverse this basis difference in the foreseeable future. Any income tax benefit that might be realized would be offset by a full valuation allowance. We are currently assessing the impact of the TCJA on our indefinite reinvestment assertions.

10. Income Taxes (continued)

The following table reflects changes in unrecognized tax benefits (in thousands):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Gross amounts of unrecognized tax benefits as of the beginning of the period	$ 504	$ 769	$ 1,686
Increases related to prior period tax positions	19	1,000	600
Decreases related to prior period tax positions	(22)	(477)	—
Increases related to current period tax positions	268	394	365
Gross amounts of unrecognized tax benefits as of the end of the period	$ 769	$ 1,686	$ 2,651

We recorded $0.8 million, $1.7 million and $2.7 million of unrecognized tax benefits during fiscal 2016, fiscal 2017 and fiscal 2018, respectively. If recognized, these unrecognized tax benefits would have been recorded as a reduction to income tax expense partially offset by an increase in valuation allowance. Our policy is to recognize interest expense and penalties related to income tax matters in income tax expense and include accrued interest and penalties with the related income tax liability on our consolidated balance sheet. For the fiscal periods presented, interest and penalties were not material.

Our tax returns may be subject to audit, and we believe we have adequately provided for any future adjustments. All of our tax returns remain subject to assessment by the material tax jurisdictions in which we operate. Since our inception, we have been included in the Dell Technologies consolidated group for U.S. federal income tax purposes and various other consolidated, combined or unitary group returns of Dell Technologies and its subsidiaries, and therefore, we could be liable in the event that any income tax liability was incurred, but not paid, by any other member of such group.

11. Retirement Plan Benefits

Until January 1, 2018, we participated in a defined contribution savings plan under Section 401(k) of the Code offered by DellEMC (the "DellEMC 401(k) Plan"). Under the DellEMC 401(k) Plan, all of our U.S. based employees, subject to certain exceptions, were permitted to defer a portion of their annual compensation on a pre-tax basis. We were permitted to match pre-tax employee contributions up to 6% of eligible compensation during each pay period, subject to a $6,000 maximum match per year.

Beginning January 1, 2018, we now offer and manage our own defined contribution savings plan under Section 401(k) of the Code (the "401(k) Plan"). Participants in the DellEMC 401(k) Plan were allowed to rollover their plan assets into the 401(k) Plan. The 401(k) Plan is for certain employees who meet minimum age and service requirements and allows participants to defer a portion of their annual compensation on a pre-tax basis. We match pre-tax employee contributions up to 6% of eligible compensation during each pay period, subject to a $5,000 maximum match per participant each year. Our matching contributions were $7.7 million, $5.9 million and $9.3 million in fiscal 2016, fiscal 2017 and fiscal 2018, respectively.

12. Redeemable Convertible Preferred Stock

In May 2016, we completed a financing transaction (the "Financing") in which we issued and sold two new series of redeemable convertible preferred stock, Series C and C-1, at $10.40 per share to our current investors as well as to new investors, Ford Motor Company and Microsoft Global Finance. The Financing resulted in (i) the receipt by us of $252.5 million in cash proceeds, net of issuance costs and (ii) the conversion of $400.0 million of the net payable due to DellEMC into Series C-1 preferred stock.

Our amended and restated certificate of incorporation was amended in connection with the Financing to provide for authorized capital stock of 575,000,000 shares of Class A common stock, 375,000,000 shares of Class B common stock, 140,190,476 shares of Series A preferred stock, 30,031,747 shares of Series B preferred stock, 44,793,047 shares of Series C preferred stock and 80,742,833 shares of Series C-1 preferred stock.

In fiscal 2018 our certificate of incorporation was amended to provide for authorized capital stock of 605,000,000 shares of Class A common stock.

Series A and Series C-1 holders are entitled to a number of votes equal to ten times the number of whole shares of Class B common stock into which it is convertible. Series B and Series C holders are entitled to a number of votes equal to the number of whole shares of Class A common stock into which it is convertible.

The Series C and C-1 shares of redeemable convertible preferred stock have similar rights to the Series A and Series B shares, respectively, other than the liquidation preference.

Dividends

The holders of the preferred stock are entitled to receive, out of funds legally available, non-cumulative dividends when and if declared by the Board of Directors. No cash or other dividends have been declared by us through February 2, 2018.

Conversion Rights

Each share of our preferred stock is convertible, at the option of its holder, into shares of common stock. Holders of the Series A and Series C-1 preferred stock have the right to convert all or any portion of the preferred shares into shares of Class B common stock at any time. Holders of the Series B and Series C preferred stock have the right to convert all or any portion of the preferred shares into shares of Class A common stock at any time. All shares of preferred stock will be automatically converted into common stock at the then-effective conversion ratio prior to the closing of an IPO of shares of common stock pursuant to an effective registration statement under the Securities Act of 1933, in which the aggregate gross proceeds to us are at least $200.0 million or upon a date agreed to by holders of at least a majority of the then-outstanding shares of preferred stock. The holders of preferred stock are entitled to the number of votes equal to the number of whole shares of common stock into which each preferred share is convertible.

During fiscal 2016, DellEMC converted 8.5 million shares of Series A preferred stock into 8.5 million shares of Class B common stock.

As of February 3, 2017 and February 2, 2018, all shares of preferred stock were convertible into shares of common stock at a 1:1 ratio.

Liquidation Preference

Under the terms of the amended and restated certificate of incorporation, in the event of a liquidation event, holders of Series C and C-1 preferred stock are entitled to receive, prior to

12. Redeemable Convertible Preferred Stock (continued)

distribution to the other preferred and common stock stockholders, on a pari passu basis between the two series of Series C preferred stock, the greater of (i) $10.40 per share (as adjusted for stock splits or dividends, if any) and (ii) an amount per share as would have been payable had all shares of Series C and C-1 preferred stock been converted into Class A and Class B common stock, as applicable, immediately prior to such liquidation event. After payment of the Series C and C-1 preferred stock distribution, and prior to any distribution to holders of Series B preferred stock and common stock, holders of Series A preferred stock are entitled to receive $7.00 per share (as adjusted for stock splits or dividends, if any). After payment of the Series A preferred stock distribution, and prior to any distribution to holders of common stock, holders of Series B preferred stock are entitled to receive $7.00 per share (as adjusted for stock splits or dividends, if any).

After the payment of all preferential amounts required to be paid to the holders of the Series A, B, C and C-1 preferred stock upon a liquidation event, the holders of Series A, B, C and C-1 preferred stock shall have no further participation in the distribution of our assets and shall have no further rights of conversion into common stock. All of our remaining net assets available for distribution shall be distributed ratably among the holders of common stock. A liquidation event includes a merger or transfer of more than 50% of our voting stock; a sale of all or substantially all of our assets; or a liquidation, dissolution or winding up of the company. A liquidation event is deemed to be outside of the control of the company.

Classification of Preferred Stock

The Series A, B, C and C-1 redeemable convertible preferred stock has deemed liquidation provisions which require the shares to be redeemed upon a change in control or other deemed liquidation event. The deemed liquidation preference provisions of the Series A, B, C and C-1 redeemable convertible preferred stock are considered contingent redemption provisions that are not solely within our control. Accordingly, the preferred stock has been presented outside of permanent equity in the mezzanine portion of our consolidated balance sheets.

13. Common Stock and Stock-Based Awards

As of February 2, 2018, we had 980,000,000 shares of common stock authorized and 69,340,343 shares issued and outstanding.

We have reserved shares of common stock, on an as-if converted basis, for future issuance as follows (in thousands):

	February 3, 2017	February 2, 2018
Conversion of Series A preferred stock	70,095	70,095
Conversion of Series B preferred stock	15,016	15,016
Conversion of Series C preferred stock	22,397	22,397
Conversion of Series C-1 preferred stock	40,371	40,371
Options issued and outstanding	39,361	54,388
Remaining shares available for issuance under the 2013 Plan	9,671	8,019
Total shares of common stock reserved	196,911	210,286

The rights of the holders of the Class A common stock and Class B common stock are identical, except with respect to voting and conversion. Holders of Class A common stock are entitled to one vote per share, and holders of Class B common stock are entitled to ten votes per share.

13. Common Stock and Stock-Based Awards (continued)

Employee Stock-Based Awards

Our Amended and Restated 2013 Stock Plan (the "2013 Plan") allows for the granting of stock options, restricted stock and any other stock-based awards to purchase up to 66.7 million shares of our common stock as of February 2, 2018. Equity awards may be granted to our employees, officers, directors and consultants with terms of up to ten years.

The fair value of the common stock has been determined by the Board of Directors, assisted by a valuation prepared by a third-party independent valuation firm, at each stock option measurement date based on a variety of different factors, including our financial position and historical financial performance, the status of technological developments within the company, the composition and ability of the current engineering and management team, an evaluation and benchmark of our competition, the current climate in the marketplace, the illiquid nature of the common stock, the effect of the rights and preferences of the preferred stockholders and the prospects and timing of a liquidity event, among others.

The fair value of the common stock is estimated based upon an analysis of future values assuming various outcomes. The value is based on the probability weighted present value of expected future investment returns considering certain possible outcomes available to us as well as the rights of each share class. The possible outcomes considered were the completion of an IPO under varying market conditions, continuance as a private company and a remote likelihood of dissolution.

Pivotal Stock Options

Stock options granted to employees generally vest over 48 months as follows: (i) 25% vest 12 months from the date of grant and (ii) the remaining 75% vest on a monthly basis over the remaining term. Stock-based compensation expense related to non-employee stock awards was immaterial during the periods presented. The fair value of each stock option granted to employees during fiscal 2016, fiscal 2017 and fiscal 2018 was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted-average assumptions and resulting option values:

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Risk-free interest rate	1.82%	1.43%	2.00%
Expected dividends	—%	—%	—%
Expected volatility	35.30%	36.64%	34.26%
Expected term (in years)	6.1	6.1	6.1
Fair value of options granted	$ 2.56	$ 3.20	$ 3.58

The risk-free interest rate is the yield currently available on U.S Treasury zero-coupon issues with a remaining term approximating the expected term used as the input to the Black-Scholes model. Expected volatility is estimated based on the volatility of a group of comparable public companies based on size, stage of life cycle, profitability, growth and other factors. The expected term represents the period that our stock-based awards are expected to be outstanding. The expected term assumptions were determined based on the vesting terms, exercise terms and contractual lives of the options. The expected term was estimated using the simplified method.

13. Common Stock and Stock-Based Awards (continued)

As of February 2, 2018, 16.0 million shares of common stock were available for issuance under the 2013 Plan. A summary of stock option activity during fiscal 2016, fiscal 2017 and fiscal 2018 is as follows (in thousands, except per share amounts):

		Options Outstanding			
	Shares Available for Grant	Number of Shares Subject to Options	Weighted Average Exercise Price	Aggregate Intrinsic Value	Weighted Average Remaining Contractual Life (Years)
Options outstanding at January 31, 2015	3,825	17,795	$ 5.28	$ 17,473	8.35
Granted	(25,218)	25,218	$ 6.85		
Authorized	30,000				
Exercised		(1,603)	$ 5.16	$ 2,719	
Forfeited	3,545	(3,545)	$ 5.90		
Expired / cancelled	889	(889)	$ 5.20		
Options outstanding at January 29, 2016	13,041	36,976	$ 6.30	$ 53,946	8.67
Granted	(8,032)	8,032	$ 8.45		
Exercised		(984)	$ 5.44	$ 2,709	
Forfeited	3,781	(3,781)	$ 6.82		
Expired / cancelled	882	(882)	$ 5.70		
Options outstanding at February 3, 2017	9,672	39,361	$ 6.72	$ 73,328	7.82
Granted	(20,323)	20,323	$ 9.73		
Authorized	15,000				
Exercised		(1,626)	$ 5.99	$ 5,467	
Forfeited	2,380	(2,380)	$ 8.13		
Expired / cancelled	1,290	(1,290)	$ 6.24		
Options outstanding at February 2, 2018	8,019	54,388	$ 7.82	$ 132,971	7.83
Vested and expected to vest as of February 2, 2018		52,018	$ 7.75	$ 130,685	7.77

The following table summarizes information about exercisable stock options outstanding as of January 29, 2016, February 3, 2017 and February 2, 2018 (shares in thousands):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Weighted average exercise price	$ 5.20	$ 5.98	$ 6.40
Number of shares subject to options	7,922	18,498	24,137
Weighted average remaining contractual life (years)	7.26	6.90	6.51

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13. Common Stock and Stock-Based Awards (continued)

Stock-Based Compensation Expense (Pivotal equity)

The following tables summarize the components of total stock-based compensation expense included in our consolidated statements of operations in fiscal 2016, fiscal 2017 and fiscal 2018 (in thousands):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017 (in thousands)	February 2, 2018
Cost of revenue – subscription	$ 183	$ 993	$ 520
Cost of revenue – services	3,608	5,152	6,519
Sales and marketing	4,389	6,361	8,541
Research and development	3,682	6,075	7,674
General and administrative	5,001	4,736	5,077
Total stock-based compensation expense	$ 16,863	$ 23,317	$ 28,331

No stock-based compensation was capitalized in fiscal 2016, fiscal 2017 and fiscal 2018.

As of February 2, 2018, the total unrecognized compensation cost for stock options was $82.6 million. This non-cash expense will be recognized through our fiscal 2022 with a weighted-average remaining period of 1.55 years.

Stock-Based Compensation Expense (DellEMC and VMware)

Our stock-based compensation includes awards previously granted by DellEMC and VMware to certain of our employees. These employees have been allowed to retain and vest in their historical DellEMC or VMware awards, in each case, so long as they remain employed by us and such awards are outstanding.

In connection with the Dell Acquisition in fiscal 2017, vesting for all outstanding DellEMC stock options and restricted stock units was automatically accelerated on the last trading day prior to the effective date of the Dell Acquisition. The expense associated with accelerated DellEMC awards held by our employees was $2.6 million and was recorded as stock-based compensation expense in the consolidated statements of operations in fiscal 2017.

The following tables summarize the components of total stock-based compensation expense associated with DellEMC and VMware securities held by our employees and included in our consolidated statements of operations in fiscal 2016 (in thousands):

Fiscal 2016	DellEMC	VMware	Total Stock-Based Compensation—DellEMC and VMware
Cost of revenue—subscription	$ 635	$ —	$ 635
Cost of revenue—services	3,548	184	3,732
Sales and marketing	2,010	1,102	3,112
Research and development	3,180	1,370	4,550
General and administrative	1,944	172	2,116
Total stock-based compensation expense	$ 11,317	$ 2,828	$ 14,145

13. Common Stock and Stock-Based Awards (continued)

The following tables summarize the components of total stock-based compensation expense associated with DellEMC and VMware securities held by our employees and included in our consolidated statements of operations in fiscal 2017 (in thousands):

Fiscal 2017	DellEMC	VMware	Total Stock-Based Compensation—DellEMC and VMware
Cost of revenue—subscription	$ 281	$ —	$ 281
Cost of revenue—services	987	45	1,032
Sales and marketing	1,287	323	1,610
Research and development	683	532	1,215
General and administrative	1,245	151	1,396
Total stock-based compensation expense	$ 4,483	$ 1,051	$ 5,534

The following tables summarize the components of total stock-based compensation expense associated with VMware securities held by our employees and included in our consolidated statements of operations in fiscal 2018 (in thousands):

Fiscal 2018	VMware
Cost of revenue—services	$ 29
Sales and marketing	78
Research and development	159
General and administrative	32
Total stock-based compensation expense	$ 298

No stock-based compensation was capitalized in fiscal 2016, fiscal 2017 and fiscal 2018.

14. Net Loss per Share

Basic loss per share is based on the weighted-average effect of all common shares issued and outstanding and is calculated by dividing net loss attributable to common stockholders by the weighted-average shares outstanding during the period.

14. Net Loss per Share (continued)

Basic and diluted net loss per share

The following table sets forth basic and diluted earnings (loss) per share for each of the periods presented (in thousands, except per share amounts):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Numerator:			
Net loss attributable to common stockholders	$ (282,546)	$ (232,537)	$ (163,515)
Denominator:			
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted	63,955	67,737	68,574
Net loss per share attributable to common stockholders, basic and diluted	$ (4.42)	$ (3.45)	$ (2.38)

Since we were in a loss position for all periods presented, basic net loss per share is the same as diluted net loss per share for all periods as the inclusion of all potential common shares outstanding would have been anti-dilutive. Potentially dilutive securities that were not included in the diluted per share calculations because they would be anti-dilutive were as follows (in thousands):

	Fiscal Year Ended		
	January 29, 2016	February 3, 2017	February 2, 2018
Shares subject to outstanding common stock options	36,976	39,361	54,388
Redeemable convertible preferred stock (on an if-converted basis)	85,111	147,879	147,879
Total	122,087	187,240	202,267

Unaudited pro forma net loss per share

Unaudited pro forma net loss per share for fiscal 2018 has been computed to give effect to the automatic conversion of the redeemable convertible preferred stock into common stock as though the conversion had occurred as of the beginning of the period or the original date of issuance, if later.

14. Net Loss per Share (continued)

The following table sets forth the computation of our pro forma basic and diluted net loss per share for fiscal 2018 (in thousands, except per share amounts):

	Fiscal Year Ended February 2, 2018
Numerator:	
Net loss attributable to Pivotal	$ (163,515)
Denominator:	
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted	68,574
Pro forma adjustment to reflect assumed conversion of redeemable convertible preferred stock	147,879
Weighted average shares used in computing pro forma net loss per share, basic and dilute	216,453
Pro forma net loss per share, basic and diluted	$ (0.76)

15. Related Party Transactions

DellEMC and VMware Agency Arrangements

Dell, including DellEMC and VMware, are our customers. Since our formation, we have also entered into agency arrangements with DellEMC and VMware that enable our sales team to sell our subscriptions and services leveraging the DellEMC and VMware enterprise relationships and end customer contracts. These transactions result in DellEMC or VMware invoicing customers and collecting on our behalf. In exchange, we pay an agency fee, which is based on a percentage of the invoiced contract amounts, for their services. Such percentage ranged from 1.5% to 10% during fiscal 2016, fiscal 2017 and fiscal 2018.

In fiscal 2016, we recorded deferred revenue and recognized revenue net of agency fees for the portion of our sales that transacted under these agency arrangements. In aggregate, we paid DellEMC and VMware $13.0 million in fiscal 2016, which was recorded as a reduction to revenue over the term of the underlying customer arrangements.

In fiscal 2017, we paid VMware $3.4 million, which was a reduction to revenue over the term of the underlying customer arrangements. In fiscal 2018, we amended our agency agreement with VMware. For transactions under this amendment, we are entitled to receive the full invoiced amount from customers, and therefore revenue is recognized on a gross basis. We paid VMware $1.4 million in fiscal 2018, which was deferred and amortized to sales and marketing expense over the term of the underlying customer arrangements.

In fiscal 2017, we amended our agency agreement with DellEMC. For transactions under this amendment, we are entitled to receive the full invoiced amount from customers, and therefore revenue is recognized gross of agency fees. We paid DellEMC $6.4 million and $6.9 million in fiscal 2017 and fiscal 2018, respectively, which was deferred and amortized to sales and marketing expense over the term of the underlying customer arrangements.

During fiscal 2016, we recorded invoiced amounts in accounts receivable for VMware, and the invoiced amounts from DellEMC were included as an offset in the net payable due to DellEMC. Following the Financing, we recorded invoiced amounts in accounts receivable.

15. Related Party Transactions (continued)

In addition to the amounts recorded in accounts receivable pertaining to the agency agreements, there are other amounts recorded in Due from Parent on the consolidated balance sheet for those items not related to trade receivables. In fiscal 2018, the amount recorded in Due from Parent on the consolidated balance sheet is primarily related to the amounts we expect to receive from Dell Technologies for the remaining fiscal 2018 TSA payment. In fiscal 2018, we received $36.1 million for TSA payments related to fiscal 2017 and fiscal 2018, which represents the majority of the amount reflected in contributions from DellEMC on the consolidated statements of cash flows.

Revenue from sales to DellEMC as a customer for fiscal 2016, fiscal 2017 and fiscal 2018, was $9.1 million, $8.9 million and $12.2 million, respectively. Revenue from sales to VMware as an end user for fiscal 2016, fiscal 2017 and fiscal 2018 was $5.2 million, $8.2 million and $2.1 million, respectively.

Revenue recognized through such agency arrangements represented 46%, 44% and 37% of total revenue in fiscal 2016, fiscal 2017 and fiscal 2018, respectively.

DellEMC and VMware Shared Services and Employee Matters Agreements

We and DellEMC and VMware engage in several ongoing related party transactions which resulted in costs to us. DellEMC acts as a paying agent for certain of our expenses including payments to vendors and other expenses such as payroll.

Pursuant to ongoing shared services and employee matters agreements, we are charged by DellEMC and VMware for certain management and administrative services, including routine management, administration, finance and accounting, legal and human resources services based upon estimates and allocations. Additionally, in certain geographic regions where we do not have an established legal entity, we contract with DellEMC subsidiaries for support services. We are charged for overhead items such as facilities and IT systems for our employees that work from DellEMC and VMware office locations. The costs incurred by DellEMC on our behalf related to these employees are charged to us with a markup. These costs are included as expenses in our consolidated statements of operations and primarily include salaries, benefits, travel and rent.

These expenses are charged to us on the basis of direct usage when identifiable, with the remainder charged primarily on the basis of headcount or other measures. Management believes the basis on which the expenses have been allocated to be a reasonable reflection of the utilization of services provided to or the benefit received by us during the periods presented. Actual costs that would have been incurred if the Company had operated as a stand-alone public company during the periods presented would depend on multiple factors, including organizational structure and strategic decisions made in various areas, including human resources, payroll, legal, finance, procurement and information technology and infrastructure, among others. These activities, as they relate to VMware, are recorded as Due to Parent on the consolidated balance sheets.

Commencing in the fiscal year ended January 30, 2015 ("fiscal 2015"), as a means to improve our cash flows, we curtailed the settlement of domestic receivables and payables to DellEMC and agreed with DellEMC that the amounts payable to and due from DellEMC could be settled on a net basis. As of January 29, 2016, the net payable of $398.4 million due to DellEMC was comprised of $587.1 million of amounts payable to DellEMC, offset by $188.7 million of amounts due from DellEMC. In fiscal 2017, $400.0 million of the net payable due to DellEMC was settled through the issuance of preferred stock in connection with the Financing, with the remainder of the net payable due to DellEMC balance settled on a cash basis. All subsequent payment activities are recorded as Due to Parent on the consolidated balance sheet and have generally been settled on a quarterly basis.

15. Related Party Transactions (continued)

The activity is recorded within the net payable due to DellEMC and the Due to Parent financial statement line item shown in the consolidated balance sheets at January 29, 2016 and the Due to Parent financial statement line item at February 3, 2017 and February 2, 2018.

Information about our costs from such arrangements with DellEMC and VMware consisted of the following (in thousands):

	Fiscal Year Ended January 29, 2016	
	DellEMC	VMware
Paying agent	$ 230,399	$ —
Shared services and other expenses	175,386	4,539
Total	$ 405,785	$ 4,539

	Fiscal Year Ended February 3, 2017	
	DellEMC	VMware
Paying agent	$ 154,225	$ —
Shared services and other expenses	151,304	1,235
Total	$ 305,529	$ 1,235

	Fiscal Year Ended February 2, 2018	
	DellEMC	VMware
Paying agent	$ 56,892	$ —
Shared services and other expenses	24,809	196
Total	$ 81,701	$ 196

Other Related Party Transactions

Certain of our directors are executives of companies that are our customers.

Revenue recognized from sales of subscriptions and services to General Electric Company was $3.6 million for fiscal 2016, $10.8 million for fiscal 2017 and $11.0 million for fiscal 2018. We have outstanding accounts receivable balances from General Electric Company of $2.1 million and $4.2 million as of February 3, 2017 and February 2, 2018, respectively.

Revenue recognized from sales of subscriptions and services to Ford Motor Company was $32.0 million for fiscal 2017 and $31.3 million for fiscal 2018. We have outstanding an accounts receivable balances from Ford Motor Company of $4.9 million and $3.2 million as of February 3, 2017 and February 2, 2018, respectively.

16. Commitments and Contingencies

Operating Lease Commitments

We lease office and equipment under various non-cancelable operating leases, which generally contain renewal options and escalation clauses and expire through fiscal 2031. Rent expense for fiscal 2016, fiscal 2017 and fiscal 2018 was $19.5 million, $18.2 million and $24.4 million, respectively.

16. Commitments and Contingencies (continued)

Minimum commitments under non-cancelable operating lease agreements, net of sublease income, as of February 2, 2018 are as follows (in thousands):

Fiscal year	Amount
2019	$ 21,460
2020	20,391
2021	18,108
2022	16,352
2023	13,853
Thereafter	58,471
Total minimum lease payments	$ 148,635

In the normal course of business we make commitments with various parties for purchases of products and services. As of February 2, 2018, we had $2.6 million in outstanding non-cancelable purchase obligations.

Litigation

From time to time, we are involved in legal proceedings and subject to claims arising in the ordinary course of our business. Although the results of litigation and claims cannot be predicted with certainty, we currently believe that the resolution of these ordinary course matters will not have a material adverse effect on our business, operating results, financial condition or cash flows. Even if any particular litigation is not resolved in a manner that is adverse to our interests, such litigation can have a negative impact on us because of defense and settlement costs, diversion of management resources from our business and other factors.

Warranties and Indemnification

Our software is generally warranted to perform substantially in accordance with the subscription agreement. Our contracts generally include provisions for indemnifying customers against liabilities if our services infringe or misappropriate a third party's intellectual property rights. Costs and liabilities incurred as a result of warranties and indemnification obligations were not material during the periods presented and no liability has been recognized relating to these obligations.

17. Segment and Geographic Information

The following table summarizes revenue by geography based on the sold-to location of our customers that purchase subscriptions and services (dollars in thousands):

	Fiscal Year Ended					
	January 29, 2016		February 3, 2017		February 2, 2018	
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage of Revenue
United States	$ 212,175	76%	$ 325,407	78%	$ 394,418	77%
International	68,699	24%	90,860	22%	115,018	23%
	$ 280,874	100%	$ 416,267	100%	$ 509,436	100%

No country other than the United States represented 10% or more of our total revenue in fiscal 2016, fiscal 2017 or fiscal 2018.

17. Segment and Geographic Information (continued)

As of February 3, 2017, 17% of our long-lived assets were in the United Kingdom and 10% were in Australia as a result of our leasehold improvements in these countries. As of February 2, 2018, 14% of our long-lived assets were in the United Kingdom as a result of our leasehold improvements in this country.

18. Subsequent Events

The consolidated financial statements reflect management's evaluation of subsequent events through March 9, 2018, the date the audited consolidated financial statements were available to be issued, and with respect to the reverse stock split discussed below, through April 9, 2018.

We granted options for 1,631,900 shares of Class A common stock to employees on March 7, 2018 at an exercise price of $10.90 per share and an aggregate grant date fair value of $6.7 million, which will be recognized as stock-based compensation expense on a straight-line basis over the 4-year vesting period.

On February 28, 2018, we drew down an additional $15.0 million on the Revolving Facility. As of March 9, 2018, we had a total of $35.0 million outstanding related to the Revolving Facility, $20.0 million of which was reflected on the balance sheet as of February 2, 2018.

In April 2018, our board of directors and stockholders approved a 1-for-2 reverse stock split of our common stock and redeemable convertible preferred stock, which was effected on April 6, 2018. The par value of the common stock and redeemable convertible preferred stock was not adjusted as a result of the reverse stock split. All issued and outstanding share and per share amounts included in the accompanying consolidated financial statements have been adjusted to reflect this reverse stock split for all periods presented.

19. Events Subsequent to Original Issuance of Consolidated Financial Statements (unaudited)

After the $15.0 million draw noted above, on March 19, 2018, we repaid $10.0 million on the Revolving Facility. As of April 9, 2018, we now have a total of $25.0 million outstanding related to the Revolving Facility.

In March 2018, our board of directors adopted our Employee Stock Purchase Plan (the "ESPP"), which will become effective in connection with our initial public offering, subject to approval by our stockholders. The maximum number of shares available for issuance under the ESPP will initially not exceed in the aggregate 2,800,000 shares of our Class A common stock.

In March 2018, our board of directors adopted our 2018 Equity Incentive Plan (the "2018 Plan"), which will become effective in connection with our initial public offering, subject to approval by our stockholders. All shares that remain available for issuance under our 2013 Plan will become available for issuance under the 2018 Plan and no further equity awards may be granted under our 2013 Plan. The 2018 Plan provides for the grant of equity-based awards to our employees, certain of our non-employee directors and consultants or advisors. The maximum number of shares of our Class A common stock available for issuance under the 2018 Plan will initially equal the sum of (i) 14,000,000 shares and (ii) the total number of shares available for issuance under the 2013 Plan. The share pool will be increased on the first day of each fiscal year by the lesser of (i) 5% of the aggregate number of shares of our Class A common stock and Class B common stock outstanding (on a fully diluted basis) on the last day of the immediately preceding fiscal year and (ii) a number of shares of our Class A common stock determined by our board of directors in its discretion.

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Through our renowned Labs strategic services, we enable customers to adapt their processes and cultures to embrace change, accelerate software development, streamline IT operations and ultimately drive self-sustaining business transformation.

Pivotal.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

Each of the amounts set forth below, other than the Securities and Exchange Commission ("SEC") registration fee and the Financial Industry Regulatory Authority ("FINRA") filing fee, is an estimate.

	Amount to Be Paid
SEC registration fee	$ 84,760
FINRA filing fee	102,620
The New York Stock Exchange listing fee	295,000
Transfer agent and registrar fees and expenses	3,500
Printing and engraving expenses	180,000
Legal fees and expenses	1,700,000
Accounting fees and expenses	800,000
Miscellaneous fees and expenses	500,000
Total	$ 3,665,880

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending or completed actions, suits or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee or agent to the registrant. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. The registrant's amended and restated certificate of incorporation and amended and restated bylaws, each of which will be in effect prior to the closing of this offering, will provide indemnification by the registrant of its directors and officers to the fullest extent permitted by the Delaware General Corporation Law and, will permit, at the discretion of the registrant's board of directors, the indemnification by the registrant of its employees and agents with the same scope and effect as the indemnification of directors and officers. The registrant has entered into indemnification agreements with each of its current directors and executive officers to provide these directors and executive officers additional contractual assurances regarding the scope of the indemnification set forth in the registrant's amended and restated certificate of incorporation and amended and restated bylaws, each which will be in effect prior to the closing of this offering, and to provide additional procedural protections. There is no pending litigation or proceeding involving a director or executive officer of the registrant for which indemnification is sought.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its amended and restated certificate of incorporation that 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, except for liability (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions or (iv) for any transaction from which the director derived an improper personal benefit. The registrant's amended and restated certificate of incorporation that will be in effect prior to the closing of the offering provides for such limitation of liability.

The registrant maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and (b) to the registrant with respect to payments which may be made by the registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of underwriting agreement filed as Exhibit 1 to this registration statement provides for indemnification of directors and officers of the registrant by the underwriters against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

Since January 1, 2015, the registrant has sold the following securities without registration under the Securities Act of 1933. Share amounts have been retroactively adjusted to give effect to a reverse stock split of 1-for-2 of our Class A and Class B common stock and preferred stock effected on April 6, 2018.

Preferred Stock Issuances

On May 17, 2016, the registrant issued and sold an aggregate of 22,396,523 shares of its Series C preferred stock at a price of $10.4034 per share to a total of three accredited investors for aggregate consideration of $232,999,992.58.

On May 17, 2016, the registrant issued and sold an aggregate of 40,371,416 shares of its Series C-1 preferred stock at a price of $10.4034 per share to a total of two accredited investors for aggregate consideration of $19,999,995.52 in cash and the conversion of a net payable of $399,999,998.89 due to DellEMC.

Conversion of Preferred Stock to Common Stock

On May 6, 2015, the registrant issued 8,500,000 shares of its Class B common stock to DellEMC in connection with the voluntary conversion of 8,500,000 shares of its Series A preferred stock for no consideration.

Upon the closing of the registrant's initial public offering, 37,412,396 shares of the registrant's outstanding convertible Series B and Series C preferred stock will automatically convert into and the registrant will issue an equivalent number of shares of the registrant's Class A common stock and (ii) 110,466,653 shares of the registrant's outstanding convertible Series A and Series C-1 preferred stock will automatically convert into and the registrant will issue an equivalent number of shares of the registrant's Class B common stock.

Option Grants and Common Stock Issuances

Since January 1, 2015, the registrant has granted to its directors, officers, employees and consultants options to purchase an aggregate of 55,209,911 shares of its Class A common stock under its Amended and Restated 2013 Stock Plan (the "2013 Plan"), at exercise prices ranging from $6.18 to $10.90 per share.

Since January 1, 2015, the registrant has issued and sold to its directors, officers, employees and consultants an aggregate of 5,168,054 shares of its Class A common stock upon the exercise of options under the 2013 Plan at exercise prices ranging from $5.06 to $8.58 per share, for aggregate consideration of approximately $29,373,046.

The sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act (or Regulation D or Regulation S promulgated thereunder), Section 3(a)(9) of the Securities Act or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof.

Item 16. Exhibits and Financial Statement Schedules

The following exhibits are filed as part of this registration statement:

Exhibit Number	Description
1.1*	Form of Underwriting Agreement
3.1*	Form of Amended and Restated Certificate of Incorporation of Pivotal Software, Inc. (the "Company"), to be in effect prior to the closing of this offering
3.2*	Form of Amended and Restated Bylaws of the Company, to be in effect prior to the closing of this offering
4.1*	Form of Class A Common Stock Certificate
5.1	Opinion of Davis Polk & Wardwell LLP
10.1*	Form of Amended and Restated Shareholders' Agreement, among certain stockholders and the Company, to be in effect prior to the closing of this offering
10.2†**	Amended and Restated 2013 Stock Plan of the Company
10.3†**	Form of Non-Qualified Stock Option Agreement pursuant to the 2013 Stock Plan of the Company
10.4†	Form of Indemnification Agreement, between the Company and its directors and executive officers
10.5†**	Form of Change in Control Severance Agreement, between the Company and its executive officers, as currently in effect
10.6	Form of Amended and Restated Agent Agreement, between the Company and EMC Corporation
10.7	Third Restated Agency Agreement, between the Company and VMware, Inc.
10.8†	Fiscal Year 2018 Executive Incentive Program of the Company
10.9**	Tax Sharing Agreement, between the Company and Dell Technologies Inc., EMC Corporation and their respective affiliates, dated February 8, 2017
10.10*	Form of Master Transaction Agreement, between the Company and Dell Technologies Inc., to be in effect prior to the closing of this offering
10.11*	Form of Shared Services Agreement, between the Company and Dell Technologies Inc.
10.12*	Form of Employee Matters Agreement, between the Company, VMware, Inc. and Dell Technologies Inc.
10.13†	2018 Equity Incentive Plan of the Company
10.14†*	Form of Restricted Stock Unit Agreement pursuant to the 2018 Equity Incentive Plan of the Company
10.15†*	Form of Non-Qualified Stock Option Agreement pursuant to the 2018 Equity Incentive Plan of the Company
10.16†	Employee Stock Purchase Plan of the Company

Exhibit Number	Description
10.17†	Director Compensation Policy of the Company
21.1**	Significant Subsidiaries of the Company
23.1	Consent of Independent Registered Public Accounting Firm
23.2	Consent of Davis Polk & Wardwell LLP (included in Exhibit 5.1)
24.1**	Power of Attorney

* To be filed by amendment.

† Indicates management contract or compensatory plan.

** Previously filed.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(a) The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended (the "Securities Act") may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions referenced in Item 14 of this registration statement, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, 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 of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

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24.1**	Power of Attorney

* To be filed by amendment.

† Indicates management contract or compensatory plan.

** Previously filed.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this amendment to registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Francisco, State of California, on the 9th day of April, 2018.

PIVOTAL SOFTWARE, INC.

By: /s/ ROBERT MEE

Name: Robert Mee
Title: *Chief Executive Officer*

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/ ROBERT MEE Robert Mee	Chief Executive Officer and Director (Principal Executive Officer)	April 9, 2018
/s/ CYNTHIA GAYLOR Cynthia Gaylor	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	April 9, 2018
* Paul Maritz	Chairman of the Board	April 9, 2018
* Michael S. Dell	Director	April 9, 2018
Zane Rowe	Director	, 2018
* Egon Durban	Director	April 9, 2018
* William D. Green	Director	April 9, 2018
* Marcy S. Klevorn	Director	April 9, 2018

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Signature	Title	Date
* Khozema Z. Shipchandler	Director	April 9, 2018

*By: /s/ ANDREW COHEN

Andrew Cohen
Attorney-in-Fact

Davis Polk & Wardwell LLP
1600 El Camino Real
Menlo Park, CA 94025

650 752 2000 tel
650 752 2111 fax

April 9, 2018

Pivotal Software, Inc.
875 Howard Street, Fifth Floor
San Francisco, CA 94103

Ladies and Gentlemen:

Pivotal Software, Inc., a Delaware corporation (the " **Company** "), has filed with the Securities and Exchange Commission a Registration Statement on Form S-1 (the " **Registration Statement** ") and the related prospectus (the " **Prospectus"**) for the purpose of registering under the Securities Act of 1933, as amended (the " **Securities Act** "), 42,550,000 shares of its Class A common stock, par value $0.01 per share (the " **Securities** "), of which 38,667,000 shares will be sold by the Company (the " **Primary Securities** "), which includes 5,550,000 shares subject to the underwriters' over-allotment option, as described in the Registration Statement, and 3,883,000 shares (the " **Secondary Securities** ") will be sold by the selling stockholder (the " **Selling Stockholder** ").

We, as your counsel, have examined originals or copies of such documents, corporate records, certificates of public officials and other instruments as we have deemed necessary or advisable for the purpose of rendering this opinion.

In rendering the opinion expressed herein, we have, without independent inquiry or investigation, assumed that (i) all documents submitted to us as originals are authentic and complete, (ii) all documents submitted to us as copies conform to authentic, complete originals, (iii) all signatures on all documents that we reviewed are genuine, (iv) all natural persons executing documents had and have the legal capacity to do so, (v) all statements in certificates of public officials and officers of the Company that we reviewed were and are accurate and (vi) all representations made by the Company as to matters of fact in the documents that we reviewed were and are accurate.

Based upon the foregoing, we advise you that, in our opinion: (i) when the price at which the Securities to be sold has been approved by or on behalf of the Board of Directors of the Company and when the Securities have been issued and delivered against payment therefor in accordance with the terms of the Underwriting Agreement referred to in the prospectus which is a part of the Registration Statement, the Securities will be validly issued, fully paid and non-assessable; and (ii) the Secondary Securities are validly issued, fully paid and non-assessable.

We are members of the Bars of the States of New York and California and the foregoing opinion is limited to the laws of the State of New York and the General Corporation Law of the State of Delaware.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and further consent to the reference to our name under the caption “Legal Matters” in the Prospectus. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Davis Polk & Wardwell LLP

Exhibit 10.4

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this " ***Agreement*** ") is made and entered into, effective , by and between Pivotal Software, Inc., a Delaware corporation (the " ***Company*** "), and (" ***Indemnitee*** ").

Recitals

A. Competent and experienced persons are reluctant to serve or to continue to serve as directors or officers of corporations unless they are provided with adequate protection through insurance or indemnification (or both) against claims against them arising out of their service and activities as directors.

B. Uncertainties relating to the availability of adequate insurance for directors and officers have increased the difficulty for corporations to attract and retain competent and experienced persons to serve as directors or officers.

C. The Board of Directors of the Company (the " ***Board*** ") has determined that the continuation of present trends in litigation will make it more difficult to attract and retain competent and experienced persons to serve as directors or officers of the Company and, in some cases, of its subsidiaries, that this situation is detrimental to the best interests of the Company's stockholders and that the Company should act to assure its directors and officers that there will be increased certainty of adequate protection in the future.

D. It is reasonable, prudent and necessary for the Company to obligate itself contractually to indemnify its directors and officers to the fullest extent permitted by applicable law in order to induce them to serve or continue to serve as directors or officers of the Company or its subsidiaries.

E. Indemnitee's willingness to continue to serve in his or her current capacity is predicated, in substantial part, upon the Company's willingness to indemnify him or her to the fullest extent permitted by the laws of the State of Delaware and upon the other undertakings set forth in this Agreement.

F. In recognition of the need to provide Indemnitee with substantial protection against personal liability, in order to procure Indemnitee's continued service, and to enhance Indemnitee's ability to serve the Company in an effective manner, and in order to provide such protection pursuant to express contract rights (intended to be enforceable irrespective of any amendment to the Company's Certificate of Incorporation or Bylaws (collectively, the " ***Constituent Documents*** "), any Change of Control (as defined in Section 1(a)) or any change in the composition of the Board), the Company wishes to provide in this Agreement for the indemnification of and the advancement of Expenses (as defined in Section 1(e)) to Indemnitee as set forth in this Agreement.

Now, therefore, for and in consideration of the foregoing premises, Indemnitee's agreement to continue to serve the Company in his or her current capacity and the mutual covenants and agreements contained herein, the parties hereby agree as follows:

1. ***Certain Definitions —*** In addition to terms defined elsewhere herein, the following terms shall have the respective meanings indicated below when used in this Agreement:

(a) " ***Change of Control*** " shall mean the occurrence of any of the following events:

(i) The acquisition after the date of this Agreement by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the " ***Exchange Act*** ")) (a " ***Person*** "), of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 15% or more of either the then outstanding shares of common stock of the Company (the " ***Outstanding Company Common Stock*** ") or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the " ***Outstanding Company Voting Securities*** "); provided, however, that for purposes of this paragraph (i), the following acquisitions shall not constitute a Change of Control:

(A) any acquisition directly from the Company or any Controlled Affiliate of the Company;

(B) any acquisition by the Company or any Controlled Affiliate of the Company;

(C) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any Controlled Affiliate of the Company;

(D) any acquisition by Mr. Michael S. Dell, his Affiliates or Associates (as such terms are defined in Rule 12b-2 promulgated under the Exchange Act), his heirs or any trust or foundation to which he has transferred or may transfer Outstanding Company Common Stock or Outstanding Company Voting Securities; or

(E) any acquisition by any entity or its security holders pursuant to a transaction that complies with clauses (A), (B), and (C) of paragraph (iii) below;

(ii) Individuals who, as of the date of this Agreement, constitute the Board (collectively, the " ***Incumbent Directors*** ") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual who becomes a director of the Company subsequent to the date of this Agreement and whose election or appointment by the Board or nomination for election by the Company's stockholders was approved by a vote of at least a majority of the then Incumbent Directors, shall be considered as an Incumbent Director, unless such individual's initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board;

(iii) Consummation of a reorganization, merger, consolidation, sale or other disposition of all or substantially all the assets of the Company or an acquisition of assets of another corporation (a " ***Business Combination*** "), unless, in each case, following such Business Combination (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including a corporation that as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (B) no Person (excluding any employee benefit plan (or related trust) of the Company or the corporation resulting from such Business Combination and any Person referred to in clause (D) of paragraph (i) above) beneficially owns, directly or indirectly, 15% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership of the Company existed prior to the Business Combination and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were Incumbent Directors at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination;

(iv) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company; or

(v) The occurrence of any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) under the Exchange Act, whether or not the Company is then subject to such reporting requirement.

Notwithstanding the foregoing, in no event shall a Change in Control be deemed to have occurred if, after the occurrence of any of the events described in Sections 1(a)(i), 1(a)(ii), 1(a)(iii), 1(a)(iv) or 1(a)(v), Denali Holding Inc., a Delaware corporation, directly or indirectly through a Controlled Affiliate, beneficially owns a majority of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors.

(b) " ***Claim*** " shall mean (i) any threatened, asserted, pending or completed claim, demand, action, suit or proceeding (including any cross claim or counterclaim in any action, suit or proceeding), whether civil, criminal, administrative, arbitrative, investigative or other and whether made pursuant to federal, state or other law (including securities laws); and (ii) any inquiry or investigation (including discovery), whether made, instituted or conducted by the Company or any other party, including any federal, state or other governmental entity, that Indemnitee in good faith believes might lead to the institution of any such claim, demand, action, suit or proceeding.

(c) " ***Controlled Affiliate*** " shall mean any corporation, limited liability company, partnership, joint venture, trust or other entity or enterprise, whether or not for profit, that is directly or indirectly controlled by the Company. For purposes of this definition, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of an entity or enterprise, whether through the ownership of voting securities, through other voting rights, by contract or otherwise; provided, however, that direct or indirect beneficial ownership of capital stock or other interests in an entity or enterprise entitling the holder to cast 20% or more of the total number of votes generally entitled to be cast in the election of directors (or persons performing comparable functions) of such entity or enterprise shall be deemed to constitute "control" for purposes of this definition.

(d) "Disinterested Director" shall mean a director of the Company who is not and was not a party to the Claim with respect to which indemnification is sought by Indemnitee.

(e) " ***Expenses*** " shall mean all costs and expenses (including attorneys' and experts' fees and expenses) actually and reasonably incurred in connection with investigating, defending (including affirmative defenses and counterclaims), being a witness in or participating in (including on appeal), or preparing to investigate, defend, be a witness in or participate in (including on appeal), any Claim relating to an Indemnifiable Claim.

(f) " ***Indemnifiable Claim*** " shall mean any Claim based upon, arising out of or resulting from any of the following:

(i) Any actual, alleged or suspected act or failure to act by Indemnitee in his or her capacity as a director or officer of the Company or as a director, officer, employee, member, manager, trustee, fiduciary or agent (collectively, a " ***Representative*** ") of any Controlled Affiliate or other corporation, limited liability company, partnership, joint venture, employee benefit plan, trust or other entity or enterprise, whether or not for profit, as to which Indemnitee is or was serving at the request of the Company as a Representative;

(ii) Any actual, alleged or suspected act or failure to act by Indemnitee with respect to any business, transaction, communication, filing, disclosure or other activity of the Company or any other entity or enterprise referred to in clause (i) of this Section 1(f); or

(iii) Indemnitee's status as a current or former director or officer of the Company or as a current or former Representative of the Company or any other entity or enterprise referred to in clause (i) of this Section 1(f) or any actual, alleged or suspected act or failure to act by Indemnitee in connection with any obligation or restriction imposed upon Indemnitee by reason of such status.

In addition to any service at the actual request of the Company, for purposes of this Agreement, Indemnitee shall be deemed to be serving or to have served at the request of the Company as a Representative of another entity or enterprise if Indemnitee is or was serving as a director, officer, employee, member, manager, trustee, fiduciary or agent of such entity or enterprise and (A) such entity or enterprise is or at the time of such service was a Controlled Affiliate, (B) such entity or enterprise is or at the time of such service was an employee benefit plan (or related trust) sponsored or maintained by the Company or a Controlled Affiliate or (C) the Company or a Controlled Affiliate directly or indirectly caused Indemnitee to be nominated, elected, appointed, designated, employed, engaged or selected to serve in such capacity.

(g) " ***Indemnifiable Losses*** " shall mean any and all Losses relating to, arising out of or resulting from any Indemnifiable Claim.

(h) " ***Independent Counsel*** " shall mean a law firm, or a member of a law firm, that is experienced in matters of corporation law and, as of the time of selection with respect to any Indemnifiable Claim, is not nor in the past five years has been retained to represent (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or other indemnitees under similar indemnification agreements) or (ii) any other party to the Indemnifiable Claim giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(i) " ***Losses*** " means any and all Expenses, damages (including punitive, exemplary and the multiplied portion of any damages), losses, liabilities, judgments, payments, fines, penalties (whether civil, criminal or other), awards and amounts paid in settlement (including all interest, assessments and other charges paid or incurred in connection with or with respect to any of the foregoing).

2. ***Indemnification Obligation* —** Subject to Section 9, the Company shall indemnify, defend and hold harmless Indemnitee, to the fullest extent permitted by the laws of the State of Delaware in effect on the date hereof or as such laws may from time to time hereafter be amended to increase the scope of such permitted indemnification, against any and all Indemnifiable Claims and Indemnifiable Losses, in either case to the extent actually and reasonably incurred by or on behalf of Indemnitee.

3. ***Exclusions* —** Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnification payment in connection with any Claim involving Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess Losses beyond the amount paid under any insurance policy or other indemnity provision; or

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act or similar provisions of state statutory law or common law, (ii) any reimbursement of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the " **Sarbanes-Oxley Act** "), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act) or (iii) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act; or

(c) except as provided in Sections 5 and 23 of this Agreement, in connection with any Claim initiated by Indemnitee, including any Claim initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Claim prior to its initiation or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

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4. ***Advancement of Expenses* —** Indemnitee shall have the right to advancement by the Company prior to the final disposition of any Indemnifiable Claim of any and all Expenses relating to, arising out of or resulting from any Indemnifiable Claim paid or incurred by Indemnitee and as to which Indemnitee provides supporting documentation. Indemnitee's right to such advancement is not subject to the satisfaction of any standard of conduct. Without limiting the generality or effect of the foregoing, within 15 calendar days after any request by Indemnitee, the Company shall, in accordance with such request (but without duplication), (a) pay such Expenses on behalf of Indemnitee, (b) advance to Indemnitee funds in an amount sufficient to pay such Expenses or (c) reimburse Indemnitee for such Expenses; provided, however, that Indemnitee shall repay, without interest, any amounts actually advanced to Indemnitee that, at the final disposition of the Indemnifiable Claim to which the advance related, were in excess of amounts paid or incurred by Indemnitee with respect to Expenses relating to, arising out of or resulting from such Indemnifiable Claim. Indemnitee shall qualify for advances upon the execution and delivery to the Company of this Agreement, which shall constitute an undertaking providing that Indemnitee undertakes to repay the amounts advanced (without interest) to the extent that it ultimately is determined that Indemnitee is not entitled to be indemnified by the Company. No other form of undertaking shall be required other than the execution of this Agreement. This Section 4 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 3.

5. ***Indemnification for Additional Expenses* —** Without limiting the generality or effect of the foregoing, the Company shall indemnify and hold harmless Indemnitee against and, if requested by Indemnitee, shall reimburse Indemnitee for, or advance to Indemnitee, within 15 calendar days of such request accompanied by supporting documentation for specific Expenses to be reimbursed or advanced, any and all Expenses incurred by Indemnitee in connection with any Claim made, instituted or conducted by Indemnitee for (a) indemnification or reimbursement or advance payment of Expenses by the Company under any provision of this Agreement or under any other agreement or provision of the Constituent Documents now or hereafter in effect relating to Indemnifiable Claims or (b) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless in each case of whether Indemnitee ultimately is determined to be entitled to such indemnification, reimbursement, advance or insurance recovery, as the case may be; provided, however, that Indemnitee shall return, without interest, any such advance of Expenses (or portion thereof) that remains unspent at the final disposition of the Claim to which the advance related.

6. ***Indemnification For Expenses of a Witness*** — Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of an Indemnifiable Claim, a witness or otherwise asked to participate in any Claim to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

7. ***Partial Indemnity* —** If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any Indemnifiable Loss but not for all of the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

8. ***Procedure for Notification* —** To obtain indemnification under this Agreement with respect to an Indemnifiable Claim or Indemnifiable Loss, Indemnitee shall submit to the Company a written request therefor, including a brief description (based upon information then available to Indemnitee) of such Indemnifiable Claim or Indemnifiable Loss. If, at the time of the receipt of such request, the Company has directors' and officers' liability insurance in effect under which coverage for such Indemnifiable Claim or Indemnifiable Loss is potentially available, the Company shall give prompt written notice of such Indemnifiable Claim or Indemnifiable Loss to the applicable insurers in accordance with the procedures set forth in the applicable policies. The Company shall provide to Indemnitee a copy of such notice delivered to the applicable insurers and copies of all subsequent correspondence between the Company and such insurers regarding the Indemnifiable Claim or Indemnifiable Loss, in each case substantially concurrently with the delivery or receipt thereof by the Company. The failure by Indemnitee to timely notify the Company of any Indemnifiable Claim or Indemnifiable Loss shall not relieve the Company from any liability hereunder unless, and only to the extent that, the Company did not otherwise learn of such Indemnifiable Claim or Indemnifiable Loss and such failure results in forfeiture by the Company of substantial defenses, rights or insurance coverage.

9. ***Determination of Right to Indemnification*** —

(a) To the extent that Indemnitee shall have been successful on the merits or otherwise in defense of any Indemnifiable Claim or any portion thereof or in defense of any issue or matter therein, including dismissal without prejudice, Indemnitee shall be indemnified against all Indemnifiable Losses relating to, arising out of or resulting from such Indemnifiable Claim in accordance with Section 2 and no Standard of Conduct Determination (as defined in paragraph (b) below) shall be required.

(b) To the extent that the provisions of Section 9(a) are inapplicable to an Indemnifiable Claim that shall have been finally disposed of, any determination of whether Indemnitee has satisfied any applicable standard of conduct under Delaware law that is a legally required condition precedent to indemnification of Indemnitee hereunder against Indemnifiable Losses relating to, arising out of or resulting from such Indemnifiable Claim (a " ***Standard of Conduct Determination*** ") shall be made as follows:

(i) If a Change of Control has not occurred, or if a Change of Control has occurred but Indemnitee has requested that the Standard of Conduct Determination be made pursuant to this clause (i):

(A) By a majority vote of the Disinterested Directors, even if less than a quorum of the Board;

(B) If such Disinterested Directors so direct, by a majority vote of a committee of Disinterested Directors designated by a majority vote of all Disinterested Directors; or

(C) If there are no such Disinterested Directors, by Independent Counsel in a written opinion addressed to the Board, a copy of which shall be delivered to Indemnitee; and

(ii) If a Change of Control has occurred and Indemnitee has not requested that the Standard of Conduct Determination be made pursuant to clause (i) above, by Independent Counsel in a written opinion addressed to the Board, a copy of which shall be delivered to Indemnitee.

Indemnitee will cooperate with the person or persons making such Standard of Conduct Determination, including providing to such person or persons, upon reasonable advance request, any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. The Company shall indemnify and hold harmless Indemnitee against and, if requested by Indemnitee, shall reimburse Indemnitee for, or advance to Indemnitee, within 15 calendar days of such request, accompanied by supporting documentation for specific expenses to be reimbursed or advanced, any and all costs and expenses (including attorneys' and experts' fees and expenses) incurred by Indemnitee in so cooperating with the person making such Standard of Conduct Determination.

(c) The Company shall use its reasonable best efforts to cause any Standard of Conduct Determination required under Section 9(b) to be made as promptly as practicable. If (i) the person or persons empowered or selected under Section 9(b) to make the Standard of Conduct Determination shall not have made a determination within 30 days after the later of (A) receipt by the Company of written notice from Indemnitee advising the Company of the final disposition of the applicable Indemnifiable Claim (the date of such receipt being the " ***Notification Date*** ") and (B) the selection of an Independent Counsel, if such determination is to be made by Independent Counsel, that is permitted under the provisions of Section 9(e) to make such determination and (ii) Indemnitee shall have fulfilled his or her obligations set forth in the second sentence of Section 9(b), then Indemnitee shall be deemed to have satisfied the applicable standard of conduct; provided, however, that such 30-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person making such determination in good faith requires such additional time to obtain or evaluate documentation or information relating thereto.

(d) If (i) Indemnitee shall be entitled to indemnification hereunder against any Indemnifiable Losses pursuant to Section 9(a), (ii) no determination of whether Indemnitee has satisfied any applicable standard of conduct under Delaware law is a legally required condition precedent to indemnification of Indemnitee hereunder against any Indemnifiable Losses or (iii) Indemnitee has been determined or deemed pursuant to Section 9(b) or (c) to have satisfied any applicable standard of conduct under Delaware law that is a legally required condition precedent to indemnification of Indemnitee hereunder against any Indemnifiable Losses, then the Company shall pay to Indemnitee, within 15 calendar days after the later of (x) the Notification Date with respect to the Indemnifiable Claim or portion thereof to which such Indemnifiable Losses are related, out of which such Indemnifiable Losses arose or from which such Indemnifiable Losses resulted and (y) the earliest date on which the applicable criterion specified in clause (i), (ii) or (iii) above shall have been satisfied, an amount equal to the amount of such Indemnifiable Losses.

(e) If a Standard of Conduct Determination is to be made by Independent Counsel pursuant to Section 9(b)(i), the Independent Counsel shall be selected by the Board and the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Standard of Conduct Determination is to be made by Independent Counsel pursuant to Section 9(b)(ii), the Independent Counsel shall be selected by Indemnitee and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either case, Indemnitee or the Company, as applicable, may, within five business days after receiving written notice of selection from the other, deliver to the other a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not satisfy the criteria set forth in the definition of "Independent Counsel" in Section 1(h) and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person or firm so selected shall act as Independent Counsel. If such written objection is properly and timely made and substantiated, (i) the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court of competent jurisdiction has determined that such objection is without merit and (ii) the non-objecting party may, at its option, select an alternative Independent Counsel and give written notice to the other party advising such other party of the identity of the alternative Independent Counsel so selected, in which case the provisions of the two immediately preceding sentences and clause (i) of this sentence shall apply to such subsequent selection and notice. If applicable, the provisions of clause (ii) of the immediately preceding sentence shall apply to successive alternative selections. If no Independent Counsel that is permitted under the foregoing provisions of this Section 9(e) to make the Standard of Conduct Determination shall have been selected within 30 days after the Company gives its initial notice pursuant to the first sentence of this Section 9(e) or Indemnitee gives its initial notice pursuant to the second sentence of this Section 9(e), as the case may be, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware for resolution of any objection that has been made by the Company or Indemnitee to the other's selection of Independent Counsel or for the appointment as Independent Counsel of a person selected by the Court or by such other person as the Court shall designate, and the person or firm with respect to whom all objections are so resolved or the person or firm so appointed will act as Independent Counsel. In all events, the Company shall pay all of the reasonable fees and expenses of the Independent Counsel incurred in connection with the Independent Counsel's determination pursuant to Section 9(b).

(f) For purposes of any Standard of Conduct Determination, Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is in good faith reliance on the records or books of account of the Company or any Controlled Affiliate or other corporation, limited liability company, partnership, joint venture, employee benefit plan, trust or other entity or enterprise, whether or not for profit, as to which Indemnitee is or was serving at the request of the Company as a Representative, including financial statements, or on information supplied to Indemnitee by the officers of the Company or such other entity in the course of their duties, or on the advice of legal counsel for the Company or such other entity or on information or records given or reports made to the Company or such other entity by an independent certified public accountant or by an appraiser or other expert selected by the Company or such other entity.

10. ***Presumption of Entitlement* —** In making any Standard of Conduct Determination, the person or persons making such determination shall presume that Indemnitee has satisfied the applicable standard of conduct, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption in connection with the making by any person, persons or entity of any determination contrary to that presumption. Any Standard of Conduct Determination that is adverse to Indemnitee may be challenged by Indemnitee in the Court of Chancery of the State of Delaware. No determination by the Company (including by its directors or any Independent Counsel) that Indemnitee has not satisfied any applicable standard of conduct shall be a defense to any Claim by Indemnitee for indemnification by the Company hereunder or create a presumption that Indemnitee has not met any applicable standard of conduct.

11. ***No Other Presumption* —** For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of nolo contendere or its equivalent, or an entry of an order of probation prior to judgment, shall not create a presumption that Indemnitee did not meet any applicable standard of conduct or that indemnification hereunder is otherwise not permitted.

12. ***Non-Exclusivity* —** The rights of Indemnitee hereunder shall be in addition to any other rights Indemnitee may have under the Constituent Documents, the substantive laws of the State of Delaware, any other contract or otherwise (collectively, " ***Other Indemnity Provisions*** "). No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by Indemnitee prior to such amendment, alteration or repeal. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Constituent Documents and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. Subject to Section 15, the assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

13. ***Liability Insurance and Funding* —** For the duration of Indemnitee's service as a director or officer of the Company and thereafter for so long as Indemnitee shall be subject to any pending or possible Indemnifiable Claim, to the extent the Company maintains policies of directors' and officers' liability insurance providing coverage for directors and officers of the Company, Indemnitee shall be covered by such policies, in accordance with their terms, to the maximum extent of the coverage available for any other director or officer of the Company. Upon request of Indemnitee, the Company shall provide Indemnitee with a copy of all directors' and officers' liability insurance applications, binders, policies, declarations, endorsements and other related materials and shall provide Indemnitee with a reasonable opportunity to review and comment on the

same. Without limiting the generality or effect of the two immediately preceding sentences, no discontinuation or significant reduction in the scope or amount of coverage from one policy period to the next shall be effective (a) without the prior approval thereof by a majority vote of the Incumbent Directors, even if less than a quorum, or (b) if at the time that any such discontinuation or significant reduction in the scope or amount of coverage is proposed there are no Incumbent Directors, without the prior written consent of Indemnitee (which consent shall not be unreasonably withheld or delayed). In all policies of directors' and officers' liability insurance obtained by the Company, Indemnitee shall be named as an insured in such a manner as to provide Indemnitee the same rights and benefits, subject to the same limitations, as are accorded to the Company's directors and officers most favorably insured by such policy. The Company may, but shall not be required to, create a trust fund, grant a security interest or use other means, including a letter of credit, to ensure the payment of such amounts as may be necessary to satisfy its obligations to indemnify and advance expenses pursuant to this Agreement.

14. ***Subrogation* —** The Company hereby acknowledges that Indemnitee may have certain rights to indemnification, advancement of expenses and/or insurance provided by an Indemnitee-Related Entity (as defined herein). The Company hereby agrees that (i) it is the indemnitor of first resort (i.e., its obligations to Indemnitee are primary and any obligation of the Indemnitee-Related Entity to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) it shall be required to advance the full amount of Expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the Certificate of Incorporation or By-laws (or any agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Indemnitee-Related Entity, and (iii) it irrevocably waives, relinquishes and releases the Indemnitee-Related Entity from any and all claims against the Indemnitee-Related Entity for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Indemnitee-Related Entity on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Indemnitee-Related Entity shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The term " **Indemnitee-Related Entity** " means any company, corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Company or the insurer under and pursuant to an insurance policy of the Company) from whom an Indemnitee may be entitled to indemnification or advancement of Expenses with respect to which the Company may also have an indemnification or advancement obligation.

15. ***No Duplication of Payments* —** Subject to the provisions of Section 14 of this Agreement, the Company shall not be liable under this Agreement to make any payment to Indemnitee with respect to any Indemnifiable Losses to the extent Indemnitee has otherwise actually received payment (net of Expenses incurred in connection therewith)

under any insurance policy, the Constituent Documents or Other Indemnity Provisions or otherwise (including from any entity or enterprise referred to in clause (i) of the definition of “Indemnifiable Claim” in Section 1(f)) with respect to such Indemnifiable Losses otherwise indemnifiable hereunder.

16. ***Defense of Claims —*** The Company shall be entitled to participate in the defense of any Indemnifiable Claim or to assume the defense thereof, with counsel reasonably satisfactory to Indemnitee; provided, however, that if Indemnitee believes, after consultation with counsel selected by Indemnitee, that (a) the use of counsel chosen by the Company to represent Indemnitee would present such counsel with an actual or potential conflict, (b) the named parties in any such Indemnifiable Claim (including any impleaded parties) include both the Company and Indemnitee and Indemnitee shall conclude that there may be one or more legal defenses available to him or her that are different from or in addition to those available to the Company or (c) any such representation by such counsel would be precluded under the applicable standards of professional conduct then prevailing, then Indemnitee shall be entitled to retain separate counsel (but not more than one law firm plus, if applicable, local counsel with respect to any particular Indemnifiable Claim) at the Company’s expense. The Company shall not be liable to Indemnitee under this Agreement for any amounts paid in settlement of any threatened or pending Indemnifiable Claim effected without the Company’s prior written consent. The Company shall not, without the prior written consent of Indemnitee, effect any settlement of any threatened or pending Indemnifiable Claim that Indemnitee is or could have been a party unless such settlement solely involves the payment of money and includes a complete and unconditional release of Indemnitee from all liability on any claims that are the subject matter of such Indemnifiable Claim. Neither the Company nor Indemnitee shall unreasonably withhold its consent to any proposed settlement; provided, however, that Indemnitee may withhold consent to any settlement that does not provide a complete and unconditional release of Indemnitee.

17. ***Successors and Binding Agreement*** —

(a) The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation, reorganization or otherwise) to all or substantially all the business or assets of the Company, by agreement in form and substance satisfactory to Indemnitee and his or her counsel, expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would be required to perform if no such succession had taken place. This Agreement shall be binding upon and inure to the benefit of the Company and any successor to the Company, including any person acquiring directly or indirectly all or substantially all the business or assets of the Company whether by purchase, merger, consolidation, reorganization or otherwise (and such successor will thereafter be deemed the “Company” for purposes of this Agreement), but shall not otherwise be assignable or delegatable by the Company.

(b) This Agreement shall inure to the benefit of and be enforceable by Indemnitee's personal or legal representatives, executors, administrators, successors, heirs, distributees, legatees and other successors.

(c) This Agreement is personal in nature and neither of the parties hereto shall, without the consent of the other, assign or delegate this Agreement or any rights or obligations hereunder except as expressly provided in Sections 17(a) and 17(b). Without limiting the generality or effect of the foregoing, Indemnitee's right to receive payments hereunder shall not be assignable, whether by pledge, creation of a security interest or otherwise, other than by a transfer by Indemnitee's will or by the laws of descent and distribution, and in the event of any attempted assignment or transfer contrary to this Section 17(c), the Company shall have no liability to pay any amount so attempted to be assigned or transferred.

18. ***Notices —*** For all purposes of this Agreement, all communications, including notices, consents, requests or approvals, required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given when hand delivered or dispatched by electronic facsimile transmission (with receipt thereof orally confirmed), or five business days after having been mailed by United States registered or certified mail, return receipt requested, postage prepaid or one business day after having been sent for next-day delivery by a nationally recognized overnight courier service, addressed to the Company (to the attention of the Secretary of the Company) and to Indemnitee at the addresses shown on the signature page hereto, or to such other address as any party may have furnished to the other in writing and in accordance herewith, except that notices of changes of address will be effective only upon receipt.

19. ***Governing Law —*** The validity, interpretation, construction and performance of this Agreement shall be governed by and construed in accordance with the substantive laws of the State of Delaware, without giving effect to the principles of conflict of laws of such State. The Company and Indemnitee each hereby irrevocably consent to the jurisdiction of the Chancery Court of the State of Delaware for all purposes in connection with any action or proceeding that arises out of or relates to this Agreement and agree that any action instituted under this Agreement shall be brought only in the Chancery Court of the State of Delaware.

20. ***Validity —*** If any provision of this Agreement or the application of any provision hereof to any person or circumstance is held invalid, unenforceable or otherwise illegal, the remainder of this Agreement and the application of such provision to any other person or circumstance shall not be affected, and the provision so held to be invalid, unenforceable or otherwise illegal shall be reformed to the extent, and only to the extent, necessary to make it enforceable, valid or legal. In the event that any court or other adjudicative body shall decline to reform any provision of this Agreement held to be invalid, unenforceable or otherwise illegal as contemplated by the immediately preceding sentence, the parties thereto shall take all such action as may be necessary or appropriate to replace the provision so held to be invalid, unenforceable or otherwise illegal with one or more alternative provisions that effectuate the purpose and intent of the original provisions of this Agreement as fully as possible without being invalid, unenforceable or otherwise illegal.

21. ***Amendments; Waivers —*** No provision of this Agreement may be amended, modified, waived or discharged unless such amendment, modification, waiver or discharge is agreed to in writing signed by Indemnitee and the Company. No waiver by either party hereto at any time of any breach by the other party hereto or compliance with any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

22. ***Complete Agreement —*** No agreements or representations, oral or otherwise, expressed or implied with respect to the subject matter hereof have been made by either party that are not set forth expressly in this Agreement.

23. ***Legal Fees and Expenses —*** It is the intent of the Company that Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to Indemnitee hereunder. Accordingly, without limiting the generality or effect of any other provision hereof, if it should appear to Indemnitee that the Company has failed to comply with any of its obligations under this Agreement or in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable or institutes any litigation or other action or proceeding designed to deny, or to recover from, Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, the Company irrevocably authorizes Indemnitee from time to time to retain counsel of Indemnitee's choice, at the expense of the Company as hereafter provided, to advise and represent Indemnitee in connection with any such interpretation, enforcement or defense, including the initiation or defense of any litigation or other legal action, whether by or against the Company or any director, officer, stockholder or other person affiliated with the Company, in any jurisdiction. Notwithstanding any existing or prior attorney-client relationship between the Company and such counsel, the Company irrevocably consents to Indemnitee's entering into an attorney-client relationship with such counsel, and in that connection the Company and Indemnitee agree that a confidential relationship shall exist between Indemnitee and such counsel. Without respect to whether Indemnitee prevails, in whole or in part, in connection with any of the foregoing, the Company will pay and be solely financially responsible for any and all attorneys' and related fees and expenses actually and reasonably incurred by Indemnitee in connection with any of the foregoing.

24. ***Certain Interpretive Matters —***

(a) No provision of this Agreement shall be interpreted in favor of, or against, either of the parties hereto by reason of the extent to which any such party or its counsel participated in the drafting thereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof or thereof.

(b) It is the Company's intention and desire that the provisions of this Agreement be construed liberally, subject to their express terms, to maximize the protections to be provided to Indemnitee hereunder.

(c) All references in this Agreement to Sections, paragraphs, clauses and other subdivisions refer to the corresponding Sections, paragraphs, clauses and other subdivisions of this Agreement unless expressly provided otherwise. Titles appearing at the beginning of any Sections, subsections or other subdivisions of this Agreement are for convenience only, do not constitute any part of such Sections, subsections or other subdivisions and shall be disregarded in construing the language contained in such subdivisions. The words " ***this Agreement*** ," " ***herein*** ," " ***hereby*** ," " ***hereunder*** ," and " ***hereof*** ," and words of similar import, refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. The word " ***or*** " is not exclusive, and the word " ***including*** " (in its various forms) means "including without limitation." Pronouns in masculine, feminine or neuter genders shall be construed to state and include any other gender, and words, terms and titles (including terms defined herein) in the singular form shall be construed to include the plural and vice versa, unless the context otherwise expressly requires.

25. ***Counterparts*** **—** This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original but all of which together shall constitute one and the same agreement.

In witness whereof, Indemnitee has executed, and the Company has caused its duly authorized representative to execute, this Agreement as of the date first above written.

PIVOTAL SOFTWARE, INC.	**INDEMNITEE**
Address:	Address:
By: ______________________ Name: Title:	______________________

AMENDED AND RESTATED AGENT AGREEMENT

This Amended and Restated Agent Agreement (" Agreement "), effective as of [April 2, 2018] [March 30, 2018] (" Effective Date ") is entered into by and between [EMC Corporation **,** a Massachusetts company, with offices at 176 South Street, Hopkinton, Massachusetts] [EMC Information Systems International, an Irish company with offices at Ovens, County Cork, Ireland], (" Agent ") and [Pivotal Software, Inc. (formerly known as GoPivotal, Inc.), a Delaware company with a principal place of business at 875 Howard Street, 5 th floor, San Francisco, CA 94103 as successor-in-interest to GoPivotal Inc. under the Domestic Reseller Agreement (defined below)] [Pivotal Software International (formerly known as GoPivotal International Limited), an Irish company with a principal place of business at Ovens, County Cork, Ireland] (" Principal "). This Agreement amends, restates, and supersedes the Agent Agreement effective as of January 1, 2016 between the parties.

Background

Principal and Agent are affiliated companies engaged in the business of developing, marketing, and distributing certain software, subscriptions to software and related products and services.

Principal has the right to market and distribute the Pivotal Offerings (as defined below) in [certain territories throughout the world excluding] Mexico and United States.

Agent and Principal had previously entered into an Agent Agreement, effective as of January 1, 2016, as amended (the " Original Agent Agreement ").

The parties desire to amend and restate the Original Agent Agreement under which Agent will market and distribute the Pivotal Offerings in the Territory defined below and to supersede the Original Agent Agreement. In view of Agent's desire to concentrate its efforts on its sales and marketing functions and invest as little capital as possible, Agent proposes to act in its own name, but as an agent of Principal, in connection with such activities.

Principal wishes to take advantage of Agent's personnel and expertise for purposes of marketing and distributing the Pivotal Offerings in the Territory and is prepared to assume the economic risks of such activities.

The parties desire for Agent and Channel Partners (as defined below) to be able to distribute Pivotal Offerings through Agent's chosen marketing channels.

The parties intend for Agent to retain all interactions with its Channel Partners except as specifically stated in this Agreement; and

The parties intend for Principal to be responsible for the Delivery of Pivotal Offerings, Installation, if applicable, of Pivotal Software, and all Support for Pivotal Software and Pivotal Subscription Services.

In consideration of the premises and covenants set forth herein and intending to be legally bound, the parties hereby agree as follows:

Agreement

This Agreement supersedes and replaces the Original Agent Agreement.

1.0 DEFINITIONS

1.1 " Business Days " means all days excluding Saturdays, Sundays and weekdays on which there is no planned trading on the New York Stock Exchange.

1.2 **"** Channel Partner **"** means any business entity used by Agent to market or distribute Pivotal Offerings, directly or indirectly, in accordance with the terms of this Agreement.

1.3 " Delivery " and " Deliver " means: (i) for Pivotal Software, the date on which Principal has provided the End User the information that the End User needs to download the Pivotal Software from PivNet; and (ii) for Pivotal Subscription Services, the date on which Principal has provided End User with sufficient information to allow End User to download or access and use the Pivotal Subscription Services.

1.4 **"** Documentation **"** means, collectively, the operating instructions, release notes, media, printed materials, and user manuals and/or help files for the Pivotal Offerings in electronic or written form. The Documentation can be found at https://docs.pivotal.io/.

1.5 " End User **"** means a third party that acquires the right to use one or more Pivotal Offerings for its own internal business use and not for further licensing or distribution.

1.6 " Installation " means that Principal has installed all of the Pivotal Software, when applicable, and Principal has successfully completed all operational tests to demonstrate that the Pivotal Software is performing in accordance with Principal's applicable Documentation.

1.7 " PivNet " means Pivotal Network which is found at https://network.pivotal.io/.

1.8 " Pivotal Professional Services " means Pivotal software development, Licensed Software-related services, or both, all as more fully described in a statement of work or service brief that Agent presents to End User (directly or through its Channel Partner).

1.9 **"** Pivotal Software " means Principal's software products in object code format listed in the Plan of Record and incorporated herein, and all bug fixes, updates and new releases of such Pivotal Software and related Documentation. The parties may agree from time to time to modify the list of Pivotal Software products identified in the Plan of Record and offered under this Agreement.

1.10 " Pivotal Offerings " means individually and/or collectively (as the context requires), Pivotal Software, Support, Pivotal Subscription Services, Pivotal Professional Services, and any other product or service that the parties mutually agree to add to the Agreement.

1.11 **"** Pivotal Subscription Services " means Pivotal Cloud Foundry, Pivotal Big Data Suite and the other software offerings that Principal licenses and sells on a subscription basis and to which Agent and Channel Partners may sell subscriptions to pursuant to this Agreement. The parties may agree from time to time to modify the list of Pivotal Subscription Services offered under this Agreement.

1.12 " Plan of Record " means the mutually agreed business plan, as updated by mutual agreement from time to time during the term of the Agreement, that includes the Pivotal Offerings, commission rates that Principal will pay Agent as compensation for the sale of Pivotal Offerings and other operational information regarding the business conducted under this Agreement.

1.13 " PO " means a written or electronic purchase order signed or otherwise issued by an authorized representative of the person who seeks to purchase one or more Pivotal Offerings.

1.14 **"** Support " means the collective reference to support and maintenance services terms and conditions for Pivotal Software and Pivotal Subscription Services provided by Principal directly to End Users as stated in Exhibit C ("Support Services") **.**

1.15 " Territory " means [all countries in the world except] the United States and Mexico.

2.0 PIVOTAL OFFERINGS AND RESTRICTIONS

2.1 Appointment . Principal hereby authorizes and appoints Agent [in the Territory] as a non-exclusive agent for the purpose of marketing and selling Pivotal Offerings directly in Agent's own name under Agent's standard terms with appropriate Pivotal-specific terms as Principal may provide from time to time and through Channel Partners. Principal will distribute (i) the licenses to the Pivotal Software directly to End Users (ii) the license keys or authorization codes (as applicable) and information necessary for End Users to access the Pivotal Subscription Services and Support; and (iii) provide Pivotal Professional Services pursuant to statements of work ("SOWs") that Agent (or its Channel Partner) may enter into with End Users on behalf of Principal. Nothing in this Agreement shall be construed to limit Principal's right (a) to directly or indirectly market the Pivotal Offerings in the Territory, or (b) to appoint additional persons to market and distribute the Pivotal Offerings in the Territory. Principal shall have no obligation to pay to Agent any commissions for Pivotal Offering sales/licenses that are made directly or indirectly by Principal or other persons appointed by Principal. Agent agrees that it shall at all times adhere to the directions and instructions of Principal with respect to the marketing and selling of Pivotal Offerings in the Territory. Agent shall conduct its activities under this Agreement in a lawful manner and in accordance with the business conduct guidelines that Agent has adopted. Agent will provide a copy of its business conduct guidelines to Principal upon request.

2.1.1 Permitted Transactions . Agent shall enter into and perform its obligations under this Agreement in its own name, but as the agent of Principal. Agent is not authorized to acquire any Pivotal Offerings for its own use within Agent's IT production environment pursuant to this Agreement.

2.2 Rights Granted; Limitations

2.2.1 Non-Production Use . Principal hereby grants to Agent a non-exclusive, fee-free license in the Territory to use the Pivotal Software, Pivotal Subscription Services and Documentation for internal testing, quality assurance, backup and training for Agent, Channel Partners and End Users. Principal will provide Agent with a reasonable number of copies of the Pivotal Software and access rights to the Pivotal Subscription Services for such use.

2.2.1(a) Timing . Principal agrees to offer all generally available product features, functions, online services, support, maintenance and other related services to Agent under the terms of this Agreement as early as it makes any of the foregoing available to any of its other customers purchasing Pivotal Offerings. Principal shall offer all generally available bug fixes, updates and other new versions of the Pivotal Software and Pivotal Subscription Services to Agent during the term of this Agreement as soon as such improvements have been released by Principal's quality assurance organization. Principal does not need to provide Agent with any advance notice of bug fixes.

2.2.2 Marketing and Trial Use . Principal hereby grants to Agent at no additional cost a non-exclusive license in the Territory to display, reproduce, have reproduced and use a reasonable number of copies of the Pivotal Software and related Documentation, directly and indirectly through Channel Partners, for marketing purposes, including a limited trial use for potential End Users.

Principal will provide Agent and Channel Partners with a reasonable number of copies for such use. Principal further grants to Agent at no additional cost a non-exclusive license in the Territory to access and use the Pivotal Subscription Services and related Documentation, directly and indirectly through Channel Partners, for marketing purposes and to provide potential End Users with a limited trial use of the Pivotal Subscription Services.

2.2.3 Non-exclusive Agreement . Subject to the obligations of confidentiality of Section 12, nothing in this Agreement shall be construed to preclude Agent from directly or indirectly designing, developing, acquiring, using, marketing, licensing and/or selling any software that is similar, related or competitive with Pivotal Software or Pivotal Subscription Services, and nothing shall be construed to prevent Principal from licensing Pivotal Software or Pivotal Subscription Services to distributors and End Users in the Territory either directly or through other third parties.

2.2.4 Limitations . Principal grants to Agent only the rights specifically stated in this Agreement. Agent shall not attempt to modify, reverse engineer, recompile, disassemble, decode or translate the Pivotal Software or Pivotal Subscription Services. Except as expressly authorized by Principal, Agent shall not make representations or warranties with respect to the Pivotal Offerings greater in scope or duration than those generally made by Principal in its standard terms and conditions of sale for the Territory.

2.3 Trademark License to Agent . Principal hereby grants to Agent and its Channel Partners, during the term of this Agreement, a non-exclusive, worldwide, fee-free license [in the Territory] to use Principal's logos and trade names (" Licensed Marks ") identified on Exhibit B in connection with such entities' distribution, advertisement, and promotion of Pivotal Offerings. Agent and Channel Partners will use the Licensed Marks in accordance with Principal's reasonable usage guidelines as provided by Principal to all of its channel partners from time to time. All resulting use of such Licensed Marks shall inure solely to the benefit of Principal or its licensors.

3.0 PURCHASE ORDERS

3.1 Placing Purchase Orders . Agent will submit a written or electronic PO using SupplyNet for all Pivotal Offerings ordered from Principal. Purchase orders will specify Agent's part numbers, Pivotal Offering model numbers, and total dollar amount. Principal shall acknowledge receipt of Agent's order and communicate Principal's Delivery date via Agent's SupplyNet website by 7:00 AM ET the next Business Day, except for end-of-quarter orders, which will be conducted in accordance with the schedule listed in Plan of Record following receipt. Principal's acceptance shall neither change nor add to the provisions of this Agreement. Principal shall accept such orders at lead-times specified in the Plan of Record, provided such orders comply with the terms of this Agreement. If within two (2) Business Days from Principal's receipt of an Agent order, Agent does not receive written and/or electronic notice from Principal rejecting the Agent order and specifying the reasons for such rejection, then the Agent order shall be deemed accepted by Principal. Principal shall communicate any changes to its Delivery dates via Agent's SupplyNet Website. In the event of a conflict between the provisions of this Agreement and the terms and conditions of Agent's PO, the provisions of this Agreement shall prevail. Any additional terms contained in Agent's POs or Principal's order acknowledgements shall not be binding unless accepted by the other party in writing.

3.2 Risk of Loss . Principal shall retain risk of loss for the Pivotal Offerings until Delivery of the Pivotal Offerings to the End User.

3.2.1 No Passage of Title . Agent shall at no time acquire title, to the extent relevant, to Pivotal Offerings provided to End Users.

3.3 Processing Orders . The parties will process and fulfill End User POs as mutually agreed from time to time. PO numbers shall be referenced on all correspondence and invoicing relating to each order.

4.0 RECEIVABLES, PROCEEDS AND COMPENSATION OF AGENT

4.1 No Assumption of Payment Risk . Agent shall endeavor to collect amounts that End Users owe for the Pivotal Offerings in a timely manner, *provided that* Principal shall bear the risk of non-payment for any such amounts.

4.2 Ownership of Receivables and Collection Authority

4.2.1 To the extent permitted by law, all accounts receivable resulting from the distribution of the Pivotal Offerings by Agent pursuant to this Agreement will be owned by Principal *ab initio* .

4.2.2 In so far as any accounts receivable or other claims are not owned by Principal *ab initio* , Agent hereby assigns, in advance, to Principal any and all such accounts receivable or other claims, and Principal hereby accepts such assignment.

4.2.3 In so far as neither subsection 5.2.1 nor subsection 5.2.2 above applies, Agent agrees to hold all such accounts receivable or other claims for the sole benefit of Principal.

4.2.4 In any case, Agent shall be authorized and empowered to collect all sales proceeds and fees from End Users in Agent's name, but for Principal's account.

4.3 Ownership of Payments . The parties acknowledge and agree that all payments received from End Users in connection with the distribution of Pivotal Offerings shall be held for the account of Principal. With respect to the Pivotal Offerings distributed under this Agreement, Agent shall instruct End Users to pay into a bank account designated by Agent (the " Bank Account "). If Agent receives Pivotal Offering revenue from any End User into some other account, Agent shall in due course remit such revenue into the Bank Account.

4.4 Transfer to Principal of Payments Received . All payments received by Agent into the Bank Account shall be transferred to Principal within sixty (60) calendar days of receipt or as otherwise agreed to by the parties. Agent shall have no obligation to transfer any amount to Principal under this Agreement with respect to any Pivotal Offering until Agent has received payment therefor. Except as specified in this Section 4.4, Agent shall not make any deduction from or retain any amount or otherwise interfere with the transfer to Principal of the payments received; *provided* , *however* , that Agent is entitled to transfer the following amounts to its own account and to deduct such amounts from payments transferred to Principal: (a) Agent's commission as calculated under Section 4.4 hereof, and (b) local value added tax which is included in the payments received into the Bank Account and for which Agent is liable under local law.

4.5 Payment Terms . The parties will make payments in accordance with this section unless otherwise agreed. Charges for all licenses of Products and End User Services sold by Agent on Principal's behalf shall be invoiced by Agent quarterly in arrears within ten (10) days of the end of each fiscal quarter. The invoice provided by Agent to Principal shall list under the title "Distribution Agreements," the "Deferred Revenue," "I/C Revenue" and "I/C COGS" for the applicable period. The invoice shall also include a separate accounting of (i) all charges for Services (as defined in that certain Shared Services Agreement, dated on or about March 30, 2018, by and between Principal and Dell, Inc. as amended (the "SSA")) under the SSA and (ii) all amounts owed between Agent and Principal under that certain Amended and Restated Employee Matters Agreement dated on or about March 30, 2018, by and among Dell Inc., VMware and Principal. The invoice shall also segregate each of the charges to reflect to which Pivotal legal entity such charges will apply. Each such invoice provided by Agent to Principal shall be directed to the Corporate Controller of

Principal, or such other individual designated in writing from time to time by the Corporate Controller. Each such invoice shall be payable with sixty (60) days after the end of the most recent fiscal quarter. Payment of an invoice shall not constitute or imply acceptance of the Products or End User Services or relieve Principal of any obligations assumed under this Agreement, nor prevent Agent or Principal from asserting any other rights it may have under this Agreement.

4.5.1 Reconciliation. If either party, in good faith, disputes any invoiced charge, the disputing party shall promptly notify the other party, and in no event later than forty-five (45) days following receipt of an invoice (unless the Parties agree otherwise or such invoice is incomplete with respect to any charges for such fiscal quarter), of such disputed charge(s) listing all disputed items and providing a reasonably detailed description of each disputed item (the "Dispute Notice"). The Dispute Notice shall include the aggregate amount, if any, paid by Agent to Principal for orders of the Products or End User Services and for which Agent was not paid, or not paid fully, by the End User. Agent shall not be responsible for such unpaid or incompletely paid orders. The parties shall seek to resolve all disputes expeditiously and in good faith. Any resulting changes to the prior quarter invoice shall be reflected on the next quarter's invoice and netted and/or paid as appropriate.

4.6 Compensation of Agent

4.6.1 Commission Rate. In consideration for Agent's performance of its duties hereunder, Principal shall pay Agent a commission with respect to the various Pivotal Offerings that Agent sells as set forth in Exhibit A hereto.

4.6.2 Modification to Commission Rates. Principal and Agent shall review the commission rates as set forth in Exhibit A on an annual basis (or earlier if the parties agree). At the end of each calendar year, Principal and Agent may agree to revise the commission rates. Any change to Exhibit A shall be applicable to all revenue invoiced by Agent after the effective date of such change.

4.6.3 Accounting Periods and Itemization. The parties will agree on internal reporting procedures from time to time. If required by applicable law, Principal shall regularly provide Agent with value added tax invoices in order to provide Agent with sufficient documentary evidence to support a claim for the value added tax charges as input tax.

4.6.4 Payment of Commissions. To the extent that the commission has not already been retained by Agent pursuant to Section 4.4 hereof, commissions shall be payable in Agent's local currency in accordance with Section 4.5 above.

4.7 Form of Payments. Unless otherwise agreed between the parties, all payments hereunder shall be made in Agent's local currency, *provided that* Principal shall bear any currency risks associated with the transactions contemplated hereunder. To claim reimbursement for currency losses pursuant to this Section 4.7, Agent shall present a claim to Principal within sixty (60) calendar days of the calendar year during which the loss was incurred which describes the transactions involved and the basis for calculating such loss.

5.0 DELIVERY

5.1 Delivery of Pivotal Software. Principal will Deliver the Pivotal Software to End Users via electronic download from Principal's download website at https://network.pivotal.io/.

5.2 Late Delivery of Pivotal Software. If Principal anticipates that it will not supply any Pivotal Offering by the required Delivery date, Principal shall notify Agent immediately. The notification may be communicated verbally or by email or facsimile, provided that Principal shall use reasonable efforts to obtain Agent's acknowledgment of the notice of anticipated delay. Principal and Agent will jointly develop alternatives to resolve any late Delivery of the Pivotal Offering. Principal will develop recovery plans with new committed Delivery dates and communicate such plans to Agent within twenty-four (24) hours of missed a Delivery.

5.3 Additional Pivotal Offerings Information . Principal will provide, to the extent relevant, the following information about its Pivotal Offerings in writing within two (2) weeks of receiving a written request from Agent: i) country of origin; ii) NAFTA preference criteria; iii) harmonized scheduled tariff classification number; and iv) export commerce control number.

5.4 **Delivery of Pivotal Professional Services** . Agent will resell Pivotal Professional Services by entering into an agreement with End Users (or Channel Partner) that includes the Pivotal Professional Services terms. Principal will be solely responsible for performing the Pivotal Professional Services sold to End Users under this Agreement. Principal will compensate Agent for the resale of Pivotal Professional Services in accordance with Exhibit A and this Agreement.

6.0 **WARRANTY**

6.1 Pivotal Offering Warranty . Principal warrants to Agent that it will provide and perform for End Users the applicable warranty, if any, for the Pivotal Offerings stated in Principal's standard end user terms and conditions. Principal acknowledges that, on occasion, Agent may be asked by an End User to exercise the End User's warranty and support rights on behalf of the End User. Principal agrees to allow Agent to do so and in such instances will provide the warranty and Support Services to the End User through Agent to meet the End User's business needs within the scope of this Agreement.

6.2 Full Authority . Principal has the right to provide the Pivotal Offerings to End Users, including any rights needed with respect to any third party proprietary software contained in the Pivotal Offerings.

6.3 No Adverse Claims . As of the Effective Date, no material claim of violation of an intellectual property or proprietary right has been asserted against Principal with respect to the Pivotal Offerings that has not been dismissed with prejudice. Further, Principal is not aware of any such claim being contemplated by a third party.

6.4 Disclaimer . THE FOREGOING WARRANTIES SET FORTH IN THIS SECTION 6 ARE IN LIEU OF, AND PRINCIPAL EXPRESSLY DISCLAIMS, ALL OTHER REPRESENTATIONS, WARRANTIES OR CONDITIONS, WHETHER EXPRESS, IMPLIED, WRITTEN OR ORAL, STATUTORY OR ARISING BY OPERATION OF LAW, COURSE OF DEALING OR PERFORMANCE, OR USAGE OF TRADE, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT.

7.0 **SUPPORT**

7.1 By Principal to End Users . When applicable, Principal will provide Support directly to End Users subject to payment therefor. Agent and its Channel Partner are authorized to sell Principal's contracts for Support to End Users. The Support Services agreement shall be executed between Principal and the End User. Agent will receive the mutually-agreed fees for Support Services either alone or as part of Pivotal Subscription Services if Agent concludes such a sale.

7.2 Cooperation . The parties agree to cooperate with respect to End User Support to help End Users obtain the Support they purchase.

7.3 Software Assurance

7.3.1 Security Vulnerability . A " **Security Vulnerability** " is a set of conditions that leads or may lead to an implicit or explicit failure of the confidentiality, integrity or availability of a system. Security Vulnerabilities include, but are not limited to: (i) Executing commands as another user; (ii) Accessing data in excess of specified or expected permission; (iii) Posing as another user or service within a system; (iv) Causing an abnormal denial of service; (v) destroying data without permission; or (vi) Exploiting an encryption implementation weakness that significantly reduces the time or computation required to recover the plaintext from an encrypted message. Principal shall follow industry-standard software assurance practices (such as standards developed by SAFECode.org, ISO or any successor or similar industry organization) to minimize the risk of Security Vulnerabilities being introduced in the Pivotal Software provided to Agent at any point in the product lifecycle. Upon external discovery (including, without limitation, by Agent or one of its customers) of any Security Vulnerability in the Pivotal Software, Principal shall follow industry best practices for handling and responding to vulnerabilities such as ISO Standards 29147 and 30111.

7.3.2 Backdoor . A " **Backdoor** " is an intentionally included, undocumented method or other deliberately included malicious software that provides unauthorized access to a program, online service or system. Backdoors can include, but are not limited to, harmful code, time bombs, viruses, worms or similar software which may deactivate or electronically repossess the Pivotal Software or other software, take possession of data, or cause damage to any product or data. Principal covenants, represents and warrants that Pivotal Software provided to Agent does not and shall not contain any Backdoors.

7.4 **Authenticity & Integrity.** Principal shall have a mechanism for demonstrating the authenticity and integrity of the Pivotal Software provided to Agent (e.g., digitally signing mobile code or distributing verifiable product code from a trusted web site).

8.0 **NEW TECHNOLOGY**

8.1 If Principal acquires or develops a type of software or service which is like one or more of the Pivotal Offerings, or performs a similar function, or would obsolete one or more of the Pivotal Offerings due to new technology, Principal will give Agent notice at least 60 days prior to the release of a new product, furnish Agent with the specifications and other pertinent information, and at the request of Agent, support an engineering evaluation of the product upon the availability of a working version. The new software or service will thereafter be considered a Pivotal Offering under the terms and conditions of this Agreement. Principal will continue to provide Support for the original Pivotal Offering as well as the new offering in accordance with this Agreement

9.0 **REVIEW AND PLANNING MEETINGS**

9.1 Liaisons . Principal and Agent shall each appoint a business manager as primary points of contact to manage the parties' relationship under this Agreement. These liaisons will also be responsible for coordinating meetings and reports provided for in this Agreement. The names, telephone and email addresses of the liaisons will be provided by the parties to each other within two (2) weeks of the Effective Date, and the liaisons may be changed by written notice from one party to the other.

9.2 Business Manager Meetings . The parties will conduct quarterly business review meetings to review the business conducted in the prior quarter. Agent and Principal will determine the location and times for these meetings. The purpose of these meetings is listed below:

a. Review Principal's performance over the past quarter;

b. Review action items and resolution;

c. Identify opportunities and areas of improvement;

d. Agree on commitments, set target dates, and define “persons” responsible;

e. Review appropriate Principal reports; and

f. Review Principal quality and reliability improvement plans.

9.3 Senior-level Reviews . In addition to the quarterly business meeting referenced in Section 9.2, the parties will conduct senior-level strategic quarterly business meetings to review, at a minimum, Principal’s 12-month technology roadmap for the Pivotal Offerings, interoperability testing and improvement, and integration of Principal’s Pivotal Software roadmap with Agent’s overall information life-cycle management strategy and follow-on marketing programs.

10.0 INDEMNIFICATION AND LIMITATION OF LIABILITY

10.1 Property Damage; Warranty Claims . Principal shall indemnify, defend and hold harmless Agent, its Affiliates, Channel Partners and End Users from any liabilities, claims, demands, suits (and any costs, judgments and settlement amounts associated therewith) made against such indemnified parties by third parties for (a) damage to real property and tangible personal property, bodily injury, personal injury, or death, caused by or arising from (i) the Pivotal Offerings or (ii) the negligence or willful misconduct of Principal or any person or party performing Principal’s obligations hereunder; (b) alleged breach of Principal’s Pivotal Offerings warranties. Agent will provide Principal (1) prompt notice in writing of any such claims (but late notice shall not void Principal’s obligations in this Section unless the lateness itself prejudiced Principal’s ability to fulfill its obligations), (2) sole control of the defense of such claims and all negotiations for its settlement and compromise, and (3) reasonable cooperation from Agent, as applicable, at Principal’s expense in the defense or settlement of such claims. When settling or compromising any claim, Principal shall not, without Agent’s written approval, make any admission of facts that expose Agent to the imposition of punitive damages or other claims that are not covered by this indemnification. Principal shall carry and maintain workers compensation and general liability insurance coverage to cover Principal’s obligations under this Section.

10.2 Infringement Claims . Principal shall defend, indemnify, and hold Agent, its Affiliates, Channel Partners and End Users harmless against any third party liabilities, claims, demands, suits (and any costs, judgments and settlement amounts associated therewith) that the use or disposition of a Pivotal Offerings misappropriates a trade secret or infringes a patent, copyright, or trademark in any of the jurisdictions within which the Pivotal Offerings were sold. Principal shall promptly engage counsel qualified in the subject matter of such dispute upon receiving notice. Principal shall also pay all damages awarded or agreed to under a settlement made by Principal and/or by a court of final appeal attributable to such claim. Agent will provide Principal (i) prompt notice in writing of such claim (but late notice shall not void Principal’s obligations in this Section unless the lateness itself prejudiced Principal’s ability to fulfill its obligations); (ii) sole control over the defense and settlement thereof; and (iii) reasonable cooperation from Agent, as applicable, at Principal’s expense in response to a Principal request for assistance. When settling or compromising any claim, Principal shall not, without Agent’s written approval, make any admission of facts that expose Agent to the imposition of punitive damages or other claims that are not covered by this indemnification. Should any Pivotal Offering become, or in Principal’s opinion be likely to become, the subject of such a claim, Principal shall, at its option and expense, (a) procure for Agent, Channel Partners and End Users the right to make continued use thereof in accordance with this Agreement; (b) replace or modify the affected Pivotal Offering(s) so that it becomes non-infringing but with substantially equivalent functionality and performance; or (c) if neither (a) nor (b) are reasonably available, accept return of the affected Pivotal Offering(s) and upon receipt thereof refund to Agent the price paid therefore by Agent to Principal. THIS SECTION 10.2 STATES THE ENTIRE LIABILITY OF PRINCIPAL AND AGENT'S SOLE AND EXCLUSIVE REMEDY WITH RESPECT TO INFRINGEMENT CLAIMS.

10.3 Caps on Direct Damages . Except as may be prohibited by applicable law, AGENT'S LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER BASED ON WARRANTY, CONTRACT, TORT OR OTHERWISE, SHALL NOT EXCEED THE GREATER OF (i) THE TOTAL AMOUNTS PAID BY AGENT TO PRINCIPAL IN THE TWELVE MONTHS IMMEDIATELY PRECEEDING THE DATE OF THE NOTICE OF A CLAIM, OR (ii) ONE MILLION DOLLARS.

10.6 No Indirect Damages . Except as prohibited by applicable law, AGENT SHALL HAVE LIABILITY TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, EXEMPLARY, INCIDENTAL, OR INDIRECT DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, REVENUES, DATA AND/OR USE), EVEN IF ADVISED OF THE POSSIBILITY THEREOF.

11.0 CONFIDENTIAL INFORMATION

11.1 Definition and Obligation . This Section 11 is intended to apply to the transactions described in this Agreement as well as to any information exchanged between the parties related to this Agreement and identified as confidential information, but, shall not supersede any other nondisclosure agreement(s) which may otherwise bind the parties. Either party may, in connection with this Agreement, disclose to the other party information considered confidential and proprietary information of the disclosing party (hereinafter " Confidential Information "). Information shall be considered Confidential Information if clearly identified in writing as confidential in nature by the disclosing party at the time of disclosure, or if the disclosure is oral, is so identified in writing within thirty (30) Business Days thereafter. The receiving party shall protect the disclosing party's Confidential Information with the same degree of care that it regularly uses to protect its own Confidential Information from unauthorized use or disclosure, but not less than reasonable care. No rights or licenses under patents, trademarks or copyrights are granted or implied by any disclosure of Confidential Information. Sections 11.1 and 11.2 shall survive the expiration or termination of this Agreement for a period of three (3) years after disclosure to a party.

11.2 Exceptions . The obligations of confidentiality imposed by this Agreement shall not apply to any Confidential Information that: (a) is rightfully received from a third party without disclosure restrictions; (b) is independently developed by employees of the receiving party without use of the other party's Confidential Information; (c) is or becomes publicly available through no wrongful act of the receiving party; (d) is already known by the receiving party as evidenced by documentation bearing a date prior to the date of disclosure; or, (e) is approved for release in writing by an authorized representative of the disclosing party.

11.3 Disclosure to Government . If a party is required to disclose the Agreement to the government, then before making such disclosure, it shall provide a draft of the proposed disclosure to the other party with an opinion of counsel as to the need to make the disclosure.

12.0 TERM AND TERMINATION

12.1 Term . The initial term of this Agreement will be one (1) year beginning on the Effective Date. This Agreement will automatically renew for additional successive one-year terms unless one party informs the other of its intent to let the Agreement expire at least ninety (90) days before the end of the then-current term. Notwithstanding the foregoing, if Agent divests 100% of its ownership interests in Principal, then this Agreement will terminate upon the effective date of the divestiture. The parties agree to negotiate a new agreement to replace it prior to the divestiture to avoid any interruption in business

12.2 Termination for Convenience. Either party may terminate this Agreement for its convenience on thirty (30) days' notice to the other party.

12.3 Mutual Termination Rights. Either party may terminate this Agreement upon written notice if the other party:

a. becomes insolvent or bankrupt, files or has filed against it a petition in bankruptcy, or undergoes a reorganization pursuant to a petition in bankruptcy filed with respect to it; provided that such proceeding is not vacated, dismissed or set aside within sixty (60) days after the date of commencement thereof;

b. is dissolved or liquidated, or has a petition for dissolution or liquidation filed with respect to it;

c. is subject to property attachment, court injunction, or court order which has a material, adverse impact on its operations;

d. makes an assignment for the benefit of creditors;

e. commits a material breach of the Agreement that remains uncured more than thirty (30) days, or such other time period as the parties mutually agree, after the breaching party has received written notice thereof from the non-breaching party. After expiration of the cure period in the foregoing sentence, the non-breaching party may terminate the Agreement by sending a further letter of termination, which shall be effective upon receipt if the breach remains uncured.

12.4 Additional POs. Prior to the effective date of termination, Agent may issue additional POs with Deliveries to be scheduled not later than sixty (60) days after the effective termination date. If Agent has included Pivotal Offerings in Quotes to potential End Users prior to termination, and the End User issues POs within ninety (90) days after termination, then the price for such Pivotal Offerings to fulfill such POs shall be the price quoted to Agent prior to the Agreement termination. Principal shall not change the price for the Pivotal Offerings to be provided under such POs unless the parties agree to the change in writing.

12.5 Effects of Termination. Upon termination or expiration of this Agreement, each party shall promptly (but in no event later than 60 days) return all of the other's tangible proprietary information, prototypes and loaned equipment, if any. Each party shall further destroy or return to the other party any Confidential Information of the other party that it has received in connection with the Agreement. Termination of this Agreement will not relieve the parties of any obligations incurred prior to the effective date of termination. The termination or expiration of this Agreement shall not impair any End User license or Support already granted by Agent or Channel Partners to End User for Pivotal Offerings. The rights of Channel Partners shall cease co-terminus with those of Agent.

12.6 Payment of Commissions. Upon termination of this Agreement, Agent shall, within settle accounts with Principal as mutually agreed by the parties.

12.7 Survival. The provisions of this Agreement which by their nature survive termination or expiration of the Agreement shall survive, including without limitation: 1 ("Definitions"); 4 ("Receivables, Proceeds and Compensation of Agent") but only if payments remain due and owing after termination; 5 ("Delivery") but only as necessary to fulfill orders placed under Section 13.4; 6.4 ("Disclaimer"), 7.1 ("By Principal to End Users"); 7.3 ("Cooperation"); 10 ("Indemnification and Limitation of Liability"); 11 ("Confidential Information and Publicity") but with the limitations provided therein; 12.5 ("Effect of Termination"); 12.6 ("Payment of Commissions"); 12.7 ("Survival"); 13 ("Compliance with Laws") and 14 ("Miscellaneous").

13.0 COMPLIANCE WITH LAWS

13.1 General. Principal will cooperate with Agent to ensure that the Pivotal Offerings comply with applicable laws and that the parties are able to comply with their respective legal obligations with respect to the Pivotal Offerings. Principal and its employees, contractors, and subcontractors shall comply with all applicable laws in connection with any matters that relate to the performance of this Agreement. Agent may provide Principal with policies and procedures that Agent has developed to facilitate Agent's compliance with applicable laws, and Principal agrees to cooperate with Agent in conforming to such policies and procedures. The Sections below are not intended to be an exhaustive list of all legal obligations a party may have in performing under this Agreement. Principal shall indemnify Agent for all liabilities, taxes, and penalties associated with its failure to comply with applicable laws.

13.2 Ethical Business Practices. Each party represents and warrants that it has adopted the EICC Principal Code of Conduct (http://www.eicc.info/EICC%20CODE.htm) or another code that covers the same subjects and as to these subjects, requires substantially the same objectives and outcomes. Each party agrees to provide such code to the other code to party upon request. During the term of this Agreement, each party agrees to conform its conduct to the code that it has adopted.

13.2.1 Anti-Corruption Laws. Each party understands the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, any other anti-bribery laws in countries in which the party performs under this Agreement, and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (collectively the " Anticorruption Laws ") and their applicability to conduct in relation to this Agreement. Each party agrees not to cause the other to breach the Anticorruption Laws, and agrees to comply with the Anticorruption Laws as if they were applicable to such party. Each party agrees to accurately record in its books and records any and all expenses related to the business under this Agreement. Each party represents it is a publicly held company or, if privately held, that none of the officers, directors, shareholders, or beneficial owners of the party are government officials and that no more than 40% of the party is owned or controlled by the government. The terms of this Agreement may be disclosed to the relevant government authorities, if deemed appropriate a party receiving a government request for it. Each party agrees to provide the other party with periodic certifications, in a form and manner acceptable to the requesting party, of compliance with the Anticorruption Laws as if the certifying party were subject to those laws. Each party (as requestor) will grant the other party (as recipient) reasonable access to the books and records of the recipient party and the right to audit them if the requestor party has a good faith belief that the recipient party has violated the Anti-Corruption Laws in connection with its performance under this Agreement. A party may terminate this Agreement if it has a good faith belief that the other party has violated any of the Anticorruption Laws with respect to its performance under this Agreement.

13.3 Country of Origin Identification. For each Pivotal Offering that the parties mutually agree to sell under this Agreement, Principal shall furnish Agent upon request with country of origin (manufacture) by quantity and model number (Agent's and Principal's). Each component or module, if applicable, of each Pivotal Offering shall be marked with the country of origin as required by applicable law. Upon Agent's request, Principal shall provide Agent with a report listing each component or module of each Pivotal Offering and its country of origin.

13.4 Export. Each party shall comply with all export control laws and regulations applicable to its use, transfer or export of the Pivotal Software and Documentation and Vouchers for the foregoing. Principal certifies that it is not restricted from making or receiving U.S. exports. Principal shall be responsible for obtaining such export classification control numbers, general licenses or other governmental authorizations as may be required with respect to the use, transfer, or export of the Pivotal Software and Documentation.

13.4.1 Customers-Trade Partnership Against Terrorism (C-TPAT). Principal shall maintain verifiable, documented, security program that describes Principal's procedural security, physical security, access controls, personnel security, education and training awareness, manifest procedures and conveyance security. Principal represents, warrants and covenants that its security program is compliant with the U.S. Customs and Border Protection Service C-TPAT Security Recommendations (as amended) or any successor requirements.

13.4.2 National Security Regulations. Certain countries may, from time to time, enact laws that require submission of information prior to cargo arriving in the country or region. As of the Effective Date, the parties are aware of such laws in the U.S., the countries in the European Union and in Canada. The parties agree to cooperate in providing the necessary information to parties or their designees to allow a party with reporting obligations to fulfill such obligations in a timely manner.

14.0 MISCELLANEOUS

14.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the [State of Texas] [Republic of Ireland], excluding its conflict of law (or similar) rules and excluding the United Nations Convention on Contracts for the International Sale of Goods.

14.2 Relationship of the Parties. Except as expressly provided for in this Agreement, nothing in this Agreement shall be construed (a) to give either party the power to direct or control the daily activities of the other party, or (b) to constitute the parties as employer and employee, franchisor and franchisee, partners, joint venturers, co-owners or otherwise as participants in a joint undertaking. Except as expressly provided for in this Agreement, Agent has no right or authority to (i) assume or create any obligation of any kind, express or implied, on behalf of Principal, or (ii) waive any right, interest, or claim that Principal may have against any other person.

14.3 Waiver. The failure of either party to insist upon or enforce strict conformance by the other party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment of such party's right unless made in writing and shall not constitute any subsequent waiver or relinquishment.

14.4 Amendments. To be valid, amendments or modifications to the Agreement must be in writing and signed by an authorized representative of each party. Any verbal agreements, discussions, and understandings, expressed or implied, shall not constitute amendments to this Agreement.

14.5 Severability. If any provision of this Agreement is finally held by a court of competent jurisdiction to be illegal or unenforceable, then such provision shall be deemed adjusted to conform to the applicable requirements, to the extent reasonably possible, and the adjusted provision, if any, shall have the same effect as if originally included herein. In any event, the legality, validity, and enforceability of the remaining provisions of this Agreement shall not be affected or impaired.

14.6 Force Majeure. If the performance hereof, or any obligation hereunder is prevented, restricted or interfered with by reason of fire or other casualty or accident; strikes or labor disputes; war or other violence; any law, order, proclamation, regulation, ordinance, demand or requirement of any governmental agency; or any other act or condition whatsoever beyond the reasonable control of the parties hereto, excluding weather conditions other than catastrophic weather conditions and excluding events which could reasonably have been avoided by the exercise of reasonable prudence, the party whose performance is so affected, upon giving prompt notice to the other party, shall be excused from such performance to the extent of such prevention, restriction or interference; provided, however, that the party so affected shall take reasonable steps to avoid or remove such causes of non-performance and shall immediately continue performance hereunder whenever such causes are removed. If the delay lasts for sixty (60) or more days from the original date of performance, the party receiving notice of the delay shall have the right to terminate the performance of the affected obligation and/or the Agreement.

14.7 Assignment. Neither party may assign this Agreement or any rights or delegate any duties hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. For clarity, a party that is acquired through the purchase of its assets or its voting equity shall be deemed an assignment under this Section. Any assignment shall not relieve the assigning party of its obligations without the written consent of the other party. Any attempted assignment without the other party's written consent will be void. Any entity that assumes this Agreement agrees to be bound by all of its terms without modification as a condition to the consent to assign the Agreement.

14.8 Notice. Any notices required or permitted by this Agreement shall be in writing and shall be delivered to the persons identified below with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by electronic mail upon acknowledgement of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. If Principal changes any of the website addresses referenced in this Agreement, then Principal will promptly notify Agent pursuant to this Section. Notices shall be sent to the email or mailing addresses below or such other address as either party may specify in writing.

Agent
[EMC Corporation
176 South Street
Hopkinton, MA 01748
Attn: Alliances Manager — Pivotal]

[EMC Information Systems International
Ovens, County Cork, Ireland
Email:]

with a copy to:
EMC Corporation
Attn: Contracts Manager
One Dell Way, Round Rock, Texas 78682

Principal
[Pivotal Software. Inc.
875 Howard Street, 5th floor
San Francisco, CA 94103
Attn:
Email:]

[Pivotal Software International
Ovens, County Cork, Ireland
Attn: Legal Department
Email:

with a copy to:
Pivotal Software. Inc.
875 Howard Street, 5th floor
San Francisco, CA 94103
Attn: Office of the General Counsel
Email:]

14.9 Technical Contacts. With respect to all other communications between the parties, the principal contacts are noted below. This information may be changed by written notice between the parties and without the necessity of amending this Agreement:

Agent
EMC Corporation
176 South Street
Hopkinton, MA 01748
Attn: Supply Base Management Technical

Principal
[Pivotal Software, Inc.
875 Howard Street, 5th floor
San Francisco, CA 94103
Attn: Office of the General Counsel
Email:]

[Pivotal Software International
Ovens, County Cork, Ireland
Attn: Legal Department
Email:

with a copy to:
Pivotal Software, Inc.
875 Howard Street, 5th floor
San Francisco, CA 94103
Attn: Office of the General Counsel
Email:]

14.9 Interpretation and Counterparts. The section and paragraph headings of this Agreement are intended as a convenience only, and shall not affect the interpretation of its provisions. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one single agreement between the parties.

14.10 Effect of Order and Acceptance Documents. The parties agree that the terms and conditions of this Agreement shall prevail, notwithstanding the contrary or additional terms in any PO, sales acknowledgment, confirmation or any other document issued by either party effecting the purchase and/or sale of Pivotal Offerings, unless such alternate terms are expressly approved in writing by both parties.

14.11. Entire Agreement. This Agreement, including all Exhibits, constitutes the entire agreement between the parties and supersedes all prior or contemporaneous agreements, discussions, and understandings between the parties, either express or implied. As of the Effective Date, the following Exhibits are part of this Agreement and are incorporated herein by this reference:

Exhibit A Rate of Commissions

Exhibit B Licensed Marks

Exhibit C Support and Maintenance Terms

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

[Pivotal Software, Inc.
(formerly known as GoPivotal, Inc.)]
[Pivotal Software International
(formerly known as GoPivotal International Limited)]
"Principal"

By: ________________________

Print Name: ________________________

Title: ________________________

[EMC Corporation]
[EMC Information Systems International]
"Agent"

By: ________________________

Print Name: ________________________

Title: ________________________

EXHIBIT A

Rates of Commissions

This Exhibit A sets forth the rates of commissions to be paid to Agent for the Pivotal Offerings stipulated in the Agreement.

1. Commission Rate for Pivotal Offerings between January 1, 2016 and June 30, 2016 . Pursuant to Section 5 of this Agreement, between January 1, 2016 and June 30, 2016, Principal shall pay Agent one and one-half percent (1.5%) of Net Revenue for any Pivotal Offerings

2. Commission Rate for Pivotal Offerings starting August 11, 2017 . Pursuant to Section 5 of this Agreement, starting on July 1, 2016 and after, Principal shall pay Agent five percent (5.0%) of Net Revenue for any Pivotal Software and Pivotal Subscription Services, and two and one half percent (2.5%) for Support pertaining to perpetual licenses. Further, Principal agrees to pay Agent a 2.5% payment of Net Revenue for Pivotal Professional Services sold under this Agreement (to an End User with specific Pivotal terms provided by Agent).

3. Net Revenue . For purposes of this Agreement, " Net Revenue " shall mean all amounts invoiced by Agent, pursuant to Pivotal Offerings sold/licensed to End Users in the Territory, as determined in accordance with U.S. Generally Accepted Accounting Principles (" US GAAP " *)* , net of all freight, insurance, value added or similar taxes, duties and other similar charges, and less all credits, discounts and amounts refunded to End Users as a result of Pivotal Offering returns.

4. Reimbursement of Expenses . Principal shall reimburse Agent for all (a) non-recoverable national, local, value added tax, and similar taxes (excluding taxes on the net income of Agent) paid by Agent in the performance of its obligations hereunder, and (b) significant third party costs and/or non-recurring costs incurred in the performance of its obligations hereunder to the extent that the Parties agree to exclude such costs from paragraph 3, above.

EXHIBIT B

LICENSED MARKS

The Licensed Marks are stated at:

EXHIBIT C

Support Services Terms

This Exhibit C for Licensed Software Support Services Terms (" **Exhibit C** ") supplements the Agreement between the parties and specifies the obligations of Principal and Agent with respect to support and maintenance of the Licensed Software. As used in this Exhibit C, "Licensed Software" has the same meaning as "Licensed Software" defined in Section 1.10 of the Agreement. Capitalized terms not defined herein shall have the meaning ascribed to them in the Agreement. If any conflict arises between the Agreement and this Exhibit C, the terms of the Agreement shall control.

Agent will provide End Users with the following link to Principal's Support Services terms and condition as the terms governing End Users' receipt and use of Support Services for Pivotal Offerings:

Exhibit 10.7

THIRD RESTATED AGENCY AGREEMENT

This 3rd Restatement of Agency Agreement ("Agreement") is entered into effective as of March 20, 2018 ("3rd Restatement Date") by and between **VMware, Inc.** , a Delaware corporation, on behalf of itself and its subsidiaries, including VMware International Ltd., a private limited company incorporated under the laws of Ireland with its principal place of business in Ballincollig, Ireland (collectively, "VMware") and **Pivotal Software, Inc.** a Delaware corporation, on behalf of itself and its subsidiaries, including Pivotal Software International Holdings, an unlimited private company incorporated under the laws of Ireland with its principal place of business in Bermuda ("Pivotal"). The parties acknowledge and agree that Pivotal Software International Holdings (formerly known as GoPivotal Holdings) previously assigned its rights and obligations in the Agreement to Pivotal Software International, and VMware, Inc. confirms its consent to such assignment.

Background

WHEREAS, VMware and Pivotal entered into (1) that certain Distribution Agreement for Cloud Application Products as of April 1, 2013 and amendment dated January 1, 2014 thereto, and (2) that certain Second Restatement of Agency Agreement for Cloud Application Platform Products as of July 1, 2014 and (a) amendments dated January 1, 2015, January 1, 2016, January 1, 2017 thereto, as well as (b) amendment to Schedule 2 thereto as of June 21, 2016; and the parties to this Agreement now desire to amend and restate that agreement in its entirety as set forth herein, effective as of the 3rd Restatement Date;

WHEREAS, the parties desire for VMware and its Channel Partners (as defined below) to continue as a non-exclusive means for reselling and/or distributing the Pivotal Products and related services identified in Exhibit A hereto to customers during the Term (as defined in Section 10.1 below); and

WHEREAS, the parties intend for VMware to act as Pivotal's agent in the reselling and/or distributing of Pivotal Products and related services identified in Exhibit A hereto, including interactions with VMware's Channel Partners.

NOW, THEREFORE, in consideration of the premises and covenants set forth herein and intending to be legally bound, the parties hereby agree as follows:

Agreement

1. DEFINITIONS

1.1 " Channel Partners " means any business entity used by VMware to market or resell Products to End Users, directly or indirectly, in accordance with the terms of this Agreement.

1.2 " Documentation " means the Product specifications and applicable user and operations manuals for the Product(s).

1.3 " End User " means a third party that acquires Products for use in accordance with the relevant End User License Agreement (EULA).

1.4 " End User Services " means collectively the warranty and post-warranty support and maintenance services and professional services concerning Products provided to End Users.

1.5 " Improvements " means any additions or other modifications that consist of derivative works of the Products after the 3rd Restatement Date by or on behalf of Pivotal.

1.6 " Product(s) " means the Pivotal software products, and any updates or upgrades thereto, listed on or referenced in Exhibit A, respectively, all of which shall be maintained cooperatively by the parties as one or more current, ongoing documents (" Pivotal Product Lists ") and which are incorporated herein by reference. In the event there is a conflict between a Product number, description or title and the Production Documentation for that Product on the applicable Pivotal Product List, the parties agree that the Product Documentation shall control. Pivotal's part number is referenced for Pivotal's convenience only.

1.7 " 3rd Restatement Signature Date " means the date on which this Agreement is signed by the last of the four parties identified in the signature block signs it.

1.8 " Security Vulnerability " means a set of conditions that lead, or may lead, to an implicit or explicit failure of the confidentiality, integrity or availability of a Product or of a system of which a Product is a component. Security Vulnerabilities include, but are not limited to: (i) Executing commands as another user; (ii) Accessing data in excess of specified or expected permission; (iii) Posing as another user or service within a system; (iv) Causing an abnormal denial of service; (v) Inadvertently or intentionally destroying data without permission; or (vi) Exploiting an encryption implementation weakness that significantly reduces the time or computation required to recover the plaintext from an encrypted message.

2. APPOINTMENT AS RESELLER; LICENSE RIGHTS

2.1 Appointment . Pivotal hereby authorizes and appoints VMware during the Term as its non- exclusive agent to fulfill the distribution of Products and End User Services and provide licensing infrastructure services related thereto, and VMware accepts such appointment. VMware may perform these functions directly and also by utilizing its Channel Partners to act as non-exclusive resellers and sub-suppliers of the Products and End User Services pursuant to the terms of this Agreement. The Products may be sold separately or bundled together with other VMware products or services for resale worldwide, subject to compliance with applicable law and export regulations. The parties may, from time to time, agree in writing to add additional items to the definition of Products and associated services under the terms of this Agreement.

2.2 Licenses

2.2.1 Non-Production Uses . Except as may otherwise be set forth in Exhibit A or a Product-specific addendum thereto, respectively, Pivotal hereby grants to VMware a non- exclusive, fee-free, worldwide license, with rights to license Channel Partners, to use the Products, in object code form only, for interoperability and quality testing and for marketing, sales, training, and demonstration purposes. Pivotal will provide VMware with a reasonable number of copies for such purposes.

2.2.2 Distribution Rights . Pivotal hereby grants to VMware a non-exclusive, worldwide, fee-based license to distribute the Products standing alone and, when applicable, distributed in conjunction with other VMware products, and to authorize Channel Partners to do the foregoing. VMware's distribution of Products pursuant to this Section 2.2.2 and during the Term shall be through legal agreements entered into on behalf of Pivotal where practical, but subject to the provisions of Section 3 below.

2.2.3 Restrictions on License . Notwithstanding any references to the sale or resale of Products under this Agreement, VMware, its Channel Partners, and End Users are acquiring under this Agreement only the right to use and distribute the Products. The parties' respective ownership interests in the Products and any modifications thereto, and any intellectual property interests appurtenant thereto, have been set forth in that certain Intellectual Property License Agreement (" IP Agreement ") entered into by and between the parties as of April 1, 2013.

2.3 Trademark License to VMware . Pivotal hereby grants to VMware and its Channel Partners during the Term a non-exclusive, worldwide, fee-free license to use Pivotal's logos and trade names (" Licensed Marks ") in connection with the sale, advertisement, and promotion of Product(s). VMware will use the Licensed Marks in accordance with reasonable usage guidelines and criteria provided by Pivotal from time to time. Pivotal's current trademark guidelines can be accessed at https://www.pivotal.io/trademarks. All resulting use of the Licensed Marks shall inure solely to the benefit of Pivotal or its suppliers.

2.4 Open Source Software . Open source software components provided with the Products shall be distributed under the terms of the applicable open source software license agreements or copyright notices accompanying the Products. Pivotal shall provide to VMware a listing of all free/open source software packages (including, packages released to the public domain) that Pivotal includes in the Licensed Software upon delivery of each release to VMware. Pivotal shall provide the following information about each package: (i) the name; (ii) the version; and (iii) the full license text as included in the package. If a free/open source package embeds additional free/open source package(s), Pivotal shall list the additional free/open source package(s) separately. Pivotal shall provide a list of sufficient quality to be customer-facing without modification by VMware. VMware may use the listing verbatim, with modification, or aggregated within the free/open source listing for the VMware product(s) with which the Product is distributed, if any. Upon VMware's good faith request based on an End User request to VMware, Pivotal will provide to VMware the source code, including build and installation instructions if required by the open source license, for the applicable free/open source software in accordance with the Product Documentation.

3. **PRODUCT ORDERING AND RELATED SERVICES** . VMware will process and fulfill, whether directly or indirectly all End User and Channel Partner orders for Products, and provide other licensing infrastructure services as mutually agreed to by the parties.

4. **PRICING AND PAYMENT**

4.1 Pricing .

4.1.1 Excluding Products and End User Services provided to End Users pursuant to VMware's Enterprise Purchasing Program (" EPP "), a token-based program in which the End Users can purchase VMware tokens that can then be redeemed on-line for licensed and associated production support and subscription, Pivotal shall be responsible for determining, in its reasonable discretion, the suggested list price for the Products and End User Services and shall provide VMware with a comprehensive price list denominated in USD for such Products and End User Services (" Pivotal Price List ") on a monthly basis. VMware shall be authorized to convert the Pivotal Price List into local currencies in a manner consistent with VMware's then-current local currency practices, and VMware shall be authorized to apply its then-standard Channel Partner program discounts and incentives against the Pivotal Price List to determine a sales price.

4.1.2 Any changes to the Pivotal Price List, whether to prices or to how Products or End User Services are bundled or to any other conditions that would be likely to have a material impact on VMware's reselling and fulfilling orders for the Products and End User Services as envisioned by this Agreement, shall be provided by Pivotal to VMware 90 days before such changes are to take effect. During such 90 day period, the parties shall work together in good faith to mitigate any undesirable impact of the noticed changes. If such efforts are unsuccessful, then VMware may elect not to resell or fulfill orders for the affected Product(s) and/or End User Services.

4.2 Payments .

4.2.1 For the purpose of this Section 4.2, "Bookings" shall mean the dollar amount recognized by VMware for the sale of any Product or End User Service. VMware shall pay to Pivotal the Bookings for any Product or End User Service ordered pursuant to this Agreement less a fee withheld by VMware (" Agency Fee "), which shall be set forth in Exhibit

A. Pivotal is entitled to the gross amounts of all end user transactions accepted by VMware and is obligated to pay an Agency Fee based on the gross amount of the transaction. For convenience, VMware and Pivotal have elected to journal and settle transactions net. The gross amount of the transaction is defined as the amount billed to the customer, by VMware, less any rebates that VMware is obligated to pay to its distributors concerning the Products or End User Services.

4.2.2 Subject to Section 4.2.3 below, any change in the Agency Fee shall be mutually negotiated in advance of the next quarter and documented in an addendum to Exhibit A. Such negotiations shall consider the good faith estimate of the Bookings forecast for Products and End User Services from Pivotal, and VMware's corresponding cost structure for each upcoming quarter taking into consideration the anticipated sales compensation structure and the percentage anticipated to be necessary to generate an operating profit of three percent (3%) to VMware on such Products and End User Services. For Bookings received by VMware under agreements with End Users where the Products or End User Services are distributed in conjunction with other VMware products and services, unless a price for the Pivotal Product or End User Service is specifically agreed to by both parties, the parties shall endeavor to calculate Bookings as a fair attribution of the value of the Products and End User Services relative to the other products and services included under the applicable agreement.

4.2.3 The parties shall apply the discount program and approval policies for Products and End User Services set forth in the Discount Approval Matrix attached hereto as Exhibit B and as may be revised from time to time by the parties to reflect their then-current practice.

4.3 Payment Terms **.** Payment terms for all licenses for Products and End User Services sold by VMware on Pivotal's behalf shall be net sixty (60) days from the last day of the month in which VMware enters into a contract with a Channel Partner or End User. Payment of an invoice shall not constitute or imply acceptance of the Products or End User Services or relieve Pivotal of any obligations assumed under this Agreement, nor prevent VMware from asserting any other rights it may have under this Agreement.

4.4 Reconciliation . On a quarterly basis, the parties shall determine in good faith the aggregate amount, if any, paid by VMware to Pivotal for orders of the Products or End User Services and for which VMware was not paid, or not paid fully, by the End User. VMware shall not be responsible for such unpaid or incompletely paid orders, and Pivotal shall refund such aggregate amount to VMware within 45 days following the reconciliation.

4.5 Taxes . VMware will provide Pivotal with any resale certificate applicable to this Agreement. Except as exempted by the resale certificate, VMware shall include proper sales, value added, use, property, excise and like taxes, import duties and/or other applicable levies (" Tax ") on all payments due to Pivotal. If VMware is required by any national government to withhold from any payments specified herein Tax attributable to Pivotal as a result of such payment, then VMware will withhold such Tax and notify Pivotal of the amount thereof.

5. WARRANTIES

5.1 Product Warranty . Pivotal warrants to VMware, and to each Channel Partner but only if VMware's applicable agreement(s) with such Channel Partner so warrants and, if so, only to that extent, that the Products will perform substantially in accordance with their applicable Documentation. Pivotal acknowledges that, on occasion, VMware may be asked by an End User to exercise the End User's warranty and support rights on behalf of the End User. Pivotal agrees to allow VMware to do so and in such instances will provide the warranty and support services to the End User through VMware to meet the End User's business needs within the scope of this Agreement. VMware warrants that it shall use reasonable efforts to present the relevant EULA to End Users before such End Users deploy the Product.

5.2 End User Services Warranty . Pivotal warrants to VMware, and to each Channel Partner but only if VMware's applicable agreement(s) with such Channel Partner so warrants and, if so, only to that extent, that the End User Services will be performed in a workmanlike manner and will conform to industry standards. Upon an End User providing Pivotal with a reasonably detailed written notice to cure any non-conformance within thirty (30) days of occurrence, Pivotal agrees to re-perform the Services to achieve commercially reasonable conformance with this warranty.

5.3 Security and Integrity . Pivotal represents and warrants to VMware that any improvements to the Products and Documentation made by Pivotal or on its behalf after the 3rd Restatement Date shall be: (i) of Pivotal's own creation or within the scope of a license granted to Pivotal, directly or indirectly, by the owner or copyright holder; and (ii) unaltered or tampered with by any third party prior to delivery.

5.4 Regulatory Compliance . Pivotal warrants to VMware that each Product is, and will continue to be compliant with applicable regulations. Each Product shall bear appropriate labels indicating compliance with applicable regulations.

5.5 Disclaimer . THE FOREGOING WARRANTIES SET FORTH IN THIS SECTION 5 ARE IN LIEU OF, AND PIVOTAL EXPRESSLY DISCLAIMS, ALL OTHER REPRESENTATIONS, WARRANTIES OR CONDITIONS, WHETHER EXPRESS, IMPLIED, WRITTEN OR ORAL, STATUTORY OR ARISING BY OPERATION OF LAW, COURSE OF DEALING OR PERFORMANCE, OR USAGE OF TRADE, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON- INFRINGEMENT.

6. PRODUCT SUPPORT

6.1 Services Provided . Pivotal shall be responsible for all End User Services, including for existing customers of Products, except as otherwise agreed to by the parties.

6.2 Training to VMware . Pivotal will provide VMware, at standard charge, with sales training and other materials (e.g. presentations, product specification sheets, data sheets and marketing collateral, description of professional services offerings) related to the Products for the number of people reasonably requested by VMware. The frequency of these training efforts shall be matched to, and to the extent possible lead, the introduction of significant Product Changes (defined in Section 6.5, below). All expenses of Pivotal's employees associated with such training, such as transportation, meals and lodging are the responsibility of Pivotal. Additional standard technical training courses from Pivotal's training department shall be made available to VMware at reasonable rates and terms mutually approved by the parties.

6.3 Cooperation . The parties agree to cooperate with respect to End User support, to help End Users obtain the End User Services they purchase and to work together to ensure adherence to customer commitments relating to support response turnaround times and milestone delivery dates for professional services engagements.

6.4 Security Vulnerability. Pivotal shall promptly notify VMware upon learning of a Security Vulnerability, unless under an active embargo. Should VMware then request it, Pivotal shall promptly make available to VMware, with respect to the perceived role or causal significance of the Product in the Security Vulnerability, the following information: (a) a description of what was discovered and the potential scope of risk in plausible settings including versions of the Product impacted; (b) Pivotal's proposed method for distributing the remedy (e.g., patch, maintenance update, or product version upgrade); and (c) any other relevant information on possible workarounds or mitigating solutions. In addition, Pivotal shall use all reasonable commercial efforts to remedy any security vulnerability that has a CVSS score of 5.7 or higher (see http://nvd.nist.gov/cvss.cfm?calculator&version=2). Upon discovery by VMware or one of its customers of a Security Vulnerability, Pivotal shall follow industry best practices for handling and responding to vulnerabilities such as the National Infrastructure Advisory Council: Disclosing and Managing Vulnerability Guidelines (http://www.dhs.gov/xlibrary/assets/vdwgreport.pdf). Pivotal shall make available, upon request, information that outlines Pivotal's practices for software assurance that minimize the risk of vulnerabilities being introduced in products at any point in the product lifecycle. Further, Pivotal shall have a mechanism for demonstrating the authenticity and integrity of Products provided to VMware (e.g., digitally signing mobile code or distributing product code from a trusted web site). VMware may from time to time request information from its supply chain, including software suppliers such as Pivotal, regarding the products that VMware licenses and purchases. VMware may request Pivotal to self-certify that its software and software development practices aligns with software integrity and security standards developed by SAFECode.org or any successor or similar industry code security and integrity organization. Pivotal agrees to respond promptly and fully to such requests.

6.5 Product Changes . Both parties acknowledge and agree that Pivotal may make changes to those Products listed in Schedule 1 that substantially affect the Product's function or reliability ("Product Changes"). Pivotal shall provide VMware notice of all Product Changes as soon as possible but at least sixty (60) days prior to being implemented. Such notice shall include a written description of the proposed change, including the reason for the change and the expected effect of the change on the Product(s). Pivotal will send such change proposals to VMware's designated technical contact, via U.S. mail, Email, or fax, as agreed between the parties. Pivotal's notice shall also contain: (i) an evaluation as to whether or not the changes would likely require VMware to re- qualify the Product(s); and (ii) a recommendation for or against such re-qualification.

6.5 Notice of Product Withdrawal to VMware . Pivotal will notify VMware in writing as soon as possible but at least ninety (90) days prior to withdrawing a Product from Exhibit A. During the withdrawal notice period, and for up to 90 days thereafter, VMware may issue additional purchase orders for Products that are to be withdrawn. Notwithstanding the foregoing, Pivotal agrees and understands that VMware may, in certain cases, require ongoing access to a Product in connection with a specially negotiated multi-year commercial agreement, and Pivotal will cooperate to ensure such continued access is provided past the withdrawal date.

6.6 Service after Withdrawal . Except as set forth in Exhibit Aor a Product-specific addendum thereto, the parties shall provide post-warranty Product repair service as mutually agreed for all withdrawn Products, taking particular note of existing obligations to customers for support through established End of Support dates under VMware's existing policies and procedures.

6.7 Safety Defects . Pivotal will repair or replace at no charge to VMware, Channel Partners or End Users any Products or parts found to contain defects related to the safety of the Products or to compliance with regulations during or after the applicable warranty period. Pivotal will notify VMware as soon as possible of any need to make replacements pursuant to this Section 6.8, and the parties agree to cooperate to make the replacements with the least disruption to the End User. Pivotal will fully compensate VMware for all costs, liabilities and expenses incurred as a result of a Safety Defect.

7. BUSINESS MANAGERS. Each party shall appoint a Business Manager to act as its liaison to monitor the other party's performance and delivery of Product(s), including Pivotal's ability to exit Phase 1. These liaisons will also be responsible for coordinating meetings and reports provided for in this Agreement. The names, email address, telephone and facsimile numbers of the liaisons will be provided by the parties to each other. The liaisons may be changed by written notice.

8. INDEMNIFICATION AND LIMITATION OF LIABILITY

8.1 Property Damage; Warranty Claims . Pivotal shall indemnify, defend and hold harmless VMware and each of its Channel Partners, but only if, and if so only to the extent, to which

VMware's applicable agreements with such Channel Partner obligates VMware or VMware licensors (together with VMware, "Indemnified Parties") from any liabilities, claims, demands, suits (and any costs, judgments and settlement amounts associated therewith) made against such Indemnified Parties by third parties for (a) damage to real property and tangible personal property, bodily injury, personal injury, or death, caused by or arising from (i) the Product(s), or (ii) the negligence or willful misconduct of Pivotal or any person or party performing Pivotal's obligations hereunder; and (b) alleged breach of Pivotal's Product or End User Services warranties. VMware will provide Pivotal (1) prompt notice in writing of any such claims (but late notice shall not void Pivotal's obligations in this Section unless the lateness itself prejudiced Pivotal's ability to fulfill its obligations), (2) sole control of the defense of such claims and all negotiations for its settlement and compromise, and (3) reasonable cooperation from VMware, as applicable, at Pivotal's expense in the defense or settlement of such claims. When settling or compromising any claim, Pivotal shall not, without VMware's written approval, make any admission of facts that expose VMware to the imposition of punitive damages or other claims that are not covered by this indemnification. Pivotal shall carry and maintain workers compensation and general liability insurance coverage to cover Pivotal's obligations under this Section.

8.2 Infringement Claims . Pivotal shall defend, indemnify, and hold Indemnified Parties harmless against any third party liabilities, claims, demands, suits (and any costs, judgments and settlement amounts associated therewith) that the use or disposition of a Product misappropriates a trade secret or infringes a patent, copyright, or trademark in any of the jurisdictions within which the Products were sold. Pivotal shall promptly engage counsel qualified in the subject matter of such dispute upon receiving notice. Pivotal shall also pay all damages awarded or agreed to under a settlement made by Pivotal and/or by a court of final appeal attributable to such claim. VMware will provide Pivotal (i) prompt notice in writing of such claim (but late notice shall not void Pivotal's obligations in this Section unless the lateness itself prejudiced Pivotal's ability to fulfill its obligations); (ii) sole control over the defense and settlement thereof; and (iii) reasonable cooperation from VMware, as applicable, at Pivotal's expense in response to a Pivotal request for assistance. When settling or compromising any claim, Pivotal shall not, without VMware's written approval, make any admission of facts that expose VMware to the imposition of punitive damages or other claims that are not covered by this indemnification. Should any Product become, or in Pivotal's opinion be likely to become, the subject of such a claim, Pivotal shall, at its option and expense, (a) procure for VMware, Channel Partners and End Users the right to make continued use thereof in accordance with this Agreement; (b) replace or modify the affected Product(s) so that it becomes non-infringing but with substantially equivalent functionality and performance; or (c) if neither (a) nor (b) are reasonably available, accept return of the affected Product(s) and upon receipt thereof refund to VMware the price paid therefore by VMware to Pivotal.

8.3 Other Third Party Claims . For Products subject to Schedule 1, in addition to the obligations set forth in Sections 8.1 and 8.2 above, Pivotal shall defend, indemnify, and hold Indemnified Parties harmless against any third party liabilities, claims, demands, suits (and any costs, judgments and settlement amounts associated therewith) made against such Parties by third parties (including End Users) for breach of the applicable license agreement (" License Agreement ") between VMware, as Pivotal's agent, and the licensee concerning the Products; provided, however, that Pivotal's obligation under this Section 8.3 shall only apply to claims where the License Agreement complies with VMware's generally applicable policies and procedures for comparable agreements or where significant deviations from VMware's normal practice (e.g. those that require VP approval) have been approved by an authorized representative of Pivotal. VMware will provide Pivotal: (i) prompt notice in writing of any such claims (but late notice shall not void Pivotal's obligations in this Section unless the lateness itself prejudiced Pivotal's ability to fulfill its obligations); (ii) sole control of the defense of such claims and all negotiations for its settlement and compromise; and (iii) reasonable cooperation from VMware, as applicable, at Pivotal's expense in the defense or settlement of such claims. When settling or compromising any claim, Pivotal shall not, without VMware's written approval, make any admission of facts that expose VMware to the imposition of punitive damages or other claims that are not covered by this indemnification.

8.4 Limitation of Liability . EXCEPT FOR DAMAGES ARISING PURSUANT TO SECTIONS 8.1, 8.2 AND 8.3 OR AS MAY BE PROHIBITED BY APPLICABLE LAW, NEITHER PARTY:

(i) SHALL HAVE LIABILITY ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, WHETHER BASED ON WARRANTY, CONTRACT, TORT OR OTHERWISE, IN EXCESS OF THE GREATER OF (a) THE TOTAL AMOUNTS PAID BY VMWARE TO PIVOTAL IN THE AGGREGATE FOR THE PRODUCTS ON THE SAME PRODUCT SCHEDULE AS THE SPECIFIC PRODUCT FROM WHICH SUCH CLAIM ARISES IN THE TWELVE MONTHS IMMEDIATELY PRECEEDING THE DATE OF THE NOTICE OF A CLAIM, OR (b) $1,000,000; AND

(ii) SHALL HAVE LIABILITY TO THE OTHER FOR ANY SPECIAL, CONSEQUENTIAL, EXEMPLARY, INCIDENTAL, OR INDIRECT DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS, REVENUES, DATA AND/OR USE) ARISING OUT OF THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY THEREOF.

9.0 CONFIDENTIAL INFORMATION & PUBLICITY

9.1 Definition and Obligation . This Section 9 is intended to apply to the transactions described in this Agreement as well as to any information exchanged between the parties and identified as confidential information, but shall not supersede any other nondisclosure agreement(s) which may otherwise bind the parties. Either party may, in connection with this Agreement, disclose to the other party information considered confidential and proprietary information of the disclosing party (" Confidential Information "). Information shall be considered Confidential Information if clearly identified in writing as confidential in nature by the disclosing party at the time of disclosure, or if the disclosure is oral, is so identified in writing within thirty (30) Business Days thereafter. The receiving party shall protect the disclosing party's Confidential Information with the same degree of care that it regularly uses to protect its own Confidential Information of like nature from unauthorized use or disclosure, but not less than reasonable care. No rights or licenses under patents, trademarks or copyrights are granted or implied by any disclosure of Confidential Information. Each party agrees to protect the Confidential Information of the other for three (3) years after disclosure to a party.

9.2 Exceptions . The obligations of confidentiality imposed by this Agreement shall not apply to any Confidential Information that: (a) is rightfully received from a third party without disclosure restrictions prior to receipt from the disclosing party; (b) is independently developed by employees of the receiving party without use of or reference to the other party's Confidential Information; (c) is or becomes publicly available through no wrongful act of the receiving party; (d) is already known by the receiving party as evidenced by documentation bearing a date prior to the date of disclosure; or, (e) is approved for release in writing by an authorized representative of the disclosing party.

9.3 No Publicity . Except as required by law as relates to public and private offerings of securities and compliance with securities law, neither party shall make any press release or other public announcements or disclosures of the existence or contents of this Agreement, beyond the fact that VMware resells the Products, without the express written consent of the other party. If a party is required to disclose the Agreement to the government, then before making such disclosure, it shall provide a draft of the proposed disclosure to the other party with an opinion of counsel as to the need to make the disclosure. If Pivotal wishes to publicize the existence of the relationship created under this Agreement, it may request permission from VMware to do so and VMware will consider each such request in its discretion. Notwithstanding the foregoing, VMware may disclose the fact that the Products are interoperable with and supported by applicable VMware product offerings.

10. TERM AND TERMINATION

10.1 Term . This Agreement will commence on and as of the 3rd Restatement Date and will continue for an initial term to and including December 31, 2018 (" Initial Term "). Thereafter, the Term of this Agreement shall automatically renew for additional and successive one (1) year terms (each, a "Renewal Term") unless either party provides written notice to the other at least 90 days prior to the expiration of the then-current term that the notifying party wishes to terminate the Agreement without cause. Collectively, the Initial Term and Renewal Term(s) shall be referred to herein as the "Term". Termination of this Agreement will not relieve the parties of any obligations incurred prior to the effective date of termination.

10.2 Orders Prior to Termination . Prior to the effective date of termination, VMware may issue additional purchase orders with deliveries to be scheduled not later than sixty (60) days after the effective termination date (the " Termination Period "). If VMware has included the Products in quotes to potential customers prior to termination, and the customer issues purchase orders within ninety (90) days after termination, then the price for Products to fulfill such purchase orders shall be the price quoted to VMware prior to the Agreement termination. Pivotal shall not change the price for Products to be provided under such purchase orders unless the parties agree to the change in writing.

10.3 Effect of Termination . Upon termination or expiration of this Agreement, each party shall promptly (but in no event later than 60 days) return all of the other's tangible proprietary information, prototypes and loaned equipment. Each party shall also destroy or return to the other party any Confidential Information of the other party that it has received in connection with the Agreement, except for the minimum number of copies (if more than one) of any documents that the party is obligated to retain to comply with applicable law.

10.4 Survival . The provisions of this Agreement which by their nature survive termination or expiration of the Agreement, including but not limited to 1 (" Definitions "), 4 (" Price and Payment ") but only to the extent that any payments are due and owing to Pivotal or VMware upon termination, 5 (" Warranties ") with respect to Products sold during the Termination Period, 6 (" Product Support "), 8 (" Indemnification and Limitation of Liability "), 9 (" Confidential Information ") but only in accordance with the terms stated therein, 10.2 (" Orders Prior to Termination ") but only in accordance with the terms therein, 10.3 (" Effect of Termination ") but only in accordance with the terms therein, 10.4 (" Survival "), 11 (" Compliance with Laws "), 12 (" Default and Remedies ") and 13 (" Miscellaneous "), shall survive the termination or expiration of this Agreement. If VMware terminates this Agreement for cause, then outstanding orders accepted by Pivotal shall survive termination unless VMware cancels the orders.

11. COMPLIANCE WITH LAWS

11.1 General . Pivotal will cooperate with VMware to ensure that the Products comply with applicable laws and that the parties are able to comply with their respective legal obligations with respect to the Products. Pivotal, VMware and their employees, contractors, and subcontractors shall comply with all applicable laws in connection with any matters that relate to the performance of this Agreement. VMware may provide Pivotal with policies and procedures that VMware has developed to facilitate VMware's compliance with applicable laws, and Pivotal agrees to cooperate with VMware in conforming to such policies and procedures. The Sections below are not intended to be an exhaustive list of all legal obligations a party may have in performing under this Agreement. Pivotal shall indemnify VMware for all liabilities, taxes, and penalties associated with its failure to comply with applicable laws.

11.2 Ethical Business Practices. As a supplier to VMware, Pivotal represents and warrants that it has adopted the EICC Pivotal Code of Conduct (http://www.eicc.info/EICC%20CODE.htm) or another code that covers the same subjects and as to these subjects, requires substantially the same objectives and outcomes. If the latter, Pivotal has provided such other code to VMware. During the term of this Agreement, Pivotal agrees to conform its conduct to the code that it has adopted.

11.3 Foreign Corrupt Practices Act ("FCPA") . Pivotal shall not take any action or permit or authorize any action which will render itself or VMware liable for a violation of the FCPA, and it will not violate or cause VMware to violate such Act in connection with the sale or distribution of Products and/or services. Upon reasonable request, Pivotal shall furnish to VMware a statement in writing that Pivotal is not in violation of its obligation to comply with this Section. VMware may terminate this Agreement, with 30 days written notice to Pivotal if VMware believes, in good faith, that Pivotal has violated the FCPA. In no event shall either party be obligated to take any action which it believes in good faith would cause it to be in violation of the FCPA or any applicable laws.

11.4 Country of Origin Identification . For each Product purchased under this Agreement, Pivotal shall furnish VMware upon request with country of origin (manufacture) by quantity and part number (VMware's and Pivotal's). Each component of each Product shall be marked with the country of origin as required by applicable law.

11.5 Export . Each party shall comply with all export control laws and regulations applicable to its use, transfer or export of the Products and Documentation. Pivotal certifies that it is not restricted from making or receiving U.S. exports. Pivotal shall be responsible for obtaining such export classification control numbers, general licenses or other governmental authorizations as may be required with respect to the use, transfer, or export of the Products and Documentation. If VMware is required to export any Products under this Agreement, Pivotal shall cooperate with VMware to enable VMware to comply with export laws and regulations applicable to VMware's exports of the Products and Documentation. As part of this cooperation, Pivotal shall, upon request, provide to VMware the export control classification number and license exception and CCATS (Commodity Classification Automated Tracking System) (if required) for the Products and associated Documentation, as well as copies or other written evidence of relevant consents, licenses or authorizations obtained or applied for and such other information regarding the export control classifications of the Products. Pivotal shall immediately notify VMware of any changes to any of the foregoing.

11.6 National Security Regulations. Certain countries may, from time to time, enact laws that require submission of information prior to cargo arriving in the country or region. As of the 2nd Restatement Date, the parties are aware of such laws in the U.S., the countries in the European Union and in Canada. The parties agree to cooperate in providing the necessary information to parties or their designees to allow a party with reporting obligations to fulfill such obligations in a timely manner.

12. Default And Remedies.

12.1 Default . A party shall be in breach of this Agreement and, subject first to the dispute resolution provisions of Section 13.9 below, the other party may terminate this Agreement for cause, in addition to any other legal or equitable remedies, upon written notice should the party to be terminated commit a default of this Agreement by failing to perform, fulfill, or comply with any of its promises or other obligations, or any of the terms and conditions of this Agreement, when required, which default is incapable of cure or which, being capable of cure, has not been cured within thirty (30) days from the date of receipt of written notice from the non-defaulting party to the party purportedly in default identifying the default with specificity and demanding its cure. Notwithstanding the foregoing, if such default cannot reasonably be cured within such 30-day period, then the cure period shall be extended for such additional time as may be reasonably necessary to cure the default, provided that the defaulting party gives written notice to the non-defaulting party of its intent to cure the default and commences the cure as soon as feasible and thereafter in good faith diligently and continuously prosecutes measures to effect the full cure of the default to conclusion.

12.2 Remedies . Upon a party's breach of this Agreement, and subject first to the dispute resolution provisions of Section 13.9, the other party may terminate this Agreement for cause, and/or suspend the performance of its obligations under this Agreement, and/or undertake performance of the unperformed obligation or omission and receive from the party in breach of this Agreement full, prompt reimbursement for the reasonable cost of such performance, all without prejudice to any other rights and remedies such party may have at law or in equity or under the terms of this Agreement.

13. MISCELLANEOUS

13.1 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of California, excluding its conflicts of laws rules and excluding the United Nations Convention on Contracts for the International Sale of Goods.

13.2 Relationship of the Parties . The relationship between the parties is that of independent contractors and as expressed by the terms of this Agreement including, in particular, Section 2. Neither party may assume or create any obligation, express or implied, on behalf of the other except as may be expressly provided otherwise in this Agreement. Each party shall be solely responsible for the performance of its employees hereunder and for all costs and expenses of its employees, including but not limited to employee benefits.

13.3 Waiver . The failure of either party to insist upon or enforce strict conformance by the other party of any provision of this Agreement or to exercise any right under this Agreement shall not be construed as a waiver or relinquishment of such party's right unless made in writing and shall not constitute any subsequent waiver or relinquishment.

13.4 Amendments . To be valid, amendments or modifications to the Agreement must be in writing and signed by an authorized representative of each party. Any verbal agreements, discussions, and understandings, expressed or implied, shall not constitute amendments to this Agreement.

13.5 Severability . If any provision of this Agreement is finally held by a court of competent jurisdiction to be illegal or unenforceable, then such provision shall be deemed adjusted to conform to the applicable requirements, to the extent reasonably possible, and the adjusted provision, if any, shall have the same effect as if originally included herein. In any event, the legality, validity, and enforceability of the remaining provisions of this Agreement shall not be affected or impaired.

13.6 Force Majeure . If the performance hereof, or any obligation hereunder is prevented, restricted or interfered with by reason of fire or other casualty or accident; strikes or labor disputes; war or other violence; any law, order, proclamation, regulation, ordinance, demand or requirement of any governmental agency; or any other act or condition whatsoever beyond the reasonable control of the parties hereto, excluding weather conditions other than catastrophic weather conditions and excluding events which could reasonably have been avoided by the exercise of reasonable prudence, the party whose performance is so affected, upon giving prompt notice to the other party, shall be excused from such performance to the extent of such prevention, restriction or interference; provided, however, that the party so affected shall take reasonable steps to avoid or remove such causes of non-performance and shall immediately continue performance hereunder whenever such causes are removed. If the delay lasts for sixty (60) or more days from the original date of performance, the party receiving notice of the delay shall have the right to terminate the performance of the affected obligation and/or the Agreement.

13.7 Assignment . Pivotal may not assign this Agreement or any rights or delegate any duties hereunder without the prior written consent of VMware, which shall not be unreasonably withheld.

13.8 Notice . Any notices required or permitted by this Agreement shall be in writing and shall be delivered to the persons identified below with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by facsimile transmission upon acknowledgement of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. If Pivotal changes any of the website addresses referenced in this Agreement, then Pivotal will promptly notify VMware pursuant to this Section. Notices shall be sent to the addresses below or such other address as either party may specify in writing.

13.9 Dispute Resolution . In the event of a dispute between the parties relating to, or arising from, this Agreement or any schedule or addendum or exhibit hereto, the parties agree to escalate first within and through their management chain as follows. The project manager for the relevant Product along with the relationship leads for this Agreement, currently Tanya Quayaam for VMware and Jason Hurst for Pivotal, shall, within thirty (30) days of a request be either party, meet in person with the relevant Vice President for Products at Pivotal and the relevant VMware Vice President to discuss all facts pertaining to the dispute and determine an appropriate resolution. If no resolution can be reached within seven (7) days of that meeting, then the parties shall schedule, within fourteen (14) days thereof, an additional meeting with the respective Chief Operating Officers of each Company to determine an appropriate resolution and resolve the dispute.

VMware	**Pivotal**
VMware, Inc. 3401 Hillview Avenue Palo Alto, CA 94304 Attn: with a copy to: VMware Inc. 3401 Hillview Avenue Palo Alto, CA Attn: Office of the General Counsel	Pivotal Software, Inc. 875 Howard Street, 5 th Floor San Francisco, CA 94103 Attn: General Counsel

13.10 Technical Contacts . VMware and Pivotal shall provide each other with the names and contact information for the individuals each party intends to serve as a principal technical contact with the other party for matters arising under this Agreement.

13.11 Interpretation and Counterparts . The section and paragraph headings of this Agreement are intended as a convenience only and shall not affect the interpretation of its provisions. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one single agreement between the parties.

13.12 Effect of Order and Acceptance Documents The parties agree that the terms and conditions of this Agreement shall prevail, notwithstanding the contrary or additional terms in any purchase order, sales acknowledgment, confirmation or any other document issued by either party effecting the purchase and/or sale of Product(s), unless such alternate terms are expressly approved in writing by both parties.

13.13 No Third Party Beneficiaries . The obligations of the parties under this Agreement may be enforced only by the parties and their respective permitted successors and assigns and may not be enforced by, and are not intended for the benefit of VMware's Channel Partners, any End Users, or any other third party, person, or entity.

13.14 Allocation of Risk . The sections on limitation of liability, warranties, disclaimer of warranties, and infringement indemnification allocate the risks in the Agreement between the parties. This allocation is an essential element of the basis of the bargain between the parties.

13.15 Entire Agreement . This Agreement, including all exhibits, schedules, addenda or other attachments which expressly reference this Agreement, constitutes the entire agreement between the parties with respect to the subject matter discussed herein and supersedes all prior or contemporaneous agreements, discussions, and understandings between the parties, either express or implied.

13.16 Ratification . The Restated Agency Agreement for CAP Products, dated as of April 1, 2013, as amended and fully restated by this Agreement, is hereby ratified in all respects and confirmed to be in full force and effect as of the 2 nd Restatement Date. In the event of any conflict between the terms and conditions of that agreement and the terms and conditions of this Agreement from and after the 2 nd Restatement Date, the terms and conditions of this Agreement shall prevail in accordance with its terms.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

Pivotal Software, Inc.	VMware, Inc.
By: /s/ Andrew M. Cohen	By: /s/ Susan Nash
Print Name: Andrew M. Cohen	Print Name: Susan Nash
Title: Senior Vice President and General Counsel	Title: VP Strategic Corporate Alliance
Date: March 20, 2018	Date: April 5, 2018
Pivotal Software International Holdings	VMware International Ltd
By: /s/ Gregory Fenech	By: /s/ Maria Diaz
Print Name: Gregory Fenech	Print Name: Maria Diaz
Title: Authorized Signatory	Title: Sr. Contracts Administrator
Date: March 22nd, 2018	Date: April 5, 2018

EXHIBIT A (PRODUCT SCHEDULES)

I. PRODUCT(S) SOLD BY VMWARE UNDER SEPARATE AGREEMENTS

For avoidance of doubt, the following Products fall outside the scope of this Agency Agreement and economic splits between the Parties are governed by their own agreements.

VMware Description	Governing Agreement
VMware NSX-T Advanced for Pivotal Application Service	VMware Software OEM Agreement for NSX-T Advanced for Pivotal Application Service
VMware Pivotal Container Service	December 5, 2017 Master Collaboration Agreement

II. PRODUCTS DISTRIBUTED UNDER A PIVOTAL EULA AND SUBJECT TO REGULAR FIELD COMPENSATION

VMware Description

Pivotal Cloud Foundry Operations Manager with Premium Support
Pivotal Application Service (formerly Pivotal Cloud Foundry Elastic Runtime Suite) with Premium Support
Pivotal Services Suite for Pivotal Cloud Foundry with Premium Support
Pivotal Tracker Enterprise SaaS with Premium Support
Pivotal Cloud Cache with Premium Support

Agency Fee: 5%

Notes: The Parties acknowledge that (1) the Products listed in this Section II were previously described as “Schedule 2 Products”, and (2) Products previously described as “Schedule 1 Products” are no longer distributed under a VMware EULA.

Supplemental License Conditions. VMware is not granted any rights under this Exhibit A to modify, integrate or embed the Products listed in this Section II. VMware shall focus its efforts to resell the Products listed above directly to Tier 1 and Global Accounts. Notwithstanding references to Product fulfillment by VMware in the Agreement (i.e., Sections 2.1, 3, 4.1, etc.), for the Products listed above in this Section II, the Parties agree that VMware will set up Bill Only SKUs and coordinate with Pivotal, who will provide Product fulfillment and support directly.

The Products listed below (previously listed as certain “Schedule 2 Products”) have reached End of Availability are are no longer offered to new customers.

VMware Description

Pivotal Mobile Services for Pivotal CF with Premium Support
Pivotal GemFire XD Perpetual License
Premium Support/Subscription for Pivotal GemFire XD Perpetual License

III. PRODUCTS DISTRIBUTED UNDER A PIVOTAL EULA AND NOT SUBJECT TO REGULAR FIELD COMPENSATION

For the avoidance of doubt, any Product(s) not listed in Sections I. and II. above are subject to the Agency Fee set forth below. Current Product(s) for sale to new customers include:

VMware Description

Pivotal App Suite Perpetual License
Premium Support/Subscription for Pivotal App Suite Perpetual License
Pivotal App Suite Subscription with Pivotal Premium Support
Pivotal Developer Support Only for App Suite
Pivotal Data Suite with Premium Support
Pivotal Data Suite Non-Production with Premium Support
Pivotal HDP with Premium Support

Agency Fee: 4%

Supplemental License Conditions. VMware is not granted any rights under this Exhibit A to modify, integrate or embed the Products listed in this Section III. VMware may not re-brand for resale the Products listed above. Section 8.3 of the Agreement shall not apply to Products listed above. Except where the Parties mutually agree otherwise, VMware will not compensate its Field teams for sales of Products listed in this Section III. Notwithstanding references to Product fulfillment by VMware in the Agreement (i.e., Sections 2.1, 3, 4.1, etc.), for the Products listed in this Section III, the Parties agree that VMware will set up Bill Only SKUs and coordinate with Pivotal, who will provide Product fulfillment and support directly.

Notes: The Parties acknowledge that (1) Pivotal App Suite Subscription with Pivotal Premium Support was previously described as a “Schedule 2 Product”, and (2) the Products listed in this Section III were previously described as “Schedule 3 Products”.

The Products listed below (previously listed as certain “Schedule 3 Products”) have reached End of Availability are are no longer offered to new customers.

VMware Description

Pivotal Big Data Suite with Premium Support
Pivotal Big Data Suite Non-Production with Premium Support
Pivotal HD Enterprise Perpetual License
Maintenance for Pivotal HD Enterprise Perpetual
Pivotal Advanced Database Services Perpetual License
Maintenance for Pivotal Advanced Database Services Perpetual
Pivotal Advanced Database Services Term License

Exhibit 10.8

Fiscal Year 2018 Executive Incentive Program

NON-SALES, NON-SERVICES

PROGRAM OBJECTIVE

The Fiscal Year 2018 Pivotal Executive Incentive Program (the “Program”) is intended to reward participants upon the attainment of key measures of Pivotal’s operating success. The Program is comprised of semi-annual incentive opportunities, based on the achievement of ACV, EBIT, and Renewals objectives weighted at 60%, 20% and 20% respectively.

Financial targets are set and approved by senior management for each semi-annual period. The maximum earning opportunity for each of the two semi-annual periods is 150% of the participant’s target incentive opportunity related to the financial component of the Program for the period. To be eligible for payout, a minimum performance achievement floor applies for each metric. Each period, a Funding Matrix will be provided to participants.

PAYMENT OF AWARDS

Bonuses under the Program are earned and payable once management determines the extent to which the established semi-annual financial performance targets and the individual goals have been achieved and payment is authorized. This determination will typically occur 6 – 8 weeks after the close of each period. Incentive payments will be prorated to reflect hire dates and proportionally adjusted to reflect any compensation changes made throughout the fiscal year. Participants must be actively employed by Pivotal on the last day of the semi-annual bonus period to be eligible for payment of the incentive for that period. Employees that transfer from Pivotal to another entity within Dell Technologies are considered terminated from Pivotal.

Subject to the provisions of the Program, the CEO, in his sole discretion, shall have authority to interpret the terms of the Program, to exercise discretion to modify earned payments and to settle all controversies and disputes that may arise in connection with the Program. All bonuses will be subject to all applicable withholdings. Pivotal may at any time amend or terminate the Program. Participation in the Program does not confer upon any person the right to continue to serve as an officer or employee of Pivotal. Employment in the U.S. is “at will”, meaning that either the employee or Pivotal may terminate the employment relationship at any time, with or without prior notice or reasons and participation in this Program shall in no way affect the “at will” nature of the employment.

CLAW-BACK

All Program participants, and the compensation that may be earned under the Program, are subject to the following claw-back policy. To the extent permitted by law, and when appropriate (as determined by Pivotal in its sole discretion), Pivotal will require reimbursement of any cash incentive compensation paid to an employee where (a) payment was predicated on financial results that were subject to a significant restatement, (b) Pivotal determines, in its sole discretion, the employee engaged in fraud or willful misconduct that caused or partially caused the need for the restatement and (c) a lower payment would have been made to the employee based upon the restated financial results. In each such instance, Pivotal may recover the incentive compensation paid for the period for which the restatement is necessary, plus a reasonable rate of interest, and attorney’s fees and costs. A determination by Pivotal not to seek recovery of incentive compensation in one instance will not be construed as a bar to or waiver of Pivotal’s right to recover incentive compensation in any other instance.

LEAVES OF ABSENCE

Bonus payments will be calculated on a pro rata basis for employees who are on an approved leave of absence during a bonus period based on the individual’s overall performance during the period and the extent an employee’s assigned goals have been achieved. If an employee is on leave for an entire bonus period, the employee will not be eligible for any bonus for that period (unless otherwise required by applicable law).

Exhibit 10.13

PIVOTAL SOFTWARE, INC.
2018 EQUITY INCENTIVE PLAN

Section 1. *Purpose* . The purpose of the Pivotal Software, Inc. 2018 Equity Incentive Plan (as amended from time to time, the " **Plan** ") is to motivate and reward employees and other individuals to perform at the highest level and contribute significantly to the success of Pivotal Software, Inc. (the " **Company** "), thereby furthering the best interests of the Company and its shareholders.

Section 2. *Definitions* . As used in the Plan, the following terms shall have the meanings set forth below:

(a) " **Affiliate** " means any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company.

(b) " **Award** " means any Option, SAR, Restricted Stock, RSU, Performance Award, Other Cash-Based Award or Other Stock-Based Award granted under the Plan.

(c) " **Award Agreement** " means any agreement, contract or other instrument or document (including in electronic form) evidencing any Award granted under the Plan, which may, but need not, be executed or acknowledged by a Participant.

(d) " **Beneficiary** " means a Person entitled to receive payments or other benefits or exercise rights that are available under the Plan in the event of a Participant's death. If no such Person can be named or is named by a Participant, or if no Beneficiary designated by a Participant is eligible to receive payments or other benefits or exercise rights that are available under the Plan at a Participant's death, such Participant's Beneficiary shall be such Participant's estate.

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

(f) " **Cause** " means, with respect to a Participant, "cause" as defined in such Participant's Service Agreement, if any, or if not so defined, except as otherwise provided in such Participant's Award Agreement, such Participant's: (i) serious misconduct in the performance of his or her employment duties, (ii) conviction of, plea of guilty to, or plea of nolo contendere to (x) a felony or (y) a misdemeanor involving moral turpitude, fraud or dishonesty, (iii) commission of an act involving personal dishonesty that results in financial, reputational or other harm to the Company or its Affiliates; (iv) breach of any applicable term set forth in such Participant's Service Agreement, if any, or (v) breach or violation of any rule, policy, procedure or guideline of the Company or its Affiliates.

(g) " **Change in Control** " means the occurrence of any one or more of the following events:

(i) any Person, other than any Non-Change in Control Person, is (or becomes, during any 12-month period) the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 50% or more of the total voting power of the stock of the Company; *provided* that the provisions of this subsection (i) are not intended to apply to or include as a Change in Control any transaction that is specifically excepted from the definition of Change in Control under subsection (iii) below;

(ii) a change in the composition of the Board such that, during any 12-month period, the individuals who, as of the beginning of such period, constitute the Board (the " **Existing Board** ") cease for any reason to constitute at least 50% of the Board; *provided* , *however* , that any individual becoming a member of the Board subsequent to the beginning of such period whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the Directors immediately prior to the date of such appointment or election shall be considered as though such individual were a member of the Existing Board; *provided further* , that, notwithstanding the foregoing, no individual whose initial assumption of office occurs as a result of either an actual or threatened election contest (as such terms are used in Rule 14a-11 or Regulation 14A promulgated under the Exchange Act or successor statutes or rules containing analogous concepts) or other actual or threatened solicitation of proxies or consents by or on behalf of an individual, corporation, partnership, group, associate or other entity or Person other than the Board, shall in any event be considered to be a member of the Existing Board;

(iii) the consummation of a merger or consolidation of the Company with any other corporation or other entity, or the issuance of voting securities in connection with a merger or consolidation of the Company pursuant to applicable stock exchange requirements; *provided* that immediately following such merger or consolidation the voting securities of the Company outstanding immediately prior thereto do not continue to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity of such merger or consolidation or parent entity thereof) 50% or more of the total voting power of the Company's stock (or, if the Company is not the surviving entity of such merger or consolidation, 50% or more of the total voting power of the stock of such surviving entity or parent entity thereof); *provided* , *further* , that a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the beneficial owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates other than in connection with the acquisition by the Company or its Affiliates of a business) representing 50% or more of either the then-outstanding Shares or the combined voting power of the Company's then-outstanding voting securities shall not be considered a Change in Control; or

(iv) the sale or disposition by the Company of all or substantially all of the Company's assets in which any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such

Person) assets from the Company that have a total gross fair market value equal to more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions.

Notwithstanding the foregoing or any provision of any Award Agreement to the contrary, for any Award that provides for accelerated distribution on a Change in Control of amounts that constitute “deferred compensation” (as defined in Section 409A of the Code), if the event that constitutes such Change in Control does not also constitute a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company’s assets (in either case, as defined in Section 409A of the Code), such amount shall not be distributed on such Change in Control but instead shall vest as of such Change in Control and shall be distributed on the scheduled payment date specified in the applicable Award Agreement, except to the extent that earlier distribution would not result in the Participant who holds such Award incurring interest or additional tax under Section 409A of the Code.

(h) “ **Code** ” means the Internal Revenue Code of 1986, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Code shall include any successor provision thereto.

(i) “ **Committee** ” means the compensation committee of the Board unless another committee is designated by the Board. If there is no compensation committee of the Board and the Board does not designate another committee, references herein to the “Committee” shall refer to the Board.

(j) “ **Consultant** ” means any individual, including an advisor, who is providing services to the Company or any Subsidiary or who has accepted an offer of service or consultancy from the Company or any Subsidiary.

(k) “ **Detrimental Activity** ” means (i) the failure to comply with the terms of the Plan or any Award Agreement, (ii) the failure to comply with any term set forth in a Service Agreement (irrespective of whether the Senior Participant is a party to the Service Agreement), (iii) any activity that results in the Senior Participant’s Termination of Service for Cause, (iv) a violation of any rule, policy, procedure or guideline of the Company (or any Subsidiary) or (v) the Senior Participant being convicted of, or entering a guilty plea with respect to, a crime, whether or not connected with the Company.

(l) “ **Director** ” means any member of the Board.

(m) “ **Disability** ” means, with respect to a Participant, “disability” as defined in such Participant’s Service Agreement, if any, or if not so defined, except as otherwise provided in such Participant’s Award Agreement, a disability that would qualify as such under the Company’s long-term disability plan. Notwithstanding the foregoing, with respect to any payment pursuant to an Award that is subject to Section 409A of the Code that is triggered upon a Disability, Disability means that the Participant is disabled as defined under Section 409A(a)(2)(C) of the Code.

(n) “ **Effective Date** ” means the date on which the registration statement covering the initial public offering of the Shares is declared effective by the Securities and Exchange Commission.

(o) “ **Employee** ” means any individual, including any officer, employed by the Company or any Subsidiary or any prospective employee or officer who has accepted an offer of employment from the Company or any Subsidiary, with the status of employment determined based upon such factors as are deemed appropriate by the Committee in its discretion, subject to any requirements of the Code or applicable laws.

(p) “ **Exchange Act** ” means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act shall include any successor provision thereto.

(q) “ **Fair Market Value** ” means (i) with respect to Shares, the closing price of a Share on the trading day immediately preceding the date of determination (or, if there is no reported sale on such date, on the last preceding date on which any reported sale occurred), on the principal stock market or exchange on which the Shares are quoted or traded, or if Shares are not so quoted or traded, the fair market value of a Share as determined by the Committee, and (ii) with respect to any property other than Shares, the fair market value of such property determined by such methods or procedures as shall be established from time to time by the Committee.

(r) “ **Incentive Stock Option** ” means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, that meets the requirements of Section 422 of the Code.

(s) “ **Intrinsic Value** ” with respect to an Option or SAR Award means (i) the excess, if any, of the price or implied price per Share in a Change in Control or other event *over* (ii) the exercise or hurdle price of such Award *multiplied by* (iii) the number of Shares covered by such Award.

(t) “ **Non-Change in Control Person** ” means (i) any employee plan established by the Company or any Subsidiary, (ii) the Company or any of its Affiliates, (iii) an underwriter temporarily holding securities pursuant to an offering of such securities, (iv) a corporation owned, directly or indirectly, by stockholders of the Company in substantially the same proportions as their ownership of the Company, (v) Dell Technologies Inc. or (vi) EMC Corporation, SecureWorks Corp. or VMWare, Inc.; *provided* , *however* , that the exclusion from this definition of any entity set forth in clause (vi) will no longer apply and will not be reinstated once Dell Technologies Inc. is no longer the beneficial owner, directly or indirectly, of securities of such entity representing 35% or more of the combined voting power of such entity’s then outstanding securities.

(u) “ **Non-Qualified Stock Option** ” means an option representing the right to purchase Shares from the Company, granted pursuant to Section 6, that is not an Incentive Stock Option.

(v) " **Option** " means an Incentive Stock Option or a Non-Qualified Stock Option.

(w) " **Other Cash-Based Award** " means an Award granted pursuant to Section 11, including cash awarded as a bonus or upon the attainment of specified performance criteria or otherwise as permitted under the Plan.

(x) " **Other Stock-Based Award** " means an Award granted pursuant to Section 11 that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Shares or factors that may influence the value of Shares, including convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares, purchase rights for Shares, dividend rights or dividend equivalent rights or Awards with value and payment contingent upon performance of the Company or business units thereof or any other factors designated by the Committee.

(y) " **Participant** " means the recipient of an Award granted under the Plan.

(z) " **Performance Award** " means an Award granted pursuant to Section 10.

(aa) " **Performance Period** " means the period established by the Committee with respect to any Performance Award during which the performance goals specified by the Committee with respect to such Award are to be measured.

(bb) " **Person** " has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

(cc) " **Pre-IPO Award** " means an award granted prior to the Effective Date under the Pre-IPO Plan.

(dd) " **Pre-IPO Plan** " means the Pivotal Software, Inc. 2013 Stock Plan.

(ee) " **Restricted Stock** " means any Share subject to certain restrictions and forfeiture conditions, granted pursuant to Section 8.

(ff) " **RSU** " means a contractual right granted pursuant to Section 9 that is denominated in Shares. Each RSU represents a right to receive the value of one Share (or a percentage of such value) in cash, Shares or a combination thereof. Awards of RSUs may include the right to receive dividend equivalents.

(gg) " **SAR** " means a right granted pursuant to Section 7 to receive upon exercise by the Participant or settlement, in cash, Shares or a combination thereof, the excess of (i) the Fair Market Value of one Share on the date of exercise or settlement over (ii) the exercise or hurdle price of the right on the date of grant.

(hh) " **Service Agreement** " means any employment, severance, consulting or similar agreement between the Company or any of its Affiliates and a Participant.

(ii) " **Share** " means a share of the Company's Class A common stock, $0.01 par value.

(jj) " **Subsidiary** " means an entity of which the Company directly or indirectly holds all or a majority of the value of the outstanding equity interests of such entity or a majority of the voting power with respect to the voting securities of such entity. Whether employment by or service with a Subsidiary is included within the scope of the Plan shall be determined by the Committee.

(kk) " **Substitute Award** " means an Award granted in assumption of, or in substitution for, an outstanding award previously granted by a company or other business acquired by the Company or with which the Company combines.

(ll) " **Termination of Service** " means the cessation of a Participant's performance of services as an Employee, Director or Consultant for the Company or any Subsidiary ; *provided* , *however* , that in the case of a Participant who is an Employee, the transfer of employment from the Company to a Subsidiary, from a Subsidiary to the Company, from one Subsidiary to another Subsidiary or, unless the Committee determines otherwise, the cessation of employee status but the continuation of the performance of services for the Company or a Subsidiary as a Director or Consultant shall not be deemed a cessation of service that would constitute a Termination of Service; *provided* , *further* , that a Termination of Service shall be deemed to occur for a Participant employed by, or performing services for, a Subsidiary when such Subsidiary ceases to be a Subsidiary unless such Participant's employment or service continues with the Company or another Subsidiary. Notwithstanding the foregoing, with respect to any Award subject to Section 409A of the Code (and not exempt therefrom), a Termination of Service occurs when a Participant experiences a "separation of service" (as such term is defined under Section 409A of the Code).

Section 3. *Eligibility* .

(a) Any Employee, Director or Consultant shall be eligible to be selected to receive an Award under the Plan, to the extent that an offer or receipt of an Award is permitted by applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

(b) Holders of options and other types of awards granted by a company or other business that is acquired by the Company or with which the Company combines are eligible for grants of Substitute Awards under the Plan to the extent permitted under applicable regulations of any stock exchange on which the Company is listed.

Section 4. *Administration* .

(a) *Administration of the Plan* . The Plan shall be administered by the Committee. All decisions of the Committee shall be final, conclusive and binding upon all parties, including the Company, its shareholders, Participants and any Beneficiaries thereof. The Committee may issue rules and regulations for administration of the Plan.

(b) *Delegation of Authority* . To the extent permitted by applicable law, including under Section 157(c) of the Delaware General Corporation Law, the Committee may delegate to one or more officers of the Company some or all of its authority under the Plan, including the authority to grant Options and SARs or other Awards in the form of Share rights (except that such delegation shall not apply to any Award for a Person then covered by Section 16 of the Exchange Act), and the Committee may delegate to one or more committees of the Board (which may consist of solely one Director) some or all of its authority under the Plan, including the authority to grant all types of Awards, in accordance with applicable law.

(c) *Authority of Committee* . Subject to the terms of the Plan and applicable law, the Committee (or its delegate) shall have full discretion and authority to: (i)designate Participants; (ii) determine the type or types of Awards (including Substitute Awards) to be granted to each Participant under the Plan; (iii) determine the number of Shares to be covered by (or with respect to which payments, rights or other matters are to be calculated in connection with) Awards; (iv) determine the terms and conditions of any Award and prescribe the form of each Award Agreement, which need not be identical for each Participant; (v) determine whether, to what extent, under what circumstances and by which methods Awards may be settled or exercised in cash, Shares, other Awards, other property, net settlement, or any combination thereof, or canceled, forfeited or suspended; (vi) determine whether, to what extent and under what circumstances cash, Shares, other Awards, other property and other amounts payable with respect to an Award under the Plan shall be deferred either automatically or at the election of the holder thereof or of the Committee; (vii) amend terms or conditions of any outstanding Awards; (viii) correct any defect, supply any omission and reconcile any inconsistency in the Plan or any Award, in the manner and to the extent it shall deem desirable to carry the Plan into effect; (ix) interpret and administer the Plan and any instrument or agreement relating to, or Award made under, the Plan; (x) establish, amend, suspend or waive such rules and regulations and appoint such agents, trustees, brokers, depositories and advisors and determine such terms of their engagement as it shall deem appropriate for the proper administration of the Plan and due compliance with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations; and (xi) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan and due compliance with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations. Notwithstanding anything to the contrary contained herein, the Board may, in its sole discretion, at any time and from time to time, grant Awards or administer the Plan. In any such case, the Board shall have all of the authority and responsibility granted to the Committee herein.

Section 5. *Shares Available for Awards* .

(a) Subject to adjustment as provided in Section 5(c) and except for Substitute Awards, the maximum number of Shares available for issuance under the Plan as of the Effective Date shall equal the sum of (i) 14,000,000 Shares (the " **Initial Share Pool** ") and (ii) the total number of Shares then available for issuance under the Pre-IPO Plan. The total number of Shares available for issuance under the Plan shall be increased on the first day of each Company fiscal year following the Effective Date in an amount equal to the lesser of (i) 5% of the aggregate number of Shares and shares of the Company's Class B common stock outstanding (on a fully diluted basis) on the last day of the immediately preceding fiscal year and (ii) such number of Shares as determined by the Board in its discretion.

(b) If any Award or Pre-IPO Award is forfeited, cancelled, expires, terminates or otherwise lapses or is settled in cash, in whole or in part, without the delivery of Shares, then the Shares covered by such forfeited, expired, terminated or lapsed Award or Pre-IPO Award shall again be available for grant under the Plan. For the avoidance of doubt, any Shares withheld in respect of taxes relating to any Award or Pre-IPO Award, and any Shares tendered or withheld to pay the exercise price of an Option or Pre-IPO Award, will not again become available for issuance under the Plan.

(c) In the event that the Committee determines that, as a result of any dividend or other distribution (other than an ordinary dividend or distribution), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, separation, rights offering, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, issuance of warrants or other rights to purchase Shares or other securities of the Company, issuance of Shares pursuant to the anti-dilution provisions of securities of the Company, or other similar corporate transaction or event affecting the Shares, or of changes in applicable laws, regulations or accounting principles, an adjustment is appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee shall, subject to compliance with Section 409A of the Code and other applicable law, adjust equitably so as to ensure no undue enrichment or harm (including by payment of cash), any or all of:

(i) the number and type of Shares (or other securities) which thereafter may be made the subject of Awards, including the aggregate limits specified in Section 5(a) and Section 5(f);

(ii) the number and type of Shares (or other securities) subject to outstanding Awards; and

(iii) the grant, purchase, exercise or hurdle price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award.

(d) Any Shares delivered pursuant to an Award may consist, in whole or in part, of authorized and unissued Shares or Shares acquired by the Company.

(e) No Participant who is a non-employee Director may receive Awards under the Plan for any calendar year that relate to more than $750,000 in the aggregate.

(f) Subject to adjustment as provided in Section 5(c)(i), the maximum number of Shares available for issuance with respect to Incentive Stock Options shall equal the Initial Share Pool.

Section 6. *Options* . The Committee is authorized to grant Options to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The exercise price per Share under an Option shall be determined by the Committee at the time of grant; *provided* , *however* , that, except in the case of Substitute Awards, such exercise price shall not be less than the Fair Market Value of a Share on the date of grant of such Option.

(b) The term of each Option shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such Option. The Committee shall determine the time or times at which an Option becomes vested and exercisable in whole or in part.

(c) The Committee shall determine the method or methods by which, and the form or forms, including cash, Shares, other Awards, other property, net settlement, broker-assisted cashless exercise or any combination thereof, having a Fair Market Value on the exercise date equal to the exercise price of the Shares as to which the Option shall be exercised, in which payment of the exercise price with respect thereto may be made or deemed to have been made.

(d) The terms of any Incentive Stock Option granted under the Plan shall comply in all respects with the provisions of Section 422 of the Code. Incentive Stock Options may be granted only to employees of the Company or of a parent or subsidiary corporation (as defined in Section 424 of the Code).

Section 7. *Stock Appreciation Rights* . The Committee is authorized to grant SARs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) SARs may be granted under the Plan to Participants either alone (“freestanding”) or in addition to other Awards granted under the Plan (“tandem”) and may, but need not, relate to a specific Option granted under Section 6.

(b) The exercise or hurdle price per Share under a SAR shall be determined by the Committee; *provided* , *however* , that, except in the case of Substitute Awards, such exercise or hurdle price shall not be less than the Fair Market Value of a Share on the date of grant of such SAR.

(c) The term of each SAR shall be fixed by the Committee but shall not exceed 10 years from the date of grant of such SAR. The Committee shall determine the time or times at which a SAR may be exercised or settled in whole or in part.

(d) Upon the exercise of a SAR, the Company shall pay to the Participant an amount equal to the number of Shares subject to the SAR multiplied by the excess, if any, of the Fair Market Value of one Share on the exercise date over the exercise or hurdle price of such SAR. The Company shall pay such excess in cash, in Shares valued at Fair Market Value, or any combination thereof, as determined by the Committee.

Section 8. *Restricted Stock.* The Committee is authorized to grant Awards of Restricted Stock to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The Award Agreement shall specify the vesting schedule.

(b) Awards of Restricted Stock shall be subject to such restrictions as the Committee may impose, which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.

(c) Subject to the restrictions set forth in the applicable Award Agreement, a Participant generally shall have the rights and privileges of a stockholder with respect to Awards of Restricted Stock, including the right to vote such Shares of Restricted Stock and the right to receive dividends.

(d) The Committee may, in its discretion, specify in the applicable Award Agreement that any or all dividends or other distributions paid on Awards of Restricted Stock prior to vesting be paid either in cash or in additional Shares and either on a current or deferred basis and that such dividends or other distributions may be reinvested in additional Shares, which may be subject to the same restrictions as the underlying Awards.

(e) Any Award of Restricted Stock may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration.

(f) The Committee may provide in an Award Agreement that an Award of Restricted Stock is conditioned upon the Participant making or refraining from making an election with respect to the Award under Section 83(b) of the Code. If a Participant makes an election pursuant to Section 83(b) of the Code with respect to an Award of Restricted Stock, such Participant shall be required to file promptly a copy of such election with the Company and the applicable Internal Revenue Service office.

Section 9. *RSUs.* The Committee is authorized to grant Awards of RSUs to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) The Award Agreement shall specify the vesting schedule and the delivery schedule (which may include deferred delivery later than the vesting date).

(b) Awards of RSUs shall be subject to such restrictions as the Committee may impose, which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Committee may deem appropriate.

(c) An RSU shall not convey to a Participant the rights and privileges of a stockholder with respect to the Shares subject to such RSU, such as the right to vote or the right to receive dividends, unless and until such Shares are issued to such Participant to settle such RSU.

(d) The Committee may, in its discretion, specify in the applicable Award Agreement that any or all dividend equivalents or other distributions paid on Awards of RSUs prior to vesting or settlement, as applicable, be paid either in cash or in additional Shares and either on a current or deferred basis and that such dividend equivalents or other distributions may be reinvested in additional Shares, which may be subject to the same restrictions as such Awards.

(e) Shares delivered upon the vesting and settlement of an RSU Award may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration.

(f) The Committee may determine the form or forms (including cash, Shares, other Awards, other property or any combination thereof) in which payment of the amount owing upon settlement of any RSU Award may be made.

Section 10. *Performance Awards.* The Committee is authorized to grant Performance Awards to Participants with the following terms and conditions and with such additional terms and conditions, in either case not inconsistent with the provisions of the Plan, as the Committee shall determine:

(a) Performance Awards may be denominated as a cash amount, number of Shares or units or a combination thereof and are Awards that may be earned upon achievement or satisfaction of performance conditions specified by the Committee. In addition, the Committee may specify that any other Award shall constitute a Performance Award by conditioning the grant to a Participant or the right of a Participant to exercise the Award or have it settled, and the timing thereof, upon achievement or satisfaction of such performance conditions as may be specified by the Committee. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions. Subject to the terms of the Plan, the performance goals to be achieved during any Performance Period, the length of any Performance Period, the amount of any Performance Award granted and the amount of any payment or transfer to be made pursuant to any Performance Award shall be determined by the Committee.

(b) If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company, or the manner in which the Company conducts its business, or other events or circumstances render the performance objectives unsuitable, the Committee may modify the performance objectives or the related minimum acceptable level of achievement, in whole or in part, as the Committee deems appropriate and equitable such that it does not provide any undue enrichment or harm. Performance measures may vary from Performance Award to Performance Award and from Participant to Participant, and may be established on a stand-alone basis, in tandem or in the alternative. The Committee shall have the power to impose such other restrictions on Awards subject to this Section 10(b) as it may deem necessary or appropriate to ensure that such Awards satisfy all requirements of any applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

(c) Settlement of Performance Awards shall be in cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined in the discretion of the Committee.

(d) A Performance Award shall not convey to a Participant the rights and privileges of a stockholder with respect to the Shares subject to such Performance Award, such as the right to vote (except as relates to Restricted Stock) or the right to receive dividends, unless and until Shares are issued to such Participant to settle such Performance Award. The Committee, in its sole discretion, may provide that a Performance Award shall convey the right to receive dividend equivalents on the Shares subject to such Performance Award with respect to any dividends declared during the period that such Performance Award is outstanding, in which case, such dividend equivalent rights shall accumulate and shall be paid in cash or Shares on the settlement date of the Performance Award, subject to the Participant's earning of the Shares subject to such Performance Awards with respect to which such dividend equivalents are paid upon achievement or satisfaction of performance conditions specified by the Committee. Shares delivered upon the vesting and settlement of a Performance Award may be evidenced in such manner as the Committee may deem appropriate, including book-entry registration. For the avoidance of doubt, unless otherwise determined by the Committee, no dividend equivalent rights shall be provided with respect to any Shares subject to Performance Awards that are not earned or otherwise do not vest or settle pursuant to their terms.

(e) The Committee may, in its discretion, increase or reduce the amount of a settlement otherwise to be made in connection with a Performance Award.

Section 11. *Other Cash-Based Awards and Other Stock-Based Awards.* The Committee is authorized, subject to limitations under applicable law, to grant Other Cash-Based Awards (either independently or as an element of or supplement to any other Award under the Plan) and Other Stock-Based Awards. The Committee shall determine the terms and conditions of such Awards. Shares delivered pursuant to an Award in the nature of a purchase right granted under this Section 11 shall be purchased for such consideration, and paid for at such times, by such methods and in such forms, including cash, Shares, other Awards, other property, net settlement, broker-assisted cashless exercise or any combination thereof, as the Committee shall determine; *provided* that the purchase price therefor shall not be less than the Fair Market Value of such Shares on the date of grant of such right.

Section 12. *Effect of Termination of Service or a Change in Control on Awards* .

(a) The Committee may provide, by rule or regulation or in any applicable Award Agreement, or may determine in any individual case, the circumstances in which, and the extent to which, an Award may be exercised, settled, vested, paid or forfeited in the event of a Participant's Termination of Service prior to the end of a Performance Period or vesting, exercise or settlement of such Award.

(b) Subject to the last sentence of Section 2(ll), the Committee may determine, in its discretion, whether, and the extent to which, (i) an Award will vest during a leave of absence, (ii) a reduction in service level (for example, from full-time to part-time employment) will cause a reduction, or other change, to an Award and (iii) a leave of absence or reduction in service will be deemed a Termination of Service.

(c) In the event of a Change in Control, the Committee may, in its sole discretion, and on such terms and conditions as it deems appropriate, take any one or more of the following actions with respect to any outstanding Award, which need not be uniform with respect to all Participants and/or Awards:

(i) continuation or assumption of such Award by the Company (if it is the surviving corporation) or by the successor or surviving corporation or its parent;

(ii) substitution or replacement of such Award by the successor or surviving corporation or its parent with cash, securities, rights or other property to be paid or issued, as the case may be, by the successor or surviving corporation (or a parent or subsidiary thereof), with substantially the same terms and value as such Award (including any applicable performance targets or criteria with respect thereto);

(iii) acceleration of the vesting of such Award and the lapse of any restrictions thereon and, in the case of an Option or SAR Award, acceleration of the right to exercise such Award during a specified period (and the termination of such Option or SAR Award without payment of any consideration therefor to the extent such Award is not timely exercised), in each case, either (A) immediately prior to or as of the date of the Change in Control or (B) upon a Participant's involuntary Termination of Service (including upon a termination of a Participant's employment by the Company (or a successor corporation or its parent) without "cause", by a Participant for "good reason" and/or due to a Participant's death or "disability", as such terms may be defined in the applicable Award Agreement and/or a Participant's Service Agreement) on or within a specified period following the Change in Control;

(iv) in the case of a Performance Award, determination of the level of attainment of the applicable performance condition(s); and

(v) cancellation of such Award in consideration of a payment, with the form, amount and timing of such payment determined by the Committee in its sole discretion, subject to the following: (A) such payment shall be made in cash, securities, rights and/or other property; (B) the amount of such payment shall equal the value of such Award, as determined by the Committee in its sole discretion; *provided* that, in the case of an Option or SAR Award, if such value equals the Intrinsic Value of such Award, such value shall be deemed to be valid; *provided further* that, if the Intrinsic Value of an Option or SAR Award is equal to or less than zero, the Committee may, in its sole discretion, provide for the cancellation of such Award without payment of any consideration therefor; and (C) such payment shall be made promptly following such Change in Control or on a specified date or dates following such Change in Control; *provided* that the timing of such payment shall comply with Section 409A of the Code.

Section 13. *General Provisions Applicable to Awards* .

(a) Awards shall be granted for such cash or other consideration, if any, as the Committee determines; *provided* that in no event shall Awards be issued for less than such minimal consideration as may be required by applicable law.

(b) Awards may, in the discretion of the Committee, be granted either alone or in addition to or in tandem with any other Award or any award granted under any other plan of the Company. Awards granted in addition to or in tandem with other Awards, or in addition to or in tandem with awards granted under any other plan of the Company, may be granted either at the same time as or at a different time from the grant of such other Awards or awards.

(c) Subject to the terms of the Plan, payments or transfers to be made by the Company upon the grant, exercise or settlement of an Award may be made in the form of cash, Shares, other Awards, other property, net settlement, or any combination thereof, as determined by the Committee in its discretion at the time of grant, and may be made in a single payment or transfer, in installments or on a deferred basis, in each case in accordance with rules and procedures established by the Committee. Such rules and procedures may include provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of dividend equivalents in respect of installment or deferred payments.

(d) Except as may be permitted by the Committee or as specifically provided in an Award Agreement, (i) no Award and no right under any Award shall be assignable, alienable, saleable or transferable by a Participant other than by will or pursuant to Section 13(e) and (ii) during a Participant's lifetime, each Award, and each right under any Award, shall be exercisable only by such Participant or, if permissible under applicable law, by such Participant's guardian or legal representative. The provisions of this Section 13(d) shall not apply to any Award that has been fully exercised or settled, as the case may be, and shall not preclude forfeiture of an Award in accordance with the terms thereof.

(e) If permitted by the Committee, a Participant may designate a Beneficiary or change a previous Beneficiary designation only at such times as prescribed by the Committee, in its sole discretion, and only by using forms and following procedures approved or accepted by the Committee for that purpose.

(f) All certificates for Shares and/or other securities delivered under the Plan pursuant to any Award or the exercise thereof shall be subject to such stop transfer orders and other restrictions as the Committee may deem advisable under the Plan or the rules, regulations and other requirements of the Securities and Exchange Commission, any stock market or exchange upon which such Shares or other securities are then quoted, traded or listed, and any applicable securities laws, and the Committee may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

(g) The Committee may impose restrictions on any Award with respect to non-competition, non-solicitation, confidentiality and other restrictive covenants as it deems necessary or appropriate in its sole discretion.

Section 14. *Amendments and Terminations* .

(a) *Amendment or Termination of the Plan* . Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Agreement or in the Plan, the Board may amend, alter, suspend, discontinue or terminate the Plan or any portion thereof at any time; *provided* , *however* , that no such amendment, alteration, suspension, discontinuation or termination shall be made without (i) shareholder approval if such approval is required by applicable law or the rules of the stock market or exchange, if any, on which the Shares are principally quoted or traded or (ii) subject to Section 5(c) and Section 12, the consent of the affected Participant, if such action would materially adversely affect the rights of such Participant under any outstanding Award, except (x) to the extent any such amendment, alteration, suspension, discontinuance or termination is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations or (y) to impose any “clawback” or recoupment provisions on any Awards (including any amounts or benefits arising from such Awards) in accordance with Section 18. Notwithstanding anything to the contrary in the Plan, the Committee may amend the Plan, or create sub-plans, in such manner as may be necessary to enable the Plan to achieve its stated purposes in any jurisdiction in a tax-efficient manner and in compliance with local rules and regulations.

(b) *Dissolution or Liquidation* . In the event of the dissolution or liquidation of the Company, each Award shall terminate immediately prior to the consummation of such action, unless otherwise determined by the Committee.

(c) *Terms of Awards* . The Committee may waive any conditions or rights under, amend any terms of, or amend, alter, suspend, discontinue or terminate any Award theretofore granted, prospectively or retroactively, without the consent of any relevant Participant or holder or Beneficiary of an Award; *provided* , *however* , that, subject to

Section 5(c) and Section 12, no such action shall materially adversely affect the rights of any affected Participant or holder or Beneficiary under any Award theretofore granted under the Plan, except (x) to the extent any such action is made to cause the Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations, or (y) to impose any “clawback” or recoupment provisions on any Awards (including any amounts or benefits arising from such Awards) in accordance with Section 18. The Committee shall be authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of events (including the events described in Section 5(c)) affecting the Company, or the financial statements of the Company, or of changes in applicable laws, regulations or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

(d) *No Repricing* . Notwithstanding the foregoing, except as provided in Section 5(c), no action (including the repurchase of Options or SAR Awards (in each case, that are “out of the money”) for cash and/or other property) shall directly or indirectly, through cancellation and regrant or any other method, reduce, or have the effect of reducing, the exercise or hurdle price of any Award established at the time of grant thereof without approval of the Company’s shareholders.

Section 15. *Miscellaneous* .

(a) No Employee, Consultant, Director, Participant, or other Person shall have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of employees, Participants or holders or Beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient. Any Award granted under the Plan shall be a one-time Award that does not constitute a promise of future grants. The Company, in its sole discretion, maintains the right to make available future grants under the Plan.

(b) The grant of an Award shall not be construed as giving a Participant the right to be retained in the employ of, or to continue to provide services to, the Company or any Subsidiary. Further, the Company or any applicable Subsidiary may at any time dismiss a Participant, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement or in any other agreement binding on the parties. The receipt of any Award under the Plan is not intended to confer any rights on the receiving Participant except as set forth in the applicable Award Agreement.

(c) Nothing contained in the Plan shall prevent the Company from adopting or continuing in effect other or additional compensation arrangements, and such arrangements may be either generally applicable or applicable only in specific cases.

(d) The Committee may authorize the Company to withhold from any Award granted or any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to a Participant the amount (in cash, Shares, other Awards, other property, net settlement, or any combination thereof) of applicable withholding taxes due in respect of an Award, its exercise or settlement or any payment or transfer under such Award or under the Plan and to take such other action (including providing for elective payment of such amounts in cash or Shares by such Participant) as may be necessary to satisfy all obligations for the payment of such taxes and, unless otherwise determined by the Committee in its discretion, to the extent such withholding would not result in liability classification of such Award (or any portion thereof) pursuant to FASB ASC Subtopic 718-10.

(e) If any provision of the Plan or any Award Agreement is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction, or as to any Person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Committee, such provision shall be construed or deemed amended to conform to applicable laws, or if it cannot be so construed or deemed amended without, in the determination of the Committee, materially altering the intent of the Plan or the Award Agreement, such provision shall be stricken as to such jurisdiction, Person or Award, and the remainder of the Plan and any such Award Agreement shall remain in full force and effect.

(f) Neither the Plan nor any Award shall create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Company and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Company pursuant to an Award, such right shall be no greater than the right of any unsecured general creditor of the Company.

(g) No fractional Shares shall be issued or delivered pursuant to the Plan or any Award, and the Committee shall determine whether cash or other securities shall be paid or transferred in lieu of any fractional Shares, or whether such fractional Shares or any rights thereto shall be canceled, terminated or otherwise eliminated.

(h) Awards may be granted to Participants who are non-United States nationals or employed or providing services outside the United States, or both, on such terms and conditions different from those applicable to Awards to Participants who are employed or providing services in the United States as may, in the judgment of the Committee, be necessary or desirable to recognize differences in local law, tax policy or custom. The Committee also may impose conditions on the exercise or vesting of Awards in order to minimize the Company's obligation with respect to tax equalization for Participants on assignments outside their home country.

Section 16. *Effective Date of the Plan.* The Plan shall be effective as of the Effective Date, *provided* that the Board and the Company's stockholders may approve the Plan prior to such date.

Section 17. *Term of the Plan.* No Award shall be granted under the Plan after the earliest to occur of (i) the 10-year anniversary of the Effective Date; (ii) the maximum number of Shares available for issuance under the Plan have been issued; or (iii) the Board terminates the Plan in accordance with Section 14(a). However, unless otherwise expressly provided in the Plan or in an applicable Award Agreement, any Award theretofore granted may extend beyond such date, and the authority of the Committee to amend, alter, adjust, suspend, discontinue or terminate any such Award, or to waive any conditions or rights under any such Award, and the authority of the Board to amend the Plan, shall extend beyond such date.

Section 18. *Cancellation or "Clawback" of Awards* .

(a) The following provisions of this Section 18 shall apply to Awards granted to (i) Participants who are classified by the Company or an Affiliate as executive officers, senior officers, or officers of the Company or an Affiliate, (ii) Participants who are Directors (A) who are not Employees and (B) who are not holders of more than 5% of the outstanding Shares or Persons in control of such holder(s), and (iii) certain other Participants designated by the Committee or the Board to be subject to the terms of this Section 18 (such Participants referred to collectively as " **Senior Participants** "). The Committee or the Board may cancel, rescind, suspend or otherwise limit or restrict any unexpired Award at any time if a Senior Participant engages in Detrimental Activity. Furthermore, in the event a Senior Participant engages in Detrimental Activity at any time prior to or during the six months after any exercise of an Award, lapse or a restriction under an Award or delivery of Shares pursuant to an Award, such exercise, lapse or delivery may be rescinded until the later of (i) two years after such exercise, lapse or delivery or (ii) two years after such Detrimental Activity. Upon such rescission, the Company at its sole option may require the Senior Participant to (A) deliver and transfer to the Company the Shares received by the Senior Participant upon such exercise, lapse or delivery, (B) pay to the Company an amount equal to any realized gain received by the Senior Participant from such exercise, lapse or delivery or (C) pay to the Company an amount equal to the market value (as of the exercise, lapse or delivery date) of the Shares acquired upon such exercise, lapse or delivery minus the respective price paid upon exercise, lapse or delivery, if applicable. The Company shall be entitled to set-off any such amount owed to the Company against any amount owed to the Senior Participant by the Company to the extent permitted under Section 409A of the Code and applicable law. Further, if the Company commences an action against a Senior Participant (by way of claim or counterclaim and including declaratory claims) in which it is preliminarily or finally determined that the Senior Participant engaged in Detrimental Activity or otherwise violated this Section 18, the Senior Participant shall reimburse the Company for all costs and fees incurred in such action, including but not limited to the Company's reasonable attorneys' fees.

(b) Without limiting the foregoing, (i) the Committee shall have full authority to implement any policies and procedures necessary to comply with Section 10D of the Exchange Act and any rules promulgated thereunder and any other regulatory regimes and (ii) notwithstanding anything to the contrary contained herein, any Awards granted under the Plan (including any amounts or benefits arising from such Awards) shall be subject to any clawback or recoupment arrangements or policies the Company has in place from time to time, and the Committee may, to the extent permitted by applicable law and stock exchange rules or by any applicable Company policy or arrangement, and shall, to the extent required, cancel or require reimbursement of any Awards granted to a Participant or any Shares issued or cash received upon vesting, exercise or settlement of any such Awards or sale of Shares underlying such Awards.

Section 19. *Section 409A of the Code.* With respect to Awards subject to Section 409A of the Code, the Plan is intended to comply with the requirements of Section 409A of the Code, and the provisions of the Plan and any Award Agreement shall be interpreted in a manner that satisfies the requirements of Section 409A of the Code, and the Plan shall be operated accordingly. If any provision of the Plan or any term or condition of any Award would otherwise frustrate or conflict with this intent, the provision, term or condition shall be interpreted and deemed amended so as to avoid this conflict. Notwithstanding anything in the Plan to the contrary, if the Board considers a Participant to be a "specified employee" under Section 409A of the Code at the time of such Participant's "separation from service" (as defined in Section 409A of the Code), and any amount hereunder is "deferred compensation" subject to Section 409A of the Code, any distribution of such amount that otherwise would be made to such Participant with respect to an Award as a result of such "separation from service" shall not be made until the date that is six months after such "separation from service," except to the extent that earlier distribution would not result in such Participant's incurring interest or additional tax under Section 409A of the Code. If an Award includes a "series of installment payments" (within the meaning of Section 1.409A-2(b)(2)(iii) of the Treasury Regulations), a Participant's right to such series of installment payments shall be treated as a right to a series of separate payments and not as a right to a single payment, and if an Award includes "dividend equivalents" (within the meaning of Section 1.409A-3(e) of the Treasury Regulations), a Participant's right to such dividend equivalents shall be treated separately from the right to other amounts under the Award. Notwithstanding the foregoing, the tax treatment of the benefits provided under the Plan or any Award Agreement is not warranted or guaranteed, and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by a Participant on account of non-compliance with Section 409A of the Code.

Section 20. *Successors and Assigns* . The terms of the Plan shall be binding upon and inure to the benefit of the Company and any successor entity, including any successor entity contemplated by Section 12(c).

Section 21. *Data Protection* . By participating in the Plan, a Participant consents to the holding and processing of personal information provided by such Participant to the Company or any Affiliate, trustee or third party service provider, for all purposes relating to the operation of the Plan. These include:

(a) administering and maintaining Participant records;

(b) providing information to the Company, any Subsidiary, trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan;

(c) providing information to future purchasers or merger partners of the Company or any Affiliate, or the business in which such Participant works; and

(d) transferring information about such Participant to any country or territory that may not provide the same protection for the information as such Participant's home country.

Section 22. *Governing Law* . The Plan and each Award Agreement shall be governed by the laws of the State of Delaware, without application of the conflicts of law principles thereof.

Exhibit 10.16

PIVOTAL SOFTWARE, INC.
EMPLOYEE STOCK PURCHASE PLAN

Section 1. *Purpose* . This Pivotal Software, Inc. Employee Stock Purchase Plan (the " **Plan** ") is intended to provide employees of Pivotal Software, Inc. (the " **Company** ") and the Participating Companies with an opportunity to acquire a proprietary interest in the Company through the purchase of Shares. The Plan has two components: (a) one component (the " **423 Component** ") is intended to qualify as an "employee stock purchase plan" under Section 423(b) of the Code, and the Plan will be interpreted in a manner that is consistent with that intent, and (b) the other component (the " **Non-423 Component** "), which is not intended to qualify as an "employee stock purchase plan" under Section 423 of the Code, authorizes the grant of Options pursuant to rules, procedures or sub-plans adopted by the Committee that are designed to achieve tax, securities laws or other objectives for Eligible Employees. Except as otherwise provided herein, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

Section 2. *Definitions* .

(a) " **Affiliate** " means any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company.

(b) " **Board** " means the Board of Directors of the Company.

(c) " **Code** " means the Internal Revenue Code of 1986, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Code includes any successor provision thereto.

(d) " **Committee** " means the compensation committee of the Board unless another committee is designated by the Board. If there is no compensation committee of the Board and the Board does not designate another committee, references herein to the "Committee" will refer to the Board.

(e) " **Compensation** " means all base salary and wages paid to an Eligible Employee by the Company or a Participating Company as compensation for services to the Company or Participating Company, including overtime, vacation pay, holiday pay, parental leave pay, jury duty pay and funeral leave pay, but excluding car allowances, transit payments, relocation assistance, reimbursements (such as travel expenses, financial planning, tuition assistance, adoption assistance and similar reimbursements and advances), imputed income, cost-of-living allowances, tax gross-ups, nonqualified deferred compensation plan payments, severance or termination pay, third party sick pay, income relating to equity or equity-based compensation, cash incentive compensation, commissions, special cash awards or bonuses (such as recognition awards or referral bonuses), and other irregular and special payments that are non-recurring.

(f) " **Contribution Limit** " means, with respect to an Offering Period, the lesser of (i) 15% of an Eligible Employee's Compensation for such Offering Period or (ii) $7,500.

(g) “ **Corporate Transaction** ” means a merger, consolidation, acquisition of property or stock, separation, reorganization or other corporate event described in Section 424 of the Code.

(h) “ **Designated Broker** ” means the financial services firm or other agent designated by the Company to maintain ESPP Share Accounts on behalf of Participants who have purchased Shares under the Plan.

(i) “ **Effective Date** ” means the date on which the registration statement covering the initial public offering of the Shares is declared effective by the Securities and Exchange Commission.

(j) “ **Eligible Employee** ” means an Employee who is customarily employed for at least 20 hours per week and more than five months in any calendar year; *provided, however* , that the Committee retains the discretion to determine which Eligible Employees may participate in an Offering pursuant to and consistent with Treasury Regulation Sections 1.423-2(e) and (f). Notwithstanding the foregoing, the Committee may exclude from participation in the Plan, or from any Offering, Employees who are “highly compensated employees” of the Company or a Participating Company (within the meaning of Section 414(q) of the Code).

(k) “ **Employee** ” means any person who renders services to the Company or a Participating Company as an employee pursuant to an employment relationship with such employer. For purposes of the Plan, the employment relationship will be treated as continuing intact while the individual is on military leave, sick leave, parental leave or other leave of absence approved by the Company or a Participating Company that meets the requirements of Treasury Regulation Section 1.421-1(h)(2). Where the period of leave exceeds three months, or such other period of time specified in Treasury Regulation Section 1.421-1(h)(2), and the individual’s right to re-employment is not guaranteed by statute or contract, the employment relationship will be deemed to have terminated on the first day immediately following such three-month period, or such other period specified in Treasury Regulation Section 1.421-1(h)(2).

(l) “ **Enrollment Form** ” means an agreement pursuant to which an Eligible Employee may elect to enroll in the Plan, to authorize a new level of payroll deductions, or to stop payroll deductions and withdraw from an Offering.

(m) “ **ESPP Share Account** ” means an account into which Shares purchased with accumulated payroll deductions on a Purchase Date are held on behalf of a Participant.

(n) “ **Exchange Act** ” means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act includes any successor provision thereto.

(o) “ **Fair Market Value** ” means, as of any date, the closing price of a Share on the Trading Day immediately preceding the date of determination (or, if there is no reported sale on such date, on the last preceding date on which any reported sale occurred), on the principal stock market or exchange on which Shares are quoted or traded, or if Shares are not so quoted or traded, the fair market value of a Share as determined by the Committee, which determination will be conclusive and binding on all persons; *provided* that, with respect to the Initial Offering Period, the Fair Market Value of a Share on the Grant Date will be the price at which Shares are offered to the public by the Company's underwriters pursuant to the registration statement covering the initial public offering of Shares.

(p) " **Grant Date** " means, with respect to (i) each Offering Period other than the Initial Offering Period, the first Trading Day of such Offering Period, or (ii) the Initial Offering Period, the Effective Date.

(q) " **Initial Offering Period** " means the Offering Period commencing on the Effective Date and ending on January 10, 2019.

(r) " **Offering** " means the grant of Options to purchase Shares under the 423 Component or the Non-423 Component of the Plan to Eligible Employees under terms approved by the Committee.

(s) " **Offering Period** " means the duration of an Offering as established by the Committee; *provided* that the duration of an Offering Period may not exceed 27 months; *provided further* that, unless otherwise determined by the Committee, each Offering Period (other than the Initial Offering Period) will have a duration of six months commencing on January 11 or July 11 and ending on July 10 or January 10.

(t) " **Option** " means an option to purchase Shares granted under the Plan.

(u) " **Participant** " means an Eligible Employee who is actively participating in the Plan.

(v) " **Participating Companies** " means the Subsidiaries and Affiliates that have been designated as eligible to participate in the Plan, and such other Subsidiaries and Affiliates that may be designated by the Committee from time to time in its sole discretion. For purposes of the 423 Component, only the Company and its Subsidiaries may be Participating Companies; *provided* , *however* , that at any given time, a Subsidiary that is a Participating Company under the 423 Component will not be a Participating Company under the Non-423 Component. The Committee may so designate any Subsidiary or Affiliate, or revoke any such designation, at any time and from time to time, either before or after the Plan is approved by the shareholders of the Company.

(w) " **Plan** " means this Pivotal Software, Inc. Employee Stock Purchase Plan, as set forth herein, and as amended from time to time.

(x) " **Purchase Date** " means one or more dates during an Offering Period, as established by the Committee, on which Options will be exercised and purchases of Shares will be carried out in accordance with the Offering; *provided* that, unless otherwise determined by the Committee, each Offering Period will have one Purchase Date on the last Trading Day of such Offering Period.

(y) " **Purchase Price** " means an amount equal to the lesser of (i) 85% (or such greater percentage as designated by the Committee) of the Fair Market Value of a Share on the Grant Date or (ii) 85% (or such greater percentage as designated by the Committee) of the Fair Market Value of a Share on the Purchase Date; *provided* that the Purchase Price per Share will in no event be less than the par value of the Shares.

(z) " **Securities Act** " means the Securities Act of 1933, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Securities Act includes any successor provision thereto.

(aa) " **Share** " means a share of the Company's Class A common stock, $0.01 par value.

(bb) " **Subsidiary** " means any corporation, domestic or foreign, of which not less than 50% of the combined voting power is held by the Company or a Subsidiary, whether or not such corporation exists now or is hereafter organized or acquired by the Company or a Subsidiary. In all cases, the determination of whether an entity is a Subsidiary will be made in accordance with Section 424(f) of the Code.

(cc) " **Trading Day** " means any day on which the national stock exchange upon which the Shares are listed is open for trading or, if the Shares are not listed on an established stock exchange or national market system, a business day, as determined by the Committee in good faith.

(dd) " **Treasury Regulation** " means the Treasury regulations of the Code. Any reference to a provision in a Treasury regulation includes any successor provision thereto.

Section 3. *Administration* .

(a) *Administration of Plan* . The Plan will be administered by the Committee, which will have the authority to construe and interpret the Plan, prescribe, amend and rescind rules relating to the Plan's administration, and take any other actions necessary or desirable for the administration of the Plan, including without limitation adopting sub-plans or special rules applicable to Participants in particular Participating Companies or locations, which sub-plans or special rules may be designed to be outside the scope of Section 423 of the Code and under the Non-423 Component. The Committee may correct any defect or supply any omission or reconcile any inconsistency or ambiguity in the Plan. The decisions of the Committee will be final and binding on all persons. All expenses of administering the Plan will be borne by the Company. Notwithstanding anything in the Plan to the contrary and without limiting the generality of the foregoing, the Committee will have the authority to change the minimum and maximum amounts of Compensation for payroll deductions pursuant to Section 5(a), the frequency with which a Participant may elect to change his or her rate of payroll deductions pursuant to Section 5(b), the dates by which a Participant is required to submit an Enrollment Form pursuant to Sections 5(b) and 9(a), and the effective date of a Participant's withdrawal due to termination or transfer of employment or change in status pursuant to Section 10, and the withholding procedures pursuant to Section 18(l) .

(b) *Delegation of Authority* . To the extent permitted by applicable law, including under Section 157(c) of the Delaware General Corporation Law, the Committee may delegate some or all of its authority under the Plan to (i) one or more officers of the Company and (ii) one or more committees of the Board.

Section 4. *Eligibility* .

(a) *Eligibility Generally* . Unless otherwise determined by the Committee in a manner that is consistent with Section 423 of the Code, any individual who is an Eligible Employee as of the last day of the enrollment period designated by the Committee for a particular Offering Period will be eligible to participate in such Offering Period, subject to the requirements of Section 423 of the Code. For clarity, unless otherwise determined by the Committee, an individual who first becomes an Eligible Employee after the last day of the enrollment period designated by the Committee for a particular Offering Period will not be eligible to participate in such Offering Period.

(b) *Limitations on Eligibility* . Notwithstanding any provision of the Plan to the contrary, no Eligible Employee will be granted an Option under the 423 Component of the Plan if (i) immediately after the grant of such Option, 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 hold outstanding options to purchase stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or any Subsidiary or (ii) such Option would permit his or her rights to purchase stock under all employee stock purchase plans (described in Section 423 of the Code) of the Company and its Subsidiaries and Affiliates to accrue at a rate that exceeds $25,000 of the Fair Market Value of such stock (determined at the time such Option is granted) for each calendar year in which such Option is outstanding at any time.

Section 5. *Participation* .

(a) *Enrollment; Payroll Deductions* . An Eligible Employee may elect to participate in the Plan by properly completing an Enrollment Form, which may be electronic, and submitting it to the Company in accordance with the enrollment procedures established by the Committee. Participation in the Plan is entirely voluntary. By submitting an Enrollment Form, the Eligible Employee authorizes payroll deductions from his or her paycheck in an amount equal to at least 1% of his or her Compensation, but not more than the applicable Contribution Limit, on each payday occurring during an Offering Period. Payroll deductions will begin as soon as practicable following the Grant Date and end on the latest practicable payroll date on or before the last Purchase Date in the Offering. The Company will maintain records of all payroll deductions but will have no obligation to pay interest on payroll deductions or to hold such amounts in a trust or in any segregated account, except as may be required by applicable law. Unless expressly permitted by the Committee, a Participant may not make any separate contributions or payments to the Plan. If payroll deductions for purposes of the Plan are prohibited or otherwise problematic under applicable law (as determined by the Committee in its discretion), the Committee may permit Participants to contribute to the Plan by such other means as determined by the Committee. Any reference to “payroll deductions” in this Section 5(a) (or in any other section of the Plan) will similarly cover contributions by other means made pursuant to this Section 5(a).

(b) *Election Changes* . During an Offering Period, a Participant may decrease (but not increase) his or her rate of payroll deductions applicable to such Offering Period only once; *provided* that during the Initial Offering Period, a Participant may decrease (but not increase) his or her rate of payroll deductions twice. To make such a change, the Participant must submit a new Enrollment Form authorizing the new rate of payroll deductions, which change will become effective 10 business days after the date on which the Participant submits such new Enrollment Form. A Participant may decrease or increase his or her rate of payroll deductions for future Offering Periods by submitting a new Enrollment Form authorizing the new rate of payroll deductions at least 10 business days before the start of the next Offering Period.

(c) *Automatic Re-enrollment* . The deduction rate selected in the Enrollment Form will remain in effect for subsequent Offering Periods unless the Participant (i) submits a new Enrollment Form authorizing a new level of payroll deductions in accordance with Section 5(b), (ii) withdraws from the Plan in accordance with Section 9, or (iii) terminates employment or otherwise becomes ineligible to participate in the Plan in accordance with Section 10.

(d) *Automatic Enrollment for Initial Offering Period* . Each person who, on the Effective Date, is an Eligible Employee will automatically become a Participant in the Offering for the Initial Offering Period. Each such Participant will be required to submit an Enrollment Form within 10 business days after the Company files a registration statement on Form S-8 for the Shares offered under the Plan. Any such Participant who does not timely submit such Enrollment Form will be deemed to have withdrawn from the Offering for the Initial Offering Period pursuant to Section 9.

Section 6. *Grant of Option* . On the Grant Date of an Offering Period, each Participant in the Offering will be granted an Option to purchase, on each Purchase Date during such Offering Period, a number of Shares determined by dividing the Participant's accumulated payroll deductions by the applicable Purchase Price. In connection with each Offering, the Committee may specify (a) a maximum number of Shares that may be purchased by any Participant on any Purchase Date in such Offering, (b) a maximum aggregate number of Shares that may be purchased by all Participants in such Offering, and (c) if such Offering contains more than one Purchase Date, a maximum aggregate number of Shares that may be purchased by all Participants on any Purchase Date in such Offering.

Section 7. *Exercise of Option* .

(a) A Participant's Option will be exercised automatically on each Purchase Date in each Offering Period. The Participant's accumulated payroll deductions will be used to purchase the maximum number of whole Shares that can be purchased with the amounts in the Participant's notional account. Notwithstanding the foregoing, unless otherwise determined by the Committee, if on any Purchase Date in an Offering Period the maximum number of whole Shares that can be purchased with the amounts in a Participant's notional account (when aggregated with the number of Shares purchased by

the Participant on any previous Purchase Dates in such Offering Period) would exceed 3,000 Shares, then on such Purchase Date, the Participant's accumulated payroll deductions will be used to purchase a number of Shares equal to 3,000 less the number of Shares, if any, previously purchased by the Participant in such Offering Period, and the amount remaining in such account immediately following the purchase of such Shares will be applied toward the purchase of Shares on the next Purchase Date, subject to earlier withdrawal by the Participant in accordance with Section 9 or termination or transfer of employment or change in employment status in accordance with Section 10.

(b) No fractional Shares may be purchased, but any amount remaining in the Participant's notional account immediately following the purchase of Shares on a Purchase Date will be returned to the Participant as soon as administratively practicable. If a Participant has more than one Option outstanding under the Plan, an Option with a lower exercise price (or an earlier-granted Option, if different Options have identical exercise prices) will be exercised to the fullest possible extent before an Option with a higher exercise price (or a later-granted Option if different Options have identical exercise prices) will be exercised.

Section 8. *Transfer of Shares* . As soon as reasonably practicable after each Purchase Date, the Company will arrange for the delivery to each Participant of the Shares purchased on exercise of his or her Option. The Committee may permit or require that the Shares be deposited directly into an ESPP Share Account established in the name of the Participant with a Designated Broker and may require that the Shares be retained with such Designated Broker for a specified period of time.

Section 9. *Withdrawal* .

(a) *Withdrawal Procedure* . A Participant may withdraw from an Offering at any time prior to the last day of the Offering Period by submitting to the Company a revised Enrollment Form indicating his or her election to withdraw. The accumulated payroll deductions held on behalf of the Participant in his or her notional account (that have not been used to purchase Shares) will be paid to the Participant as soon as administratively feasible following such withdrawal, and the Participant's Option will be automatically terminated. If a Participant withdraws from an Offering Period, no payroll deductions will be made during any succeeding Offering Period, unless the Participant re-enrolls in accordance with Section 5(a).

(b) *Effect on Succeeding Offering Periods* . A Participant's election to withdraw from an Offering Period will not have any effect on his or her eligibility to participate in succeeding Offering Periods that commence following the completion of the Offering Period from which the Participant withdraws.

Section 10. *Termination of Employment; Change in Employment Status; Transfer of Employment* .

(a) Notwithstanding Section 9, on termination of a Participant's employment for any reason, including death, disability or retirement, or a change in the Participant's employment status following which the Participant is no longer an Eligible Employee, the Participant will be deemed to have withdrawn from the Plan effective as of the date of such termination of employment or change in status, the accumulated payroll deductions remaining in the Participant's notional account as of such effective date will be returned to the Participant (or in the case of the Participant's death, to the person(s) entitled to such amounts under Section 16) as soon as administratively practicable, and the Participant's Option will be automatically terminated.

(b) Unless otherwise determined by the Committee, a Participant whose employment transfers or whose employment terminates with an immediate rehire (with no break in service) by or between the Company or a Participating Company will not be treated as having terminated employment for purposes of participating in the Plan or an Offering; however, if a Participant transfers from an Offering under the 423 Component to an Offering under the Non-423 Component, the exercise of the Participant's Option will be qualified under the 423 Component only to the extent that such exercise complies with Section 423 of the Code. If a Participant transfers from an Offering under the Non-423 Component to an Offering under the 423 Component, the exercise of the Participant's Option will remain non-qualified under the Non-423 Component.

Section 11. *Interest* . No interest will accrue on or be payable with respect to the payroll deductions of a Participant under the Plan, except as may be required by applicable law.

Section 12. *Shares Reserved for Plan* .

(a) *Number of Shares* . Subject to adjustment in accordance with Section 17, the maximum number of Shares available for issuance under the Plan will not exceed in the aggregate 2,800,000 Shares. The Shares may be newly issued Shares, treasury Shares or Shares acquired on the open market. The total number of Shares available for issuance under the Plan will be increased on the first day of each Company fiscal year following the Effective Date in an amount equal to the least of (i) 5,500,000 Shares, (ii) 1% of the aggregate number of Shares and shares of Class B common stock of the Company outstanding (on a fully diluted basis) on the last day of the immediately preceding fiscal year and (iii) such number of Shares as determined by the Board in its discretion. If any Option terminates for any reason without having been exercised, the Shares not purchased under such Option will again become available for issuance under the Plan.

(b) *Oversubscribed Offerings* . In the event that, on a particular Purchase Date, the number of Shares with respect to which Options are to be exercised exceeds the number of Shares then available under the Plan or, if applicable, the maximum aggregate number of Shares that may be purchased by all Participants in such Offering or on such Purchase Date, the Company will make a pro rata allocation of the Shares remaining available for purchase in as uniform a manner as practicable and as the Committee determines to be equitable.

Section 13. *Transferability* . No payroll deductions credited to a Participant, and no rights with respect to the exercise of an Option or to receive Shares hereunder, may be assigned, transferred, pledged or otherwise disposed of in any way by the Participant (other than by will, the laws of descent and distribution, or as provided in Section 16). Any attempt to assign, transfer, pledge or otherwise dispose of such rights or amounts will be without effect.

Section 14. *Application of Funds* . To the extent permitted by applicable law, all payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company will not be required to segregate such payroll deductions or contributions.

Section 15. *Statements* . Each Participant will be provided with statements at least annually, which will set forth the contributions made by the Participant to the Plan, the Purchase Price of any Shares purchased with accumulated funds, the number of Shares purchased, and any payroll deduction amounts remaining in the Participant's notional account.

Section 16. *Designation of Beneficiary* . If permitted by the Committee, a Participant may file, on forms supplied by the Committee, a written designation of beneficiary who, in the event of the Participant's death, is to receive any Shares from the Participant's ESPP Share Account or any cash credited to the Participant's notional account.

Section 17. *Adjustments Upon Changes in Capitalization; Dissolution or Liquidation; Corporate Transactions* .

(a) *Adjustments* . In the event that any dividend or other distribution (whether in the form of cash, Shares, 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 Company's structure affecting the Shares occurs, then in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, the Committee will, in such manner as it deems equitable, adjust the number of Shares and class of Shares that may be issued under the Plan, the Purchase Price per Share and the number of Shares covered by each outstanding Option, and the numerical limits under Section 6 and Section 12.

(b) *Dissolution or Liquidation* . Unless otherwise determined by the Committee, in the event of a proposed dissolution or liquidation of the Company, any Offering Period then in progress will be shortened by setting a new Purchase Date on which the Offering Period will end. The new Purchase Date will be before the date of the Company's proposed dissolution or liquidation. Before the new Purchase Date, the Committee will provide each Participant with written notice, which may be electronic, of the new Purchase Date and that the Participant's Option will be exercised automatically on such date, unless before such date the Participant has withdrawn from the Offering in accordance with Section 9.

(c) *Corporate Transaction* . In the event of a Corporate Transaction, each outstanding Option will be assumed or an equivalent Option substituted by the successor corporation or a parent or Subsidiary of such successor corporation. If the successor corporation refuses to assume or substitute such Option, the Offering Period with respect to which such Option relates will be shortened by setting a new Purchase Date on which the Offering Period will end. The new Purchase Date will occur before the date of the Corporate Transaction. Prior to the new Purchase Date, the Committee will provide each Participant with written notice, which may be electronic, of the new Purchase Date and that the Participant's Option will be exercised automatically on such date, unless before such date the Participant has withdrawn from the Offering in accordance with Section 9. Notwithstanding the foregoing, in the event of a Corporate Transaction, the Committee may elect to terminate all outstanding Offering Periods in accordance with Section 18(i).

Section 18. *General Provisions* .

(a) *Equal Rights and Privileges Under 423 Component* . Notwithstanding any provision of the Plan to the contrary, and in accordance with Section 423 of the Code, all Eligible Employees who are granted Options under the 423 Component of the Plan will have the same rights and privileges.

(b) *No Right to Continued Service* . Neither the Plan nor any compensation paid hereunder will confer on any Participant the right to continue as an Employee or in any other capacity.

(c) *Rights as Shareholder* . A Participant will become a shareholder with respect to the Shares that are purchased pursuant to Options granted under the Plan when the Shares are transferred to the Participant's ESPP Share Account as provided in Section 8. A Participant will have no rights as a shareholder with respect to Shares for which an election to participate in an Offering Period has been made until the Participant becomes a shareholder as provided herein.

(d) *Successors and Assigns* . The Plan will be binding on the Company and its successors and assigns.

(e) *Entire Plan* . This Plan constitutes the entire plan with respect to the subject matter hereof and supersedes all prior plans with respect to the subject matter hereof.

(f) *Compliance with Law* . The obligations of the Company with respect to payments under the Plan are subject to compliance with all applicable laws and regulations. Shares will not be issued with respect to an Option granted under the Plan unless the exercise of such Option and the issuance and delivery of the Shares pursuant thereto will comply with all applicable provisions of law, including without limitation the Securities Act, the Exchange Act, and the requirements of any stock exchange upon which the Shares may then be listed.

(g) *Notice of Disqualifying Dispositions Under 423 Component* . Each Participant will give the Company prompt written notice of any disposition or other transfer of Shares acquired pursuant to the exercise of an Option acquired under the 423 Component of the Plan, if such disposition or transfer is made within two years after the Grant Date or within one year after the Purchase Date.

(h) *Term of Plan* . The Plan will become effective on the Effective Date and, unless terminated earlier pursuant to Section 18(i), will have a term of ten years.

(i) *Amendment or Termination* . The Committee may, in its sole discretion, amend, suspend or terminate the Plan at any time and for any reason. If the Plan is terminated, the Committee may elect to terminate all outstanding Offering Periods either immediately or once Shares have been purchased on the next Purchase Date (which may, in the discretion of the Committee, be accelerated) or permit Offering Periods to expire in accordance with their terms (and subject to any adjustment in accordance with Section 17). If any Offering Period is terminated before its scheduled expiration, all amounts that have not been used to purchase Shares will be returned to Participants as soon as administratively practicable.

(j) *Applicable Law* . The laws of the State of Delaware will govern all questions concerning the construction, validity and interpretation of the Plan, without regard to such state's conflict of law rules.

(k) *Shareholder Approval* . The Plan will be subject to approval by the shareholders of the Company within 12 months before or after the date the Plan is adopted by the Board.

(l) *Withholding* . To the extent required by applicable Federal, state, local or foreign law, a Participant must make arrangements satisfactory to the Company for the payment of any withholding or similar tax obligations that arise in connection with the Plan. At any time, the Company or any Subsidiary or Affiliate may, but will not be obligated to, withhold from a Participant's compensation the amount necessary for the Company or any Subsidiary or Affiliate to meet applicable withholding obligations, including any withholding required to make available to the Company or any Subsidiary or Affiliate any tax deductions or benefits attributable to the sale or early disposition of Shares by such Participant. In addition, the Company or any Subsidiary or Affiliate may, but will not be obligated to, withhold from the proceeds of the sale of Shares or any other method of withholding that the Company or any Subsidiary or Affiliate deems appropriate to the extent permitted by Treasury Regulation Section 1.423-2(f). The Company will not be required to issue any Shares under the Plan until such obligations are satisfied.

(m) *Severability* . If any provision of the Plan for any reason is held to be invalid or unenforceable, such invalidity or unenforceability will not affect any other provision hereof, and the Plan will be construed as if such invalid or unenforceable provision were omitted.

(n) *Headings* . The headings of sections herein are included solely for convenience and will not affect the meaning of any of the provisions of the Plan.

Exhibit 10.17

Director Compensation Policy

Certain of our non-employee directors will be eligible to receive compensation for their board service. Our board of directors has adopted a compensation program for these directors that will enable us to attract qualified directors, provide them with compensation at a level that is consistent with our compensation objectives and, in the case of equity-based compensation, align their interests with those of our stockholders.

These directors will be eligible to receive the following annual cash retainers, payable in annual installments in arrears:

- Board Chair: $30,000
- Board Member: $35,000
- Audit Committee Chair: $20,000
- Audit Committee Member: $10,000
- Compensation Committee Chair: $15,000
- Compensation Committee Member: $7,500

These directors will be eligible to receive the following equity-based compensation in the form of restricted stock units with respect to shares of Class A common stock granted pursuant to the 2018 Equity Incentive Plan:

- an initial grant in the amount of $300,000, vesting in equal annual installments over three years, to be made in connection with this offering; and
- an annual grant in the amount of $200,000, vesting after one year, to be made on or about the date of our annual stockholder meeting.

We will also reimburse all of our directors for their reasonable expenses incurred in attending meetings of our board of directors or committees.

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Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Amendment No. 1 to this Registration Statement on Form S-1 of Pivotal Software, Inc. of our report dated March 9, 2018, except for the effects of the reverse stock split discussed in Note 1 to the consolidated financial statements, as to which the date is April 9, 2018, relating to the financial statements, which appears in such Registration Statement. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts
April 9, 2018