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As filed with the Securities and Exchange Commission on February 2, 2017.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Snap Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware	7370	45-5452795
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

63 Market Street
Venice, California 90291
(310) 399-3339
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Evan Spiegel
Chief Executive Officer
Snap Inc.
63 Market Street
Venice, California 90291
(310) 399-3339
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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Approximate date of commencement of proposed sale to the public:
As soon as practicable after this registration statement becomes effective.

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

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

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee
Class A common stock, par value $0.00001 per share	$3,000,000,000	$347,700.00

(1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) of the Securities Act of 1933, as amended.
(2) Includes the aggregate offering price of additional shares that the underwriters have the option to purchase, if any.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant will file a further amendment which specifically states that this Registration Statement will thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement will become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)
Dated February 2, 2017

Shares

Snap Inc.

Class A Common Stock

This is an initial public offering of shares of non-voting Class A common stock of Snap Inc.

Snap Inc. is offering to sell shares of Class A common stock in this offering. The selling stockholders identified in this prospectus are offering an additional shares of Class A common stock. We will not receive any of the proceeds from the sale of the shares being sold by the selling stockholders.

We have three classes of common stock: Class A common stock, Class B common stock, and Class C common stock. The rights of the holders of Class A common stock, Class B common stock, and Class C common stock are identical, except with respect to voting, conversion, and transfer rights. Class A common stock is non-voting. Anyone purchasing Class A common stock in this offering will therefore not be entitled to any votes. Each share of Class B common stock is entitled to one vote and is convertible into one share of Class A common stock. Each share of Class C common stock is entitled to ten votes and is convertible into one share of Class B common stock. The holders of our outstanding Class C common stock, each of whom is a founder, an executive officer, and a director of the company, will hold approximately % of the voting power of our outstanding capital stock following this offering.

Before this offering, there has been no public market for our Class A common stock. It is currently estimated that the initial public offering price will be between $ and $ per share. We have applied to list our Class A common stock on the New York Stock Exchange under the symbol "SNAP."

We are an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012, have elected to comply with reduced public company reporting requirements, and may elect to comply with reduced public company reporting requirements in future filings.

See " Risk Factors " beginning on page 12 to read about factors you should consider before buying our Class A common stock.

	Price to Public	*Underwriting Discounts and Commissions (1)*	*Proceeds to Snap Inc.*	*Proceeds to Selling Stockholders*
Per share	*$*	*$*	*$*	*$*
Total	*$*	*$*	*$*	*$*

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

At our request, the underwriters have reserved up to 7.0% of the shares of Class A common stock offered by this prospectus for sale, at the initial public offering price, to certain individuals associated with us. See "Underwriting—Directed Share Program."

To the extent that the underwriters sell more than shares of Class A common stock, the underwriters have the option to purchase up to an additional shares of Class A common stock from certain of the selling stockholders at the initial public offering price less the underwriting discount.

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 against payment in New York, New York on , 2017.

Morgan Stanley *Goldman, Sachs & Co.* *J. P. Morgan* *Deutsche Bank Securities*

Barclays *Credit Suisse* *Allen & Company LLC*

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Snap Inc. is a camera company.

We believe that reinventing the camera represents our greatest opportunity to improve the way people live and communicate.

Our products empower people to express themselves, live in the moment, learn about the world, and have fun together.

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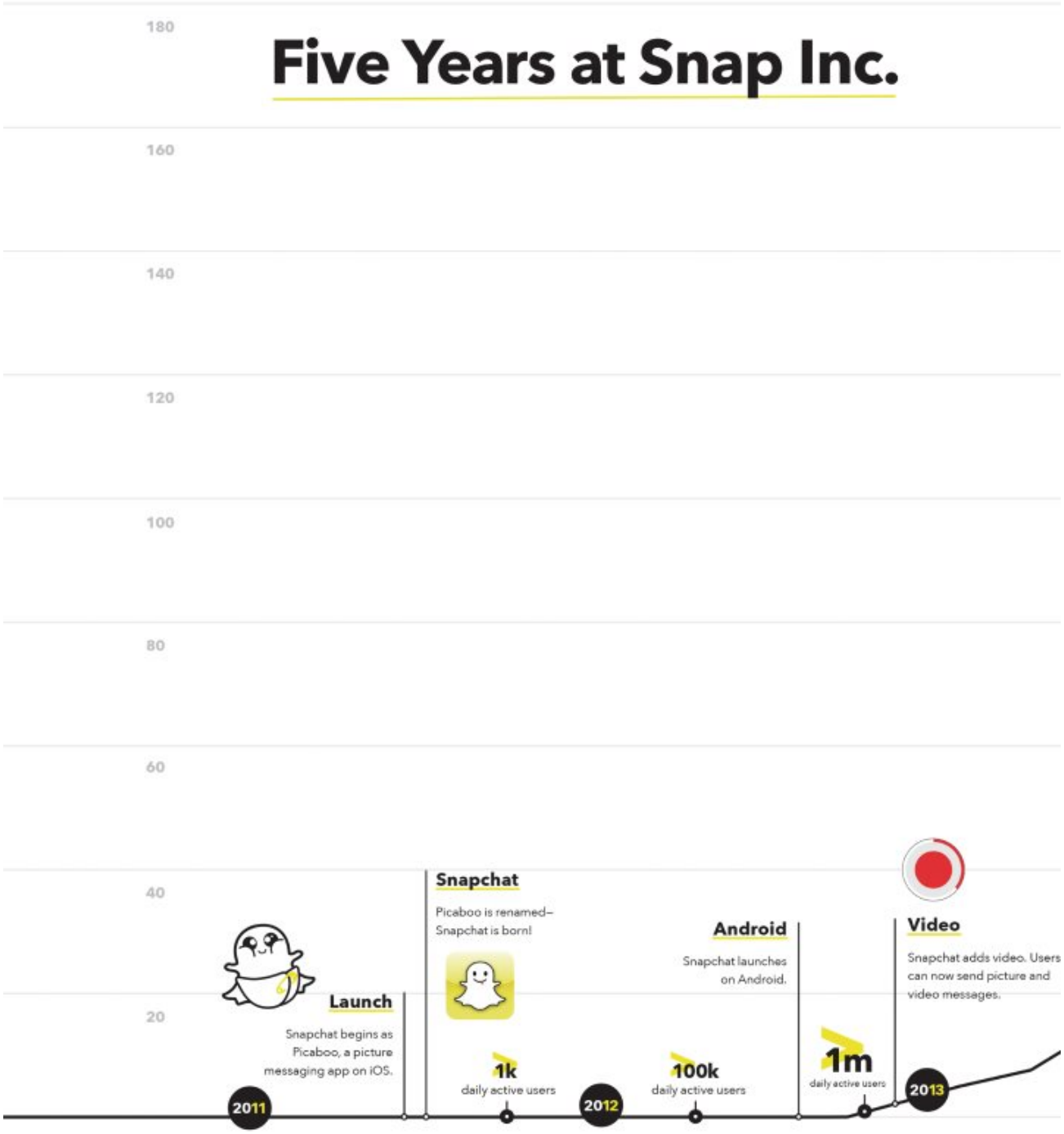


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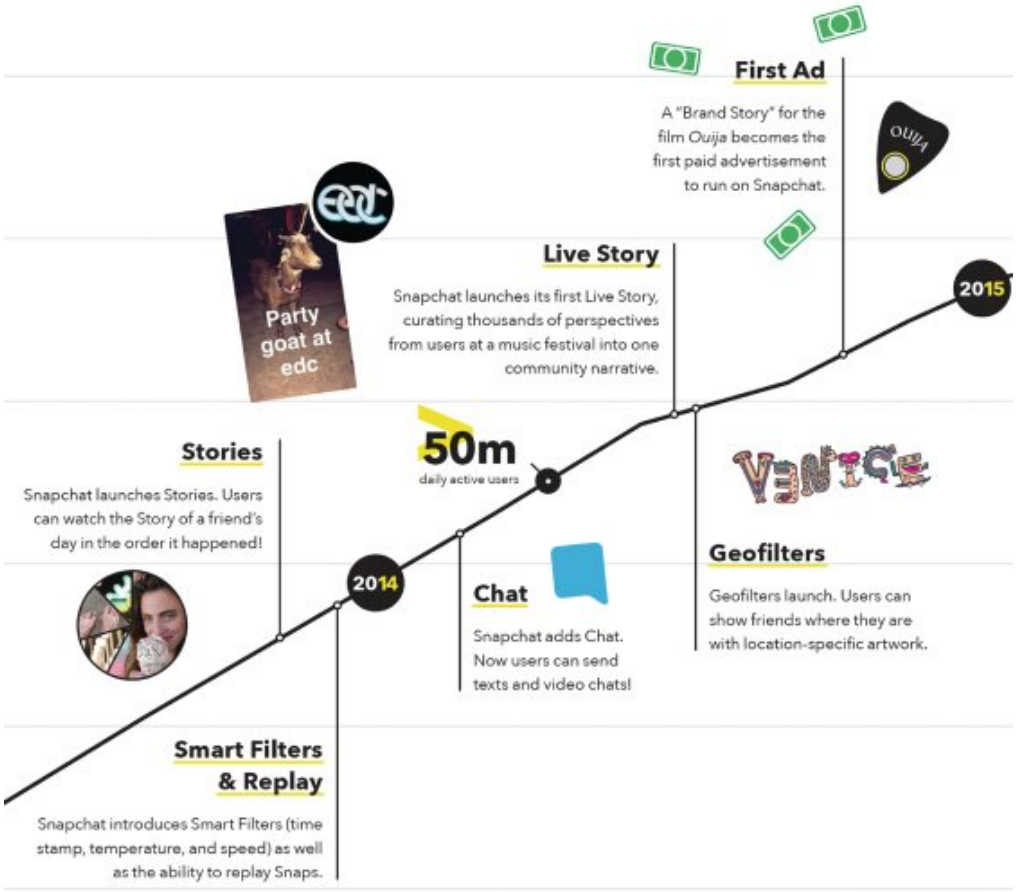
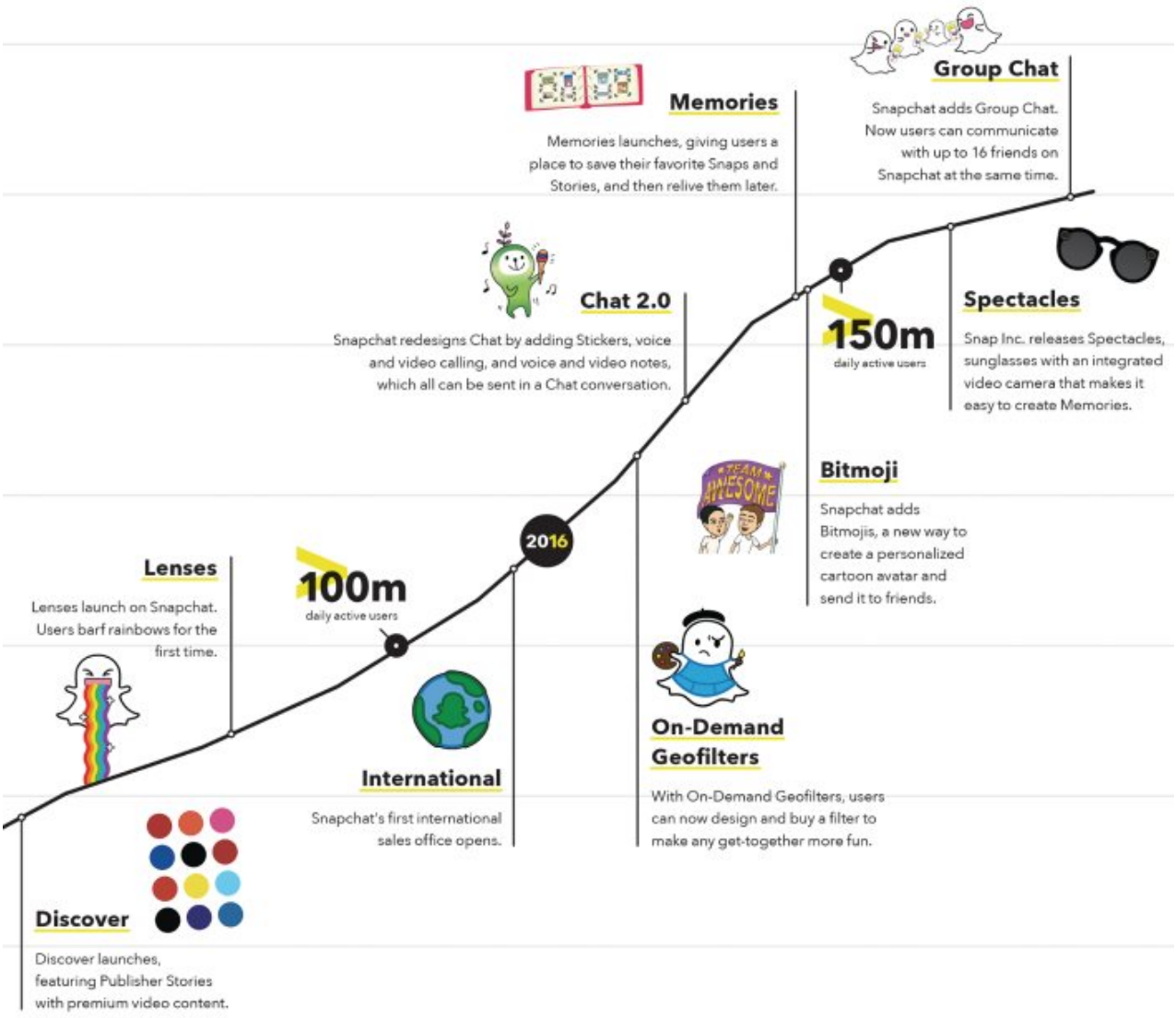


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Daily Active Users (in millions)

A Daily Active User is defined as a registered Snapchat user who opens the Snapchat application at least once during a defined 24-hour period. We measure average Daily Active Users for a particular quarter by calculating the average Daily Active Users for the entire quarter.

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

Unless otherwise indicated, all references in this prospectus to "Snap," the "company," "we," "our," "us," or similar terms refer to Snap Inc. and its subsidiaries.

No action is being taken in any jurisdiction outside the United States to permit a public offering of our Class A common stock or possession or distribution of this prospectus in any such jurisdiction. Persons who come into possession of this prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions about this offering and the distribution of this prospectus applicable to those jurisdictions.

Through and including , 2017 (the 25 th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our Class A common stock. You should read this entire prospectus carefully, including "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our consolidated financial statements and the related notes included elsewhere in this prospectus, before making an investment decision.

Unless otherwise stated, statistical information regarding our users and their activities is determined by calculating the daily average of the selected activity for the most recently completed quarter included in this prospectus.

SNAP INC.

Snap Inc. is a camera company.

We believe that reinventing the camera represents our greatest opportunity to improve the way that people live and communicate. Our products empower people to express themselves, live in the moment, learn about the world, and have fun together.

In the way that the flashing cursor became the starting point for most products on desktop computers, we believe that the camera screen will be the starting point for most products on smartphones. This is because images created by smartphone cameras contain more context and richer information than other forms of input like text entered on a keyboard. This means that we are willing to take risks in an attempt to create innovative and different camera products that are better able to reflect and improve our life experiences.

Our Products

Snapchat

Our flagship product, Snapchat, is a camera application that was created to help people communicate through short videos and images. We call each of those short videos or images a Snap. On average, 158 million people use Snapchat daily, and over 2.5 billion Snaps are created every day.

Camera . Snapchat opens directly into the Camera, making it easy to create a Snap and send it to friends. Snaps are deleted by default, so there is a lot less pressure to look pretty or perfect when creating and sending images on Snapchat. We offer lots of fun Creative Tools like Lenses, Geofilters, and Bitmojis that allow our community to express themselves through Snaps. Lenses are interactive animations that are overlaid on a person's face or the world around them. Geofilters are artistic filters that can be applied after a Snap is taken at pre-defined times and locations. Bitmojis are cartoon likenesses of a user that are created in the Bitmoji application. On average, more than 60% of our Daily Active Users create Snaps with our Camera every day. This means that our Chat Service and Storytelling Platform products are always full of new, unique, and expressive Snaps.

Chat Service . The first version of our application was a Chat Service that made it easy to send Snaps back and forth with friends—hence the name "Snapchat." Our Chat Service has since been reimagined to include text-based Chat, video and voice calling, stickers, Bitmojis, and Group Chat. On average, more than 60% of our Daily Active Users use our Chat Service every day to send Snaps and talk with friends. We benefit from the frequency with which our user base communicates with one another because each message invites a user back to the application when they receive a push notification. On average, our Daily Active Users visit Snapchat more than 18 times each day.

Storytelling Platform . Stories are collections of Snaps that play in chronological order and are deleted within 24 hours. Different types of Stories are told from different perspectives. We started with My Story for each individual user, expanded to community Live Stories, and then introduced Publisher Stories created by our experienced publisher partners. On average, over 25% of our Daily Active Users post to their Story every day. Our Storytelling Platform provides a unique variety of personal and professional content for our community to enjoy. Our community spends an average of 25 to 30 minutes on Snapchat every day.

Memories. We introduced Memories to give each user the option of saving their Snaps in a personal collection. Users can send Snaps from Memories to friends and create new Stories from saved Snaps. We also developed our own search and privacy tools to help users find the Snaps they are looking for and store them securely.

Publisher Tools

We offer a growing suite of content tools for partners to build, edit, and publish Snaps and attachments based on unique editorial content. These Publisher Tools give our publishers and advertisers creative opportunities to engage with our community every day.

Spectacles

Our latest effort to reinvent the camera is Spectacles, our sunglasses that make Snaps. Spectacles connect seamlessly with Snapchat and are the best way to make Memories because they capture video from a human perspective.

Our Strategy and Opportunity

Our strategy is to invest in product innovation and take risks to improve our camera platform. We do this in an effort to drive user engagement, which we can then monetize through advertising. We use the revenue we generate to fund future product innovation to grow our business.

We believe that the best way to compete in a world of widely distributed mobile applications is innovating to create the most engaging products. New mobile software is available to everyone immediately, and usually for free. While not all of our investments will pay off in the long run, we are willing to take risks in an attempt to create the best and most differentiated products on the market.

Due to the nature of our products and business, our ability to succeed in any given country is largely dependent on its mobile infrastructure and its advertising market. These factors influence our product performance, our hosting costs, and our monetization opportunity in each market.

Our products often require intensive processing and generate high bandwidth consumption by our users. As a result, our users tend to come from developed countries with high-end mobile devices and high-speed cellular internet. These markets also tend to have cheaper bandwidth costs, meaning that it is less expensive to serve our community in these countries.

Substantially all of our revenue comes from advertising, so our ability to generate revenue in a particular country depends on the size of its advertising market. Global advertising spend—especially mobile advertising spend—is extremely concentrated, with over 70% of overall advertising spend and nearly 85% of mobile advertising spend coming from the top ten advertising markets, according to International Data Corporation, or IDC. On average, over 60% of our Daily Active Users come from countries on this list.

We benefit greatly from the fact that many of our users are in markets where we have the highest capital efficiency and monetization potential, allowing us to generate revenue and cash flow that we can then invest into future product innovation.

Worldwide advertising spend is expected to grow from $652 billion in 2016 to $767 billion in 2020. The fastest growing segment is mobile advertising, which is expected to grow nearly 3x from $66 billion in 2016 to $196 billion in 2020. We believe that one of the major factors driving this growth is the shift of people's attention from their televisions to their mobile phones. This trend is particularly pronounced among the younger demographic, where our Daily Active Users tend to be concentrated. According to Nielsen, people between the ages of 18 and 24 spent 35% less time watching traditional (live and time-shifted) television in an average month during the second quarter of 2016 compared to the second quarter of 2010.

Our Business

We generate revenue primarily through advertising. We help our advertising partners generate a return on their investment by creating engaging advertising products that reach our large and desirable audience.

Advertising Products

Our advertising products are built on the same foundation that makes our consumer products successful. One way we try to accomplish this is by having the same team that designs our consumer products also help design our advertising products. This means that we can take the things we learn while creating our consumer products and apply them to building innovative and engaging advertising products familiar to our community.

- *Sponsored Creative Tools* . Following the success of our Creative Tools, we built new ways to help people express themselves using creative provided by our advertising partners. People can create Snaps using Sponsored Creative Tools, like Sponsored Lenses and Sponsored Geofilters, or view them by watching their friends' Snaps that contain the advertising creative.
- *Snap Ads with Attachments* . Snap Ads are vertical full screen video advertisements in the familiar Snap format. We play Snap Ads in Stories, and on average over 60% of Snap Ads are watched with audio on. We have also enabled interactive attachments so that a viewer can respond to an advertisement directly from a Snap Ad to watch more content or take an action without leaving the Snapchat application.

Advertising Delivery

We show advertisements that we think will be relevant to each user. Our advertising delivery framework is designed to optimize relevance across the entire platform, decreasing the number of wasted impressions and improving the advertising shown to our community.

We are always working to improve our delivery based on past delivery decisions. We can make better choices when we have more options, such as more available impressions and more advertisements to fill them with. This means that we expect our advertising delivery to improve to the extent that user engagement grows and our advertising business scales.

Measuring Advertising Effectiveness

We offer a variety of third-party and in-house solutions to measure advertising effectiveness in four key areas.

- We work with partners to verify that an advertisement was in fact delivered to a given user. In addition to working with several third-party verification providers, we were a launch partner for the Moat Video

Score, a viewability and attention standard for sight, sound, and motion that can be applied consistently across different platforms.

- Advertisers want to know that an advertisement is delivered to the right audience. We work with third parties to measure the reach and frequency of a campaign, and the demographics of the users that viewed the campaign. For example, Millward Brown measured that approximately 88% of the people who saw an advertising campaign for men's deodorant were males between the ages of 13 and 34—the advertiser's target demographic for the campaign.
- Some campaigns are focused on changing people's perceptions and attitudes toward a product or a brand. We work with partners to measure statistical lifts in ad recall, brand favorability, and purchase intent. For example, when a music streaming service ran a Snap Ad campaign, Millward Brown measured that it drove a 30% lift in subscription intent, 2x the mobile norm, and a 24 percentage point increase in ad recall, 1.5x the mobile norm.
- Many brands run advertising campaigns because they want people to take an action. We offer several solutions to measure things like sales lift, in-store visitation, and application installations. For example, a study with Oracle Data Cloud across multiple consumer package goods, or CPG, campaigns found that 92% of the campaigns drove a positive lift in in-store sales, with two home care campaigns resulting in over $100 in revenue per thousand impressions—a 6x return on advertising spend.

Our advertising business is still young but growing rapidly. For the year ended December 31, 2016, we recorded revenue of $404.5 million, as compared to revenue of $58.7 million for the year ended December 31, 2015, representing a year-over-year increase of more than 6x. Our global average revenue per user, or ARPU, in the three months ended December 31, 2016 was $1.05, compared to $0.31 for the same period in 2015. In North America, our ARPU in the three months ended December 31, 2016 was $2.15 compared to $0.65 for the same period in 2015. For the year ended December 31, 2016, we incurred a net loss of $514.6 million, as compared to a net loss of $372.9 million for the year ended December 31, 2015. For the year ended December 31, 2016, our Adjusted EBITDA was $(459.4) million, as compared to $(292.9) million for the year ended December 31, 2015. For the year ended December 31, 2016, net cash used in operating activities was $611.2 million as compared to $306.6 million for the year ended December 31, 2015. For the year ended December 31, 2016, our Free Cash Flow was $(677.7) million as compared to $(325.8) million for the year ended December 31, 2015. For a description of how we calculate our revenue, ARPU, Adjusted EBITDA, and Free Cash Flow, and factors that may affect these metrics, see "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Our Capital Structure

We have three classes of common stock: Class A, Class B, and Class C. Holders of our Class A common stock—the only class of stock being sold in this offering—are entitled to no vote on matters submitted to our stockholders. Holders of our Class B common stock are entitled to one vote per share. And holders of Class C common stock are entitled to ten votes per share. Holders of shares of Class B common stock and Class C common stock will vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders.

As a result of the Class C common stock that they hold, Evan Spiegel, our co-founder and Chief Executive Officer, and Robert Murphy, our co-founder and Chief Technology Officer, will be able to exercise voting rights with respect to an aggregate of shares of Class C common stock, which will represent approximately % of the voting power of our outstanding capital stock immediately following this offering. As a result, Mr. Spiegel and Mr. Murphy, and potentially either one of them alone, have the ability to control the outcome of all matters submitted to our stockholders for approval, including the election, removal, and replacement of

directors and any merger, consolidation, or sale of all or substantially all of our assets. If Mr. Spiegel's or Mr. Murphy's employment with us is terminated, they will continue to have the ability to exercise the same significant voting power and potentially control the outcome of all matters submitted to our stockholders for approval. Either of our co-founders' shares of Class C common stock will automatically convert into Class B common stock, on a one-to-one basis, nine months following his death or on the date on which the number of outstanding shares of Class C common stock held by such holder represents less than 30% of the Class C common stock, or shares of Class C common stock, held by such holder on the closing of this offering. Should either of our co-founders' Class C common stock be converted to Class B common stock, the remaining co-founder will be able to exercise voting control over our outstanding capital stock.

This concentrated control could delay, defer, or prevent a change of control, merger, consolidation, or sale of all or substantially all of our assets that our other stockholders support. Conversely, this concentrated control could allow our co-founders to consummate a transaction that our other stockholders do not support. In addition, our co-founders may make long-term strategic investment decisions and take risks that may not be successful and may seriously harm our business.

Although other U.S.-based companies have publicly traded classes of non-voting stock, to our knowledge, no other company has completed an initial public offering of non-voting stock on a U.S. stock exchange. We cannot predict whether this structure and the concentrated control it affords Mr. Spiegel and Mr. Murphy will result in a lower trading price or greater fluctuations in the trading price of our Class A common stock as compared to the trading price if the Class A common stock had voting rights. Nor can we predict whether this structure will result in adverse publicity or other adverse consequences. For a discussion regarding the rights, preferences, and privileges of our common stock, see "Description of Capital Stock."

We do not intend to take advantage of the "controlled company" exemption to the corporate governance rules for NYSE-listed companies.

Risk Factors Summary

Our business is subject to numerous risks and uncertainties, including those highlighted in "Risk Factors" immediately following this prospectus summary. These risks include:

- Our ecosystem of users, advertisers, and partners depends on the engagement of our user base. We anticipate that the growth rate of our user base will decline over time. If we fail to retain current users or add new users, or if our users engage less with Snapchat, our business would be seriously harmed.
- Snapchat depends on effectively operating with mobile operating systems, hardware, networks, regulations, and standards that we do not control. Changes in our products or to those operating systems, hardware, networks, regulations, or standards may seriously harm our user growth, retention, and engagement.
- We rely on Google Cloud for the vast majority of our computing, storage, bandwidth, and other services. Any disruption of or interference with our use of the Google Cloud operation would negatively affect our operations and seriously harm our business.
- We generate substantially all our revenue from advertising. The failure to attract new advertisers, the loss of advertisers, or a reduction in how much they spend, could seriously harm our business.
- Our two co-founders have control over all stockholder decisions because they control a substantial majority of our voting stock. The Class A common stock issued in this offering will not dilute our co-founders' voting control because the Class A common stock has no voting rights.

- If we do not develop successful new products or improve existing ones, our business will suffer. We also invest in new lines of business that could fail to attract or retain users or generate revenue.
- Our business is highly competitive. We face significant competition that we anticipate will continue to intensify. If we are not able to maintain or improve our market share, our business could suffer.
- We have incurred operating losses in the past, expect to incur operating losses in the future, and may never achieve or maintain profitability.
- The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could seriously harm our business.
- We have a short operating history and a new business model, which makes it difficult to evaluate our prospects and future financial results and increases the risk that we will not be successful.
- If our security is compromised or if our platform is subjected to attacks that frustrate or thwart our users' ability to access our products and services, our users, advertisers, and partners may cut back on or stop using our products and services altogether, which could seriously harm our business.
- Our user metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may seriously harm and negatively affect our reputation and our business.
- We are not aware of any other company that has completed an initial public offering of non-voting stock on a U.S. stock exchange. We therefore cannot predict the impact our capital structure and the concentrated control by our founders may have on our stock price or our business.

Corporate Information

We were formed in 2010 as Future Freshman, LLC, a California limited liability company, and changed our name to Toyopa Group, LLC in 2011. In 2012, we incorporated as Snapchat, Inc., a Delaware corporation, and changed our name to Snap Inc. in 2016.

Our principal executive offices are located at 63 Market Street, Venice, California 90291, and our telephone number is (310) 399-3339. Our website address is www.snap.com. Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus. The Snap design logo, "Snapchat," and our other registered and common law trade names, trademarks, and service marks are the property of Snap Inc. or our subsidiaries.

Additionally, we are an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. We may take advantage of certain exemptions from various public company reporting requirements, including not being required to have our internal control over financial reporting audited by our independent registered public accounting firm under Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and any golden parachute payments. We may take advantage of these exemptions for up to five years or until we are no longer an "emerging growth company," whichever is earlier. In addition, the JOBS Act provides that an "emerging growth company" can delay adopting new or revised accounting standards until those standards apply to private companies. We have not elected to avail ourselves of this exemption and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not "emerging growth companies."

The Offering

Class A common stock offered by us	shares
Class A common stock offered by the selling stockholders	shares
Class A common stock to be outstanding after this offering	shares
Class B common stock to be outstanding after this offering	shares
Class C common stock to be outstanding after this offering	shares
Total Class A common stock, Class B common stock, and Class C common stock to be outstanding after this offering	shares
Option to purchase additional shares of Class A common stock offered by certain of the selling stockholders	shares
Use of proceeds	We estimate that our net proceeds from the sale of our Class A common stock that we are offering will be $ billion, assuming an initial public offering price of $ per share, the midpoint of the estimated 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 capitalization and financial flexibility and create a public market for our Class A common stock. We intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses, and capital expenditures. We may also use a portion of the net proceeds to acquire complementary businesses, products, services, or technologies. However, we are not contemplating any material acquisitions at this time. We may also use a portion of the net proceeds to satisfy tax withholding obligations related to the vesting of restricted stock units, or RSUs. We will not receive any of the proceeds from the sale of Class A common stock in this offering by the selling stockholders. See “Use of Proceeds” for additional information.
Voting rights	We will have three classes of common stock: Class A common stock, Class B common stock, and Class C common stock. Class A common stock is not entitled to any votes. Class B common stock is entitled to one vote per share and Class C common stock is entitled to ten votes per share.

	Holders of our Class A common stock are not entitled to any votes, except as required by Delaware law. Holders of Class B common stock and Class C common stock will generally vote together as a single class, unless otherwise required by Delaware law or our amended and restated certificate of incorporation. The holders of our outstanding Class C common stock, each of whom is a founder, an executive officer, and a director, will hold % of the voting power of our outstanding shares following this offering and will have the ability to control the outcome of matters submitted to our stockholders for approval, including the election of our directors and the approval of any change in control transaction. See "Principal and Selling Stockholders" and "Description of Capital Stock" for additional information.
Concentration of ownership	Once this offering is completed, the holders of our outstanding Class C common stock will beneficially own % of our outstanding shares and % of the voting power of our outstanding shares and our executive officers, directors, and stockholders holding more than 5% of our outstanding shares, together with their affiliates, will beneficially own, in the aggregate, approximately % of our outstanding shares and % of the voting power of our outstanding shares.
Proposed NYSE trading symbol	"SNAP"

The number of shares of Class A common stock, Class B common stock, and Class C common stock that will be outstanding after this offering (which include shares of Class A common stock and Class B common stock to be net issued on the vesting of certain outstanding RSUs subject to a performance condition in connection with this offering) is based on 512,527,443 shares of Class A common stock, 283,817,489 shares of Class B common stock, and 215,887,848 shares of Class C common stock outstanding as of December 31, 2016, and excludes:

- 21,185,669 shares of Class B common stock issuable on the exercise of stock options outstanding as of December 31, 2016 under our Amended and Restated 2012 Equity Incentive Plan, or 2012 Plan, with a weighted-average exercise price of $2.33 per share and 21,185,669 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend described below;
- 18,068,299 shares of Class B common stock issuable on the vesting and settlement of RSUs outstanding as of December 31, 2016 under our 2012 Plan and 18,068,299 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend described below;
- 1,266,433 shares of Class A common stock issuable on the exercise of stock options outstanding as of December 31, 2016 under our Amended and Restated 2014 Equity Incentive Plan, or 2014 Plan, with a weighted-average exercise price of $1.00 per share and 1,266,433 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend described below;
- 70,099,641 shares of Class A common stock issuable on the vesting and settlement of RSUs outstanding as of December 31, 2016 under our 2014 Plan and 49,834,987 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend described below;

- shares of Series FP preferred stock subject to an RSU award to be granted to Evan Spiegel on the closing of this offering, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering and conversion of all Series FP preferred stock to Class C common stock;
- 355,522,498 shares of Class A common stock reserved for future issuance under our 2017 Equity Incentive Plan, or 2017 Plan, which will become effective once the registration statement, of which this prospectus forms a part, is declared effective, including:
  - an aggregate of 42,653,205 shares of Class A common stock and Class B common stock reserved for issuance under our 2012 Plan and 2014 Plan, as of December 31, 2016, which shares will be added to the shares reserved under the 2017 Plan, plus
  - up to 225,599,185 additional shares that may be added to the 2017 Plan on the expiration, termination, forfeiture, or other reacquisition of any shares of Class A common stock and Class B common stock issuable on the exercise of stock options outstanding or vesting and settlement of RSUs under the 2012 Plan or 2014 Plan, plus
  - any automatic increases in the number of shares of Class A common stock reserved for future issuance under the 2017 Plan;
- 16,484,690 shares of Class A common stock reserved for issuance under our 2017 Employee Stock Purchase Plan, or ESPP, which will become effective once the registration statement, of which this prospectus forms a part, is declared effective, and any automatic increases in the number of shares of Class A common stock reserved for future issuance under our ESPP;
- 2,500,000 shares of our Class A common stock reserved for future issuance to our employees and consultants in France under our 2014 Plan; and
- up to an aggregate of 13,000,000 shares of our Class A common stock that we plan to donate to the Snap Foundation after this offering over a period of 15 to 20 years.

In addition, unless we specifically state otherwise, the information in this prospectus assumes:

- the filing of our amended and restated certificate of incorporation, which will be in effect on the completion of this offering;
- the conversion of all outstanding shares of our Series FP preferred stock into an aggregate of 215,887,848 shares of Class C common stock and all other outstanding shares of preferred stock into an aggregate of 246,813,076 shares of Class B common stock, in each case immediately on the closing of this offering;
- the net issuance of 7,625,096 shares of Class A common stock and 5,535,592 shares of Class B common stock that will vest and be issued from the settlement of certain outstanding RSUs subject to a performance condition, immediately on the closing of this offering; and
- no exercise of the underwriters' option to purchase additional Class A common stock from certain of the selling stockholders in this offering.

In October 2016, we issued a dividend of one share of Class A common stock on all outstanding shares and securities convertible into shares of our capital stock, which we refer to as the Class A Dividend. Unless otherwise indicated, share numbers and financial data in this prospectus reflect the Class A Dividend.

Summary Consolidated Financial Data

The following table summarizes our consolidated financial data. We have derived the summary consolidated balance sheet data as of December 31, 2015 and 2016 and consolidated statements of operations data for the years ended December 31, 2015 and 2016 from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of our results in any future period. You should read the following summary consolidated financial data together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus. The summary consolidated financial data in this section are not intended to replace our consolidated financial statements and the related notes and are qualified in their entirety by the consolidated financial statements and related notes included elsewhere in this prospectus.

	Year Ended December 31,	
	2015	2016
	(in thousands, except per share amounts)	
Consolidated Statements of Operations Data:		
Revenue	$ 58,663	$ 404,482
Costs and expenses:		
Cost of revenue	182,341	451,660
Research and development	82,235	183,676
Sales and marketing	27,216	124,371
General and administrative	148,600	165,160
Total costs and expenses	440,392	924,867
Loss from operations	(381,729)	(520,385)
Interest income	1,399	4,654
Interest expense	—	(1,424)
Other income (expense), net	(152)	(4,568)
Loss before income taxes	(380,482)	(521,723)
Income tax benefit (expense)	7,589	7,080
Net loss	$ (372,893)	$ (514,643)
Net loss per share attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders (1) :		
Basic	$ (0.51)	$ (0.64)
Diluted	$ (0.51)	$ (0.64)
Pro forma net loss per share attributable to Class A, Class B, and Class C common stockholders (1) :		
Basic		$ (0.53)
Diluted		$ (0.53)

(1) See Note 15 of the notes to our consolidated financial statements included elsewhere in this prospectus for a description of how we compute basic and diluted net loss per share attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders and pro forma basic and diluted net loss per share attributable to Class A, Class B, and Class C common stockholders.

	December 31, 2015	December 31, 2016		
		Actual	Pro Forma (1)	Pro Forma As Adjusted (2)(3)
		(in thousands)		
Consolidated Balance Sheet Data:				
Cash, cash equivalents, and marketable securities	$ 640,810	$ 987,368		
Working capital	536,306	1,023,241		
Total assets	938,936	1,722,792		
Total liabilities	174,791	203,878		
Additional paid-in capital	1,467,355	2,728,823		
Accumulated deficit	(693,219)	(1,207,862)		
Total stockholders' equity	764,145	1,518,914		

(1) The pro forma consolidated balance sheet data gives effect to (i) the automatic conversion of all of our outstanding shares of convertible preferred stock other than Series FP preferred stock into shares of Class B common stock and the conversion of Series FP preferred stock into shares of Class C common stock in connection with our initial public offering, (ii) stock-based compensation expense of approximately $1.1 billion associated with outstanding RSUs subject to a performance condition for which the service-based vesting condition was satisfied as of December 31, 2016 and which we will recognize on the effectiveness of our registration statement in connection with this offering, as further described in Note 1 to our consolidated financial statements included elsewhere in this prospectus, (iii) the increase in accrued expenses and other current liabilities and an equivalent decrease in additional paid-in capital of $187.2 million in connection with the withholding tax obligations, based on $16.33 per share, which is the fair value of our common stock as of December 31, 2016, as we intend to issue shares of Class A common stock and Class B common stock on a net basis to satisfy the associated withholding tax obligations, (iv) the net issuance of 7.6 million shares of Class A common stock and 5.5 million shares of Class B common stock that will vest and be issued from the settlement of such RSUs, (v) the issuance of the CEO award, as described below, and (vi) the filing and effectiveness of our amended and restated certificate of incorporation which will be in effect on the completion of this offering. The pro forma adjustment related to stock-based compensation expense of approximately $1.1 billion has been reflected as an increase to additional paid-in capital and accumulated deficit.

On the closing of this offering, our CEO will receive an RSU award, or the CEO award, for shares of Series FP preferred stock, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering. The CEO award will represent 3.0% of all outstanding shares on the closing of this offering, which includes shares sold by us in this offering and the employee RSUs that will vest on the effective date of this offering, as described above. The CEO award will vest immediately on the closing of this offering and such shares will be delivered to our CEO in equal quarterly installments over three years beginning in the third full calendar quarter following this offering.

(2) The pro forma as adjusted consolidated balance sheet data reflects (i) the items described in footnote (1) above and (ii) our receipt of estimated net proceeds from the sale of shares of Class A common stock that we are offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) each of cash, cash equivalents, and marketable securities, working capital, total assets, additional paid-in capital, and total stockholders' equity by $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions payable by us.

RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all the other information in this prospectus, including "Management's Discussion and Analysis of the Financial Condition and Results of Operations" and the consolidated financial statements and the related notes included elsewhere in this prospectus, before deciding whether to invest in shares of our Class A common stock. If any of the following risks actually occurs, our business, reputation, financial condition, results of operations, revenue, and future prospects could be seriously harmed. Unless otherwise indicated, references to our business being seriously harmed in these risk factors will include harm to our business, reputation, financial condition, results of operations, revenue, and future prospects. In that event, the market price of our Class A common stock could decline, and you could lose part or all of your investment.

Risks Related to Our Business and Industry

Our ecosystem of users, advertisers, and partners depends on the engagement of our user base. We anticipate that the growth rate of our user base will decline over time. If we fail to retain current users or add new users, or if our users engage less with Snapchat, our business would be seriously harmed.

We had 158 million Daily Active Users on average in the quarter ended December 31, 2016, and we view Daily Active Users as a critical measure of our user engagement. Adding, maintaining, and engaging Daily Active Users have been and will continue to be necessary. We anticipate that our Daily Active Users growth rate will decline over time if the size of our active user base increases or we achieve higher market penetration rates. If our Daily Active Users growth rate slows, our financial performance will increasingly depend on our ability to elevate user engagement or increase our monetization of users. If current and potential users do not perceive our products to be fun, engaging, and useful, we may not be able to attract new users, retain existing users, or maintain or increase the frequency and duration of their engagement. In addition, because our products typically require high bandwidth data capabilities, the majority of our users live in countries with high-end mobile device penetration and high bandwidth capacity cellular networks with large coverage areas. We therefore do not expect to experience rapid user growth or engagement in countries with low smartphone penetration even if such countries have well-established and high bandwidth capacity cellular networks. We may also not experience rapid user growth or engagement in countries where, even though smartphone penetration is high, due to the lack of sufficient cellular based data networks, consumers rely heavily on Wi-Fi and may not access our products regularly.

Snapchat is free and easy to join, the barrier to entry for new entrants is low, and the switching costs to another platform are also low. Moreover, the majority of our users are 18-34 years old. This demographic may be less brand loyal and more likely to follow trends than other demographics. These factors may lead users to switch to another product, which would negatively affect our user retention, growth, and engagement. Snapchat also may not be able to penetrate other demographics in a meaningful manner. For example, users 25 and older visited Snapchat approximately 12 times and spent approximately 20 minutes on Snapchat every day on average in the quarter ended December 31, 2016, while users younger than 25 visited Snapchat over 20 times and spent over 30 minutes on Snapchat every day on average during the same period. Falling user retention, growth, or engagement could make Snapchat less attractive to advertisers and partners, which may seriously harm our business. Our Daily Active Users may not continue to grow. For example, although Daily Active Users grew by 7% from 143 million Daily Active Users for the quarter ended June 30, 2016 to 153 million Daily Active Users for the quarter ended September 30, 2016, the growth in Daily Active Users was relatively flat in the latter part of the quarter ended September 30, 2016. There are many factors that could negatively affect user retention, growth, and engagement, including if:

- users increasingly engage with competing products instead of ours;
- our competitors may mimic our products and therefore harm our user engagement and growth;

- we fail to introduce new and exciting products and services or those we introduce are poorly received;
- our products fail to operate effectively on the iOS and Android mobile operating systems;
- we are unable to continue to develop products that work with a variety of mobile operating systems, networks, and smartphones;
- we do not provide a compelling user experience because of the decisions we make regarding the type and frequency of advertisements that we display;
- we are unable to combat spam or other hostile or inappropriate usage on our products;
- there are changes in user sentiment about the quality or usefulness of our existing products;
- there are concerns about the privacy implications, safety, or security of our products;
- our partners who provide content to Snapchat do not create content that is engaging, useful, or relevant to users;
- our partners who provide content to Snapchat decide not to renew agreements or devote the resources to create engaging content or do not provide content exclusively to us;
- there are changes in our products that are mandated by legislation, regulatory authorities, or litigation, including settlements or consent decrees that adversely affect the user experience;
- technical or other problems frustrate the user experience, particularly if those problems prevent us from delivering our products in a fast and reliable manner;
- we fail to provide adequate service to users, advertisers, or partners;
- we, our partners, or other companies in our industry are the subject of adverse media reports or other negative publicity;
- we do not maintain our brand image or our reputation is damaged; or
- our current or future products reduce user activity on Snapchat by making it easier for our users to interact directly with partners.

Any decrease to user retention, growth, or engagement could render our products less attractive to users, advertisers, or partners, and would seriously harm our business.

Snapchat depends on effectively operating with mobile operating systems, hardware, networks, regulations, and standards that we do not control. Changes in our products or to those operating systems, hardware, networks, regulations, or standards may seriously harm our user growth, retention, and engagement.

Because Snapchat is used primarily on mobile devices, the application must remain interoperable with popular mobile operating systems, Android and iOS, and related hardware, including but not limited to mobile-device cameras. The owners of such operating systems, Google and Apple, respectively, each provide consumers with products that compete with ours. We have no control over these operating systems or hardware, and any changes to these systems or hardware that degrade our products' functionality, or give preferential treatment to competitive products, could seriously harm Snapchat usage on mobile devices. Our competitors that control the operating systems and related hardware our application runs on could make interoperability of our products with those mobile operating systems more difficult or display their competitive offerings more prominently than ours. We plan to continue to introduce new products regularly and have experienced that it takes time to optimize such products to function with these operating systems and hardware, impacting the popularity of such products, and we expect this trend to continue.

The majority of our user engagement is on smartphones with iOS operating systems. As a result, although our products work with Android mobile devices, we have prioritized development of our products to operate with

iOS operating systems rather than smartphones with Android operating systems. To continue growth in user engagement, we will need to prioritize development of our products to operate on smartphones with Android operating systems. If we are unable to improve operability of our products on smartphones with Android operating systems, and those smartphones become more popular and fewer people use smartphones with iOS operating systems, our business could be seriously harmed.

Moreover, our products require high-bandwidth data capabilities. If the costs of data usage increase, our user growth, retention, and engagement may be seriously harmed. Additionally, to deliver high-quality video and other content over mobile cellular networks, our products must work well with a range of mobile technologies, systems, networks, regulations, and standards that we do not control. In particular, any future changes to the iOS or Android operating systems may impact the accessibility, speed, functionality, and other performance aspects of our products, which issues are likely to occur in the future from time to time. In addition, the adoption of any laws or regulations that adversely affect the growth, popularity, or use of the internet, including laws governing internet neutrality, could decrease the demand for our products and increase our cost of doing business. Current Federal Communications Commission, or FCC, "open internet rules" prohibit mobile providers in the United States from impeding access to most content, or otherwise unfairly discriminating against content providers like us. These rules also prohibit mobile providers from entering into arrangements with specific content providers for faster or better access over their data networks. The European Union similarly requires equal access to internet content. Additionally, as part of its Digital Single Market initiative, the European Union may impose network security, disability access, or 911-like obligations on "over-the-top" services such as those provided by us, which could increase our costs. If the FCC, Congress, the European Union, or the courts modify these open internet rules, mobile providers may be able to limit our users' ability to access Snapchat or make Snapchat a less attractive alternative to our competitors' applications. Were that to happen, our business would be seriously harmed.

We may not successfully cultivate relationships with key industry participants or develop products that operate effectively with these technologies, systems, networks, regulations, or standards. If it becomes more difficult for our users to access and use Snapchat on their mobile devices, if our users choose not to access or use Snapchat on their mobile devices, or if our users choose to use mobile products that do not offer access to Snapchat, our user growth, retention, and engagement could be seriously harmed.

We rely on Google Cloud for the vast majority of our computing, storage, bandwidth, and other services. Any disruption of or interference with our use of the Google Cloud operation would negatively affect our operations and seriously harm our business.

Google provides a distributed computing infrastructure platform for business operations, or what is commonly referred to as a "cloud" computing service, and we currently run the vast majority of our computing on Google Cloud.

Any transition of the cloud services currently provided by Google Cloud to another cloud provider would be difficult to implement and will cause us to incur significant time and expense. We have committed to spend $2 billion with Google Cloud over the next five years and have built our software and computer systems to use computing, storage capabilities, bandwidth, and other services provided by Google, some of which do not have an alternative in the market. Given this, any significant disruption of or interference with our use of Google Cloud would negatively impact our operations and our business would be seriously harmed. If our users or partners are not able to access Snapchat through Google Cloud or encounter difficulties in doing so, we may lose users, partners, or advertising revenue. The level of service provided by Google Cloud may also impact the usage of and our users', advertisers', and partners' satisfaction with Snapchat and could seriously harm our business and reputation. If Google Cloud experiences interruptions in service regularly or for a prolonged basis, or other similar issues, our business would be seriously harmed. Hosting costs will also increase as our user base and user engagement grows and may seriously harm our business if we are unable to grow our revenues faster than the cost of utilizing the services of Google or similar providers.

In addition, Google may take actions beyond our control that could seriously harm our business, including:

- discontinuing or limiting our access to its Google Cloud platform;
- increasing pricing terms;
- terminating or seeking to terminate our contractual relationship altogether;
- establishing more favorable relationships with one or more of our competitors; or
- modifying or interpreting its terms of service or other policies in a manner that impacts our ability to run our business and operations.

Google has broad discretion to change and interpret its terms of service and other policies with respect to us, and those actions may be unfavorable to us. Google may also alter how we are able to process data on the Google Cloud platform. If Google makes changes or interpretations that are unfavorable to us, our business would be seriously harmed.

We generate substantially all of our revenue from advertising. The failure to attract new advertisers, the loss of advertisers, or a reduction in how much they spend could seriously harm our business.

Substantially all of our revenue is generated from third parties advertising on Snapchat, a trend that we expect to continue. For the years ended December 31, 2015 and 2016, advertising revenue accounted for 98% and 96% of total revenue, respectively. Although we have recently tried to establish longer-term advertising commitments with advertisers, most advertisers do not have long-term advertising commitments with us, and our efforts to establish long-term commitments may not succeed.

While no single advertiser or content partner accounts for more than 10% of our revenue, many of our advertisers only recently started working with us and spend a relatively small portion of their overall advertising budget with us. In addition, advertisers may view some of our products as experimental and unproven. Advertisers will not continue to do business with us if we do not deliver advertisements in an effective manner, or if they do not believe that their investment in advertising with us will generate a competitive return relative to other alternatives. Moreover, we rely heavily on our ability to collect and disclose data and metrics to and for our advertisers to attract new advertisers and retain existing advertisers. Any restriction, whether by law, regulation, policy, or other reason, on our ability to collect and disclose data which our advertisers find useful would impede our ability to attract and retain advertisers. Our advertising revenue could be seriously harmed by many other factors, including:

- a decrease in the number of Daily Active Users on Snapchat;
- a decrease in the amount of time spent on Snapchat or decreases in usage of our Creative Tools, Chat Service, or Storytelling Platform;
- our inability to create new products that sustain or increase the value of our advertisements;
- changes in our user demographics that make us less attractive to advertisers;
- decreases in usage of our Creative Tools;
- lack of ad creative availability by our advertising partners;
- our partners who provide content to us may not renew agreements or devote the resources to create engaging content or do not provide content exclusively to us;
- changes in our analytics and measurement solutions that demonstrate the value of our advertisements and other commercial content;
- competitive developments or advertiser perception of the value of our products that change the rates we can charge for advertising or the volume of advertising on Snapchat;
- product changes or advertising inventory management decisions we may make that change the type, size, or frequency of advertisements displayed on Snapchat;

- adverse legal developments relating to advertising, including changes mandated by legislation, regulation, or litigation;
- adverse media reports or other negative publicity involving us, our founders, our partners, or other companies in our industry;
- the degree to which users skip advertisements and therefore diminish the value of those advertisements to advertisers;
- changes in the way advertising is priced or its effectiveness is measured;
- our inability to measure the effectiveness of our advertising or target the appropriate audience for advertisements;
- our inability to collect and disclose data that new and existing advertisers may find useful;
- difficulty and frustration from advertisers who may need to reformat or change their advertisements to comply with our guidelines; and
- the macroeconomic climate and the status of the advertising industry in general.

These and other factors could reduce demand for our advertising products, which may lower the prices we receive, or cause advertisers to stop advertising with us altogether. Either of these would seriously harm our business.

Our two co-founders have control over all stockholder decisions because they control a substantial majority of our voting stock. The Class A common stock issued in this offering will not dilute our co-founders' voting control because the Class A common stock has no voting rights.

As a result of the Class C common stock that they hold, Evan Spiegel, our co-founder and Chief Executive Officer, and Robert Murphy, our co-founder and Chief Technology Officer, will be able to exercise voting rights with respect to an aggregate of shares of Class C common stock, which will represent approximately % of the voting power of our outstanding capital stock immediately following this offering. In addition, on the closing of this offering, Mr. Spiegel will be granted the CEO award for shares of Series FP preferred stock representing 3.0% of all outstanding shares on the closing of this offering, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering. This RSU award will vest immediately on the closing of this offering and such shares will be delivered to our CEO quarterly over the next three years beginning in the third full quarter following this offering, at which point Mr. Spiegel alone may be able to exercise voting control over our outstanding capital stock. The Class A common stock issued in this offering will have no voting rights, and shares of Class B common stock or Class C common stock sold by existing stockholders will lose voting rights when such shares convert into Class A common stock or Class B common stock as such shares are sold. As a result, Mr. Spiegel and Mr. Murphy, and potentially either one of them alone, have the ability to control the outcome of all matters submitted to our stockholders for approval, including the election, removal, and replacement of directors and any merger, consolidation, or sale of all or substantially all of our assets. If Mr. Spiegel's or Mr. Murphy's employment with us is terminated, they will continue to have the ability to exercise the same significant voting power and potentially control the outcome of all matters submitted to our stockholders for approval. Either of our co-founders' shares of Class C common stock will automatically convert into Class B common stock, on a one-to-one basis, nine months following his death or on the date on which the number of outstanding shares of Class C common stock held by such holder represents less than 30% of the Class C common stock held by such holder on the closing of this offering, or shares of Class C common stock. Should either of our co-founders' Class C common stock be converted to Class B common stock, the remaining co-founder will be able to exercise voting control over our outstanding capital stock.

In addition, in October 2016, we issued a dividend of one share of non-voting Class A common stock to all our equity holders, which will prolong our co-founders' voting control. As a result of such dividend, our co-

founders will be able to liquidate their holdings of non-voting Class A common stock without diminishing their voting control. In the future, our board of directors may, from time to time, decide to issue special or regular stock dividends in the form of Class A common stock, and if we do so, our co-founders' control could be further prolonged. This concentrated control could delay, defer, or prevent a change of control, merger, consolidation, or sale of all or substantially all of our assets that our other stockholders support. Conversely, this concentrated control could allow our co-founders to consummate such a transaction that our other stockholders do not support. In addition, our co-founders may make long-term strategic investment decisions and take risks that may not be successful and may seriously harm our business.

As our CEO, Mr. Spiegel has control over our day-to-day management and the implementation of major strategic investments of our company, subject to authorization and oversight by our board of directors. As board members and officers, Mr. Spiegel and Mr. Murphy owe a fiduciary duty to our stockholders and must act in good faith in a manner they reasonably believe to be in the best interests of our stockholders. As stockholders, even controlling stockholders, Mr. Spiegel and Mr. Murphy are entitled to vote their shares, and shares over which they have voting control, in their own interests, which may not always be in the interests of our stockholders generally. For a description of the rights of our founders and the Class A common stock, Class B common stock, and Class C common stock, see "Description of Capital Stock." We do not currently intend to take advantage of the "controlled company" exemption to the corporate governance rules for NYSE-listed companies. Moreover, Mr. Spiegel and Mr. Murphy have entered into a proxy agreement under which each has granted a voting proxy with respect to all shares of our Class B common stock and Class C common stock that each may beneficially own from time to time or have voting control over. The proxy would become effective on either founder's death or disability. Mr. Spiegel and Mr. Murphy have each initially designated the other as their respective proxies. Accordingly, on the death or incapacity of either Mr. Spiegel or Mr. Murphy, the other could individually control nearly all of the voting power of our outstanding capital stock.

If we do not develop successful new products or improve existing ones, our business will suffer. We also invest in new lines of business that could fail to attract or retain users or generate revenue.

Our ability to engage, retain, and increase our user base and to increase our revenue will depend heavily on our ability to successfully create new products, both independently and together with third parties. We may introduce significant changes to our existing products or develop and introduce new and unproven products, such as Spectacles or other technologies with which we have little or no prior development or operating experience. If new or enhanced products fail to engage our users, advertisers, or partners, we may fail to attract or retain users or to generate sufficient revenue, operating margin, or other value to justify our investments, any of which may seriously harm our business. For example, in mid-2016, we launched several products and released multiple updates, which resulted in a number of technical issues that diminished the performance of our application. We believe these performance issues resulted in a reduction in growth of Daily Active Users in the latter part of the quarter ended September 30, 2016. We may encounter other issues in the future that could impact our user engagement.

Because our products created new ways of communicating, they have often required users to learn new behaviors to use our products. These new behaviors, such as swiping and tapping in the Snapchat application, are not always intuitive to users. This can create a lag in adoption of new products and new user additions related to new products. To date, this has not hindered our user growth or engagement, but that may be the result of a large portion of our user base being in a younger demographic and more willing to invest the time to learn to use our products most effectively. To the extent that future users, including those in older demographics, are less willing to invest the time to learn to use our products, and if we are unable to make our products easier to learn to use, our user growth or engagement could be affected, and our business could be harmed. We may develop new products that increase user engagement and costs without increasing revenue. For example, we introduced Memories, our cloud storage service for Snaps, which increases our storage costs.

In addition, we have invested and expect to continue to invest in new lines of business, new products, and other initiatives to generate revenue. The launch of Spectacles, which has not generated significant revenue for

us, is a good example. There is no guarantee that investing in new lines of business, new products, and other initiatives will succeed. If we do not successfully develop new approaches to monetization, we may not be able to maintain or grow our revenue as anticipated or recover any associated development costs, and our business could be seriously harmed.

Our business is highly competitive. We face significant competition that we anticipate will continue to intensify. If we are not able to maintain or improve our market share, our business could suffer.

We face significant competition in almost every aspect of our business both domestically and internationally. This includes larger, more established companies such as Apple, Facebook (including Instagram and WhatsApp), Google (including YouTube), Twitter, Kakao, LINE, Naver (including Snow), and Tencent, which provide their users with a variety of products, services, content, and online advertising offerings, and smaller companies that offer products and services that may compete with specific Snapchat features. For example, Instagram, a subsidiary of Facebook, recently introduced a "stories" feature that largely mimics our Stories feature and may be directly competitive. We may also lose users to small companies that offer products and services that compete with specific Snapchat features because of the low cost for our users to switch to a different product or service. Moreover, in emerging international markets, where mobile devices often lack large storage capabilities, we may compete with other applications for the limited space available on a user's mobile device. We also face competition from traditional and online media businesses for advertising budgets. We compete broadly with the social media offerings of Apple, Facebook, Google, and Twitter, and with other, largely regional, social media platforms that have strong positions in particular countries. As we introduce new products, as our existing products evolve, or as other companies introduce new products and services, we may become subject to additional competition. For example, in late 2016, we launched Spectacles, our first hardware product. While we view Spectacles as an extension of Snapchat, adding hardware products and services to our product portfolio subjects us to additional competition and new competitors.

Many of our current and potential competitors have significantly greater resources and broader global recognition and occupy better competitive positions in certain markets than we do. These factors may allow our competitors to respond to new or emerging technologies and changes in market requirements better than we can. Our competitors may also develop products, features, or services that are similar to ours or that achieve greater market acceptance. These products, features, and services may undertake more far-reaching and successful product development efforts or marketing campaigns, or may adopt more aggressive pricing policies. In addition, advertisers may use information that our users share through Snapchat to develop or work with competitors to develop products or features that compete with us. Certain competitors, including Apple, Facebook, and Google, could use strong or dominant positions in one or more markets to gain competitive advantages against us in areas where we operate, including by:

- integrating competing social media platforms or features into products they control such as search engines, web browsers, or mobile device operating systems;
- making acquisitions for similar or complementary products or services; or
- impeding Snapchat's accessibility and usability by modifying existing hardware and software on which the Snapchat application operates.

As a result, our competitors may acquire and engage users at the expense of our user growth or engagement, which may seriously harm our business.

We believe that our ability to compete effectively depends on many factors, many of which are beyond our control, including:

- the usefulness, novelty, performance, and reliability of our products compared to our competitors;
- the size and demographics of our Daily Active Users;

- the timing and market acceptance of our products, including developments and enhancements of our competitors' products;
- our ability to monetize our products;
- the effectiveness of our advertising and sales teams;
- the effectiveness of our advertising products;
- our ability to establish and maintain advertisers' and partners' interest in using Snapchat;
- the frequency, relative prominence, and type of advertisements displayed on our application or by our competitors;
- the effectiveness of our customer service and support efforts;
- the effectiveness of our marketing activities;
- changes as a result of legislation, regulatory authorities, or litigation, including settlements and consent decrees, some of which may have a disproportionate effect on us;
- acquisitions or consolidation within our industry;
- our ability to attract, retain, and motivate talented employees, particularly engineers and sales personnel;
- our ability to cost-effectively manage and scale our rapidly growing operations; and
- our reputation and brand strength relative to our competitors.

If we cannot effectively compete, our user engagement may decrease, which could make us less attractive to users, advertisers, and partners and seriously harm our business.

We have incurred operating losses in the past, expect to incur operating losses in the future, and may never achieve or maintain profitability.

We began commercial operations in 2011 and for all of our history we have experienced net losses and negative cash flows from operations. As of December 31, 2016, we had an accumulated deficit of $1.2 billion and for the year ended December 31, 2016, we experienced a net loss of $514.6 million. We expect our operating expenses to increase in the future as we expand our operations. Furthermore, as a public company, we will incur additional legal, accounting, and other expenses that we did not incur as a private company. If our revenue does not grow at a greater rate than our expenses, we will not be able to achieve and maintain profitability. We may incur significant losses in the future for many reasons, including without limitation the other risks and uncertainties described in this prospectus. Additionally, we may encounter unforeseen expenses, operating delays, or other unknown factors that may result in losses in future periods. If our expenses exceed our revenue, our business may be seriously harmed and we may never achieve or maintain profitability.

The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could seriously harm our business.

We currently depend on the continued services and performance of our key personnel, including Evan Spiegel and Robert Murphy. Although we have entered into employment agreements with Mr. Spiegel and Mr. Murphy, the agreements are at-will, which means that they may resign or could be terminated for any reason at any time. Mr. Spiegel and Mr. Murphy are high profile individuals who have received threats in the past and are likely to continue to receive threats in the future. While Mr. Spiegel, as CEO, has been responsible for our company's strategic vision and Mr. Murphy, as CTO, developed the Snapchat application's technical foundation, should either of them stop working for us for any reason, it is unlikely that the other co-founder would be able to fulfill the responsibilities of the departing co-founder. Nor is it likely that we would be able to immediately find a

suitable replacement. The loss of key personnel, including members of management and key engineering, product development, marketing, and sales personnel, could disrupt our operations and seriously harm our business.

As we continue to grow, we cannot guarantee we will continue to attract the personnel we need to maintain our competitive position. In particular, we intend to hire a significant number of engineering and sales personnel in Venice, California and surrounding areas, and we expect to face significant competition in hiring them and difficulties in attracting qualified personnel to move to the Los Angeles area. As we mature, the incentives to attract, retain, and motivate employees provided by our equity awards or by future arrangements, such as through cash bonuses, may not be as effective as in the past. Additionally, we have many current employees whose equity ownership in our company gives them a substantial amount of personal wealth. Likewise, we have many current employees whose equity awards are fully vested and will be entitled to receive substantial amounts of our capital stock shortly after our initial public offering. As a result, it may be difficult for us to continue to retain and motivate these employees, and this wealth could affect their decision about whether they continue to work for us. If we do not succeed in attracting, hiring, and integrating excellent personnel, or retaining and motivating existing personnel, we may be unable to grow effectively and our business could be seriously harmed.

We have a short operating history and a new business model, which makes it difficult to evaluate our prospects and future financial results and increases the risk that we will not be successful.

We began commercial operations in 2011 and began meaningfully monetizing Snapchat in 2015. We have a short operating history and a new business model, which makes it difficult to effectively assess our future prospects. Accordingly, we believe that investors' future perceptions and expectations, which can be idiosyncratic and vary widely, and which we do not control, will affect our stock price. Our business model is based on reinventing the camera to improve the way that people live and communicate. You should consider our business and prospects in light of the challenges we face, including the ones discussed in this section.

If our security is compromised or if our platform is subjected to attacks that frustrate or thwart our users' ability to access our products and services, our users, advertisers, and partners may cut back on or stop using our products and services altogether, which could seriously harm our business.

Our efforts to protect the information that our users have shared with us may be unsuccessful due to the actions of third parties, software bugs, or other technical malfunctions, employee error or malfeasance, or other factors. In addition, third parties may attempt to fraudulently induce employees or users to disclose information to gain access to our data or our users' data. If any of these events occur, our or our users' information could be accessed or disclosed improperly. We have previously suffered the loss of employee information related to an employee error. Our Privacy Policy governs how we may use and share the information that our users have provided us. Some advertisers and partners may store information that we share with them. If these third parties fail to implement adequate data-security practices or fail to comply with our terms and policies, our users' data may be improperly accessed or disclosed. And even if these third parties take all these steps, their networks may still suffer a breach, which could compromise our users' data.

Any incidents where our users' information is accessed without authorization, or is improperly used, or incidents that violate our Terms of Service or policies, could damage our reputation and our brand and diminish our competitive position. In addition, affected users or government authorities could initiate legal or regulatory action against us over those incidents, which could cause us to incur significant expense and liability or result in orders or consent decrees forcing us to modify our business practices. Maintaining the trust of our users is important to sustain our growth, retention, and user engagement. Concerns over our privacy practices, whether actual or unfounded, could damage our reputation and brand and deter users, advertisers, and partners from using our products and services. Any of these occurrences could seriously harm our business.

We are also subject to many federal, state, and foreign laws and regulations, including those related to privacy, rights of publicity, data protection, content regulation, intellectual property, health and safety,

competition, protection of minors, consumer protection, employment, and taxation. These laws and regulations are constantly evolving and may be interpreted, applied, created, or amended in a manner that could seriously harm our business.

In addition, in December 2014, the U.S. Federal Trade Commission, or the FTC, resolved an investigation into some of our early practices by issuing a final order. That order requires, among other things, that we establish a robust privacy program to govern how we treat user data. During the 20-year term of the order, we must complete bi-annual independent privacy audits. In addition, in June 2014, we entered into a 10-year assurance of discontinuance with the Attorney General of Maryland implementing similar practices, including measures to prevent minors under the age of 13 from creating accounts and providing annual compliance reports. Violating existing or future regulatory orders or consent decrees could subject us to substantial monetary fines and other penalties that could seriously harm our business.

Our user metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may seriously harm and negatively affect our reputation and our business.

We regularly review metrics, including our Daily Active Users and ARPU metrics, to evaluate growth trends, measure our performance, and make strategic decisions. These metrics are calculated using internal company data and have not been validated by an independent third party. While these numbers are based on what we believe to be reasonable estimates of our user base for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations globally. For example, we believe that there are individuals who have multiple Snapchat accounts, even though we forbid that in our Terms of Service and implement measures to detect and suppress that behavior. Our user metrics are also affected by technology on certain mobile devices that automatically runs in the background of our Snapchat application when another phone function is used, and this activity can cause our system to miscount the user metrics associated with such account.

Some of our demographic data may be incomplete or inaccurate. For example, because users self-report their dates of birth, our age-demographic data may differ from our users' actual ages. And because users who signed up for Snapchat before June 2013 were not asked to supply their date of birth, we exclude those users and estimate their ages based on a sample of the self-reported ages we do have. If our Daily Active Users provide us with incorrect or incomplete information regarding their age or other attributes, then our estimates may prove inaccurate and fail to meet investor expectations.

In the past we have relied on third-party analytics providers to calculate our metrics, but today we rely primarily on our analytics platform that we developed and operate. For example, before June 2015, we used a third party that counted a Daily Active User when the application was opened or a notification was received via the application on any device. We now use an analytics platform that we developed and operate and we count a Daily Active User only when a user opens the application and only once per user per day. We believe this methodology more accurately measures our user engagement. Additionally, to align our pre-June 2015 Daily Active Users with this new methodology, we reduced our pre-June 2015 Daily Active Users by 4.8%, the amount by which we estimated the data generated by the third party was overstated. Since this adjustment is an estimate, the actual pre-June 2015 Daily Active Users may be higher or lower than our reported numbers. As a result, our metrics may not be comparable to prior periods.

Errors or inaccuracies in our metrics or data could result in incorrect business decisions and inefficiencies. For instance, if a significant understatement or overstatement of Daily Active Users were to occur, we may expend resources to implement unnecessary business measures or fail to take required actions to attract a sufficient number of users to satisfy our growth strategies. If advertisers, partners, or investors do not perceive our user, geographic, or other demographic metrics to be accurate representations of our user base, or if we discover material inaccuracies in our user, geographic, or other demographic metrics, our reputation may be seriously harmed. And at the same time, advertisers and partners may be less willing to allocate their budgets or

resources to Snapchat, which could seriously harm our business. In addition, we measure our Daily Active Users by calculating the daily average of users across the quarter. This calculation may mask any individual months within the quarter that are significantly higher or lower than the average. For example, although Daily Active Users grew by 7% from 143 million Daily Active Users for the quarter ended June 30, 2016 to 153 million Daily Active Users for the quarter ended September 30, 2016, the growth in Daily Active Users was relatively flat in the latter part of the quarter ended September 30, 2016.

Mobile malware, viruses, hacking and phishing attacks, spamming, and improper or illegal use of Snapchat could seriously harm our business and reputation.

Mobile malware, viruses, hacking, and phishing attacks have become more prevalent in our industry, have occurred on our systems in the past, and may occur on our systems in the future. Because of our prominence, we believe that we are an attractive target for these sorts of attacks. Although it is difficult to determine what, if any, harm may directly result from an interruption or attack, any failure to maintain performance, reliability, security, and availability of our products and technical infrastructure to the satisfaction of our users may seriously harm our reputation and our ability to retain existing users and attract new users.

In addition, spammers attempt to use our products to send targeted and untargeted spam messages to users, which may embarrass or annoy users and make our products less user friendly. We cannot be certain that the technologies that we have developed to repel spamming attacks will be able to eliminate all spam messages from our products. Our actions to combat spam may also require diversion of significant time and focus of our engineering team from improving our products. As a result of spamming activities, our users may use our products less or stop using them altogether, and result in continuing operational cost to us.

Similarly, terror and other criminal groups may use our products to promote their goals and encourage users to engage in terror and other illegal activities. We expect that as more people use our products, these groups will increasingly seek to misuse our products. Although we invest resources to combat these activities, including by suspending or terminating accounts we believe are violating our Terms of Service and Community Guidelines, we expect these groups will continue to seek ways to act inappropriately and illegally on Snapchat. Combating these groups requires our engineering team to divert significant time and focus from improving our products. In addition, we may not be able to control or stop Snapchat from becoming the preferred application of use by these groups, which may become public knowledge and seriously harm our reputation or lead to lawsuits or attention from regulators. If these activities increase on Snapchat, our reputation, user growth and user engagement, and operational cost structure could be seriously harmed.

Because we store, process, and use data, some of which contains personal information, we are subject to complex and evolving federal, state, and foreign laws and regulations regarding privacy, data protection, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and could result in investigations, claims, changes to our business practices, increased cost of operations, and declines in user growth, retention, or engagement, any of which could seriously harm our business.

We are subject to a variety of laws and regulations in the United States and other countries that involve matters central to our business, including user privacy, rights of publicity, data protection, content, intellectual property, distribution, electronic contracts and other communications, competition, protection of minors, consumer protection, taxation, and online-payment services. These laws can be particularly restrictive in countries outside the United States. Both in the United States and abroad, these laws and regulations constantly evolve and remain subject to significant change. In addition, the application and interpretation of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which we operate. Because we store, process, and use data, some of which contains personal information, we are subject to complex and evolving federal, state, and foreign laws and regulations regarding privacy, data protection, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and could result in investigations, claims, changes to our business practices, increased cost of operations, and declines in user growth, retention, or engagement, any of which could seriously harm our business.

Several proposals are pending before federal, state, and foreign legislative and regulatory bodies that could significantly affect our business. For example, a revision to the 1995 European Union Data Protection Directive is currently being considered by European legislative bodies that may include more stringent operational requirements for data processors and significant penalties for non-compliance. In addition, the General Data Protection Regulation in the European Union, which will go into effect on May 25, 2018, may require us to change our policies and procedures and, if we are not compliant, may seriously harm our business.

Our financial condition and results of operations will fluctuate from quarter to quarter, which makes them difficult to predict.

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

- our ability to maintain and grow our user base and user engagement;
- the development and introduction of new products or services, such as Spectacles, by us or our competitors;
- the ability of our data service providers to scale effectively and timely provide the necessary technical infrastructure to offer our service;
- our ability to attract and retain advertisers in a particular period;
- seasonal fluctuations in spending by our advertisers and product usage by our users, each of which may change as our product offerings evolve or as our business grows;
- the number of advertisements shown to users;
- the pricing of our advertisements and other products;
- our ability to demonstrate to advertisers the effectiveness of our advertisements;
- the diversification and growth of revenue sources beyond current advertising;
- increases in marketing, sales, and other operating expenses that we may incur to grow and expand our operations and to remain competitive;
- our ability to maintain gross margins and operating margins;
- system failures or breaches of security or privacy;
- inaccessibility of Snapchat due to third-party actions;
- stock-based compensation expense, including approximately $ million that we will incur in the quarter of our initial public offering in connection with the vesting of RSUs for which the service-based condition was satisfied as of the date of our initial public offering (assuming an initial public offering price of $ per share, the midpoint of the estimated price range set forth on the cover page of this prospectus);
- adverse litigation judgments, settlements, or other litigation-related costs;
- changes in the legislative or regulatory environment, including with respect to privacy, or enforcement by government regulators, including fines, orders, or consent decrees;
- fluctuations in currency exchange rates and changes in the proportion of our revenue and expenses denominated in foreign currencies;
- fluctuations in the market values of our portfolio investments and interest rates;
- changes in our effective tax rate;

- announcements by competitors of significant new products or acquisitions;
- our ability to make accurate accounting estimates and appropriately recognize revenue for our products for which there are no relevant comparable products;
- changes in accounting standards, policies, guidance, interpretations, or principles; and
- changes in business or macroeconomic conditions.

If we are unable to successfully grow our user base and further monetize our products, our business will suffer.

We have made, and are continuing to make, investments to enable users and advertisers to create compelling content and deliver advertising to our users. Existing and prospective Snapchat users and advertisers may not be successful in creating content that leads to and maintains user engagement. We are continuously seeking to balance the objectives of our users and advertisers with our desire to provide an optimal user experience. We do not seek to monetize all of our products and we may not be successful in achieving a balance that continues to attract and retain users and advertisers. If we are not successful in our efforts to grow our user base or if we are unable to build and maintain good relations with our advertisers, our user growth and user engagement and our business may be seriously harmed. In addition, we may expend significant resources to launch new products that we are unable to monetize, which may seriously harm our business.

Additionally, we may not succeed in further monetizing Snapchat. We currently monetize Snapchat by displaying in the application advertisements that we sell and advertisements sold by our partners. As a result, our financial performance and ability to grow revenue could be seriously harmed if:

- we fail to increase or maintain Daily Active Users;
- we fail to increase or maintain the amount of time spent on Snapchat or usage of our Creative Tools, Chat Service, or Storytelling Platform;
- partners do not create engaging content for users or renew their agreements with us;
- advertisers do not continue to introduce engaging advertisements;
- advertisers reduce their advertising on Snapchat;
- we fail to maintain good relationships with advertisers or attract new advertisers; or
- the content on Snapchat does not maintain or gain popularity.

We cannot assure you that we will effectively manage our growth.

Our employee headcount and the scope and complexity of our business have increased significantly, with the number of full-time employees increasing from 600 as of December 31, 2015 to 1,859 as of December 31, 2016. We expect headcount growth to continue for the foreseeable future. The growth and expansion of our business and products create significant challenges for our management, including managing multiple relationships with users, advertisers, partners, and other third parties, and constrain operational and financial resources. If our operations or the number of third-party relationships continues to grow, our information-technology systems and our internal controls and procedures may not adequately support our operations. In addition, some members of our management do not have significant experience managing large global business operations, so our management may not be able to manage such growth effectively. To effectively manage our growth, we must continue to improve our operational, financial, and management processes and systems and effectively expand, train, and manage our employee base.

As our organization continues to grow and we are required to implement more complex organizational management structures, we may also find it increasingly difficult to maintain the benefits of our corporate culture, including our ability to quickly develop and launch new and innovative products. This could negatively affect our business performance and seriously harm our business.

Our costs are growing rapidly, which could seriously harm our business or increase our losses.

Providing our products to our users is costly, and we expect our expenses, including those related to people and hosting, to grow in the future. This expense growth will continue as we broaden our user base, as users increase the number of connections and amount of content they consume and share, as we develop and implement new product features that require more computing infrastructure, and as we hire additional employees at a rapid pace to support potential future growth. Historically, our costs have increased each year due to these factors, and we expect to continue to incur increasing costs. Our costs are based on development and release of new products and the addition of users and may not be offset by a corresponding growth of our revenue. We expect to continue to invest in our global infrastructure to provide our products quickly and reliably to all users around the world, including in countries where we do not expect significant short-term monetization, if any. Our expenses may be greater than we anticipate, and our investments to make our business and our technical infrastructure more efficient may not succeed and may outpace monetization efforts. In addition, we expect to increase marketing, sales, and other operating expenses to grow and expand our operations and to remain competitive. Increases in our costs without a corresponding increase in our revenue would increase our losses and could seriously harm our business.

Our business depends on our ability to maintain and scale our technology infrastructure. Any significant disruption to our service could damage our reputation, result in a potential loss of users and decrease in user engagement, and seriously harm our business.

Our reputation and ability to attract, retain, and serve users depends on the reliable performance of Snapchat and our underlying technology infrastructure. Our systems may not be adequately designed with the necessary reliability and redundancy to avoid performance delays or outages that could seriously harm our business. If Snapchat is unavailable when users attempt to access it, or if it does not load as quickly as they expect, users may not return to Snapchat as often in the future, or at all. As our user base and the volume and types of information shared on Snapchat continue to grow, we will need an increasing amount of technology infrastructure, including network capacity and computing power, to continue to satisfy our users' needs. It is possible that we may fail to effectively scale and grow our technology infrastructure to accommodate these increased demands. In addition, our business is subject to interruptions, delays, and failures resulting from earthquakes, other natural disasters, terrorism, and other catastrophic events.

A substantial portion of our network infrastructure is provided by third parties. Any disruption or failure in the services we receive from these providers could harm our ability to handle existing or increased traffic and could seriously harm our business. Any financial or other difficulties these providers face may seriously harm our business. And because we exercise little control over these providers, we are vulnerable to problems with the services they provide.

Our business emphasizes rapid innovation and prioritizes long-term user engagement over short-term financial condition or results of operations. That strategy may yield results that sometimes don't align with the market's expectations. If that happens, our stock price may be negatively affected.

Our business is growing and becoming more complex, and our success depends on our ability to quickly develop and launch new and innovative products. We believe our culture fosters this goal. Our focus on complexity and quick reactions could result in unintended outcomes or decisions that are poorly received by our users, advertisers, or partners. For example, we made, and expect to continue to make, significant investments to develop and launch Spectacles and we are not yet able to determine whether users will purchase or use Spectacles in the future. Our culture also prioritizes our long-term user engagement over short-term financial condition or results of operations. We frequently make decisions that may reduce our short-term revenue or profitability if we believe that the decisions benefit the aggregate user experience and will thereby improve our financial performance over the long term. For example, we monitor how advertising on Snapchat affects our users' experiences to ensure we do not deliver too many advertisements to our users, and we may decide to

decrease the number of advertisements to ensure our users' satisfaction in the product. In addition, we improve Snapchat based on feedback provided by our users and partners. These decisions may not produce the long-term benefits that we expect, in which case our user growth and engagement, our relationships with advertisers and partners, and our business could be seriously harmed.

If we are unable to protect our intellectual property, the value of our brand and other intangible assets may be diminished, and our business may be seriously harmed. If we need to license or acquire new intellectual property, we may incur substantial costs.

We aim to protect our confidential proprietary information, in part, by entering into confidentiality agreements and invention assignment agreements with all our employees, consultants, advisors, and any third parties who access or contribute to our proprietary know-how, information, or technology. We also rely on trademark, copyright, patent, trade secret, and domain-name-protection laws to protect our proprietary rights. In the United States and internationally, we have filed various applications to protect aspects of our intellectual property, and we currently hold a number of issued patents in multiple jurisdictions. In the future we may acquire additional patents or patent portfolios, which could require significant cash expenditures. However, third parties may knowingly or unknowingly infringe our proprietary rights, third parties may challenge proprietary rights held by us, and pending and future trademark and patent applications may not be approved. In addition, effective intellectual property protection may not be available in every country in which we operate or intend to operate our business. In any of these cases, we may be required to expend significant time and expense to prevent infringement or to enforce our rights. Although we have taken measures to protect our proprietary rights, there can be no assurance that others will not offer products or concepts that are substantially similar to ours and compete with our business. In addition, we regularly contribute software source code under open-source licenses and have made other technology we developed available under other open licenses, and we include open-source software in our products. From time to time, we may face claims from third parties claiming ownership of, or demanding release of, the open-source software or derivative works that we have developed using such software, which could include our proprietary source code, or otherwise seeking to enforce the terms of the applicable open-source license. These claims could result in litigation and could require us to make our software source code freely available, seek licenses from third parties to continue offering our products for certain uses, or cease offering the products associated with such software unless and until we can re-engineer them to avoid infringement, which may be very costly. If we are unable to protect our proprietary rights or prevent unauthorized use or appropriation by third parties, the value of our brand and other intangible assets may be diminished, and competitors may be able to more effectively mimic our service and methods of operations. Any of these events could seriously harm our business.

If our users do not continue to contribute content or their contributions are not perceived as valuable to other users, we may experience a decline in user growth, retention, and engagement on Snapchat, which could result in the loss of advertisers and revenue.

Our success depends on our ability to provide Snapchat users with engaging content, which in part depends on the content contributed by our users. If users, including influential users such as world leaders, government officials, celebrities, athletes, journalists, sports teams, media outlets, and brands, do not continue to contribute engaging content to Snapchat, our user growth, retention, and engagement may decline. That, in turn, may impair our ability to maintain good relationships with our advertisers or attract new advertisers, which may seriously harm our business and financial performance.

Foreign government initiatives to restrict access to Snapchat in their countries could seriously harm our business.

Foreign data protection, privacy, consumer protection, content regulation, and other laws and regulations are often more restrictive than those in the United States. Foreign governments may censor Snapchat in their countries, restrict access to Snapchat from their countries entirely, or impose other restrictions that may affect

their citizens' ability to access Snapchat for an extended period of time or even indefinitely. If foreign governments think we are violating their laws, or for other reasons, they may seek to restrict access to Snapchat, which would give our competitors an opportunity to penetrate geographic markets that we cannot access. As a result, our user growth, retention, and engagement may be seriously harmed, and we may not be able to maintain or grow our revenue as anticipated and our business could be seriously harmed. For example, access to Google, which currently powers our infrastructure, is restricted in China, and we do not know if we will be able to enter the market in a manner acceptable to the Chinese government.

Our users may increasingly engage directly with our partners instead of through Snapchat, which may negatively affect our advertising revenue and seriously harm our business.

We allow partners to display their advertisements on Snapchat. Using our products, some partners not only can interact directly with our users, but can also direct our users to content on the partner's website directly. When users visit a partner's website, we do not deliver advertisements to these websites. So, if our partners' websites draw users away from Snapchat, the sort of user activity that generates advertising opportunities may decline, which could negatively affect our advertising revenue. Although we believe that Snapchat reaps significant long-term benefits from increased user engagement on content on Snapchat provided by our partners, these benefits may not offset the possible loss of advertising revenue, in which case our business could be seriously harmed.

If events occur that damage our reputation and brand, our ability to expand our user base, advertisers, and partners may be impaired, and our business may be seriously harmed.

We have developed a brand that we believe has contributed to our success. We also believe that maintaining and enhancing our brand is critical to expanding our user base, advertisers, and partners. Because many of our users join Snapchat on the invitation or recommendation of a friend or family member, one of our primary focuses is on ensuring that our users continue to view Snapchat and our brand favorably so that these referrals continue. Maintaining and enhancing our brand will depend largely on our ability to continue to provide useful, novel, fun, reliable, trustworthy, and innovative products, which we may not do successfully. We may introduce new products or require our users to agree to new terms of service related to new and existing products that users do not like, which may negatively affect our brand. Additionally, our partners' actions may affect our brand if users do not appreciate what those partners do on Snapchat. In the past, we have experienced, and we expect that in the future we will continue to experience, media, legislative, and regulatory scrutiny of our decisions regarding user privacy or other issues, which may seriously harm our reputation and brand. We may also fail to adequately support the needs of our users, advertisers, or partners, which could erode confidence in our brand. Maintaining and enhancing our brand may require us to make substantial investments and these investments may not be successful. If we fail to successfully promote and maintain our brand or if we incur excessive expenses in this effort, our business may be seriously harmed.

Unfavorable media coverage could seriously harm our business.

We and our founders receive a high degree of media coverage globally. Unfavorable publicity regarding us, for example, our privacy practices, product changes, product quality, litigation, or regulatory activity, or regarding the actions of our partners or our users, could seriously harm our reputation. Such negative publicity could also adversely affect the size, demographics, engagement, and loyalty of our user base and result in decreased revenue or slower user growth rates, which could seriously harm our business.

If we are not successful in expanding and operating our business in international markets, we may need to lay off employees in those markets, which may seriously harm our reputation and business.

We have rapidly expanded to new international markets, including areas where we do not yet understand the full scope of commerce and culture. In connection with this rapid international expansion we have also hired new employees in many of these markets. This rapid expansion may:

- impede our ability to continuously monitor the performance of our international employees;
- result in hiring of employees who may not yet fully understand our business, products, and culture; and
- cause us to expand in markets that may lack the culture and infrastructure needed to adopt our products.

These issues may eventually lead to layoffs of employees in these markets and may harm our ability to grow our business in these markets.

We anticipate spending substantial funds in connection with the tax liabilities on the initial settlement of RSUs in connection with this offering. The manner in which we fund these tax liabilities may have an adverse effect on our financial condition.

Given the large number of RSUs that will initially settle in connection with our initial public offering, we anticipate that we will expend substantial funds to satisfy tax withholding and remittance obligations on the effective date of our registration statement. On the settlement date, we plan to withhold and remit income taxes at applicable statutory rates based on the then-current value of the underlying shares. We currently expect that the average of these withholding tax rates will be approximately 47%. If the price of our common stock at the time of settlement were equal to $16.33 per share, which is the fair value of our common stock as of December 31, 2016, we estimate that this tax obligation would be approximately $187.2 million in the aggregate. To settle these RSUs, assuming an approximate 47% tax withholding rate, we anticipate that we will net-settle the awards by delivering an aggregate of approximately 13.2 million shares of Class A common stock and Class B common stock to RSU holders and withholding an aggregate of approximately 11.5 million shares of Class A common stock and Class B common stock, based on RSUs outstanding as of December 31, 2016 for which the service-based requirement was satisfied on that day. In connection with these net settlements, we will withhold and remit the tax liabilities on behalf of the RSU holders in cash to the applicable tax authorities.

To fund the withholding and remittance obligations, we may sell equity securities near the initial settlement date in an amount that is substantially equivalent to the number of shares of common stock that we withhold in connection with these net settlements, such that the newly issued shares should not be dilutive. However, in the event that we issue equity securities, we cannot assure you that we will be able to successfully match the proceeds to the amount of this tax liability. In addition, any such equity financing could result in a decline in our stock price. If we elect not to fully fund tax withholding and remittance obligations through the issuance of equity or we are unable to complete such an offering due to market conditions or otherwise, we may choose to borrow funds under our credit facility, use a substantial portion of our existing cash, including funds raised in this offering, or rely on a combination of these alternatives. In the event that we elect to satisfy tax withholding and remittance obligations in whole or in part by drawing on our credit facility, our interest expense and principal repayment requirements could increase significantly, which could have an adverse effect on our financial condition or results of operations.

Our products are highly technical and may contain undetected software bugs or hardware errors, which could manifest in ways that could seriously harm our reputation and our business.

Our products are highly technical and complex. Snapchat and Spectacles, or any other products we may introduce in the future, may contain undetected software bugs, hardware errors, and other vulnerabilities. These

bugs and errors can manifest in any number of ways in our products, including through diminished performance, security vulnerabilities, malfunctions, or even permanently disabled products. We have a practice of rapidly updating our products and some errors in our products may be discovered only after a product has been shipped and used by users, and may in some cases be detected only under certain circumstances or after extended use. Spectacles, as an eyewear product, is regulated by the U.S. Food and Drug Administration, or the FDA, and may malfunction in a way that physically harms a user. We offer a limited one-year warranty in the United States and any such defects discovered in our products after commercial release could result in a loss of sales and users, which could seriously harm our business. Any errors, bugs, or vulnerabilities discovered in our code after release could damage our reputation, drive away users, lower revenue, and expose us to damages claims, any of which could seriously harm our business.

We could also face claims for product liability, tort, or breach of warranty. In addition, our product contracts with users 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 seriously harm our reputation and our business. In addition, if our liability insurance coverage proves inadequate or future coverage is unavailable on acceptable terms or at all, our business could be seriously harmed.

As our business expands, we may offer credit to our partners to stay competitive, and as a result we may be exposed to credit risk of some of our partners, which may seriously harm our business.

As our business continues to grow and expand, we may decide to engage in business with some of our partners on an open credit basis. While we may monitor individual partner payment capability when we grant open credit arrangements and maintain allowances we believe are adequate to cover exposure for doubtful accounts, we cannot assure investors these programs will be effective in managing our credit risks in the future, especially as we expand our business internationally and engage with partners that we may not be familiar with. If we are unable to adequately control these risks, our business could be seriously harmed.

We may be subject to regulatory investigations and proceedings in the future, which could cause us to incur substantial costs or require us to change our business practices in a way that could seriously harm our business.

It is possible that a regulatory inquiry might force us to change our policies or practices. And were we to violate existing or future regulatory orders or consent decrees, we might incur substantial monetary fines and other penalties that could seriously harm our business. In addition, it is possible that future orders issued by, or enforcement actions initiated by, regulatory authorities could cause us to incur substantial costs or require us to change our business practices in a way that could seriously harm our business.

For example, in December 2014, the FTC resolved an investigation into some of our early practices by issuing a final order. That order requires, among other things, that we establish a robust privacy program to govern how we treat user data. During the 20-year term of the order, we must complete bi-annual independent privacy audits. In addition, in June 2014, we entered into a 10-year assurance of discontinuance with the Attorney General of Maryland implementing similar practices, including measures to prevent minors under the age of 13 from creating accounts and providing annual compliance reports. Violating existing or future regulatory orders or consent decrees could subject us to substantial monetary fines and other penalties that could seriously harm our business. Similarly, we may be subject to additional general inquiries from time to time, which may seriously harm our business.

We are currently, and expect to be in the future, party to patent lawsuits and other intellectual property claims that are expensive and time-consuming. If resolved adversely, lawsuits and claims could seriously harm our business.

Companies in the mobile, camera, communication, media, internet, and other technology-related industries own large numbers of patents, copyrights, trademarks, trade secrets, and other intellectual property rights, and

frequently enter into litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights. In addition, various "non-practicing entities" that own patents, copyrights, trademarks, trade secrets, and other intellectual property rights often attempt to aggressively assert their rights to extract value from technology companies. Furthermore, from time to time we may introduce new products or make other business changes, including in areas where we currently do not compete, which could increase our exposure to patent, copyright, trademark, trade secret, and other intellectual property rights claims from competitors and non-practicing entities. From time to time, we receive letters from patent holders alleging that some of our products infringe their patent rights and from trademark holders alleging infringement of their trademark rights. We have been subject to litigation with respect to third-party patents, trademarks, and other intellectual property and we expect to continue to be subject to intellectual property litigation.

We rely on a variety of statutory and common-law frameworks for the content we provide our users, including the Digital Millennium Copyright Act, or DMCA, the Communications Decency Act, or CDA, and the fair-use doctrine. The DMCA limits, but does not necessarily eliminate, our potential liability for caching, hosting, listing, or linking to third-party content that may include materials that infringe copyrights or other rights. The CDA further limits our potential liability for content uploaded onto Snapchat by third parties. And the fair-use doctrine (and related doctrines in other countries) limits our potential liability for featuring third-party intellectual property content produced by Snap Inc. for purposes such as reporting, commentary, and parody. However, each of these statutes and doctrines is subject to uncertain judicial interpretation and regulatory and legislative amendments. Moreover, some of them provide protection only or primarily in the United States. If the rules around these doctrines change, if international jurisdictions refuse to apply similar protections, or if a court were to disagree with our application of those rules to our service, we could incur liability and our business could be seriously harmed.

From time to time, we are involved in class-action lawsuits and other litigation matters that are expensive and time-consuming. If resolved adversely, lawsuits and other litigation matters could seriously harm our business.

We are involved in numerous lawsuits, including putative class action lawsuits brought by users, many of which claim statutory damages. We anticipate that we will continue to be a target for lawsuits in the future. Because we have millions of users, the plaintiffs in class-action cases filed against us typically claim enormous monetary damages in the aggregate even if the alleged per-user harm is small or non-existent. Any litigation to which we are a party may result in an onerous or unfavorable judgment that may not be reversed on appeal, or we may decide to settle lawsuits on similarly unfavorable terms. Any such negative outcome could result in payments of substantial monetary damages or fines, or changes to our products or business practices, and accordingly our business could be seriously harmed. Although the results of lawsuits and claims cannot be predicted with certainty, we do not believe that the final outcome of those matters that we currently face will seriously harm our business. However, defending these claims is costly and can impose a significant burden on management and employees, and we may receive unfavorable preliminary, interim, or final rulings in the course of litigation, which could seriously harm our business.

We do not have manufacturing capabilities and depend on a single contract manufacturer. If we encounter problems with this contract manufacturer or if the manufacturing process stops or is delayed for any reason, we may not deliver our hardware products, such as Spectacles, to our customers on time, which may seriously harm our business.

We have limited manufacturing experience for our only physical product, Spectacles, and we do not have any internal manufacturing capabilities. Instead, we rely on one contract manufacturer to build Spectacles. Our contract manufacturer is vulnerable to capacity constraints and reduced component availability, and our control over delivery schedules, manufacturing yields, and costs, particularly when components are in short supply, or if we introduce a new product or feature, is limited. In addition, we have limited control over our manufacturer's quality systems and controls, and therefore must rely on our manufacturer to manufacture our products to our

quality and performance standards and specifications. Delays, component shortages, including custom components that are manufactured for us at our direction, and other manufacturing and supply problems could impair the distribution of our products and ultimately our brand. Furthermore, any adverse change in our contract manufacturer's financial or business condition could disrupt our ability to supply our products to our retailers and distributors. If we are required to change our contract manufacturer or assume internal manufacturing operations, we may lose revenue, incur increased costs, and damage our reputation and brand. Qualifying a new contract manufacturer and commencing production is expensive and time-consuming. In addition, if we experience increased demand for our products, we may need to increase our component purchases, contract-manufacturing capacity and internal test and quality functions. The inability of our contract manufacturers to provide us with adequate supplies of high-quality products could delay our order fulfillment, and may require us to change the design of our products to meet this increased demand. Any redesign would require us to re-qualify our products with any applicable regulatory bodies, which would be costly and time-consuming. This may lead to unsatisfied customers and users and increase costs to us, which could seriously harm our business.

Components used in our products may fail as a result of a manufacturing, design, or other defect over which we have no control, and render our devices inoperable.

We rely on third-party component suppliers to provide some of the functionalities needed to operate and use our products, such as Spectacles. Any errors or defects in that third-party technology could result in errors in our products that could seriously harm our business. If these components have a manufacturing, design, or other defect, they can cause our products to fail and render them permanently inoperable. For example, the typical means by which our Spectacles product connects to mobile devices is by way of a Bluetooth transceiver located in the Spectacles product. If the Bluetooth transceiver in our Spectacles product were to fail, it would not be able to connect to a user's mobile device and Spectacles would not be able to deliver any content to the mobile device and the Snapchat application. As a result, we would have to replace these products at our sole cost and expense. Should we have a widespread problem of this kind, the reputational damage and the cost of replacing these products could seriously harm our business.

The FDA and other state and foreign regulatory agencies regulate Spectacles. We may develop future products that are regulated as medical devices by the FDA. Government authorities, primarily the FDA and corresponding regulatory agencies, regulate the medical device industry. Unless there is an exemption, we must obtain regulatory approval from the FDA and corresponding agencies before we can market or sell a new regulated product or make a significant modification to an existing product. Obtaining regulatory clearances to market a medical device can be costly and time-consuming, and we may not be able to obtain these clearances or approvals on a timely basis, or at all, for future products. Any delay in, or failure to receive or maintain, clearance or approval for any medical device products under development could prevent us from launching new products. We could seriously harm our business and the ability to sell our products if we experience any product problems requiring FDA reporting, if we fail to comply with applicable FDA and other state or foreign agency regulations, or if we are subject to enforcement actions such as fines, civil penalties, injunctions, product recalls, or failure to obtain FDA or other regulatory clearances or approvals.

Our offices are dispersed in various cities, and we do not have a designated headquarters office, which may negatively affect employee morale and could seriously harm our business.

We have many offices, both domestic and abroad, with our principal offices being located in Venice, California. But we do not have one designated headquarters office in Venice; we instead have many office buildings that are dispersed throughout the city. This diffuse structure may prevent us from fostering positive employee morale and encouraging social interaction among our employees and different business units. Moreover, because our office buildings are dispersed throughout the area, we may be unable to adequately oversee employees and business functions. If we cannot compensate for these and other issues caused by this geographically dispersed office structure, we may lose employees, which could seriously harm our business.

We may face lawsuits or incur liability based on information retrieved from or transmitted over the internet and then posted to Snapchat.

We have faced, currently face, and will continue to face claims relating to information that is published or made available on Snapchat. In particular, the nature of our business exposes us to claims related to defamation, intellectual property rights, rights of publicity and privacy, and personal injury torts. For example, we do not monitor or edit content that we license from our partners on Snapchat. This risk is enhanced in certain jurisdictions outside the United States where our protection from liability for third-party actions may be unclear and where we may be less protected under local laws than we are in the United States. We could incur significant costs investigating and defending such claims and, if we are found liable, significant damages. If any of these events occur, our business could be seriously harmed.

We plan to continue expanding our operations abroad where we have limited operating experience and may be subject to increased business and economic risks that could seriously harm our business.

We plan to continue expanding our business operations abroad and translating our products into other languages. Snapchat is currently available in more than 20 languages, and we have offices in more than five countries. We plan to enter new international markets where we have limited or no experience in marketing, selling, and deploying our products. If we fail to deploy or manage our operations in international markets successfully, our business may suffer. In the future, as our international operations increase, or more of our expenses are denominated in currencies other than the U.S. dollar, our operating results may be more greatly affected by fluctuations in the exchange rates of the currencies in which we do business. In addition, we are subject to a variety of risks inherent in doing business internationally, including:

- political, social, and economic instability;
- risks related to the legal and regulatory environment in foreign jurisdictions, including with respect to privacy, and unexpected changes in laws, regulatory requirements, and enforcement;
- potential damage to our brand and reputation due to compliance with local laws, including potential censorship and requirements to provide user information to local authorities;
- fluctuations in currency exchange rates;
- higher levels of credit risk and payment fraud;
- complying with multiple tax jurisdictions;
- enhanced difficulties of integrating any foreign acquisitions;
- complying with a variety of foreign laws, including certain employment laws requiring national collective bargaining agreements that set minimum salaries, benefits, working conditions, and termination requirements;
- reduced protection for intellectual-property rights in some countries;
- difficulties in staffing and managing global operations and the increased travel, infrastructure, and compliance costs associated with multiple international locations;
- regulations that might add difficulties in repatriating cash earned outside the United States and otherwise preventing us from freely moving cash;
- import and export restrictions and changes in trade regulation;
- complying with statutory equity requirements;
- complying with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, and similar laws in other jurisdictions; and
- export controls and economic sanctions administered by the Department of Commerce Bureau of Industry and Security and the Treasury Department’s Office of Foreign Assets Control.

If we are unable to expand internationally and manage the complexity of our global operations successfully, our business could be seriously harmed.

New legislation that would change U.S. or foreign taxation of international business activities or other tax-reform policies could seriously harm our business.

Reforming the taxation of international businesses has been a priority for U.S. politicians, and key members of the legislative and executive branches have proposed a wide variety of potential changes. Certain changes to U.S. tax laws, including limitations on the ability to defer U.S. taxation on earnings outside of the United States until those earnings are repatriated to the United States, could affect the tax treatment of our foreign earnings, as well as cash and cash-equivalent balances we maintain outside the United States. Due to the large and expanding scale of our international business activities, any changes in the U.S. or foreign taxation of such activities may increase our worldwide effective tax rate and the amount of taxes we pay and seriously harm our business.

Exposure to United Kingdom political developments, including the outcome of the referendum on membership in the European Union, could be costly and difficult to comply with and could seriously harm our business.

In June 2016, a referendum was passed in the United Kingdom to leave the European Union, commonly referred to as "Brexit." This decision creates an uncertain political and economic environment in the United Kingdom and other European Union countries, even though the formal process for leaving the European Union may take years to complete. We have licensed a portion of our intellectual property to our United Kingdom subsidiary and intend to base a significant portion of our non-U.S. operations in the United Kingdom. The long-term nature of the United Kingdom's relationship with the European Union is unclear and there is considerable uncertainty when any relationship will be agreed and implemented. The political and economic instability created by Brexit has caused and may continue to cause significant volatility in global financial markets and uncertainty regarding the regulation of data protection in the United Kingdom. Brexit could also have the effect of disrupting the free movement of goods, services, and people between the United Kingdom, the European Union, and elsewhere. The full effect of Brexit is uncertain and depends on any agreements the United Kingdom may make to retain access to European Union markets. Consequently, no assurance can be given about the impact of the outcome and our business, including operational and tax policies, may be seriously harmed or require reassessment if our European operations or presence become a significant part of our business.

We plan to continue to make acquisitions, which could require significant management attention, disrupt our business, dilute our stockholders, and seriously harm our business.

As part of our business strategy, we have made and intend to make acquisitions to add specialized employees and complementary companies, products, and technologies. Our ability to acquire and successfully integrate larger or more complex companies, products, and technologies is unproven . In the future, we may not be able to find other suitable acquisition candidates, and we may not be able to complete acquisitions on favorable terms, if at all. Our previous and future acquisitions may not achieve our goals, and any future acquisitions we complete could be viewed negatively by users, advertisers, partners, or investors. In addition, if we fail to successfully close transactions or integrate new teams, or integrate the products and technologies associated with these acquisitions into our company, our business could be seriously harmed. Any integration process may require significant time and resources, and we may not be able to manage the process successfully. We may not successfully evaluate or use the acquired products, technology, and personnel, or accurately forecast the financial impact of an acquisition transaction, including accounting charges. We may also incur unanticipated liabilities that we assume as a result of acquiring companies. We may have to pay cash, incur debt, or issue equity securities to pay for any acquisition, any of which could seriously harm our business. Selling equity to finance any such acquisitions would also dilute our stockholders. Incurring debt would increase our fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations.

In addition, on average, it has historically taken us approximately one year after the closing of an acquisition to finalize the purchase price allocation. Therefore, it is possible that our valuation of an acquisition may change and result in unanticipated write-offs or charges, impairment of our goodwill, or a material change to the fair value of the assets and liabilities associated with a particular acquisition, any of which could seriously harm our business.

Our acquisition strategy may not succeed if we are unable to remain attractive to target companies or expeditiously close transactions. Issuing shares of Class A common stock to fund an acquisition would cause economic dilution to existing stockholders but not voting dilution. If we develop a reputation for being a difficult acquirer or having an unfavorable work environment, or target companies view our non-voting Class A common stock unfavorably, we may be unable to consummate key acquisition transactions essential to our corporate strategy and our business may be seriously harmed.

If we default on our credit obligations, our operations may be interrupted and our business could be seriously harmed.

We have a credit facility that we may draw on to finance our operations, acquisitions, and other corporate purposes, such as funding our tax-withholding and remittance obligations in connection with settling RSUs. If we default on these credit obligations, our lenders may:

- require repayment of any outstanding amounts drawn on our credit facility;
- terminate our credit facility; and
- require us to pay significant damages.

If any of these events occur, our operations may be interrupted and our ability to fund our operations or obligations, as well as our business, could be seriously harmed. In addition, our credit facility contains operating covenants, including customary limitations on the incurrence of certain indebtedness and liens, restrictions on certain intercompany transactions, and limitations on the amount of dividends and stock repurchases. Our ability to comply with these covenants may be affected by events beyond our control, and breaches of these covenants could result in a default under the credit facility and any future financial agreements into which we may enter. If not waived, defaults could cause our outstanding indebtedness under our credit facility and any future financing agreements that we may enter into to become immediately due and payable. For more information on our credit facility, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.”

We may have exposure to greater-than-anticipated tax liabilities, which could seriously harm our business.

Our income tax obligations are based on our corporate operating structure and third-party and intercompany arrangements, including the manner in which we develop, value, and use our intellectual property and the valuations of our intercompany transactions. The tax laws applicable to our international business activities, including the laws of the United States and other jurisdictions, are subject to change and uncertain interpretation. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for valuing developed technology, intercompany arrangements, or transfer pricing, which could increase our worldwide effective tax rate and the amount of taxes we pay and seriously harm our business. Taxing authorities may also determine that the manner in which we operate our business is not consistent with how we report our income, which could increase our effective tax rate and the amount of taxes we pay and seriously harm our business. In addition, our future income taxes could fluctuate because of earnings being lower than anticipated in jurisdictions that have lower statutory tax rates and higher than anticipated in jurisdictions that have higher statutory tax rates, by changes in the valuation of our deferred tax assets and liabilities, or by changes in tax laws, regulations, or accounting principles. We are subject to regular review and audit by U.S. federal and state and foreign tax authorities. Any adverse outcome from a review or audit could seriously harm our business. In addition,

determining our worldwide provision for income taxes and other tax liabilities requires significant judgment by management, and there are many transactions where the ultimate tax determination is uncertain. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our financial statements for such period or periods and may seriously harm our business.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited, each of which could seriously harm our business.

As of December 31, 2016, we had U.S. federal net operating loss carryforwards of approximately $73.7 million and state net operating loss carryforwards of approximately $146.3 million. Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, or the Code, if a corporation undergoes an "ownership change," the corporation's ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes, such as research tax credits, to offset its post-change income and taxes may be limited. In general, an "ownership change" occurs if there is a cumulative change in our ownership by "5% shareholders" that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. In the event that it is determined that we have in the past experienced an ownership change, or if we experience one or more ownership changes as a result of this offering or future transactions in our stock, then we may be limited in our ability to use our net operating loss carryforwards and other tax assets to reduce taxes owed on the net taxable income that we earn. Any limitations on the ability to use our net operating loss carryforwards and other tax assets could seriously harm our business.

If our goodwill or intangible assets become impaired, we may be required to record a significant charge to earnings, which could seriously harm our business.

Under U.S. generally accepted accounting principles, or GAAP, we review our 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. As of December 31, 2016, we had recorded a total of $395.1 million of goodwill and intangible assets, net related to our acquisitions. An adverse change in market conditions, particularly if such change has the effect of changing one of our critical assumptions or estimates, could result in a change to the estimation of fair value that could result in an impairment charge to our goodwill or intangible assets. Any such material charges may seriously harm our business.

We cannot be certain that additional financing will be available on reasonable terms when needed, or at all, which could seriously harm our business.

We have incurred net losses and negative cash flow from operations for all prior periods, and we may not achieve or maintain profitability. As a result, we may need additional financing. Our ability to obtain additional financing, if and when required, will depend on investor demand, our operating performance, the condition of the capital markets, and other factors. To the extent we use available funds or draw on our credit facility, we may need to raise additional funds and we cannot assure investors that additional financing will be available to us on favorable terms when required, or at all. If we raise additional funds through the issuance of equity, equity-linked, or debt securities, those securities may have rights, preferences, or privileges senior to the rights of our Class A common stock, and our existing stockholders may experience dilution. In the event that we are unable to obtain additional financing on favorable terms, our interest expense and principal repayment requirements could increase significantly, which could seriously harm our business.

Payment transactions using Snapcash or future products may subject us to additional regulatory requirements and other risks that could be costly and difficult to comply with and could seriously harm our business.

Our users can use Snapchat to send cash to other users using our Snapcash feature. Depending on how our Snapcash product evolves or whether we develop additional commerce products in the future, we may be subject to a variety of laws and regulations in the United States, Europe, and elsewhere, including those governing

money transmission, gift cards, and other prepaid access instruments, electronic funds transfers, anti-money laundering, counter-terrorist financing, gambling, banking and lending, and import and export restrictions. Although we currently use the service of a third party to provide the Snapcash feature, these laws may apply to us in some jurisdictions. To increase flexibility in how our use of Snapcash may evolve and to mitigate regulatory uncertainty, we may be required to apply for certain money-transmitter licenses in the United States, which may generally require us to demonstrate compliance with many domestic laws in these areas. Our efforts to comply with these laws and regulations could be costly and divert management's time and effort and may still not guarantee compliance. If we are found to violate any of these legal or regulatory requirements, we may be subject to monetary fines or other penalties, such as a cease-and-desist order, or we may be required to make product changes, any of which could seriously harm our business. Moreover, the Snapcash product is not enabled on Snapchat by default, and our users must manually enable the feature within the application, which may prevent the Snapcash product from gaining traction with our users or becoming a material part of our business. We have not recognized revenue related to Snapcash to date.

In addition, we may be subject to a variety of additional risks as a result of Snapcash, including:

- increased costs and diversion of management time and effort and other resources to deal with bad transactions or customer disputes;
- potential fraudulent or otherwise illegal activity by users or third parties;
- restrictions on the investment of consumer funds used to make Snapcash transactions; and
- additional disclosure and reporting requirements.

If any of these risks occurs, our business may be seriously harmed.

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

Holders of Class A common stock have no voting rights. As a result, holders of Class A common stock will not have any ability to influence stockholder decisions.

Class A common stockholders, including those purchasing Class A common stock in this offering, have no voting rights, unless required by Delaware law. As a result, all matters submitted to stockholders will be decided by the vote of holders of Class B common stock and Class C common stock. Mr. Spiegel and Mr. Murphy will have control of % of our voting power after this offering, and potentially either one of them alone, have the ability to control the outcome of all matters submitted to our stockholders for approval. In addition, because our Class A common stock carries no voting rights (except as required by Delaware law), the issuance of the Class A common stock, in this offering or future offerings, in future stock-based acquisition transactions, and to fund employee equity incentive programs, could prolong the duration of Mr. Spiegel's and Mr. Murphy's current relative ownership of our voting power and their ability to elect certain directors and to determine the outcome of all matters submitted to a vote of our stockholders. This concentrated control eliminates other stockholders' ability to influence corporate matters and, as a result, we may take actions that our stockholders do not view as beneficial. As a result, the market price of our Class A common stock could be adversely affected.

We are not aware of any other company that has completed an initial public offering of non-voting stock on a U.S. stock exchange. We therefore cannot predict the impact our capital structure and the concentrated control by our founders may have on our stock price or our business.

Although other U.S.-based companies have publicly traded classes of non-voting stock, to our knowledge, no other company has completed an initial public offering of non-voting stock on a U.S. stock exchange. We cannot predict whether this structure, combined with the concentrated control by Mr. Spiegel and Mr. Murphy, will result in a lower trading price or greater fluctuations in the trading price of our Class A common stock as compared to the market price were we to sell voting stock in this offering, or will result in adverse publicity or other adverse consequences.

Because our Class A common stock is non-voting, we and our stockholders are exempt from certain provisions of U.S. securities laws. This may limit the information available to holders of our Class A common stock.

Because our Class A common stock is non-voting, significant holders of our common stock are exempt from the obligation to file reports under Sections 13(d), 13(g), and 16 of the Exchange Act. These provisions generally require periodic reporting of beneficial ownership by significant stockholders. Our directors and officers are required to file reports under Section 16 of the Exchange Act. Our significant stockholders, other than directors and officers, are exempt from the "short-swing" profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of our securities. Since our Class A common stock will be our only class of stock registered under Section 12 of the Exchange Act and that class is non-voting, we will not be subject to the proxy rules under Section 14 of the Exchange Act, unless a vote of the Class A common stock is required by applicable law. Moreover, holders of our Class A common stock will be unable to bring matters before our annual meeting of stockholders or nominate directors at such meeting, nor can they submit stockholder proposals under Rule 14a-8 of the Exchange Act. For more information regarding our reporting obligations, see "Where You Can Find Additional Information."

The market price of our Class A common stock may be volatile or may decline steeply or suddenly regardless of our operating performance and we may not be able to meet investor or analyst expectations. You may not be able to resell your shares at or above the initial public offering price and may lose all or part of your investment.

The initial public offering price for our Class A common stock was determined through negotiations between the underwriters and us, and may vary from the market price of our Class A common stock following our initial public offering. If you purchase shares of our Class A common stock in our initial public offering, you may not be able to resell those shares at or above the initial public offering price. We cannot assure you that the market price following our initial public offering will equal or exceed prices in privately negotiated transactions of our shares that have occurred from time to time before our initial public offering. The market price of our Class A common stock may fluctuate or decline significantly in response to numerous factors, many of which are beyond our control, including:

- actual or anticipated fluctuations in our user growth, retention, engagement, revenue, or other operating results;
- variations between our actual operating results and the expectations of securities analysts, investors, and the financial community;
- our plans to not provide quarterly or annual financial guidance or projections;
- any forward-looking financial or operating information we may provide to the public or securities analysts, any changes in this information, or our failure to meet expectations based on this information;
- actions of securities analysts who initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- whether investors or analysts view our stock structure unfavorably, particularly our non-voting Class A common stock and the significant voting control of our co-founders;
- additional shares of our common stock being sold into the market by us or our existing stockholders, or the anticipation of such sales, including if we issue shares to satisfy RSU-related tax obligations or if existing stockholders sell shares into the market when applicable "lock-up" periods end;
- announcements by us or our competitors of significant products or features, technical innovations, acquisitions, strategic partnerships, joint ventures, or capital commitments;
- announcements by us or estimates by third parties of actual or anticipated changes in the size of our user base or the level of user engagement;

- changes in operating performance and stock market valuations of technology companies in our industry, including our partners and competitors;
- price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole;
- lawsuits threatened or filed against us;
- developments in new legislation and pending lawsuits or regulatory actions, including interim or final rulings by judicial or regulatory bodies; and
- other events or factors, including those resulting from war or incidents of terrorism, or responses to these events.

In addition, extreme price and volume fluctuations in the stock markets have affected and continue to affect many technology companies' stock prices. Often, their stock prices have fluctuated in ways unrelated or disproportionate to the companies' operating performance. In the past, stockholders have filed securities class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business, and seriously harm our business.

Delaware law and provisions in our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect at the closing of our initial public offering could make a merger, tender offer, or proxy contest difficult, thereby depressing the trading price of our Class A common stock.

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that could depress the trading price of our Class A common stock by acting to discourage, delay, or prevent a change of control of our company or changes in our management that the stockholders of our company may deem advantageous. These provisions include the following:

- our amended and restated certificate of incorporation provides for a tri-class capital stock structure. As a result of this structure, after the offering, Mr. Spiegel and Mr. Murphy will control all stockholder decisions. As a result of Mr. Spiegel's RSU award, Mr. Spiegel alone may exercise voting control over our outstanding capital stock. If they vote together, they will have control over all stockholder matters. This includes the election of directors and significant corporate transactions, such as a merger or other sale of our company or our assets. This concentrated control could discourage others from initiating any potential merger, takeover, or other change-of-control transaction that other stockholders may view as beneficial. As noted above, the issuance of the Class A common stock dividend, and any future issuances of Class A common stock dividends, could have the effect of prolonging the influence of Mr. Spiegel and Mr. Murphy on the company;
- our board of directors has the right to elect directors to fill a vacancy created by the expansion of the board of directors or the resignation, death, or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- our amended and restated certificate of incorporation prohibits cumulative voting in the election of directors. This limits the ability of minority stockholders to elect director candidates; and
- our board of directors may issue, without stockholder approval, shares of undesignated preferred stock. The ability to issue undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to acquire us.

Any provision of our amended and restated certificate of incorporation, amended and restated bylaws, or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some

investors are willing to pay for our Class A common stock. For information regarding these and other provisions, see "Description of Capital Stock—Anti-Takeover Provisions."

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

We have applied to list our Class A common stock on the NYSE under the symbol "SNAP." However, 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 that an active trading market for our Class A common stock will develop or be maintained, the liquidity of any trading market, your ability to sell your shares of our Class A common stock when desired or the prices that you may obtain for your shares.

Future sales of shares by existing stockholders could cause our stock price to decline.

If our existing stockholders, including employees and service providers who obtain equity, sell, or indicate an intention to sell, substantial amounts of our Class A common stock in the public market after the lock-up and legal restrictions on resale discussed in this prospectus lapse, the trading price of our Class A common stock could decline. Based on shares outstanding as of December 31, 2016, on the closing of this offering, we will have outstanding a total of shares of Class A common stock, shares of Class B common stock, and shares of Class C common stock, assuming no exercise of outstanding options, and after giving effect to the conversion of all outstanding shares of our preferred stock into shares of Class B common stock on the closing of this offering and the sale of Class A common stock by the selling stockholders in this offering. Of these shares, only the shares of Class A common stock sold in this offering will be freely tradable, without restriction, in the public market immediately after the offering. Each of our directors, executive officers, and other holders of substantially all our outstanding shares have entered into lock-up agreements with the underwriters that restrict their ability to sell or transfer their shares. The lock-up agreements pertaining to this offering will expire 150 days after the date of this prospectus; provided, that such restricted period will end ten business days prior to the scheduled closure of our trading window for the first full fiscal quarter completed after the date of this prospectus if (i) such restricted period ends during or within ten business days prior to the scheduled closure of such trading window and (ii) such restricted period will end at least 120 days after the date of this prospectus. We anticipate that the scheduled trading window closure for the first full quarter after the date of this prospectus will begin on June 10, 2017 and open after the first full trading day following our announcement of earnings for that quarter. However, either Morgan Stanley & Co. LLC or Goldman, Sachs & Co. may, in its sole discretion, waive the contractual lock-up before the lock-up agreements expire. In addition, we or the underwriters may, from time to time, enter into a separate lock-up agreement with some of the investors in this offering. This separate lock-up agreement may provide for a restricted period that is longer than the period described above. After the lock-up agreements expire, all shares outstanding as of December 31, 2016 will be eligible for sale in the public market, of which shares are held by directors, executive officers, and other affiliates and will be subject to volume limitations under Rule 144 of the Securities Act of 1933, as amended, or the Securities Act, and various vesting agreements. In addition, shares of Class A common stock and shares of Class B common stock are subject to outstanding stock options and RSUs as of December 31, 2016 and outstanding RSUs and stock options to purchase an aggregate of shares of Class A common stock and shares of Class B common stock were granted subsequent to December 31, 2016. These shares will become eligible for sale in the public market to the extent permitted by the provisions of various vesting agreements, the lock-up agreements, and Rules 144 and 701 of the Securities Act. We intend to file a registration statement on Form S-8 under the Securities Act covering all the shares of Class A common stock subject to stock options outstanding and reserved for issuance under our stock plans. This registration statement will become effective immediately on filing, and shares covered by this registration statement will be eligible for sale in the public markets, subject to Rule 144 limitations applicable to affiliates and any lock-up agreements described above. If these additional shares are sold, or if it is perceived that they will be sold in the public market, the trading price of our Class A common stock could decline.

You should rely only on statements made in this prospectus in determining whether to purchase our shares, not on information in public media that is published by third parties.

You should carefully read and evaluate all the information in this prospectus. In the past, we have received, and may continue to receive, a high degree of media coverage. This includes coverage that is not attributable to statements made by our officers or employees or incorrectly reports on statements made by our officers or employees. In addition, coverage may be misleading if it omits information provided by us, our officers, or employees or public data. You should rely only on the information contained in this prospectus in determining whether to purchase our shares of Class A common stock.

We have broad discretion in how we may use the net proceeds from our initial public offering, and we may not use them effectively.

We cannot specify with any certainty the particular uses of the net proceeds that we will receive from our initial public offering. Our management will have broad discretion in applying the net proceeds we receive from this offering. We may use the net proceeds for general corporate purposes, including working capital, operating expenses, and capital expenditures. We may use a portion of the net proceeds to acquire complementary businesses, products, services, or technologies. We may also use some of the net proceeds to satisfy tax withholding obligations related to the vesting of RSUs, which will begin to vest after the completion of this offering. We may also spend or invest these proceeds in a way with which our stockholders disagree. If our management fails to use these funds effectively, our business could be seriously harmed. Pending their use, the net proceeds from our initial public offering may be invested in a way that does not produce income or that loses value.

If securities or industry analysts either do not publish research about us, or publish inaccurate or unfavorable research about us, our business, or our market, or if they change their recommendations regarding our common stock adversely, the trading price or trading volume of our Class A common stock could decline.

The trading market for our Class A common stock will be influenced in part by the research and reports that securities or industry analysts may publish about us, our business, our market, or our competitors. If one or more of the analysts initiate research with an unfavorable rating or downgrade our Class A common stock, provide a more favorable recommendation about our competitors, or publish inaccurate or unfavorable research about our business, our Class A common stock price would likely decline. If any analyst who may cover us were to cease coverage of us or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the trading price or trading volume to decline.

We are an emerging growth company, and any decision on our part to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies could make our Class A common stock less attractive to investors.

We are an emerging growth company, and, for as long as we continue to be an emerging growth company, we may choose to take advantage of exemptions from various reporting requirements applicable to other public companies but not to "emerging growth companies," including:

- not being required to have our independent registered public accounting firm audit our internal control over financial reporting under Section 404 of the Sarbanes-Oxley Act;
- reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We could be an emerging growth company for up to five years following the completion of this offering. Our status as an emerging growth company will end as soon as any of the following takes place:

- the last day of the fiscal year in which we have more than $1.0 billion in annual revenue;
- the date we qualify as a "large accelerated filer," with at least $700 million of equity securities held by non-affiliates;
- the date on which we have issued, in any three-year period, more than $1.0 billion in non-convertible debt securities; or
- the last day of the fiscal year ending after the fifth anniversary of the completion of this offering.

We cannot predict if investors will find our Class A common stock less attractive if we choose to rely on any of the exemptions afforded emerging growth companies. If some investors find our Class A common stock less attractive because we rely on any of these exemptions, there may be a less active trading market for our Class A common stock and the market price of our Class A common stock may be more volatile.

Under the JOBS Act, emerging growth companies can also delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have irrevocably elected not to avail ourselves of this accommodation allowing for delayed adoption of new or revised accounting standards, and therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies.

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

We have never declared or paid cash dividends on our capital stock. We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or pay any cash dividends in the foreseeable future. As a result, you may only receive a return on your investment in our Class A common stock if the market price of our Class A common stock increases. In addition, our credit facility includes restrictions on our ability to pay cash dividends.

We have previously identified material weaknesses in our internal control over financial reporting, and if we are unable to implement and maintain effective internal control over financial reporting in the future, investors may lose confidence in the accuracy and completeness of our financial reports, and the market price of our Class A common stock may be seriously harmed.

As a public company, we will be required to maintain internal control over financial reporting and to report any material weaknesses in those internal controls, subject to any exemptions that we avail ourselves to under the JOBS Act. For example, we will be required to perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on the effectiveness of our internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act. We are in the process of designing, implementing, and testing internal control over financial reporting required to comply with this obligation. That process is time-consuming, costly, and complicated.

We and our prior independent registered public accounting firm, PricewaterhouseCoopers LLP, identified material weaknesses in our internal control over financial reporting, for the year ended December 31, 2014, related to the lack of sufficient qualified accounting personnel, which led to incorrect application of generally accepted accounting principles, insufficiently designed segregation of duties, and insufficiently designed controls over business processes, including the financial statement close and reporting processes with respect to the development of accounting policies, procedures, and estimates. After these material weaknesses were identified, management implemented a remediation plan that included hiring key accounting personnel, creating a formal month-end close process, and establishing more robust processes supporting internal controls over financial reporting, including accounting policies, procedures, and estimates. As of December 31, 2015, we have implemented controls sufficient to remediate the material weaknesses. Our remediation efforts are complete and we did not incur any material costs.

If we identify future material weaknesses in our internal control over financial reporting, if we are unable to comply with the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner or assert that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to express an opinion or expresses a qualified or adverse opinion about the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our Class A common stock could be negatively affected. In addition, we could become subject to investigations by the stock exchange on which our securities are listed, the Securities and Exchange Commission, or the SEC, and other regulatory authorities, which could require additional financial and management resources.

The requirements of being a public company may strain our resources, result in more litigation, and divert management's attention.

As a public company, we will be subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, or the Dodd-Frank Act, the listing requirements of the NYSE, and other applicable securities rules and regulations. Complying with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly, and increase demand on our systems and resources. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and operating results.

By disclosing information in this prospectus and in filings required of a public company, our business and financial condition will become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If those claims are successful, our business could be seriously harmed. Even if the claims do not result in litigation or are resolved in our favor, the time and resources needed to resolve them could divert our management's resources and seriously harm our business.

If you purchase shares of our Class A common stock in our initial public offering, you will experience substantial and immediate dilution.

The assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range on the cover page of this prospectus, is substantially higher than the net tangible book value per share of our outstanding common stock immediately after this offering. If you purchase shares of our Class A common stock in our initial public offering, you will experience substantial and immediate dilution in the pro forma net tangible book value per share of $ per share as of December 31, 2016, based on the initial public offering price of $ per share. That is because the price that you pay will be substantially greater than the pro forma net tangible book value per share of the Class A common stock that you acquire. This dilution is due in large part to the fact that our earlier investors paid substantially less than the initial public offering price when they purchased their shares of our capital stock. You will experience additional dilution when those holding options exercise their right to purchase common stock under our equity incentive plans, when RSUs vest and settle, when we issue restricted stock to our employees under our equity incentive plans, or when we otherwise issue additional shares of our common stock. For more information, see "Dilution."

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware and the federal district courts of the United States of America will be the exclusive forums 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 provides that the Court of Chancery of the State of Delaware is the exclusive forum for:

- any derivative action or proceeding brought on our behalf;

- any action asserting a breach of fiduciary duty;
- any action asserting a claim against us arising under the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws; and
- any action asserting a claim against us that is governed by the internal-affairs doctrine.

Our amended and restated certificate of incorporation further provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. If a court were to find either exclusive-forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations or financial condition, business strategy and plans, and objectives of management for future operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," or "would" or the negative of these words or other similar terms or expressions.

We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. These forward-looking statements are subject to known and unknown risks, uncertainties, and assumptions, including risks described in "Risk Factors" and elsewhere in this prospectus, regarding, among other things:

- our financial performance, including our revenues, cost of revenues, operating expenses, and our ability to attain and sustain profitability;
- our ability to attract and retain users;
- our ability to attract and retain advertisers;
- our ability to compete effectively with existing competitors and new market entrants;
- our ability to successfully expand in our existing markets and penetrate new markets;
- our ability to effectively manage our growth, and future expenses;
- our ability to maintain, protect, and enhance our intellectual property;
- our ability to comply with modified or new laws and regulations applying to our business;
- our ability to attract and retain qualified employees and key personnel; and
- future acquisitions of or investments in complementary companies, products, services, or technologies.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors described in "Risk Factors" and elsewhere in this prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this prospectus. And while we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments.

MARKET, INDUSTRY, AND OTHER DATA

This prospectus contains estimates and information concerning our industry, including market size and growth rates of the markets in which we participate, that are based on industry publications and reports. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and reports. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors," that could cause results to differ materially from those expressed in these publications and reports.

Certain information in the text of this prospectus is contained in industry publications or data compiled by a third party. The sources of these industry publications and data are provided below:

- Advertiser Perceptions, Inc., *Digital Campaign Management System Report* , Wave Three (September 1, 2016).
- eMarketer Inc., *Average Time Spent per Day with Major Media by US Adults* (October 1, 2016).
- eMarketer Inc., *Smartphone Users in Western Europe, by Country, 2015-2020* (September 1, 2016).
- International Data Corporation, Inc., *Worldwide New Media Market Model* (January 2, 2017).
- The Nielsen Company (US), LLC, *National TV Ratings Data—Time Spent on Traditional TV* (Q2 2010 vs. Q2 2016).

For some statistical information in this prospectus, we rely on industry data compiled by The Nielsen Company, with whom we also have an arms-length commercial relationship.

User Metrics and Other Data

We define a Daily Active User as a registered Snapchat user who opens the Snapchat application at least once during a defined 24-hour period. We measure average Daily Active Users for a particular quarter by calculating the average Daily Active Users for that quarter. We also break out Daily Active Users by geography because certain markets have a greater revenue opportunity and lower bandwidth costs. We define ARPU as quarterly revenue divided by the average Daily Active Users. For purposes of calculating ARPU, revenue by user geography is apportioned to each region based on our determination of the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity. This allocation differs from our revenue by geography disclosure in the notes to our consolidated financial statements, where revenue is based on the billing address of the advertising customer. For information concerning these metrics as measured by us, including a discussion of an alternative method of calculating Daily Active Users, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview."

Unless otherwise stated, statistical information regarding our users and their activities is determined by calculating the daily average of the selected activity for the most recently completed quarter included in this prospectus. For example, we state that on average over 2.5 billion Snaps were created every day in the quarter ended December 31, 2016. This metric is the average of the total number of Snaps created daily throughout the quarter ended December 31, 2016, which is the most recently completed quarter included in this prospectus. This same methodology is used to calculate other metrics related to Daily Active Users, including percentage of Daily Active Users that use the Chat Service every day, number of times a day Daily Active Users visit Snapchat, and amount of time spent on Snapchat every day.

While these metrics are determined based on what we believe to be reasonable estimates of our user base for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations globally. For example, there may be individuals who have multiple Snapchat accounts,

even though we forbid that in our Terms of Service and implement measures to detect and suppress that behavior. We have not determined the number of such multiple accounts. Our user metrics are also affected by technology on certain mobile devices that automatically runs in the background of our Snapchat application when another phone function is used, and this activity can cause our system to miscount the user metrics associated with such account. Changes in our products, mobile operating systems, or metric tracking system, or the introduction of new products, may impact our ability to accurately determine Daily Active Users or other metrics and we may not determine such inaccuracies promptly.

Some of our demographic data may be incomplete or inaccurate. For example, because users self-report their dates of birth, our age-demographic data may differ from our users' actual ages. And because users who signed up for Snapchat before June 2013 were not asked to supply their date of birth, we exclude those users and estimate their ages based on a sample of the self-reported ages we do have. If our Daily Active Users provide us with incorrect or incomplete information regarding their age or other attributes, then our estimates may prove inaccurate and fail to meet investor expectations.

In the past we have relied on third-party analytics providers to calculate our metrics, but today we rely primarily on our analytics platform that we developed and operate. For example, before June 2015, we used a third party that counted a Daily Active User when the application was opened or a notification was received via the application on any device. We now use an analytics platform that we developed and operate and we count a Daily Active User only when a user opens the application and only once per user per day. We believe this methodology more accurately measures our user engagement. Additionally, to align our pre-June 2015 Daily Active Users with this new methodology, we reduced our pre-June 2015 Daily Active Users by 4.8%, the amount by which we estimated the data generated by the third party was overstated. As a result, our metrics may not be comparable to prior periods.

If we fail to maintain an effective analytics platform, our metrics calculations may be inaccurate. We regularly review, have adjusted in the past, and are likely in the future to adjust our processes for calculating our internal metrics to improve their accuracy. As a result of such adjustments, our Daily Active Users or other metrics may not be comparable to those in prior periods. Our measures of Daily Active Users may differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology or data used.

USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of $ billion based on an assumed initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. We will not receive any of the proceeds from the sale of Class A common stock in this offering by the selling stockholders.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares of Class A common stock offered by us would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming an initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions payable by us.

The principal purposes of this offering are to increase our capitalization and financial flexibility and create a public market for our Class A common stock. We intend to use the net proceeds we receive from this offering for general corporate purposes, including working capital, operating expenses, and capital expenditures. We may use a portion of the net proceeds to acquire complementary businesses, products, services, or technologies. However, we do not have agreements or commitments for any material acquisitions at this time.

We intend to use some of the net proceeds to satisfy tax withholding obligations related to the vesting and settlement of RSUs, which will begin to vest after the completion of this offering. We do not currently know the amount of net proceeds that would be used to satisfy these tax withholding obligations because it depends on many factors, including our share price on the date of settlement and the number of shares underlying RSUs that are settled on such date. Based on the assumed initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, shares underlying RSUs vesting on such date, and the applicable income tax rate for certain of our employees from whom we will withhold taxes, we would use approximately $ million to satisfy these tax withholding obligations. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, assuming no change to the applicable tax rates, would increase (decrease) the amount we would be required to pay to satisfy these tax withholding obligations by approximately $ million.

We will have broad discretion over how to use the net proceeds from this offering. We intend to invest the net proceeds to us from the offering that are not used as described above in short-term, investment-grade, interest-bearing instruments.

DIVIDEND POLICY

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

We have paid a stock dividend of our Class A common stock on our capital stock in the past and from time to time in the future may pay special or regular stock dividends in the form of Class A common stock, which per

the terms of our amended and restated certificate of incorporation must be paid equally to all stockholders. Any future determination regarding the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, operating results, contractual restrictions, capital requirements, business prospects, and other factors our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash, cash equivalents, and marketable securities, and capitalization as of December 31, 2016:

- on an actual basis;
- on a pro forma basis, giving effect to (i) the automatic conversion of all of our outstanding shares of convertible preferred stock other than Series FP preferred stock into shares of Class B common stock and the conversion of Series FP preferred stock into shares of Class C common stock in connection with our initial public offering, (ii) stock-based compensation expense of approximately $1.1 billion associated with outstanding RSUs subject to a performance condition for which the service-based vesting condition was satisfied as of December 31, 2016 and which we will recognize on the effectiveness of our registration statement in connection with a qualifying initial public offering, as further described in Note 1 to our consolidated financial statements included elsewhere in this prospectus, (iii) the increase in accrued expenses and other current liabilities and an equivalent decrease in additional paid-in capital of $187.2 million in connection with the withholding tax obligations, based on $16.33 per share, which is the fair value of our common stock as of December 31, 2016, as we intend to issue shares of Class A common stock and Class B common stock on a net basis to satisfy the associated withholding tax obligations, (iv) the net issuance of 7.6 million shares of Class A common stock and 5.5 million shares of Class B common stock that will vest and be issued from the settlement of such RSUs, (v) the issuance of the CEO award, as described below, and (vi) the filing and effectiveness of our amended and restated certificate of incorporation which will be in effect on the completion of this offering. The pro forma adjustment related to stock-based compensation expense of approximately $1.1 billion has been reflected as an increase to additional paid-in capital and accumulated deficit.

  On the closing of this offering, our CEO will receive an RSU award, or the CEO award, for shares of Series FP preferred stock, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering. The CEO award will represent 3.0% of all outstanding shares on the closing of this offering, which includes shares sold by us in this offering and the employee RSUs that will vest on the effective date of this offering, as described above. The CEO award will vest immediately on the closing of this offering and such shares will be delivered to our CEO in equal quarterly installments over three years beginning in the third full calendar quarter following this offering; and
- on a pro forma as adjusted basis, giving effect to (i) the pro forma adjustments set forth above and (ii) our receipt of estimated net proceeds from the sale of shares of Class A common stock that we are offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus.

	As of December 31, 2016		
	Actual	Pro Forma	Pro Forma, As Adjusted
	(in thousands except per share amount)		
Cash, cash equivalents, and marketable securities	$ 987,368	$ 987,368	$
Stockholders' equity			
Convertible voting preferred stock, Series A, A-1, and B, $0.00001 par value. 146,962 shares authorized, issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	$ 1	$ —	$
Convertible non-voting preferred stock, Series C, $0.00001 par value. 16,000 shares authorized, issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	—	—	
Convertible non-voting preferred stock, Series D, E, and F, $0.00001 par value. 83,851 shares authorized, issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted.	2	—	
Series FP convertible voting preferred stock, $0.00001 par value. 260,888 shares authorized, 215,888 shares issued and outstanding, actual, and no shares authorized, issued and outstanding, pro forma and pro forma as adjusted.	2	—	
Preferred stock, $0.00001 par value. No shares authorized, issued, and outstanding, actual, and 500,000 shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	
Class A non-voting common stock, $0.00001 par value. 1,500,000 shares authorized, 504,902 shares issued and outstanding, actual, 3,000,000 shares authorized, 512,527 shares issued and outstanding, pro forma; 3,000,000 shares authorized, shares issued and outstanding, pro forma as adjusted	5	5	
Class B voting common stock, $0.00001 par value. 1,500,000 shares authorized, 31,469 shares issued and outstanding, actual, 700,000 shares authorized, 283,817 shares issued and outstanding, pro forma; 700,000 shares authorized, shares issued and outstanding, pro forma as adjusted	—	3	
Class C voting common stock, $0.00001 par value. 260,888 shares authorized, no shares issued and outstanding, actual, 260,888 shares authorized, 215,888 shares issued and outstanding, pro forma; 260,888 shares authorized, shares issued and outstanding, pro forma as adjusted	—	2	
Additional paid-in capital	2,728,823	3,639,620	
Accumulated other comprehensive income (loss)	(2,057)	(2,057)	
Accumulated deficit	(1,207,862)	(2,305,851)	
Total stockholders' equity	$ 1,518,914	$ 1,331,722	$
Total capitalization	$ 1,518,914	$ 1,331,722	$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) each of our pro forma as adjusted cash, cash equivalents, and marketable securities, additional paid-in capital, total stockholders' equity, and total capitalization by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares of Class A common stock offered by us would increase (decrease) each of our pro forma as adjusted cash, cash equivalents, and marketable securities, additional paid-in capital, total stockholders' equity, and total capitalization by approximately $ million, assuming the assumed initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions payable by us.

The number of shares of Class A common stock, Class B common stock, and Class C common stock that will be outstanding after this offering (which include shares of Class A common stock and Class B common stock to be net issued on the vesting of certain outstanding RSUs subject to a performance condition in connection with this offering) is based on 512,527,443 shares of Class A common stock, 283,817,489 shares of Class B common stock, and 215,887,848 shares of Class C common stock outstanding as of December 31, 2016, and excludes:

- 21,185,669 shares of Class B common stock issuable on the exercise of stock options outstanding as of December 31, 2016, under our 2012 Plan with a weighted-average exercise price of $2.33 per share and 21,185,669 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend;
- 18,068,299 shares of Class B common stock issuable on the vesting and settlement of RSUs outstanding as of December 31, 2016, under our 2012 Plan and 18,068,299 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend;
- 1,266,433 shares of Class A common stock issuable on the exercise of stock options outstanding as of December 31, 2016, under our 2014 Plan with a weighted-average exercise price of $1.00 per share and 1,266,433 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend;
- 70,099,641 shares of Class A common stock issuable on the vesting and settlement of RSUs outstanding as of December 31, 2016 under our 2014 Plan and 49,834,987 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend;
- shares of Series FP preferred stock subject to an RSU award to be granted to our CEO on the closing of this offering, or the CEO award, such RSUs will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering;
- 355,522,498 shares of Class A common stock reserved for future issuance under our 2017 Plan, which will become effective once the registration statement of which this prospectus forms a part is declared effective, including:
  - an aggregate of 42,653,205 shares of Class A common stock and Class B common stock reserved for issuance under our 2012 Plan and 2014 Plan, as of December 31, 2016, which shares will be added to the shares reserved under the 2017 Plan, plus
  - up to 225,599,185 additional shares that may be added to the 2017 Plan on the expiration, termination, forfeiture, or other reacquisition of any shares of Class A common stock and Class B common stock issuable on the exercise of stock options outstanding or vesting and settlement of RSUs under the 2012 Plan or 2014 Plan, plus
  - any automatic increases in the number of shares of Class A common stock reserved for future issuance under the 2017 Plan;

- 16,484,690 shares of Class A common stock reserved for issuance under our ESPP, which will become effective once the registration statement, of which this prospectus forms a part, is declared effective, and any automatic increases in the number of shares of Class A common stock reserved for future issuance under our ESPP;
- 2,500,000 shares of our Class A common stock reserved for future issuance to our employees and consultants in France under our 2014 Plan; and
- up to an aggregate of 13,000,000 shares of our Class A common stock that we plan to donate to the Snap Foundation after this offering over a period of 15 to 20 years.

DILUTION

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

Our pro forma net tangible book value as of December 31, 2016 was $929.5 million, or $0.92 per share. Pro forma net tangible book value per share represents the amount of our total tangible assets less our total liabilities divided by the number of our shares of common stock outstanding as of December 31, 2016, after giving effect to the automatic conversion of all outstanding shares of our Series FP preferred stock into an aggregate of 215,887,848 shares of Class C common stock and all other outstanding shares of preferred stock into an aggregate of 246,813,076 shares of Class B common stock, and the net issuance of 7,625,096 shares of Class A common stock and 5,535,592 shares of Class B common stock that will vest and be issued from the settlement of certain outstanding RSUs subject to a performance condition for which the service-based vesting condition was satisfied, in each case immediately on the closing of this offering.

After giving effect to the sale by us of shares of Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the estimated 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, our pro forma as adjusted net tangible book value as of December 31, 2016 would have been $ billion, or $ per share. This amount represents an immediate increase in pro forma as adjusted net tangible book value of $ per share to our existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of $ per share to new investors purchasing Class A common stock in this offering. We determine dilution by subtracting the pro forma as adjusted net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of Class A common stock. The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Pro forma net tangible book value per share as of December 31, 2016	$0.92	
Increase in pro forma as adjusted net tangible book value per share attributable to new investors purchasing shares in this offering		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution in pro forma as adjusted net tangible book value per share to new investors in this offering		$

The dilution information discussed above is illustrative only and may change based on the actual initial public offering price and other terms of this offering. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share of Class A common stock, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by $ per share and increase (decrease) the dilution to new investors by $ per share, in each case assuming 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 payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of Class A common stock offered by us would increase (decrease) our pro forma as adjusted net tangible book value by approximately $ per share and decrease (increase) the dilution to new investors by approximately $ per share, in each case assuming the assumed initial public offering price of $ per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, as of December 31, 2016, on a pro forma as adjusted basis as described above, the number of shares of common stock purchased from us, the total consideration and the average price

per share (i) paid to us by existing stockholders, and (ii) to be paid by new investors acquiring our Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

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

Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors and total consideration paid by all stockholders by approximately $ 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 payable by us.

Sales by the selling stockholders in this offering will cause the number of shares held by existing stockholders to be reduced to shares, or % of the total number of shares of our common stock outstanding following the completion of this offering, and will increase the number of shares held by new investors to shares, or % of the total number of shares outstanding following the completion of this offering.

If the underwriters exercise in full their option to purchase additional shares from certain selling stockholders, the number of shares held by existing stockholders will be reduced to shares, or % of the total number of shares of our common stock outstanding following the completion of this offering, and will increase the number of shares held by new investors to shares, or % of the total number of shares outstanding following the completion of this offering.

The number of shares of Class A common stock, Class B common stock, and Class C common stock that will be outstanding after this offering (which include shares of Class A common stock and Class B common stock to be net issued on the vesting of certain outstanding RSUs subject to a performance condition in connection with this offering) is based on 512,527,443 shares of Class A common stock, 283,817,489 shares of Class B common stock, and 215,887,848 shares of Class C common stock outstanding as of December 31, 2016, and excludes:

- 21,185,669 shares of Class B common stock issuable on the exercise of stock options outstanding as of December 31, 2016, under our 2012 Plan with a weighted-average exercise price of $2.33 per share and 21,185,669 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend;
- 18,068,299 shares of Class B common stock issuable on the vesting and settlement of RSUs outstanding as of December 31, 2016, under our 2012 Plan and 18,068,299 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend;
- 1,266,433 shares of Class A common stock issuable on the exercise of stock options outstanding as of December 31, 2016, under our 2014 Plan with a weighted-average exercise price of $1.00 per share and 1,266,433 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend;
- 70,099,641 shares of Class A common stock issuable on the vesting and settlement of RSUs outstanding as of December 31, 2016 under our 2014 Plan and 49,834,987 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend;

- shares of Series FP preferred stock subject to an RSU award to be granted to our CEO on the closing of this offering, or the CEO award, such RSUs will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering;
- 355,522,498 shares of Class A common stock reserved for future issuance under our 2017 Plan, which will become effective once the registration statement, of which this prospectus forms a part, is declared effective, including:
  - an aggregate of 42,653,205 shares of Class A common stock and Class B common stock reserved for issuance under our 2012 Plan and 2014 Plan, as of December 31, 2016, which shares will be added to the shares reserved under the 2017 Plan, plus
  - up to 225,599,185 additional shares that may be added to the 2017 Plan on the expiration, termination, forfeiture, or other reacquisition of any shares of Class A common stock and Class B common stock issuable on the exercise of stock options outstanding or vesting and settlement of RSUs under the 2012 Plan or 2014 Plan, plus
  - any automatic increases in the number of shares of Class A common stock reserved for future issuance under the 2017 Plan;
- 16,484,690 shares of Class A common stock reserved for issuance under our ESPP, which will become effective once the registration statement, of which this prospectus forms a part, is declared effective, and any automatic increases in the number of shares of Class A common stock reserved for future issuance under our ESPP;
- 2,500,000 shares of our Class A common stock reserved for future issuance to our employees and consultants in France under our 2014 Plan; and
- up to an aggregate of 13,000,000 shares of our Class A common stock that we plan to donate to the Snap Foundation after this offering over a period of 15 to 20 years.

To the extent that any outstanding options are exercised, outstanding RSUs settle, new options or RSUs are issued under our stock-based compensation plans, or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering. If all outstanding options or RSUs under our 2012 Plan and 2014 Plan as of December 31, 2016 were exercised or settled, then our existing stockholders, including the holders of these options, would own % and our new investors would own % of the total number of shares of our Class A common stock, Class B common stock, and Class C common stock outstanding on the completion of this offering.

SELECTED CONSOLIDATED FINANCIAL DATA

The following table summarizes certain selected consolidated financial data. We have derived the selected consolidated balance sheet data as of December 31, 2015 and 2016 and consolidated statements of operations data for the years ended December 31, 2015 and 2016 from our audited consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of our results in any future period. You should read the following selected consolidated financial data together with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes included elsewhere in this prospectus. The selected consolidated financial data in this section are not intended to replace our consolidated financial statements and the related notes and are qualified in their entirety by the consolidated financial statements and related notes included elsewhere in this prospectus.

	Year Ended December 31,	
	2015	2016
	(in thousands, except per share amounts)	
Consolidated Statements of Operations Data:		
Revenue	$ 58,663	$ 404,482
Costs and expenses:		
Cost of revenue	182,341	451,660
Research and development	82,235	183,676
Sales and marketing	27,216	124,371
General and administrative	148,600	165,160
Total costs and expenses	440,392	924,867
Loss from operations	(381,729)	(520,385)
Interest income	1,399	4,654
Interest expense	—	(1,424)
Other income (expense), net	(152)	(4,568)
Loss before income taxes	(380,482)	(521,723)
Income tax benefit (expense)	7,589	7,080
Net loss	$ (372,893)	$ (514,643)
Net loss per share attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders (1) :		
Basic	$ (0.51)	$ (0.64)
Diluted	$ (0.51)	$ (0.64)
Pro forma net loss per share attributable to Class A, Class B, and Class C common stockholders (1) :		
Basic		$ (0.53)
Diluted		$ (0.53)
Other Financial Information:		
Adjusted EBITDA (2)	$ (292,898)	$ (459,428)
Free Cash Flow (3)	$ (325,827)	$ (677,686)

(1) See Note 15 of the notes to our consolidated financial statements included elsewhere in this prospectus for a description of how we compute basic and diluted net loss per share attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders and pro forma basic and diluted net loss per share attributable to Class A, Class B, and Class C common stockholders. The rights, including the liquidation and dividend rights, of Class A and Class B common stock and the Series D, E, F, and FP preferred stock are substantially identical other than voting rights. Accordingly, the Class A and Class B common stock and the Series D, E, F, and FP preferred stock share in our net losses.

(2) See "—Adjusted EBITDA and Free Cash Flow" below for more information and for a reconciliation of Adjusted EBITDA to net loss, the most directly comparable financial measure calculated and presented in accordance with GAAP.

(3) See "—Adjusted EBITDA and Free Cash Flow" below for more information and for a reconciliation of Free Cash Flow to net cash used in operating activities, the most directly comparable financial measure calculated and presented in accordance with GAAP.

	December 31,	
	2015	2016
	(in thousands)	
Consolidated Balance Sheet Data:		
Cash, cash equivalents, and marketable securities	$ 640,810	$ 987,368
Working capital	536,306	1,023,241
Total assets	938,936	1,722,792
Total liabilities	174,791	203,878
Additional paid-in capital	1,467,355	2,728,823
Accumulated deficit	(693,219)	(1,207,862)
Total stockholders' equity	764,145	1,518,914

Adjusted EBITDA and Free Cash Flow

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to understand and evaluate our core operating performance. These non-GAAP financial measures, which may be different than similarly titled measures used by other companies, are presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We use the non-GAAP financial measure of Adjusted EBITDA, which is defined as net income (loss), excluding interest income; interest expense; other income (expense), net; income tax benefit (expense); depreciation and amortization; and stock-based compensation expense. We believe that Adjusted EBITDA helps identify underlying trends in our business that could otherwise be masked by the effect of the expenses that we exclude in Adjusted EBITDA.

We use the non-GAAP financial measure of Free Cash Flow, which is defined as net cash used in operating activities, reduced by purchases of property and equipment. We believe Free Cash Flow is an important liquidity measure of the cash that is available, after capital expenditures, for operational expenses and investment in our business and is a key financial indicator used by management. Additionally, we believe that Free Cash Flow is an important measure since we use third-party infrastructure partners to host our services and therefore we do not incur significant capital expenditures to support revenue generating activities. Free Cash Flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth.

We believe that both Adjusted EBITDA and Free Cash Flow provide useful information about our financial performance, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to key metrics used by our management for financial and operational decision-making. We are presenting the non-GAAP measures of Adjusted EBITDA and Free Cash Flow to assist investors in seeing our financial performance through the eyes of management, and because we believe that these measures provide an additional tool for investors to use in comparing our core financial performance over multiple periods with other companies in our industry.

These non-GAAP financial measures should not be considered in isolation from, or as substitutes for, financial information prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures as compared to the closest comparable GAAP measure. Some of these limitations are that:

- Adjusted EBITDA excludes certain recurring, non-cash charges such as deprecation of fixed assets and amortization of acquired intangible assets and, although these are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future;
- Adjusted EBITDA excludes stock-based compensation expense, which has been, and will continue to be for the foreseeable future, a significant recurring expense in our business and an important part of our compensation strategy;
- Adjusted EBITDA does not reflect tax payments that reduce cash available to us; and
- Free Cash Flow does not reflect our future contractual commitments.

The following table presents a reconciliation of Adjusted EBITDA to net loss, the most comparable GAAP financial measure, for each of the periods presented:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Adjusted EBITDA reconciliation:		
Net loss	$ (372,893)	$ (514,643)
Add (deduct):		
Interest income	(1,399)	(4,654)
Interest expense	—	1,424
Other (income) expense, net	152	4,568
Income tax (benefit) expense	(7,589)	(7,080)
Depreciation and amortization	15,307	29,115
Stock-based compensation expense	73,524	31,842
Adjusted EBITDA	$ (292,898)	$ (459,428)

The following table presents a reconciliation of Free Cash Flow to net cash used in operating activities, the most comparable GAAP financial measure, for each of the periods presented:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Free Cash Flow reconciliation:		
Net cash used in operating activities	$ (306,622)	$ (611,245)
Less:		
Purchases of property and equipment	(19,205)	(66,441)
Free Cash Flow	$ (325,827)	$ (677,686)

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 "Selected Consolidated Financial Data" and our consolidated financial statements, related notes, and other financial information appearing in this prospectus. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs that involve significant risks and uncertainties. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this prospectus, particularly in "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

Unless otherwise stated, statistical information regarding our users and their activities is determined by calculating the daily average of the selected activity for the most recently completed quarter included in this prospectus.

Overview

Snap Inc. is a camera company.

We believe that reinventing the camera represents our greatest opportunity to improve the way that people live and communicate. Our products empower people to express themselves, live in the moment, learn about the world, and have fun together.

Our flagship product, Snapchat, is a camera application that was created to help people communicate through short videos and images. We call each of those short videos or images a Snap. On average, 158 million people use Snapchat daily, and over 2.5 billion Snaps are created every day. On average, our users visit Snapchat more than 18 times per day, and spend 25 to 30 minutes on Snapchat every day.

Our strategy is to focus on innovation and take risks to improve our products. We do this in an effort to drive daily user engagement, which we can then monetize through advertising. We often create new technologies and high engagement products that often require high-end mobile devices and high-speed cellular internet, and consequently the majority of our users come from developed markets. Global advertising spend—especially mobile advertising spend—is extremely concentrated among a few countries, and our advertising business has benefitted greatly from our strong penetration in these countries. This means that we can scale our business in markets where we have the highest revenue per user and capital efficiency, which in turn generates cash flow that we will invest into future product innovation.

For a discussion of the key opportunities and challenges we face in growing our business, see "—Factors Impacting our Business."

We are headquartered in Venice, California, and have several offices around the world.

Daily Active Users

We define a Daily Active User, or DAU, as a registered Snapchat user who opens the Snapchat application at least once during a defined 24-hour period. We measure average Daily Active Users for a particular quarter by calculating the average Daily Active Users for that quarter. We also break out Daily Active Users by geography because certain markets have a greater revenue opportunity and lower bandwidth costs.

We assess the health of our business by measuring Daily Active Users because we believe that this metric is the most reliable way to understand engagement on our platform. It helps us understand if people are continuing

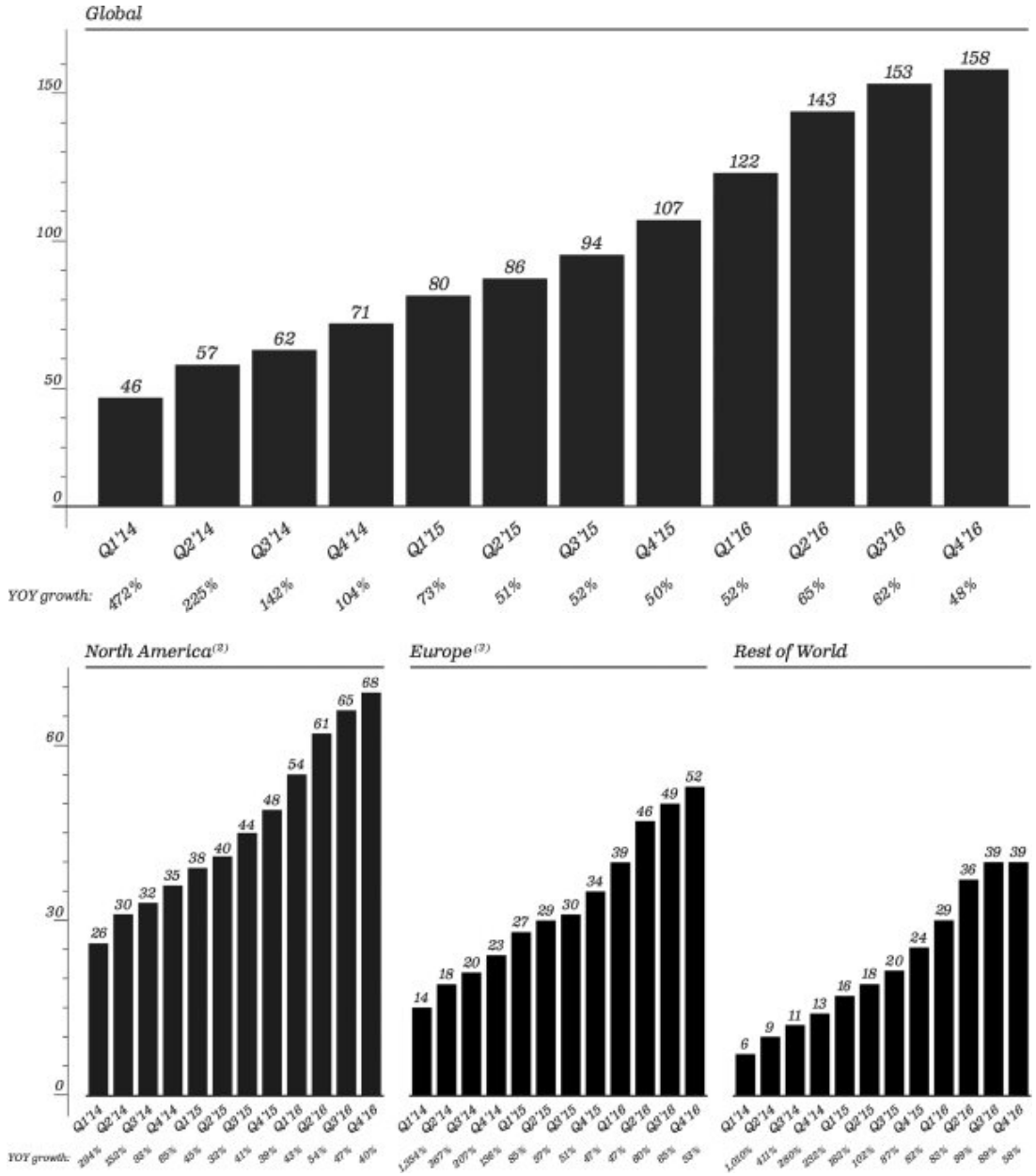
to invest their time, energy, and creativity in our products. Daily engagement also influences our advertising inventory. We had 158 million Daily Active Users on average in the quarter ended December 31, 2016, an increase of 48% as compared to our Daily Active Users in the quarter ended December 31, 2015.

The rate of net additional Daily Active Users was relatively flat in the early part of the quarter ended December 31, 2016, and accelerated in the month of December. Although we have historically experienced lumpiness in the growth of our Daily Active Users, we believe that the flat growth in the early part of the quarter was primarily related to accelerated growth in user engagement earlier in the year, diminished product performance, and increased competition.

The rate of net additional Daily Active Users accelerated in the first half of 2016 compared to the second half of 2015, largely due to increased user engagement from product launches and increased adoption rates among older demographics and international markets. This created a higher baseline of Daily Active Users heading into the third and fourth quarters, so incremental net additions within these quarters were more difficult even with strong year-over-year growth. Additionally, in mid-2016, we launched several products and released multiple updates, which introduced a number of technical issues that diminished the performance of our application. We believe these performance issues resulted in a reduction in the growth of our Daily Active Users, particularly among Android users and regions with a higher percentage of Android devices. Finally, we also saw increased competition both domestically and internationally in 2016, as many of our competitors launched products with similar functionality to ours.

In the quarter ended December 31, 2016, we addressed many of the technical issues introduced earlier in the year and launched various product updates. We believe these efforts contributed to the increase in the rate of net additional Daily Active Users in December. However, there is also a strong degree of seasonality in December due to increased usage during the holiday season, which we believe drove a significant portion of the net additional Daily Active Users in the quarter ended December 31, 2016. Additionally, this seasonal growth typically carries through the early part of the first quarter, meaning that we expect the rate of net additional Daily Active Users to be impacted by, among other things, short-term holiday seasonality that we do not expect to continue through future months.

Quarterly Average Daily Active Users (1)
(in millions)



(1) For a discussion of how we calculated DAUs prior to June 2015, see "Market, Industry, and Other Data."
(2) North America includes Mexico and the Caribbean.
(3) Europe includes Russia and Turkey.

The charts above present our historical Daily Active Users by using the daily average across each quarter reported. We believe that reporting user engagement data this way provides investors with the most useful

perspective on our business for several reasons. Our focus on driving Daily Active Users through product innovation means that launching and changing our products can have a significant impact on Daily Active Users in any given month. Because these product launches and changes may occur during any month of the quarter, we do not believe it is helpful for only the last month of a quarter to be the measure that investors use to assess user engagement, since it would exclude the impact of higher or lower Daily Active Users earlier in the quarter. Additionally, presenting Daily Active Users as a daily average across a quarter is consistent with how we use Daily Active Users in determining Average Revenue per User, or ARPU.

We recognize that other companies have reported their daily active users by using the daily average for only the last month of each quarter reported. For comparison, we have presented our Daily Active Users calculated under this alternative methodology in the table below. We believe that reporting user engagement data based on average Daily Active Users across the full quarter provides a more meaningful metric for investors to assess our business for the reasons set forth above, and in the future we plan to present Daily Active Users exclusively as the daily average across the quarter.

	Global		*North America (2)*		*Europe (3)*		*Rest of World*	
Last Month of Quarter (1)	**DAUs (in millions)**	**YOY Growth**	**DAUs (in millions)**	**YOY Growth**	**DAUs (in millions)**	**YOY Growth**	**DAUs (in millions)**	**YOY Growth**
Mar'14	*50*	*415%*	*27*	*259%*	*16*	*1,065%*	*7*	*856%*
June'14	*59*	*173*	*31*	*116*	*19*	*265*	*10*	*319*
Sept'14	*65*	*126*	*32*	*82*	*21*	*176*	*12*	*258*
Dec'14	*74*	*92*	*36*	*56*	*24*	*118*	*15*	*214*
Mar'15	*81*	*62*	*38*	*38*	*27*	*73*	*16*	*134*
June'15	*89*	*51*	*41*	*33*	*29*	*52*	*20*	*103*
Sept'15	*99*	*53*	*46*	*42*	*31*	*51*	*22*	*90*
Dec'15	*110*	*48*	*50*	*39*	*35*	*45*	*26*	*77*
Mar'16	*130*	*60*	*57*	*50*	*42*	*53*	*32*	*95*
June'16	*148*	*66*	*63*	*55*	*48*	*65*	*37*	*92*
Sept'16	*154*	*55*	*66*	*43*	*50*	*59*	*38*	*74*
Dec'16	*161*	*46*	*69*	*39*	*53*	*51*	*39*	*53*

(1) For a discussion of how we calculated DAUs prior to June 2015, see "Market, Industry, and Other Data."
(2) North America includes Mexico and the Caribbean.
(3) Europe includes Russia and Turkey.

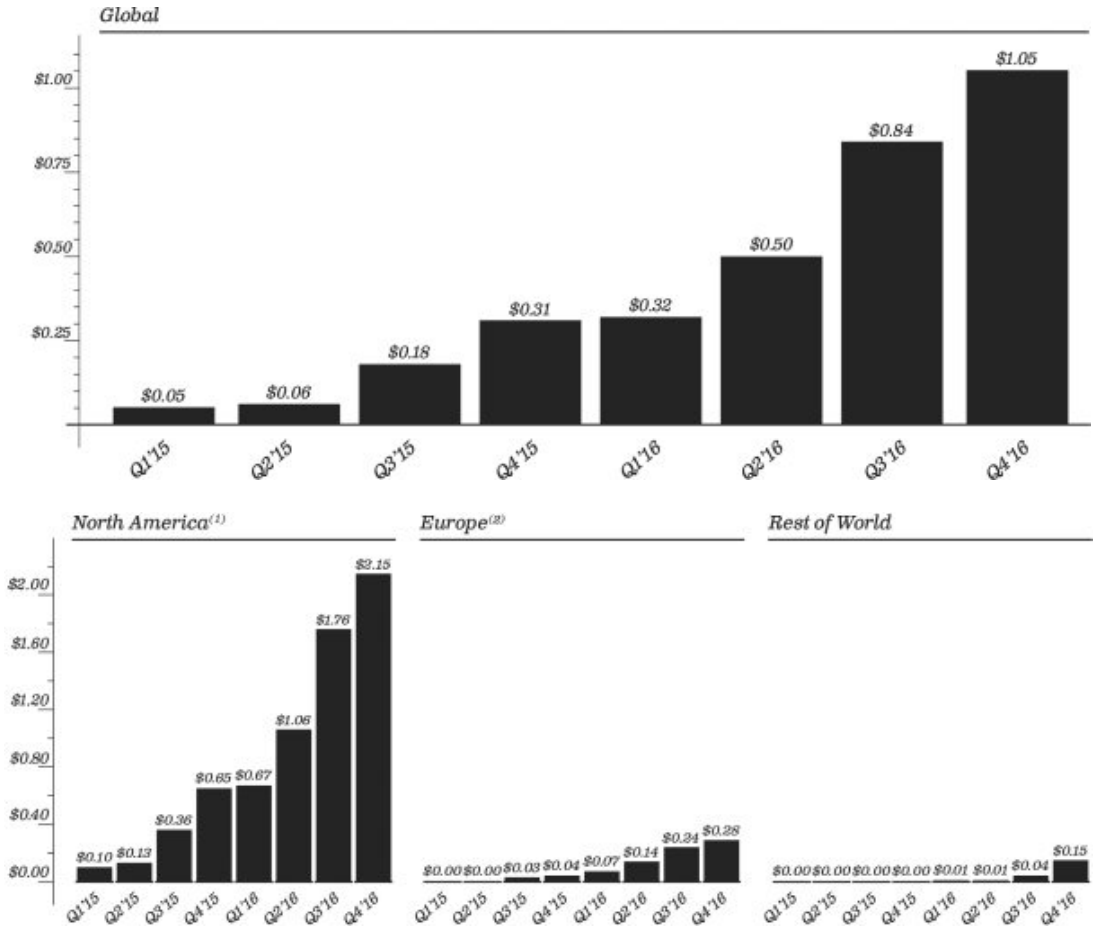
Monetization

We monetize our business primarily through advertising. Our advertising products include Snap Ads and Sponsored Creative Tools like Sponsored Lenses and Sponsored Geofilters. While our advertising business is still in its early stages, it is growing rapidly. In the year ended December 31, 2016, we recorded revenue of $404.5 million, as compared to revenue of $58.7 million for the year ended December 31, 2015, representing more than a 6x year-over-year increase.

We measure progress in our advertising business using ARPU because it helps us understand the rate at which we're monetizing our daily user base. We define ARPU as quarterly revenue divided by the average Daily Active Users.

For purposes of calculating ARPU, revenue by user geography is apportioned to each region based on a determination of the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity. This differs from the presentation of our revenue by geography in the notes to our consolidated financial statements, where revenue is based on the billing address of the advertising customer.

Quarterly Average Revenue per User



[GRAPHIC]

(1) North America includes Mexico and the Caribbean.
(2) Europe includes Russia and Turkey.

Quarterly Revenue by Geography [1]
(in thousands)

	Global Revenue	North America [2] Revenue	Europe [3] Revenue	Rest of World Revenue
Q1'15	$ 3,920	$ 3,911	$ 9	$ —
Q2'15	5,300	5,216	79	5
Q3'15	16,725	15,859	860	6
Q4'15	32,718	31,364	1,257	97
Q1'16	38,798	35,898	2,702	198
Q2'16	71,798	65,219	6,236	343
Q3'16	128,204	114,755	11,791	1,658
Q4'16	165,682	145,356	14,665	5,661

(1) Total revenue for geographic reporting is apportioned to each region based on our determination of the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity. This allocation is consistent with how we determine ARPU. This differs from the presentation of our revenue by geography in the notes to our consolidated financial statements, where revenue is based on the billing address of the advertising customer.
(2) North America includes Mexico and the Caribbean.
(3) Europe includes Russia and Turkey.

Our Products

Snapchat opens directly into the Camera, making it easy to create a Snap and send it to friends. Snaps are deleted by default, so there is a lot less pressure to look pretty or perfect when creating and sharing images on Snapchat. We offer lots of fun Creative Tools like Lenses and Geofilters that allow our community to express themselves through Snaps. Lenses are interactive animations that are overlaid on a person's face or the world around them. Geofilters are artistic filters available after a Snap is taken at pre-defined times and locations. People can send Snaps back and forth with friends using our Chat Service, which also supports text-based Chat, voice and video calling, and stickers.

Stories are collections of Snaps that play in chronological order, and are deleted within 24 hours. Different types of Stories are told from different perspectives. We started with My Story for each individual user, expanded to community Live Stories, and then introduced Publisher Stories created by our experienced publisher partners.

In addition to the Snapchat application, there are two other ways to make Snaps: Publisher Tools and Spectacles. Publisher Tools are our growing suite of content tools for partners to build, edit, and publish Snaps and attachments based on unique editorial content. Our latest effort to reinvent the camera is Spectacles, our sunglasses that make Snaps.

Factors Impacting our Business

User Engagement

Daily user engagement with our products is a critical component to our business because it influences our advertising inventory as well as our expenses.

We expect growth to continue to come from developed markets with readily available high-speed cellular internet and high-end mobile devices because we prioritize our investment in product innovation that often requires a lot of bandwidth and intensive processing. We benefit from this because global advertising spend tends to be concentrated among many of these markets, and hosting costs are often lower due to less expensive bandwidth. We believe that our growth potential will follow the size of the global population with access to strong infrastructure and technology, and our user growth will slow as we reach higher penetration in these markets.

We also face regulatory challenges that may affect our ability to grow in certain markets. For example, we have very limited access to the China market, as we have not yet established an operating presence in China to support Snapchat. Access to Google, which currently powers our infrastructure, is restricted in China. Additionally, certain products like Spectacles may not be available in all locations due to local laws and regulations.

In the past, we have been able to increase our user engagement with the introduction of new products, like Stories and Lenses, that encourage people to invest their time, energy, and creativity into our platform. However, our investment cycle in product innovation is lumpy and unpredictable. Opportunities to create new products are not spread out evenly and require varying investments in time and resources. Additionally, different products have different rates of user adoption once launched. This means that growth in user engagement, as measured by Daily Active Users, has been, and will continue to be, lumpy and unpredictable.

We invest heavily in future product innovation and take risks to improve our camera platform in an effort to drive long-term user engagement. Sometimes this means sacrificing short-term engagement to introduce products that might change the way people use Snapchat. Our products often use new technologies and require people to change their behavior, such as using a camera to talk with their friends. This means that our products take a lot of time and money to develop, and might have slow adoption rates. It also often takes time for us to optimize the performance of our products once launched. While not all of our investments will pay off in the long run, we are willing to take these risks in an attempt to create the best and most differentiated products and experiences. Additionally, the high level of bandwidth used by many of our services means that an increase in our user base and engagement will also increase our hosting costs.

Ability to Monetize Users in Top Advertising Markets

We monetize our daily user engagement primarily through advertising. Our ability to grow our revenues depends in large part on our ability to increase ARPU in top advertising markets. There are a number of factors that we believe will help us grow ARPU, including the demographics of our audience, the effectiveness of our advertising products, and our delivery and measurement capabilities.

While these factors help us drive value for our advertisers, the pricing of our advertising products is also affected by other factors like the highly competitive nature of our industry. From time to time, we review and adjust the pricing of our advertising offerings taking into account all of these variables.

Our Audience

Our users are concentrated among top advertising markets. The global advertising market is expected to grow from $652 billion in 2016 to $767 billion in 2020, with the top ten countries commanding over 70% of overall worldwide advertising spend and nearly 85% of mobile advertising spend, according to IDC. We benefit from having over 60% of our 158 million Daily Active Users come from countries on this list, including over 60 million Daily Active Users in the United States and Canada, and over 10 million Daily Active Users in the United Kingdom.

Since the entirety of our available advertising inventory is on mobile, our ability to grow our revenue is influenced by the size and growth of the mobile advertising market. IDC projects that mobile advertising spend will grow nearly 3x from $66 billion in 2016 to $196 billion in 2020, while all other advertising spend will decrease by approximately $15 billion during the same time period. We believe that as people's attention shifts from traditional media like desktop and television to mobile, significant advertising budgets will similarly be transferred to mobile advertising. Additionally, this shift of attention to mobile is particularly prevalent among younger audiences, with people aged 18 to 24—our largest age group among our U.S. Daily Active Users—having spent 35% less time watching traditional (live and time-shifted) television in an average month during the second quarter of 2016 compared to the second quarter of 2010, according to Nielsen.

Advertising Products

The same team that designs our consumer products also helps design our advertising products. That means that we can take the things we learn while creating our consumer products and apply them to building innovative and engaging advertising products that feel familiar to our community. Snap Ads, for example, are full-screen videos with sound, in the same format as the Snaps that drive the video consumption on our platform. Furthermore, Sponsored Creative Tools leverage the popularity of Lenses and Geofilters to let people engage creatively with brands.

We believe that our ability to continue creating engaging user experiences and successfully converting that engagement into advertising products will influence the effectiveness of our future advertising products.

Delivery and Measurement

Our ability to show advertising that is relevant to a user is a key factor in driving a return on advertising spend. We are always trying to improve our advertising delivery framework and scale our business to make better and more efficient decisions.

Proving effectiveness to advertisers is also a major driver of ARPU because it helps them feel more comfortable spending more money to reach users on our platform. We offer third-party and in-house solutions focusing on view verification, reach verification, changes in user perception of a brand, and changes in behavior.

Investing in Product Innovation

We compete for engagement in an environment where anyone can distribute products instantly and often at no cost to the user. We think the best way to compete is to make great products that people will want to use. As such, we invest heavily in product innovation in an effort to drive user engagement. Since we monetize primarily through advertising, incremental user engagement also means increased advertising inventory.

Many of the products we create leverage new technologies and may be considerably different from what is already available. This means that we often make large investments and take substantial risks to develop and launch them. They also often require people to adopt new behaviors, which can take a long time even when we are successful. We also update and iterate on our products regularly, which can sometimes negatively impact engagement in the short-term. While product innovation contributes to our long-term user growth and engagement, we have seen that the results can be lumpy and unpredictable.

The Snapchat application is based on mobile operating systems like iOS and Android as well as the underlying mobile phones on which it is installed. Our product opportunity is heavily influenced by these technology providers—we may be able to create new products based on advances in their capabilities, but we may also be limited if they choose to block a particular feature or reject new updates to our application. We also rely on the internet infrastructure available to our users, meaning that certain countries may block some or all of our features to everyone in that country.

Some of our products have high production costs and long development timelines, and we expect to see an increase in our costs and expenses due to the launch of Spectacles and future capital-intensive projects. Additionally, products that drive growth and engagement on Snapchat are also likely to increase our infrastructure costs.

Most of our products will not initially generate revenue. We don’t monetize many of our products, and use them instead to try to drive engagement to our revenue-generating products. Even when we do decide to monetize a new product, we usually wait, sometimes for a long time, for it to reach a level of maturity and adoption where we feel comfortable predicting and selling advertising against future engagement.

Operating Leverage in Our Business

Our ability to achieve and maintain long term operating leverage depends on our ability to efficiently scale both our advertising business and the infrastructure that supports our growing user engagement. We believe the concentration of our user base among top advertising markets gives us the opportunity to grow our ARPU. While growth in user engagement increases our overall monetization opportunity, it also bears an incremental cost to our business by increasing our hosting costs.

We currently have a capital-light business model because we work with third-party infrastructure partners, primarily Google Cloud, to run and scale our services rather than building our own infrastructure, which would require significant up-front capital and resources. We believe that working with these partners will result in lower costs for us in both the short and long term. Large scale infrastructure providers offer several advantages, including global scale to serve our audience, the ability to handle peak demand more economically, and purchasing power to procure equipment directly from infrastructure equipment vendors that results in lower net costs to us.

We also benefit from the concentration of our users in developed markets because the hosting costs of serving these users is typically lower than in other markets. Our hosting costs may increase significantly in the future because we pay incremental hosting costs for new users and increased engagement. We rely on Google Cloud to host the vast majority of our computing, storage, bandwidth, and other services. Any transition of such services to another cloud provider would be difficult to implement, and may cause us to incur significant time and expense. We have committed to spend $2 billion with Google Cloud over the next five years and have built our software and computer systems to use computing, storage capabilities, bandwidth, and other services provided by Google Cloud, some of which do not have an alternative in the market. We are currently negotiating an agreement with another cloud provider for redundant infrastructure support of our business operations. In the future, we may invest in building our own infrastructure to better serve our customers.

Additionally, we face greater challenges optimizing our operating leverage in less-developed markets, resulting in lower operating margins on average in these countries. While the costs of hiring people and building a local sales organization are usually lower in these countries compared to more developed markets, hosting costs tend to be higher. In addition, we also face greater challenges in increasing our ARPU in less-developed markets as their advertising markets tend to be smaller and less developed. For example, many of these markets have not yet seen as strong a shift in attention from traditional forms of media to mobile, meaning there may be a smaller market opportunity for mobile advertising.

We are building many solutions that will help us scale our advertising business. For example, we allow people to buy On-Demand Geofilters through our self-serve platform, and we recently started allowing certain partners to run advertisements on our platform through an API.

Investing in Our Team

Our business relies on our ability to attract and retain the right team to create and monetize our products. We invest heavily in hiring and retaining talented people, particularly as we grow our business. Our headcount at December 31, 2016 was 1,859 employees, an increase of approximately 210% compared to December 31, 2015. We expect to continue to expand our team at a rapid pace through hiring and acquisitions to support potential future growth.

Seasonality in Our Business

Historically, we have seen a high degree of seasonality in our business and financial results. Overall advertising spend tends to be strongest in the fourth quarter of every calendar year, and we observe a similar pattern in our historical advertising revenue. We have also observed seasonality in our user engagement, with

generally less engagement in summer months. The rapid growth in our business and user engagement has generally masked these trends to date, and we expect the impact of seasonality to be more pronounced in the future.

Acquisitions and Strategic Partnerships

We acquire companies from time to time with teams and technologies that help us accelerate our product roadmap. Sometimes we acquire companies that accelerate our path to a monetizable product. Other companies may have a much longer or less direct path to engagement or monetization. Most of these companies have not had meaningful revenue at the time of acquisition, and ongoing operating costs from future acquisitions may negatively affect our financial performance.

We enter into strategic relationships with a variety of partners that contribute to several aspects of our business, including partners that create content for our platform and partners that help us measure advertising effectiveness. From time to time, we make investments in current and potential partners to strengthen our relationship.

Stock-Based Compensation Expense

We have granted RSUs and stock options to our employees and advisors. Substantially all RSUs granted before December 31, 2016 vest on the satisfaction of both a service-based condition and a performance condition. The service-based condition for most of these RSUs is satisfied over four years. The performance condition is satisfied on the occurrence of a qualifying event, defined as a change in control or the effective date of the registration statement for our initial public offering. All RSUs granted after December 31, 2016 vest on the satisfaction of only service-based conditions.

Stock-based compensation expense is recognized only for those RSUs that are expected to meet the service-based and performance conditions. As of December 31, 2015 and 2016, achievement of the performance condition was not probable. A change in control event and effective registration statement are not deemed probable until consummated. If the initial public offering had occurred on December 31, 2016, we would have recognized $1.1 billion of stock-based compensation expense for all RSUs with a performance condition that had satisfied the service-based condition on that date, and would have approximately $1.5 billion of unrecognized compensation cost, which is expected to be recognized over a weighted-average period of approximately 3.4 years.

In addition to the above, on the closing of this offering, the CEO will receive an RSU award, or the CEO award, for shares of Series FP preferred stock representing 3.0% of all outstanding shares on the closing of this offering, which includes shares sold by us in this offering and the employee RSUs that will vest on the effective date of this offering. The CEO award will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering. The CEO award will vest immediately on the closing of this offering and such shares will be delivered to the CEO in equal quarterly installments over three years beginning in the third full calendar quarter following this offering. The CEO award will be recognized as compensation expense based on 3.0% of shares outstanding on the closing of this offering and at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus. The CEO award compensation expense will be recognized immediately on the closing of this offering.

As of December 31, 2016, there was $48.6 million of unrecognized stock-based compensation expense related to stock options and $3.2 million of unrecognized stock-based compensation expense related to RSUs without a performance condition. We expect this unrecognized stock-based compensation expense to be recognized over a weighted-average period of 2.3 years for stock options and 1.8 years for RSUs without a performance condition. We did not grant any stock options in 2015. In the year ended December 31, 2016, we granted options with an aggregate grant date fair value of $37.8 million to certain employees in conjunction with an acquisition.

For additional information regarding our stock-based compensation expense, see "—Critical Accounting Policies and Estimates—Stock-Based Compensation."

Results of Operations

The following table summarizes certain selected historical financial results:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Revenue	$ 58,663	$ 404,482
Loss from operations	(381,729)	(520,385)
Net loss	(372,893)	(514,643)
Adjusted EBITDA (1)	(292,898)	(459,428)

(1) For information on how we define and calculate Adjusted EBITDA, and a reconciliation of net loss to Adjusted EBITDA, see "Selected Consolidated Financial Data—Adjusted EBITDA and Free Cash Flow."

As of December 31, 2016, we had 1,859 employees, as compared to 600 employees as of December 31, 2015. This increase, and the related increase in expenses, were driven by the continued expansion of our business.

Components of Results of Operations

Revenue

We generate substantially all of our revenue through the sale of our advertising products, which include Snap Ads and Sponsored Creative Tools. We sell advertising directly to advertisers, referred to as Snap-sold revenue. Certain partners that provide content on Snapchat, or content partners, also sell directly to advertisers, referred to as partner-sold revenue. We report Snap-sold revenue on a gross basis and partner-sold revenue on a net basis. Currently, our Sponsored Creative Tools, which include Sponsored Lenses and Sponsored Geofilters, are only Snap-sold. For the years ended December 31, 2015 and 2016, approximately 87% and 91% of our advertising revenue was Snap-sold, and approximately 13% and 9% of our advertising revenue was partner-sold, respectively. Snap Ads, whether Snap-sold or partner-sold, may be subject to revenue sharing arrangements between us and the content partner.

For additional discussion related to Snap-sold and partner-sold revenue, see "—Critical Accounting Policies and Estimates—Revenue Recognition" and Note 1 to our consolidated financial statements included elsewhere in this prospectus.

We also generate revenue from sales of our hardware product, Spectacles. This revenue was not material for the year ended December 31, 2016 and is reported net of allowances for returns.

Cost of Revenue

Cost of revenue consists primarily of payments to third-party infrastructure partners for hosting our products. Hosting costs primarily include expenses related to bandwidth, computing, and storage costs. Cost of revenue also includes revenue share payments to our content partners, content creation costs, which include personnel-related costs, and advertising measurement services. In addition, cost of revenue includes inventory costs for Spectacles and facilities and other supporting overhead costs, including depreciation and amortization.

Research and Development Expenses

Research and development expenses consist primarily of personnel-related costs, including salaries, benefits, and stock-based compensation expenses for our engineers and other employees engaged in the research

and development of our products. In addition, research and development expenses include facilities and other supporting overhead costs, including depreciation and amortization. Research and development costs are expensed as incurred.

Sales and Marketing Expenses

Sales and marketing expenses consist primarily of personnel-related costs, including salaries, benefits, commissions, and stock-based compensation expense for our employees engaged in sales and sales support, business development, media, marketing, corporate partnerships, communications, and customer service functions. Sales and marketing expenses also include costs incurred for indirect advertising, market research, tradeshows, branding, marketing, promotional expense, and public relations, as well as facilities and other supporting overhead costs, including depreciation and amortization.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel-related costs, including salaries, benefits, and stock-based compensation expense for our executives, finance, legal, information technology, human resources, and other administrative teams, including facilities and supporting overhead costs, and depreciation and amortization. General and administrative expenses also include external professional services.

Interest Income

Interest income consists primarily of interest earned on our cash, cash equivalents, and marketable securities.

Interest Expense

Interest expense consists primarily of interest on build-to-suit lease financing obligations and commitment fees and amortization of costs related to our revolving credit facility.

Other Income (Expense), Net

Other income (expense), net consists of realized gains and losses on sales of marketable securities, our portion of equity method investment income and losses and foreign currency transaction gains and losses.

Income Tax Benefit (Expense)

We are subject to income taxes in the United States and numerous foreign jurisdictions. These foreign jurisdictions have different statutory tax rates than the United States. Additionally, certain of our foreign earnings may also be taxable in the United States. Accordingly, our effective tax rates will vary depending on the relative proportion of foreign to domestic income, use of foreign tax credits, changes in the valuation of our deferred tax assets and liabilities, and changes in tax laws.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss), excluding interest income; interest expense; other income (expense), net; income tax benefit (expense); depreciation and amortization; and stock-based compensation expense. We consider the exclusion of certain non-cash expenses in calculating Adjusted EBITDA to provide a useful measure for period-to-period comparisons of our business and for investors and others to evaluate our operating results in the same manner as does our management. Additionally, we believe that Adjusted EBITDA is an important measure since we use third-party infrastructure partners to host our services and therefore we do not incur significant capital expenditures to support revenue-generating activities. See “Selected Consolidated Financial Statement Data—Adjusted EBITDA and Free Cash Flow” for additional information and a reconciliation of net loss to Adjusted EBITDA.

Discussion of Results of Operations

The following table summarizes our historical consolidated statements of operations data:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Consolidated Statements of Operations Data:		
Revenue	$ 58,663	$ 404,482
Costs and expenses:		
Cost of revenue	182,341	451,660
Research and development	82,235	183,676
Sales and marketing	27,216	124,371
General and administrative	148,600	165,160
Total costs and expenses	440,392	924,867
Loss from operations	(381,729)	(520,385)
Interest income	1,399	4,654
Interest expense	—	(1,424)
Other income (expense), net	(152)	(4,568)
Loss before income taxes	(380,482)	(521,723)
Income tax benefit (expense)	7,589	7,080
Net loss	$(372,893)	$(514,643)
Adjusted EBITDA (1)	$(292,898)	$(459,428)

(1) See "Selected Consolidated Financial Data—Adjusted EBITDA and Free Cash Flow" for more information and for a reconciliation of Adjusted EBITDA to net loss, the most directly comparable financial measure calculated and presented in accordance with GAAP.

The following table sets forth the components of our consolidated statements of operations data for each of the periods presented as a percentage of revenue:

	Year Ended December 31,	
	2015	2016
Consolidated Statements of Operations Data:		
Revenue	100%	100%
Costs and expenses:		
Cost of revenue	311	112
Research and development	140	45
Sales and marketing	46	31
General and administrative	253	41
Total costs and expenses	751	229
Loss from operations	651	129
Interest income	2	1
Interest expense	—	—
Other income (expense), net	—	1
Loss before income taxes	649	129
Income tax benefit (expense)	13	2
Net loss	636%	127%

Years Ended December 31, 2015 and 2016

Revenue

	Year Ended December 31,		Dollar Change	Percent Change
	2015	2016		
	(dollars in thousands) (NM = Not Meaningful)			
Revenue	$58,663	$404,482	$345,819	NM

Revenue for the year ended December 31, 2016 increased $345.8 million compared to the same period in 2015. Revenue grew between the periods primarily due to an increase in the number of advertisements delivered. The number of advertisements delivered increased between the periods primarily due to increased advertiser demand across our product offerings, our growing sales team, and increased user engagement as measured by a 48% increase in DAUs. ARPU increased due to the growth in revenue as a result of the number of advertisements delivered, which outpaced DAU growth during the period. Snap-sold revenue was $365.0 million and partner-sold revenue was $34.9 million during the year ended December 31, 2016 compared to $50.9 million for Snap-sold revenue and $7.7 million for partner-sold revenue during the year ended December 31, 2015.

Cost of Revenue

	Year Ended December 31,		Dollar Change	Percent Change
	2015	2016		
	(dollars in thousands)			
Cost of Revenue	$182,341	$451,660	$269,319	148%

Cost of revenue for the year ended December 31, 2016 increased $269.3 million, or 148%, compared to the same period in 2015. The increase in cost of revenue primarily consisted of $191.9 million related to increased hosting costs, in part attributable to DAU growth of 48% between the periods, $48.2 million related to increased revenue share payments to our partners consistent with our overall increase in revenue, and $13.3 million related to increased content creation costs, which include personnel-related costs.

Research and Development Expenses

	Year Ended December 31,		Dollar Change	Percent Change
	2015	2016		
	(dollars in thousands)			
Research and Development Expenses	$ 82,235	$183,676	$101,441	123%

Research and development expenses for the year ended December 31, 2016 increased $101.4 million, or 123%, compared to the same period in 2015. The increase was primarily due to an increase in research and development headcount, and the related salaries, benefits, and stock-based compensation expenses. The investment in personnel supported our efforts to continue growing our user base and building and improving products for our users and advertisers.

Sales and Marketing Expenses

	Year Ended December 31,		Dollar Change	Percent Change
	2015	2016		
	(dollars in thousands)			
Sales and Marketing Expenses	$ 27,216	$124,371	$97,155	357%

Sales and marketing expenses for the year ended December 31, 2016 increased $97.2 million, or 357%, compared to the same period in 2015. The increase was primarily due to an increase in sales and marketing headcount of approximately 340%. We also made marketing investments during the year ended December 31, 2016.

General and Administrative Expenses

	Year Ended December 31,		Dollar Change	Percent Change
	2015	2016		
	(dollars in thousands)			
General and Administrative Expenses	$148,600	$165,160	$16,560	11%

General and administrative expenses for the year ended December 31, 2016 increased $16.6 million, or 11%, compared to the same period in 2015. The increase was primarily due to increased personnel costs from an increase in general and administrative headcount of approximately 220%, partially offset by $43.6 million of stock-based compensation from the accelerated vesting of modified stock-based compensation awards for certain former employees in 2015.

Total Costs and Expenses

We anticipate that cost of revenue will increase for the foreseeable future as user engagement increases, including as we continue to deliver new product offerings. We anticipate that research and development, sales and marketing, and general and administrative expenses will all increase in absolute dollars from continued growth in headcount and personnel-related expenses. We also anticipate a significant increase in total costs and expenses from the stock-based compensation expense related to RSUs that have both a service-based and performance condition.

In September 2016, we announced the launch of Spectacles, our camera-enabled sunglasses that make Snaps. We expect to experience production and operating costs related to Spectacles that will exceed the related revenue in the near future. In 2017, we expect to continue to make substantial investments in inventory, marketing, distribution, and product innovation as we assess product demand. Additionally, we plan to significantly broaden the distribution of Spectacles, which will increase our costs and overall financial risk.

Interest Income

	Year Ended December 31,		Dollar Change	Percent Change
	2015	2016		
	(dollars in thousands)			
Interest Income	$1,399	$4,654	$3,255	233%

Interest income for the year ended December 31, 2016 increased $3.3 million, or 233%, compared to the same period in 2015. The increase was primarily a result of a larger invested balance in marketable securities, which returned a higher rate of interest.

Interest Expense

	Year Ended December 31, 2015	2016	Dollar Change	Percent Change
	(dollars in thousands) (NM = Not Meaningful)			
Interest Expense	$ —	$(1,424)	$(1,424)	NM

Interest expense for the year ended December 31, 2016 was $1.4 million, compared to $0 in the same period in 2015. Interest expense was composed primarily of interest on build-to-suit lease financing obligations placed into service in the third quarter of 2016 and commitment fees and amortization of costs related to our revolving credit facility, which was executed in the third quarter of 2016.

Other Income (Expense), Net

	Year Ended December 31, 2015	2016	Dollar Change	Percent Change
	(dollars in thousands) (NM = Not Meaningful)			
Other Income (Expense), Net	$(152)	$(4,568)	$(4,416)	NM

Other expense, net for the year ended December 31, 2016 was $4.6 million. The increase in expense was primarily a result of an increase in our share of losses on equity method investments and an increase in foreign currency transaction losses, partially offset by gains on sales of marketable securities.

Income Tax Benefit (Expense)

	Year Ended December 31, 2015	2016	Dollar Change	Percent Change
	(dollars in thousands)			
Income Tax Benefit (Expense)	$7,589	$7,080	$ (509)	(7)%
Effective Tax Rate	2.0%	1.4%		

Income tax benefit was $7.1 million for the year ended December 31, 2016, as compared to $7.6 million for the same period in 2015. The income tax benefits in both periods were primarily from the partial release of a valuation allowance against our net deferred tax assets. The valuation allowance release was the result of net deferred tax liabilities originating from acquisitions that were an available source of income to realize a portion of our deferred tax assets.

Our effective tax rate differs from the U.S. statutory rate primarily due to valuation allowances against our net deferred tax assets primarily related to net operating loss carry-forwards where it is more likely than not that some or all of the deferred tax assets will not be realized. For additional discussion, see Note 7 to our consolidated financial statements included elsewhere in this prospectus.

Net Loss and Adjusted EBITDA

	Year Ended December 31, 2015	2016	Dollar Change	Percent Change
	(dollars in thousands)			
Net Loss	$(372,893)	$(514,643)	$(141,750)	38%
Adjusted EBITDA	$(292,898)	$(459,428)	$(166,530)	57%

Net loss for the year ended December 31, 2016 was $514.6 million as compared to $372.9 million for the same period in 2015. Adjusted EBITDA loss for the year ended December 31, 2016 was $459.4 million as compared to $292.9 million for the same period in 2015. The increase in net loss and Adjusted EBITDA loss was primarily a result of an increase in cost of revenue and operating expenses, which more than offset revenue growth during the period. The increase in cost of revenue was primarily related to higher hosting costs and revenue share payments to our partners for the year ended December 31, 2016. The increase in operating expenses was primarily related to increased headcount. For a discussion of the limitations associated with using Adjusted EBITDA rather than GAAP measures and a reconciliation of this measure to net loss, see "Selected Consolidated Financial Data—Adjusted EBITDA and Free Cash Flow."

Unaudited Quarterly Results of Operations Data

The following table sets forth our unaudited quarterly consolidated results of operations for each of the eight quarterly periods in the period ended December 31, 2016. These unaudited quarterly results of operations have been prepared on the same basis as our audited consolidated financial statements included elsewhere in this prospectus. In the opinion of management, the financial information reflects all normal recurring adjustments necessary for the fair statement of results of operations for these periods. This information should be read in conjunction with our consolidated financial statements and the related notes included elsewhere in this prospectus. The results of historical periods are not necessarily indicative of the results in any future period.

	Three Months Ended							
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
	(in thousands)							
Consolidated Statements of Operations Data:								
Revenue	$ 3,920	$ 5,300	$ 16,725	$ 32,718	$ 38,798	$ 71,798	$ 128,204	$ 165,682
Costs and expenses [1] :								
Cost of revenue	20,749	40,598	56,227	64,767	75,773	94,757	127,780	153,350
Research and development	16,587	17,259	18,989	29,400	28,098	36,052	54,562	64,964
Sales and marketing	3,453	5,872	8,206	9,685	14,737	24,587	34,658	50,389
General and administrative	61,977	29,392	30,205	27,026	24,011	32,261	42,172	66,716
Total costs and expenses	102,766	93,121	113,627	130,878	142,619	187,657	259,172	335,419
Loss from operations	(98,846)	(87,821)	(96,902)	(98,160)	(103,821)	(115,859)	(130,968)	(169,737)
Interest income	194	332	475	398	359	871	1,938	1,486
Interest expense	—	—	—	—	—	—	(648)	(776)
Other income (expense), net	40	(46)	(229)	83	(993)	(939)	(1,421)	(1,215)
Loss before income taxes	(98,612)	(87,535)	(96,656)	(97,679)	(104,455)	(115,927)	(131,099)	(170,242)
Income tax benefit (expense)	—	7,700	—	(111)	(121)	33	6,871	297
Net loss	$ (98,612)	$(79,835)	$ (96,656)	$ (97,790)	$(104,576)	$(115,894)	$ (124,228)	$ (169,945)

(1) Stock-based compensation expense included in above line items:

	Three Months Ended							
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
	(in thousands)							
Stock-Based Compensation Expense:								
Cost of revenue	$ 127	$ 128	$ 128	$ 105	$ 154	$ 128	$ 128	$ 122
Research and development	2,715	2,297	2,638	2,659	2,648	2,700	12,138	4,449
Sales and marketing	830	875	862	967	775	553	1,251	1,377
General and administrative	47,990	2,736	5,081	3,386	1,961	1,361	1,278	819
Total	$ 51,662	$ 6,036	$ 8,709	$ 7,117	$ 5,538	$ 4,742	$ 14,795	$ 6,767

The following table presents a reconciliation of Adjusted EBITDA to net loss, the most comparable GAAP financial measure, for each of the periods presented:

	Three Months Ended							
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
	(in thousands)							
Reconciliation of Adjusted EBITDA:								
Net loss	$ (98,612)	$(79,835)	$ (96,656)	$ (97,790)	$(104,576)	$(115,894)	$ (124,228)	$ (169,945)
Add (deduct):								
Interest income	(194)	(332)	(475)	(398)	(359)	(871)	(1,938)	(1,486)
Interest expense	—	—	—	—	—	—	648	776
Other (income) expense, net	(40)	46	229	(83)	993	939	1,421	1,215
Income tax expense (benefit)	—	(7,700)	—	111	121	(33)	(6,871)	(297)
Depreciation and amortization	3,198	3,882	4,118	4,109	5,049	5,996	7,437	10,633
Stock-based compensation expense	51,662	6,036	8,709	7,117	5,538	4,742	14,795	6,767
Adjusted EBITDA	$ (43,986)	$(77,903)	$ (84,075)	$ (86,934)	$ (93,234)	$(105,121)	$ (108,736)	$ (152,337)

The following table presents a reconciliation of Free Cash Flow to net cash used in operating activities, the most comparable GAAP financial measure, for each of periods presented:

	Three Months Ended							
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
	(in thousands)							
Reconciliation of Free Cash Flow:								
Net cash used in operating activities	$ (40,057)	$(66,618)	$ (97,495)	$ (102,452)	$ (92,541)	$(134,110)	$ (216,866)	$ (167,728)
Less:								
Purchase of property and equipment	(1,568)	(8,473)	(4,352)	(4,812)	(12,452)	(16,421)	(17,192)	(20,376)
Free Cash Flow	$ (41,625)	$(75,091)	$ (101,847)	$ (107,264)	$ (104,993)	$(150,531)	$ (234,058)	$ (188,104)

The following table sets forth the components of our unaudited quarterly consolidated statements of operations for each of the periods presented as a percentage of revenue:

	Three Months Ended							
	March 31, 2015	June 30, 2015	September 30, 2015	December 31, 2015	March 31, 2016	June 30, 2016	September 30, 2016	December 31, 2016
Consolidated Statements of Operations Data:								
Revenue	100%	100%	100%	100%	100%	100%	100%	100%
Costs and expenses:								
Cost of revenue	529	766	336	198	195	132	100	93
Research and development	423	326	114	90	72	50	43	39
Sales and marketing	88	111	49	30	38	34	27	30
General and administrative	1,581	555	181	83	62	45	33	40
Total costs and expenses	2,622	1,757	679	400	368	261	202	202
Loss from operations	2,522	1,657	579	300	268	161	102	102
Interest income	5	6	3	1	1	1	2	1
Interest expense	—	—	—	—	—	—	1	1
Other income (expense), net	1	1	1	—	3	1	1	1
Loss before income taxes	2,516	1,652	578	299	269	161	102	103
Income tax benefit (expense)	—	145	—	—	—	—	5	—
Net loss	2,516%	1,506%	578%	299%	270%	161%	97%	103%

Quarterly Trends

Revenue

Revenue increased during every quarter presented. However, we believe that this growth has masked the inherent seasonality of revenue in our business. Advertising spend is traditionally strongest in the fourth quarter of each year and weakest in the first quarter of each year. For example, revenue grew at a lower rate in the first quarter of 2016 compared to the fourth quarter of 2015. In addition, we expect a seasonal decline in total revenue for the first quarter of 2017 as compared to the fourth quarter of 2016. We expect that our revenue will continue to be impacted by seasonality.

Cost of Revenue and Operating Expenses

Cost of revenue generally increased during every quarter presented, primarily driven by increases in hosting costs due to growth in engagement, higher advertising revenue resulting in growing revenue share payments to partners, and increases in headcount. Cost of revenue increased at a higher rate as a percentage of revenue during the second quarter of 2015 driven by steady increases in hosting spend due to growth in engagement as compared to a smaller increase in revenue in the same period.

Operating expenses generally increased due to increases in employee headcount and overall business expansion. General and administrative expense was a higher percentage of revenue during the first quarter of 2015 due to stock-based compensation expenses from the accelerated vesting of modified stock-based compensation awards for certain former employees. Research and development expenses in the third quarter of 2016 were higher than the previous quarters presented due to stock-based compensation expense from the modification of the terms of RSUs granted to one employee.

Income Tax Benefit (Expense)

For discussion on income tax benefit (expense), see Note 7 to our consolidated financial statements included elsewhere in this prospectus.

For additional information on matters that may affect our quarterly results, see “Risk Factors” elsewhere in this prospectus.

Liquidity and Capital Resources

Cash, cash equivalents, and marketable securities were $987.4 million as of December 31, 2016, primarily consisting of cash on deposit with banks and highly liquid investments in U.S. government and agency securities. Our primary source of liquidity is cash generated through financing activities. Our primary uses of cash include operating costs such as personnel-related expenses and the hosting costs of the Snapchat application, acquisitions and investments, and facility-related capital spending. Other than as noted below, there are no known material subsequent events that could have a material impact on our cash or liquidity. We may contemplate and engage in merger and acquisition activity that could materially impact our liquidity and capital resource position.

In July 2016, we entered into a five-year senior unsecured revolving credit facility, or the Credit Facility, with lenders, some of which are affiliated with certain members of our underwriting syndicate, that allows us to borrow up to $1.1 billion to fund working capital and general corporate-purpose expenditures. The loan bears interest at LIBOR plus 0.75%, as well as an annual commitment fee of 0.10% on the daily undrawn balance of the facility. No origination fees were incurred at the closing of the Credit Facility. Any amounts outstanding under this facility will be due and payable in July 2021. In December 2016, the amount we are permitted to borrow under the Credit Facility was increased to $1.2 billion. As of December 31, 2016, no amounts were outstanding under the Credit Facility. See “Underwriting” and Note 5 to our consolidated financial statements included elsewhere in this prospectus for more information about the Credit Facility.

We believe our existing cash balance is sufficient to fund our ongoing working capital, investing, and financing requirements for at least the next 12 months. Our future capital requirements will depend on many factors including our growth rate, headcount, sales and marketing activities, research and development efforts, and the introduction of new features, products, acquisitions, and continued user engagement.

As of December 31, 2016, less than 1% of our cash, cash equivalents, and marketable securities was held outside the United States. These amounts were primarily held in the United Kingdom and are utilized to fund our foreign operations. Cash held outside the United States may be repatriated, subject to certain limitations, and would be available to be used to fund our domestic operations. However, repatriation of funds may result in additional tax liabilities. We believe our existing cash balance in the United States is sufficient to fund our working capital needs. The amount of unremitted earnings related to our foreign subsidiaries is not material.

The following table sets forth the major components of our consolidated statements of cash flows for the periods presented:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Net cash used in operating activities	$ (306,622)	$ (611,245)
Net cash used in investing activities	(100,942)	(1,021,334)
Net cash provided by financing activities	650,366	1,141,890
Net increase (decrease) in cash	$ 242,802	$ (490,689)
Free Cash Flow (1)	$ (325,827)	$ (677,686)

(1) For information on how we define and calculate Free Cash Flow and a reconciliation to net cash used in operating activities to Free Cash Flow, see "Selected Consolidated Financial Data—Adjusted EBITDA and Free Cash Flow."

Years Ended December 31, 2015 and 2016

Net Cash Used in Operating Activities

Net cash used in operating activities increased $304.6 million in the year ended December 31, 2016 compared to the same period in 2015. Net cash used in operating activities was $611.2 million for the year ended December 31, 2016, resulting primarily from net loss, adjusted for non-cash items, and an increase in accounts receivable of $118.4 million related to an increase in advertising revenue.

Net Cash Used in Investing Activities

Net cash used in investing activities was $1.0 billion for the year ended December 31, 2016, an increase of $920.4 million as compared to the prior period, primarily due to the use of $1.6 billion for the purchase of marketable securities and $104.0 million for business acquisitions, partially offset by cash provided by the sales and maturities of marketable securities of $728.6 million.

Net Cash Provided by Financing Activities

Net cash provided by financing activities was $650.4 million and $1.1 billion for the years ended December 31, 2015 and 2016, respectively. Our financing activities have primarily consisted of preferred stock issuances.

Free Cash Flow

Free Cash Flow was $(325.8) million and $(677.7) million for the years ended December 31, 2015 and 2016, respectively, and was composed of net cash used in operating activities, resulting primarily from net loss,

adjusted for non-cash items and changes in working capital. Free Cash Flow also included purchases of property and equipment of $19.2 million and $66.4 million for the years ended December 31, 2015 and 2016, respectively.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements for any of the periods presented.

Contingencies

We are involved in claims, lawsuits, indirect and employee-related tax matters, government investigations, and proceedings arising from the ordinary course of our business. We record a provision for a liability when we believe that it is both probable that a liability has been incurred and the amount can be reasonably estimated. We disclose material contingencies when we believe that a loss is not probable but reasonably possible. Significant judgment is required to determine both probability and the estimated amount. Such claims, suits, and proceedings are inherently unpredictable and subject to significant uncertainties, some of which are beyond our control. Many of these legal and tax contingencies can take years to resolve. Should any of these estimates and assumptions change or prove to be incorrect, it could have a material impact on our results of operations, financial position, and cash flows.

Commitments

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

	Total	Less than 1 Year	1-3 Years	3-5 Years	After 5 Years
			(in thousands)		
Operating leases	$ 379,497	$ 32,631	$ 89,101	$ 100,467	$ 157,298
Financing leases	46,324	4,659	9,522	10,039	22,104
Data hosting commitments	33,800	31,200	2,600	—	—
Other purchase commitments	87,131	73,873	13,258	—	—
Total contractual commitments	$ 546,752	$ 142,363	$ 114,481	$ 110,506	$ 179,402

For additional discussion on our operating and financing leases and data hosting and other purchase commitments, see Note 8 to our consolidated financial statements included elsewhere in this prospectus.

On January 30, 2017, we entered into the Google Cloud Platform License Agreement. Under the agreement, we were granted a license to access and use certain cloud services. The agreement has an initial term of five years and we are required to purchase at least $400.0 million of cloud services in each year of the agreement, though for each of the first four years, up to 15% of this amount may be moved to a subsequent year. If we fail to meet the minimum purchase commitment during any year, we are required to pay the difference.

Critical Accounting Policies and Estimates

We prepare our financial statements in accordance with GAAP. Preparing these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates.

The critical accounting estimates, assumptions, and judgments that we believe to have the most significant impact on our consolidated financial statements are described below.

Revenue Recognition

We generate the majority of our revenue through the delivery of advertisements. Revenue is recognized when persuasive evidence of an arrangement exists, the services have been provided or delivered, the fees are fixed or determinable, and collectability of the related receivable is reasonably assured. These arrangements are either on a fixed-fee basis over a period of time or based on the number of advertising impressions delivered. Revenue related to agreements based on the number of impressions delivered is recognized when the advertisement is displayed. Revenue related to fixed fee arrangements is recognized ratably over the service period, typically less than 30 days in duration, and such arrangements do not contain minimum impression guarantees.

Snap Ads may be subject to revenue sharing arrangements between us and the content partner. If a revenue share payment is owed to a content partner related to Snap-sold revenue, we recognize that payment as cost of revenue. Under revenue share arrangements with our content partners, we pay a portion of the advertising revenue generated from the display of Snap-sold advertisements in the content partner's Publisher Stories. These arrangements generally do not contain minimum financial commitments to our publisher partners and are generally not tied to specific events or promotions.

Currently, our Sponsored Creative Tools are only Snap-sold and are not subject to revenue share arrangements. Snap-sold revenue is recognized based on the gross amount that we charge the advertiser. Partner-sold revenue is recognized based on the net amount of revenue we receive from the content partner.

There is significant judgment in accounting for these arrangements related to whether we should report revenue based on the gross amount that we charge the advertiser or the net amount of revenue received from the content partner. To determine if we should report revenue on a gross or net basis, we assess whether we are acting as the principal or agent in the transaction. If we are acting as the principal, we record revenue on a gross basis. If we are acting as the agent, we record revenue on a net basis. We evaluate all of the indicators in the guidance to make this determination. While no one indicator is determinative, we place the most weight on the analysis of whether we are the primary obligor.

We report Snap-sold revenue on a gross basis predominantly because we are the primary obligor responsible for fulfilling the advertisement delivery and maintaining the relationship with the advertiser, including the acceptability of the services delivered. We also establish pricing with the advertiser and have discretion in supplier selection given we can choose where to place the advertisement on available inventory across our platform. We report partner-sold revenue on a net basis predominantly because the content partner is the primary obligor responsible for fulfillment and maintaining the relationship with the advertiser, including the acceptability of the services delivered. The content partner also has latitude in establishing the selling price with the advertiser and has discretion in supplier selection.

Stock-Based Compensation

We have granted stock-based awards consisting primarily of RSUs, and to a lesser extent, stock options, to employees, members of our board of directors, and non-employee advisors. The substantial majority of our stock-based awards have been made to employees. Substantially all of our outstanding RSUs granted before December 31, 2016 contain both a service-based vesting condition and a performance vesting condition. The service-based condition for the majority of these awards is satisfied over four years. The performance condition is satisfied on the occurrence of a qualifying event, which includes a change in control transaction or the effective date of an initial public offering. Because no qualifying event has occurred, we have not recognized any stock-based compensation expense for the RSUs with both a service-based vesting condition and a performance condition. All RSUs granted after December 31, 2016 vest on the satisfaction of only service-based conditions.

We account for stock-based employee compensation under the fair value recognition and measurement provisions, in accordance with applicable accounting standards, which requires stock-based awards to be

measured based on the grant date fair value. Stock-based compensation expense is recorded net of estimated forfeitures in our consolidated statements of operations. Accordingly, stock-based compensation expense is only recorded for those stock-based awards that we expect to vest. We estimate the forfeiture rate based on historical forfeitures of equity awards and adjust the rate to reflect changes in facts and circumstances, if any. We will revise our estimated forfeiture rate if actual forfeitures differ from our initial estimates. A modification of the terms of a stock-based award is treated as an exchange of the original award for a new award with total compensation cost equal to the grant-date fair value of the original award plus the incremental value of the modification to the award.

Stock Options

Total unrecognized compensation cost related to stock options was $30.7 million and $48.6 million as of December 31, 2015 and December 31, 2016, respectively. Stock options generally vest over a service period of four years. Stock-based compensation expense for stock options granted to employees is recognized on a straight-line basis over the requisite service period, based on the estimated grant-date fair value, calculated under the Black-Scholes option pricing model.

The Black-Scholes model includes subjective assumptions, including the fair value of our common stock, expected term of the option, expected volatility, risk free rate, and expected dividend yield. These assumptions involve inherent uncertainties and the application of management's judgment. If factors change and different assumptions are used, our stock-based compensation expense could be materially different in the future.

The assumptions under the Black-Scholes model are estimated as follows:

Fair Value of Common Stock —See "—Common Stock Valuations" below.

Expected Term— The expected term of options represents the period that our stock-based awards are expected to be outstanding.

Volatility —We determine the price volatility factor based on the historical volatilities of our peer group as we do not have a sufficient trading history for our common stock. When considering which companies to include in our comparable industry peer companies, we focused on publicly-traded companies with businesses similar to ours.

Risk Free Interest Rates —These rates are based on the implied yield currently available on U.S. Treasury notes with terms approximately equal to the expected life of the option.

Dividend Yield —We have not and do not expect to pay cash dividends on our common stock.

In the year ended December 31, 2016, we granted options to employees with an aggregate grant date fair value of $37.8 million in conjunction with an acquisition. The weighted-average assumptions used to determine the fair value of employee stock options granted during the year ended December 31, 2016 were as follows:

Expected term from grant date (in years)	6.2
Risk-free interest rate	1.4%
Expected volatility	63%
Dividend yield	0%
Strike price	$ 1.00

The weighted-average fair value of employee stock options granted during the year ended December 31, 2016 was $30.19 per share.

Restricted Stock Units

Substantially all of our RSUs granted before December 31, 2016 vest on the satisfaction of both a service-based condition and a performance condition. As of December 31, 2015 and 2016, 80.5 million shares of common stock subject to RSUs and 180.5 million shares of common stock subject to RSUs were outstanding, respectively, and included both service-based and performance conditions to vest. The service condition is generally satisfied over four years, 10% after the first year of service, 20% over the second year, 30% over the third year, and 40% over the fourth year. The performance condition is satisfied on the occurrence of a qualifying event, which includes a change in control or the effective date of an initial public offering. We recognize stock-based compensation using the accelerated attribution method, net of estimated forfeitures. The grant date fair value of RSUs is based on the fair value of the underlying stock on the date of grant. See "—Common Stock Valuations" below.

As of December 31, 2015 and 2016, no stock-based compensation has been recognized for employee RSUs because such awards include a performance condition and the qualifying events had not occurred. In the quarter in which our initial public offering is completed, we will begin recording stock-based compensation expense using the accelerated attribution method, net of forfeitures, based on the grant date fair value of the RSUs. If our initial public offering had occurred on December 31, 2016, we would have recognized $1.1 billion of cumulative stock-based compensation related to employee RSUs for which the service-based condition has been satisfied. As of December 31, 2016, employee RSUs representing $1.5 billion of unrecognized compensation cost had not yet satisfied the service-based vesting condition.

CEO Award

On the closing of this offering, our CEO will receive an RSU award, the CEO award, for shares of Series FP preferred stock, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of this offering. The CEO award will represent 3.0% of all outstanding shares on the closing of the initial public offering, which includes shares sold by us in this offering and the employee RSUs that will vest on the effective date of this offering. The CEO award will vest immediately on the closing of this offering and such shares will be delivered to our CEO in equal quarterly installments over three years beginning in the third full calendar quarter following this offering. As of December 31, 2016, no stock-based compensation was recognized for the CEO award because the initial public offering had not occurred. The CEO award compensation expense will be recognized immediately on the closing of this offering.

Common Stock Valuations

The valuations of our common stock were determined in accordance with the guidelines outlined in the *American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation.*

We considered objective and subjective factors to determine our best estimate of the fair value of our common stock, including the following factors:

- recent issuances of preferred stock, as well as the rights, preferences, and privileges of our preferred stock relative to our common stock;
- third-party valuations of our common stock completed as of February 17, 2015, September 30, 2015, March 31, 2016, July 31, 2016, September 30, 2016, October 31, 2016, and December 31, 2016;
- our performance and market position relative to our competitors or similar publicly traded companies;
- the likelihood of achieving a liquidity event, such as an initial public offering or sale of our company, given internal company and external market conditions; and
- our developments and milestones.

Fiscal 2015 and Six Months Ended June 30, 2016

In the year ended December 31, 2015 and in the six months ended June 30, 2016, we raised proceeds of $651.3 million and $1.2 billion, respectively, from the sale of Series F preferred stock, net of issuance costs. The Series F preferred stock has rights and privileges that are equivalent to common stock, with the exception of voting rights applicable to some classes of common stock. Because of the similarity in the rights and privileges between the Series F preferred stock and our common stock, and the significance of the proceeds raised from unrelated new investors in the issuances of Series F preferred stock, we determined the price paid per share for our Series F preferred stock was a significant indicator in determining the fair value of our common stock.

To determine the fair value of our common stock underlying stock option and RSU grants, we first determine our total equity value, or TEV, and then allocate the TEV to each equity element of our capital structure (preferred stock, common stock, options, and RSUs). Our TEV was estimated using the Option Pricing Method Backsolve, or OPM Backsolve. This methodology utilizes the most recent negotiated arms-length transactions involving the sale or transfer of our stock or equity interests. Our indicated TEV at each valuation date was allocated to the shares of preferred stock, common stock, options, and RSUs using the OPM Backsolve. Based on the similarity in the rights and privileges of the Series F preferred stock and our common stock, the OPM Backsolve method indicated the value per share of common stock was equal to the price per share related to the issuance of Series F preferred stock in the year ended December 31, 2015 and the six months ended June 30, 2016.

Six Months Ended December 31, 2016

At each valuation date in the third and fourth quarters of 2016, we continued to use the OPM Backsolve method. We also utilized the Probability Weighted Expected Return Method, or PWERM, which involves estimating multiple future potential outcomes for the business, and estimates of the probability of each respective potential outcome. Additionally, we considered two possible future IPO dates and the relative probability of each IPO date. The enterprise value for each IPO scenario was determined using a market approach. The enterprise value was then allocated to the various classes of shares in our equity structure.

We determined the probability of an IPO within the two possible future IPO dates and utilized that probability to weight the PWERM in our common stock valuation. We applied the residual weighting to the OPM Backsolve method in our common stock valuation.

In the absence of market transactions with new investors, the fair value of our common stock between valuation dates was determined using a straight-line calculation, with the benefit of hindsight. We determined that the straight-line calculation provides the most reasonable basis for the valuation for our common stock because we did not identify any single event that occurred during these periods between valuation dates that would have caused a material change in fair value.

Summary of RSU Awards Granted

In October 2016, our board of directors approved a stock split effected in the form of a dividend of shares of Class A common stock to the holders of all preferred stock and common stock outstanding. Each outstanding equity award was adjusted to include one share of Class A common stock for each outstanding restricted stock award or stock option to acquire a share of either Class A common stock or Class B common stock. Share and per share amounts disclosed below have been retroactively adjusted to reflect the effects of this stock split.

Grant Date	Shares Underlying RSUs (shares in thousands)	Grant-Date Fair Value per Share
2015		
April 2015 - December 2015	65,114	$ 15.36
2016		
January 2016 - May 2016	22,292	$ 15.36
July 12, 2016	15,507	$ 15.53
July 15, 2016	7,581	$ 15.54
August 19, 2016	8,900	$ 15.75
September 15, 2016	5,759	$ 15.98
October 26, 2016	24,438	$ 16.29
November 2016 - December 2016	20,306	$ 16.33

Summary of Stock Options Granted

In July 2016, we granted 1,253,028 stock options with an underlying common stock fair value of $31.08 per share. These stock option awards entitle the holder to an additional share of non-voting Class A common stock on exercise. The total stock options granted and underlying common stock fair value do not give effect to this stock split.

Business Combinations and Valuation of Goodwill and Other Acquired Intangible Assets

We estimate the fair value of assets acquired and liabilities assumed in a business combination. Goodwill as of the acquisition date is measured as the excess of consideration transferred over the net of the acquisition date fair values of the assets acquired and the liabilities assumed. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date, our estimates are inherently uncertain and subject to refinement.

Significant estimates in valuing certain intangible assets include, but are not limited to, future expected cash flows from acquired technology, useful lives, and discount rates. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, they are based in part on historical experience and information obtained from the management of the acquired companies and are inherently uncertain. During the measurement period, which may be up to one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. On the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to our consolidated statements of operations.

Income Taxes

We are subject to income taxes in the United States and numerous foreign jurisdictions. Significant judgment is required in determining our uncertain tax positions.

We recognize tax benefits from uncertain tax positions only if we believe that it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. Although we believe that we have adequately reserved for our uncertain tax positions, we can provide no assurance that the final tax outcome of these matters will not be materially different. We make adjustments to these reserves when facts and circumstances change, such as the closing of a tax audit or the refinement of an estimate. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences may affect the provision for income taxes in the period in which such determination is made and could have a material impact on our financial condition and results of operations.

Recent Accounting Pronouncements

See Note 1 to our consolidated financial statements included elsewhere in this prospectus for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted as of the date of this prospectus.

Qualitative and Quantitative Factors about Market Risk

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate risk and foreign currency risk as follows:

Interest Rate Risk

We had cash and cash equivalents totaling $640.8 million and $150.1 million at December 31, 2015 and 2016, respectively. We had marketable securities totaling $0 and $837.2 million at December 31, 2015 and 2016, respectively. Our cash and cash equivalents consist of cash in bank accounts and marketable securities consist of U.S. government debt and agency securities. The primary objectives of our investment activities are to preserve principal and provide liquidity without significantly increasing risk. We do not enter into investments for trading or speculative purposes. Due to the relatively short-term nature of our investment portfolio, a hypothetical 100 basis point change in interest rates would not have a material effect on the fair value of our portfolio for the periods presented.

Foreign Currency Risk

For the years ended December 31, 2015 and 2016, the majority of our sales and operating expenses were denominated in U.S. dollars. We therefore have not had material foreign currency risk associated with sales and cost-based activities. The functional currency of our material operating entities is the U.S. dollar. For the years ended December 31, 2015 and 2016, our operations outside of the United States are not considered material and incur a majority of their operating expenses in foreign currencies. Therefore, our results of operations and cash flows are minimally subject to fluctuations from changes in foreign currency rates. We believe the exposure to foreign currency fluctuation from operating expenses is immaterial at this time as the related costs do not constitute a significant portion of our total expenses. As we grow operations, our exposure to foreign currency risk will likely become more significant. For the years ended December 31, 2015 and 2016, we did not enter into any foreign currency exchange contracts. We do, however, anticipate entering into foreign currency exchange contracts for purposes of hedging foreign exchange rate fluctuations on our business operations in future operating periods as our exposures are deemed to be material. For additional discussion on foreign currency risk, see “Risk Factors” elsewhere in this prospectus.

BUSINESS

Overview

Snap Inc. is a camera company.

We believe that reinventing the camera represents our greatest opportunity to improve the way that people live and communicate. Our products empower people to express themselves, live in the moment, learn about the world, and have fun together.

Our flagship product, Snapchat, is a camera application that was created to help people communicate through short videos and images. We call each of those short videos or images a Snap. On average, 158 million people use Snapchat daily, and over 2.5 billion Snaps are created every day.

In the way that the flashing cursor became the starting point for most products on desktop computers, we believe that the camera screen will be the starting point for most products on smartphones. This is because images created by smartphone cameras contain more context and richer information than other forms of input like text entered on a keyboard. This means that we are willing to take risks in an attempt to create innovative and different camera products that are better able to reflect and improve our life experiences.

Our Story

Delete by Default

Technology has helped people communicate with each other long before cameras existed. Telegraphs allowed people to send messages quickly across long distances. Telephones enabled people to hear the voices of their far away friends in real time. Snapchat empowers people to speak visually.

For over 130 years, people have used cameras to document their lives by taking photographs. Today, people use cameras to communicate, by making images and sending them back and forth to one another. Snapchat helped make this possible in part through the introduction of deletion by default, where Snaps are deleted from our servers after the recipient views them (though the sender or the recipient can always keep a copy). Making deletion the default and permanence the option changed the way that people think about their cameras, and empowered them to talk with their friends using Snaps instead of simply commemorating their lives with photographs.

Back when cameras were first invented, it was difficult and expensive to create a photograph. This made traditional photographs precious and people wanted to save all of them. When it became so much easier to take and send photos with smartphones, it became less important to save them. People brought their smartphones with them everywhere, so they had a camera with them all the time, not just for special occasions. When images became so easy to take and share with smartphones, it became easier to use images for communication.

People began sending photos and videos through text messages when they wanted to communicate visually. However, texting was built primarily for written communication, not visual communication. Texting was slow, and photos were always attachments—not the primary way of communicating. Touchscreen keyboards on smartphones weren't very easy to use. We thought there had to be a better way to communicate with images.

When we launched Snapchat in September 2011, it was one of the fastest ways to send a photo on a smartphone. Every Snap was deleted from our servers by default after it was viewed, and a copy was saved only if the sender or recipient took a screenshot or otherwise saved it. Since the beginning, many people have used Snapchat primarily to send "selfies," digital self-portraits captured and shared using our Camera. We think this is because deletion by default makes our users feel comfortable sending photos of themselves even when they don't look pretty or perfect. Over time, as we added more Creative Tools, our community began to express the full range of their experiences using Snapchat.

Using Snaps to communicate isn't just fast and convenient for the sender, it's also a far more engaging and rich form of communication for the recipient. The human brain processes images much faster than text, and images can convey emotion very quickly. It can be frustrating when the people we're texting don't understand how we feel. It's easy to communicate that feeling with a Snap.

The first version of Snapchat unlocked an explosion of creativity because deletion by default, our internet-connected smartphone Camera, and new Creative Tools gave our community a visual voice to express themselves in the moment. We learned that creativity can be suppressed by the fear of permanence, but also empowered through ephemerality.

Listen to Learn

Snapchat has grown and changed a lot since we first helped people express themselves through Snaps. The primary way that we evolve our products is by listening to our community so that we can try to understand how people want to express themselves, live in the moment, learn about the world, and have fun together.

One of the first things we did to improve Snapchat was add the option to record video Snaps, because our community told us that sometimes photos weren't enough to fully capture a moment. We also heard that people found it annoying and confusing to switch between photo and video mode on their smartphone cameras, and that sometimes they accidentally created videos when they meant to take a photo.

We took what we learned and built a photo and video camera that didn't require users to switch modes. Users simply tap the Camera button to take a photo, or hold the Camera button to record a video. Eliminating the inconvenience of separate photo and video modes meant that users could create Snaps quickly and easily without fumbling around with different settings. On average, over 2.5 billion Snaps are created on Snapchat every day, in part because we solved an annoying problem for our users.

As Snapchat's popularity grew, people began to make more friends on the service. Our community started asking for an easier way to send a Snap to all of their friends, not just one or two at a time. It took too long to individually select each friend after creating a Snap, and it became difficult to manage so many different conversations. Some people in our community asked for a "Send to All" button, but we thought this might encourage users to spam each other by making it too easy to send a Snap to everyone very quickly, ruining what made Snapchat personal and fun.

We learned that our community often shared things with all of their friends using social media, but we also heard that traditional social media was confusing because the typical feed placed every update in reverse chronological order. If you posted photos from a birthday party and then viewed them in the feed, the first photo in the feed would be from the end of the party, and the last photo in the feed would be from the beginning of the party. Our community wanted to view updates in chronological order, the way that they were experienced. That made sense to us because humans have been telling stories with a beginning, a middle, and an end for a long time.

While we understood why people used social media, we didn't want to make a traditional profile on Snapchat because we knew from our experience with delete by default that people didn't like the burden of accumulating perfect moments for their friends. Our community wanted to express themselves and tell stories in a way that embraced change and growth.

In October 2013, slightly more than two years after we first launched Snapchat, we introduced My Story. Stories are collections of Snaps viewed in chronological order that expire within 24 hours. Every user on Snapchat has their own personal and ephemeral Story that can be viewed by all of their friends. With Stories, every day begins anew.

When we first launched Stories, they weren't very popular. Back then, fewer than ten million Snaps were added to Stories every day. We continued to invest in improving Stories even when it wasn't clear that it would be successful. Over time, Stories has grown into one of our most popular products. On average, over 25% of our Daily Active Users post Snaps to their Stories every day.

Courage to Create

Our drive to create new things comes from the belief that we can create products that will improve the lives of the people who use them. We believe it's always worth trying to build something that will empower people to express themselves, live in the moment, learn about the world, and have fun together—even when it's not clear that what we build will be successful or make money.

While we get many of our ideas by listening to our community, sometimes it takes a long time to get the product solution just right. Even when we have the right solution, it's often in the form of a new product that might take a while for our community to learn how to use. Just because products are sometimes confusing when they're new doesn't mean we are going to stop building innovative products for our community. Part of the joy of using Snapchat is discovering new features and learning how to use all of the products that we create.

When we were just getting started, many people didn't understand what Snapchat was and said it was just for sexting, even when we knew it was being used for so much more. We think this was because deletion by default was an unusual concept compared to what was standard at the time, so it took time for people to understand that we were trying to solve a problem that many people didn't realize they had. We believe that if we do a good job listening to our community, we can create products that solve their problems even if the products we create aren't immediately used by everyone.

When we create new products, it is often hard to predict how they will impact user engagement, and sometimes we make mistakes. We learn a lot from the way that people use our products, and we often make changes after they are released. We launched Auto Advance in March 2016, which played Stories in recent updates back-to-back, because we wanted to create an easier way for people to catch up with their friends on Snapchat.

Over time, we realized that our community did not always want to see all of their recent updates—sometimes they just wanted to see what their close friends or family were up to. Even though our community began watching more Stories following the launch of Auto Advance, we recognized that it wasn't the right product because it prevented users from being able to choose what they wanted to watch.

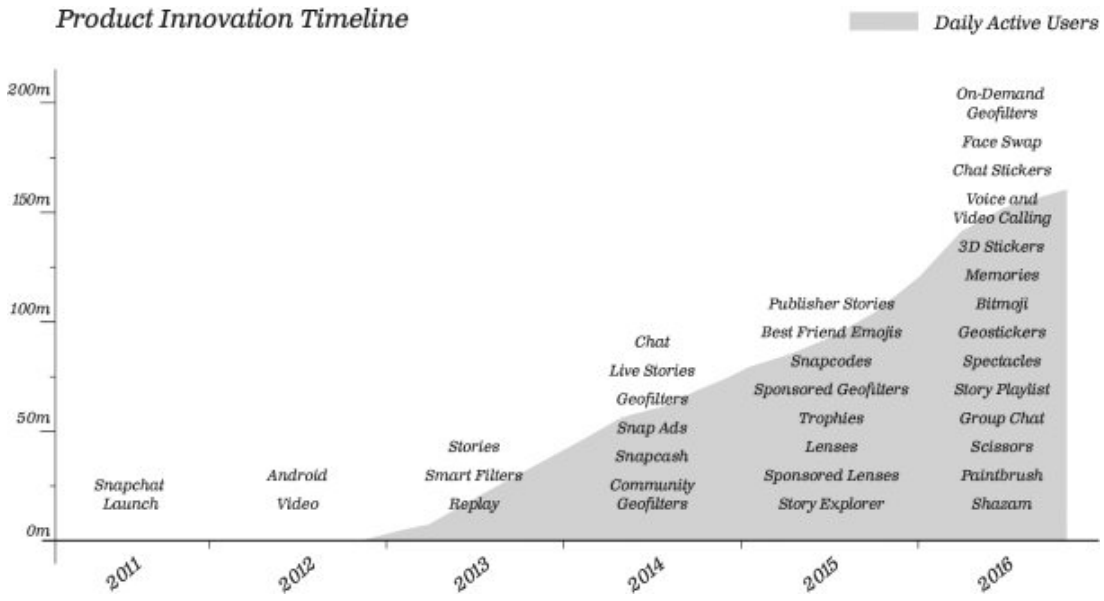
We were still committed to our original goal of making it easier for people to catch up with their friends, so we took what we learned from Auto Advance and created Story Playlist. Story Playlist retains the original foundation that made Auto Advance great, while helping our community choose what they want to watch. We have found that even small product changes like Auto Advance can have big impacts on the way people experience our service, so it is really important to our business that we are able to recognize our mistakes and make changes quickly.

We also know that we are not the best at everything. Sometimes, when another company can create a better product than we can, we partner with them to deliver a great experience for our community. We've found that win-win-win partnerships, where our community, our partners, and our business each benefit, have been instrumental to the long-term success of those partnerships. Partnerships help us provide new and innovative products for our community without losing focus on our core camera platform.

For example, when we created Publisher Stories in January 2015, it was the first time that we allowed Stories to be created using a new set of tools that weren't directly available in the Snapchat application.

Publishers were able to create Snaps and Stories that were designed and arranged by an editorial team, a big departure from the user Stories that our community creates every day. Watching Publisher Stories felt really different from watching user Stories, but we believed that publishers were an important part of our Storytelling Platform, and we knew that our partners had a depth of experience producing compelling stories every day. Working with publishers allows us to provide a unique point of view in the Snapchat application that we wouldn't otherwise be able to provide ourselves.

We love building new products. Our community inspires us with their creativity, and we're grateful that the people who use our products are willing to try the new things that we make. We are also thankful for the many partners that help bring our products to life. Whether talking through images, telling stories, or making memories, we believe that reinventing the camera has the potential to improve the lives of people everywhere.

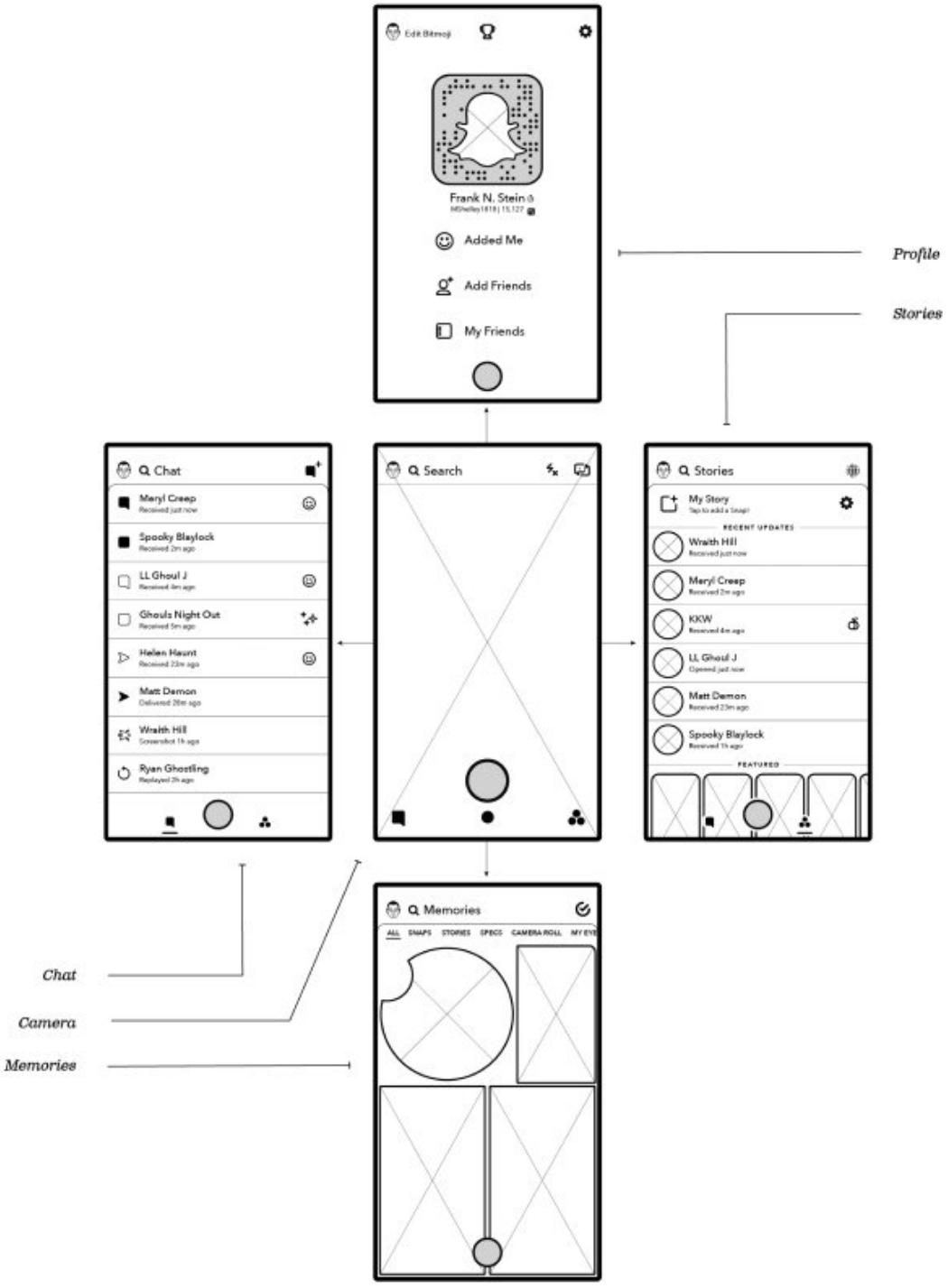


Our Products

We currently offer three ways for people to make Snaps: the Snapchat application, Publishers Tools that help our partners create Publisher Stories, and Spectacles, our sunglasses that make Snaps. Snaps are viewed primarily through the Snapchat application, but can also be embedded on the web or on television in certain circumstances.

Snapchat

Figure 1. Snapchat



Camera

The Snapchat application opens directly into the Camera, making it easy to quickly create a Snap. The Camera also serves as a "homepage" in the sense that it lets users navigate to our Chat and Stories interfaces. The Chat Service is to the left of the Camera, and the Storytelling Platform is to the right. The Profile above the Camera makes it easy to add friends and manage settings, and a user's Memories live below the Camera. The navigation bar at the bottom of the screen allows quick navigation in between the Camera, Chat Service, and Storytelling Platform.

Figure 2. Camera

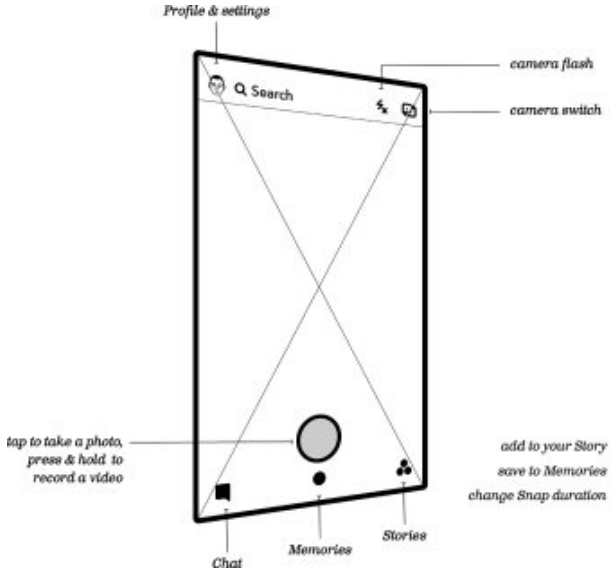
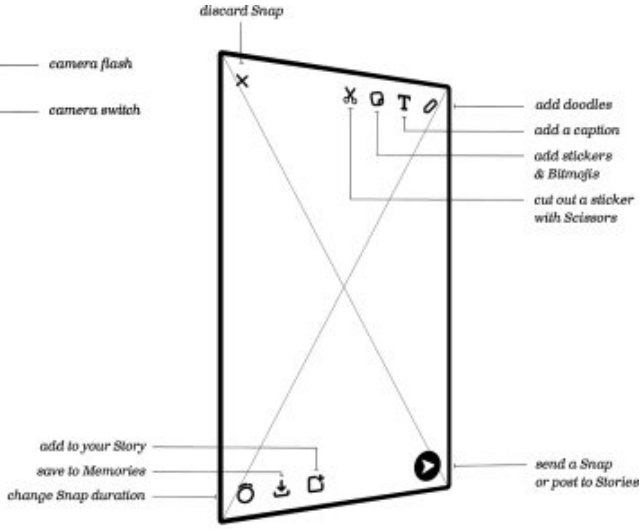


Figure 3. Preview



Making a Snap is simple. Users either tap the Camera button to take a photo, or hold the Camera button to record a video up to ten seconds long. Immediately after a Snap has been created on the Camera screen, the Preview screen displays the photo or video Snap for the user to review and edit using our Creative Tools.

Creative Tools

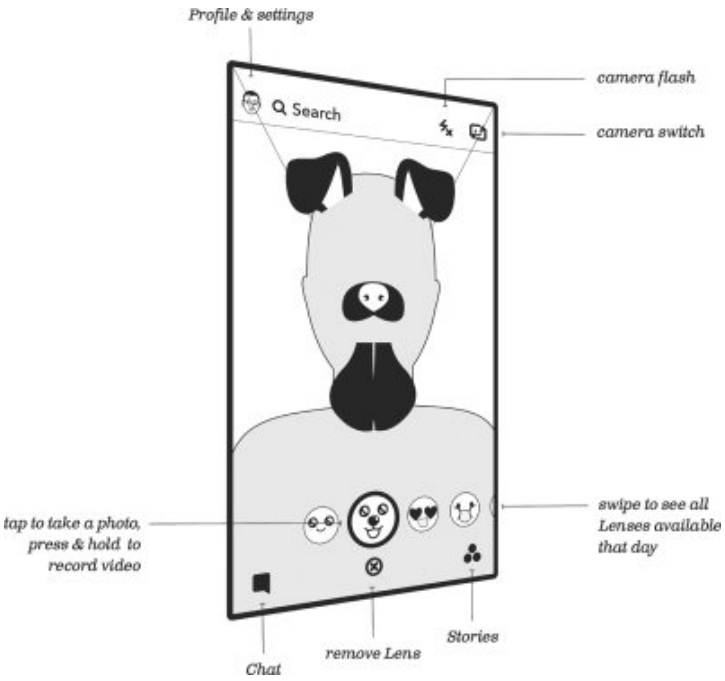
In the early days of Snapchat, we introduced a feature for users to add a caption by tapping directly on a Snap. This was unique because the text was overlaid on top of the Snap, instead of being separated from or shown below the content. By adding text directly on top of their Snaps, our community was able to communicate and express themselves in a new way.

After seeing the impact and excitement of simple text editing on Snaps, we began to invest in building additional Creative Tools for our community. Traditional photo editing has focused primarily on improving the quality of the image. At Snapchat, our editing tools allow our community to create Snaps that are more expressive in an effort to improve communication.

The Camera serves as the interface for our Creative Tools. Most of these tools are available on the Preview screen after a user takes a Snap, but Lenses are used on the Camera screen before taking a Snap.

When you tap on the screen, the Camera focuses and detects objects in the scene. For example, if a user taps on his or her face, we immediately show Lenses at the bottom of the screen, adjacent to the Camera button. Lenses are interactive animations that are overlaid on a person's face or the world around them. A user can easily create a Snap while using a Lens.

Figure 4. Lenses

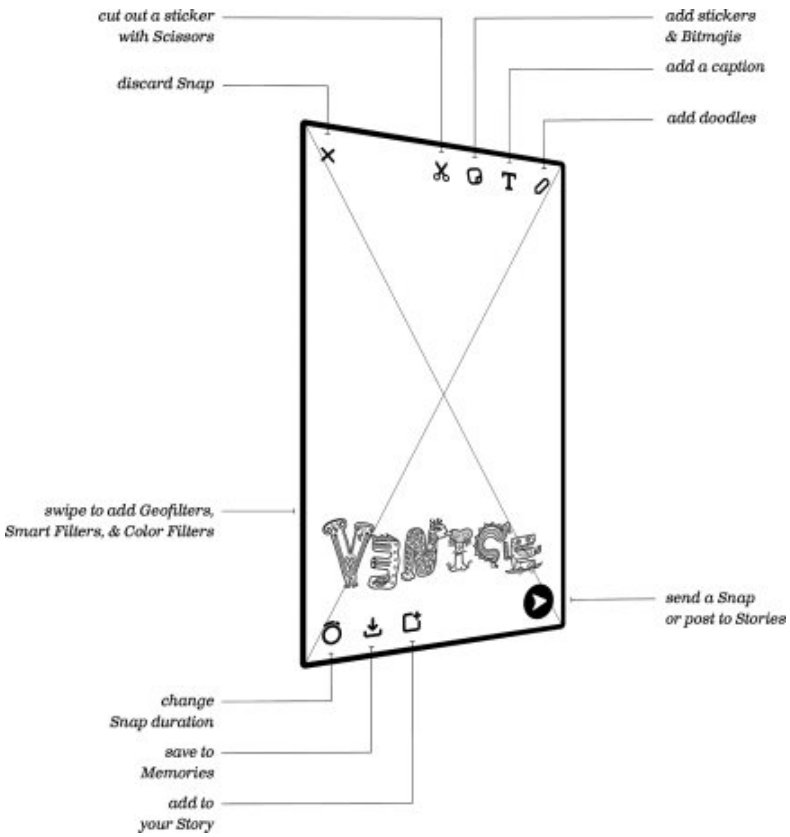


Lenses react to the environment in real time, so they are fun to play with even when a user does not intend to create a Snap. On average, more than one in three of our Daily Active Users plays with Lenses every day. We create lots of new Lenses every month because we always want our users to have surprising and entertaining effects to play with.

After a user creates a Snap, with or without a Lens, we display it on the Preview screen. The Preview screen is designed to show the user their Snap immediately after it is captured so that they can review their Snap and edit it using our Creative Tools.

In addition to Lenses, we offer drawing tools, visual filters, Geofilters, stickers, 3D stickers, Bitmojis, and simple video effects like video speed and direction—all available on the Preview screen after taking a Snap.

Figure 5. Geofilters



Geofilters are artistic filters available on the Preview screen at pre-defined times and locations. Initially, we focused on providing Geofilters for landmarks and other large events. After we saw the popularity of the Geofilters product, we opened the creation process to our community, who now create many Geofilters for all sorts of public and personal places and events. On average, more than a billion Snaps with Geofilters are viewed on our application every day.

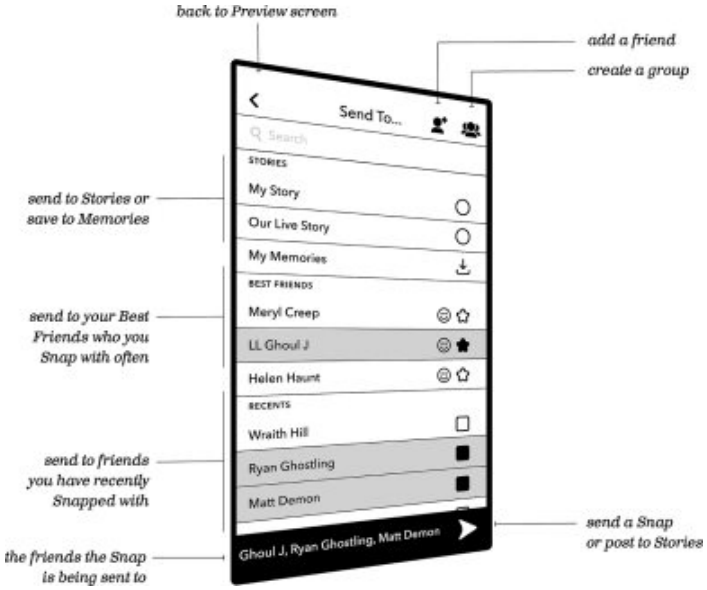
Bitmojis are cartoon likenesses of a user that are created in the Bitmoji application and subsequently linked to Snapchat. Bitmojis are a fun and personal way for users to express themselves on Snapchat. If a user links their Bitmoji with Snapchat, they can place Bitmojis on their Snaps or send Bitmojis in Chat.

On average, our users use Creative Tools to enhance over 60% of all Snaps they send on Snapchat every day.

Sending a Snap

After a Snap has been created with the Camera and edited on the Preview screen, it is ready to be sent to friends through our Chat Service or contributed to a Story on our Storytelling Platform. A Snap can also be saved to Memories. There are shortcuts on the Preview screen for adding a Snap to a Story or saving to Memories.

Figure 6. Send To



The Send To interface is an easy way to choose who can see a Snap. If a Snap is sent through our Chat Service, those recipients are individually selected with the Send To interface. A Snap added to a user's Story can be viewed by all of the user's friends, unless the user has chosen a custom setting for Story privacy. Snaps that are submitted to Live Stories can be viewed by a larger audience on Snapchat if we choose to display them.

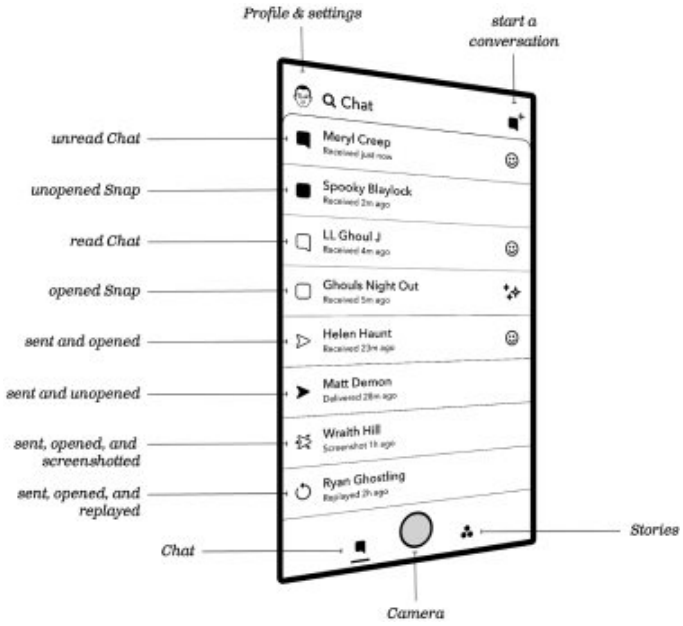
Giving users a simple way to control who views their Snaps means our community feels more comfortable expressing themselves—whether it's with one friend, a few friends, all of their friends, or the whole world. We've found that when people feel comfortable expressing themselves, they have a lot to say. On average, more than 60% of our Daily Active Users use our Camera to create Snaps every day. This means that our Chat Service and Storytelling Platform are always full of new, unique, and expressive content.

While user-generated Snaps are the foundational way of communicating throughout Snapchat, and comprise the majority of Snaps on our service, we have worked hard to develop our Chat Service and Storytelling Platform to accommodate different ways of communicating and different types of Snaps and Stories, including Snaps and Stories created by publishers and other media partners.

Chat Service

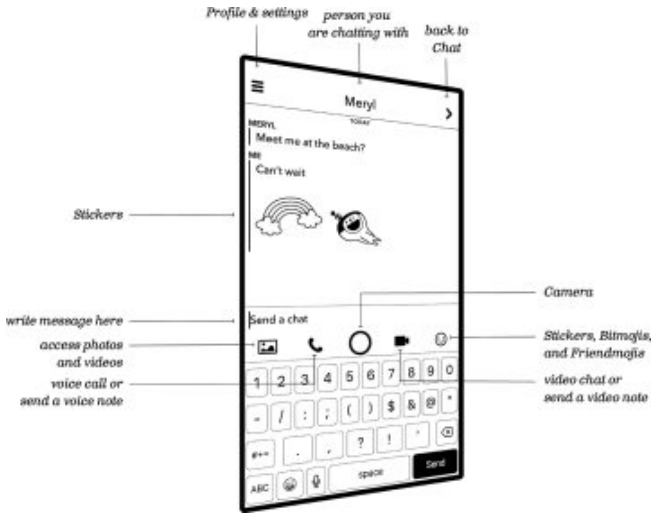
The first version of our application included a Chat Service that allowed people to send Snaps to their friends—hence the name "Snapchat." In 2014, we developed text-based chat because sometimes Snaps aren't able to provide the level of detail and specificity required by certain conversations. Snaps are really convenient for communicating emotion, but text-based communication is useful for exchanging information. Like Snaps, text chats are deleted by default from our servers after they are viewed. Users are able to save important chats by pressing on the message within the conversation. Saving only important messages means that they are much easier to find when you need them.

Figure 7. Chat



Our Chat Service has evolved to include things like video and voice calling, stickers, Bitmojis, and Group Chat. It's always easy to send a Snap by tapping the Camera button in the center of the Chat Service, or by sending it directly from the Preview screen. On average, more than 60% of our Daily Active Users use our Chat Service every day to send Snaps and talk with friends.

Figure 8. Chat Conversation

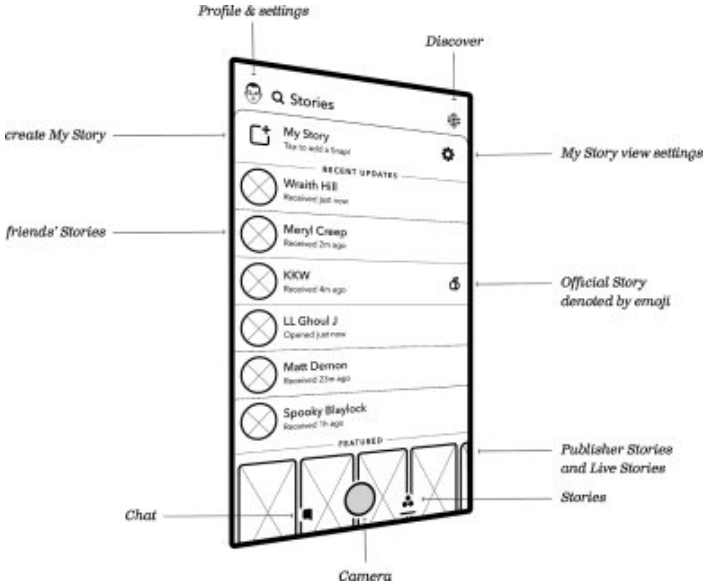


Snapchat benefits from the frequency with which our user base communicates with one another, because each message invites a user back to the application when they receive a notification. The impact of that frequency has in part driven our users to visit Snapchat more than 18 times each day on average, reinforcing the value of our investment in new ways to communicate.

Storytelling Platform

Our Storytelling Platform began with My Story, an easy way for users to create a collection of Snaps that play in chronological order. If a user adds a Snap to their Story, it expires within 24 hours and can be viewed by all of their friends, unless they have chosen a custom setting for Story privacy.

Figure 9. Stories Page



After the success of My Story, we started to think about different types of Stories that we could create. At the time, many of our friends would go to the same concert or festival and add Snaps to their Story. We realized that our community provided thousands of different perspectives of the same event, but they were only able to share that perspective through their individual Story. We decided to make a community Story called Our Story for big events. Our Story allowed the community to contribute to a single Story shared by everyone at the event.

Fast-forward to today, and we have evolved the Our Story product to cover thousands of cities and events—and we've renamed it Live Stories. Live Stories provide real-time highlights of all sorts of different newsworthy events, created by our community and curated by Snapchat. Users simply submit their Snaps to our Live Story, and Snapchat takes care of the rest.

What began as My Story has grown into an incredible Storytelling Platform for users and publishers alike. After we built Live Stories and saw the power of community storytelling on Snapchat, we realized that Stories could be created by anyone, about anything. We also realized that there was a lack of context around Live Stories. The excitement of the real-time community perspective needed to be balanced by a more traditional editorial perspective to provide greater context and more information about current events.

We introduced Publisher Stories to extend our Storytelling Platform to experienced publishers who could invest in producing high-quality editorial content for Stories. We built attachments for Snaps in Publisher Stories, so that publishers could attach long-form content to each Snap in their Story. Users simply swipe up on a Snap to access the attachment. When we first launched Publisher Stories, we called it "Discover" and showcased daily content from a handful of publisher partners. Today, dozens of partners around the world, like Vogue and NBC, create Publisher Stories for Snapchat every day. We enter into agreements with many of these partners that allow them to earn a revenue share on advertisements in their Publisher Stories. Users can easily subscribe to their favorite Publisher Stories and receive daily updates. For additional discussion on our revenue share arrangements, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Revenue Recognition."

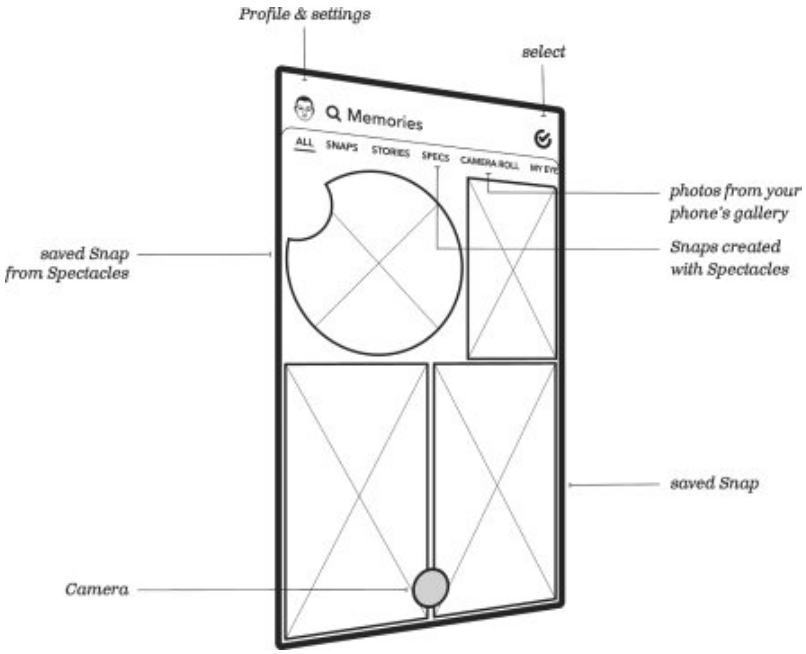
In addition to the number of publishers with regular Stories on our platform, we have created additional Publisher Story formats for different types of content, like Shows. Shows are fast-paced, single-narrative Stories produced for Snapchat. This format allows our partners to create video content that is original to Snapchat and in the same digestible format as Stories. To introduce Shows, we produced and launched Good Luck America, a show about the U.S. 2016 presidential election designed specifically for our audience.

While our Chat Service brings people back to the application frequently to communicate with their friends, our Storytelling Platform provides a unique variety of personal and professional content for our community to enjoy. As a result, our Daily Active Users spend an average of 25 to 30 minutes on Snapchat every day.

Memories

With all of the amazing Snaps created and sent through our Chat Service or added to our Storytelling Platform, our users wanted an easier way to save their favorite Snaps. We introduced Memories in July 2016 to give each user the option of saving their Snaps in a personal collection backed up by Snapchat. Users can send Snaps from Memories to friends and create new Stories from saved Snaps—in which case they are displayed with a white border to show that they are from Memories rather than the Camera. We also developed our own advanced search and privacy tools to help users find the Snaps they are looking for and store them securely.

Figure 10. Memories



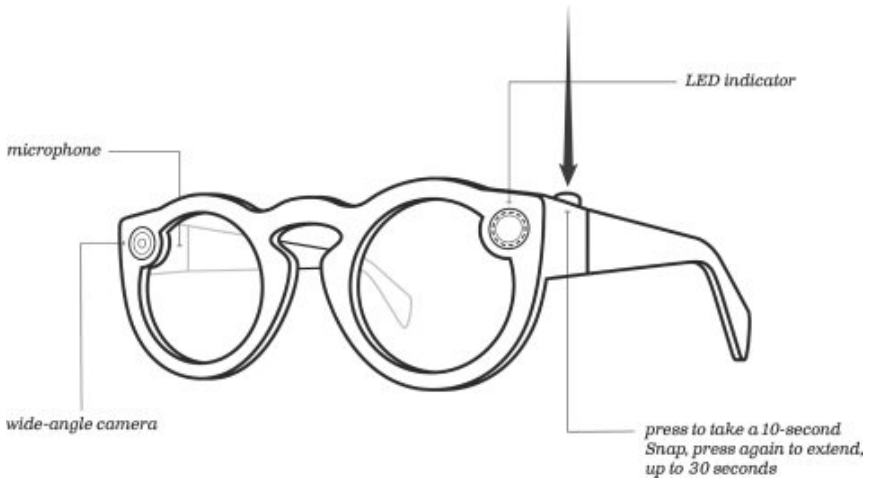
Publisher Tools

We created special tools for publishers to build and edit Publisher Stories. These tools allow publishers to easily create and publish Snaps and attachments every day based on unique editorial content, such as a video taken behind the scenes of a newsworthy event. We are constantly working on improving these capabilities—for example, we heard that people enjoyed Publisher Stories but wanted a way to be able to see what might be in that day's edition, like a magazine cover. We expanded our Publisher Tools to give each partner the ability to create a thumbnail for their Publisher Story that teases the content inside. This encourages users to explore Publisher Stories they might not have otherwise thought to view and significantly increased overall user engagement with Publisher Stories. We also provide metrics and other automated feedback through these tools to help them improve the content of their Publisher Stories. We are always evaluating the capabilities of our Publisher Tools to provide new and creative opportunities for our partners.

Spectacles

Our latest effort to reinvent the camera is Spectacles, our sunglasses that make Snaps. Spectacles connect seamlessly with Snapchat and are the best way to make Memories because they capture video from a human perspective. For example, the wide-angle lens is designed to mimic the way the human eye sees the world so that viewing a Memory later makes a person feel like they are reliving the experience.

Figure 11. Spectacles



Spectacles capture everything the lens sees using our Circular Video format, which can later be viewed in full screen on any device, in any orientation. Circular Video represents the evolution of our thinking around mobile video and the progression beyond our first vertical video format.

Figure 12. Circular Video in Multiple Orientations



In just five years, Snapchat has evolved from picture conversations into the beginnings of a camera platform. We've done this by listening to our community and offering people new ways to live and communicate. We strive to provide products that empower our community to express themselves, live in the moment, learn about the world, and have fun together. We believe that the camera is the starting point for the future of mobile interaction, entertainment, and education.

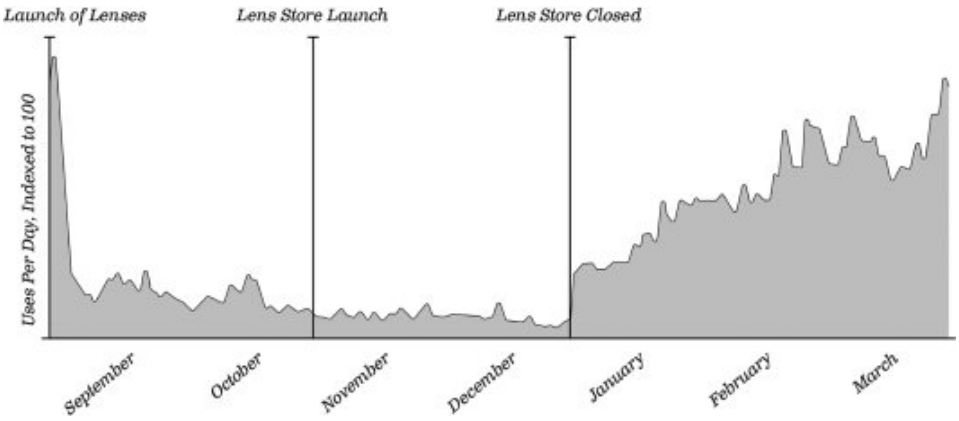
Our Business

Why We Sell Ads

When we first started building Snapchat, we didn't know how it would make money. We were focused on trying to create a way for people to talk by sending pictures back and forth on their smartphones. We wanted to make money, but the product was so new and different that it wasn't immediately obvious how to build a business around what we had created. As the company grew, and more people used Snapchat, we realized we needed to start monetizing—and fast. Our server bills were getting expensive. We decided to try a few different things to figure out what worked.

Early on, we thought about charging our community to use additional features. For example, we saw so many people having fun with the Creative Tools we made, like drawing and captions, and we thought people might want to purchase additional ways to express themselves. To test this hypothesis, we built a Lens Store where our users could buy new Lenses, in addition to the free ones we already provided. The results were disappointing. Only a small number of people wanted to buy Lenses, and the number of people using Lenses decreased. After a few weeks, we got rid of the Lens store and made all of the Lenses available for free. Almost immediately, our community began to use Lenses more and create more Snaps to send to their friends and add to their Story.

Lens Usage Over Time



We learned that asking users to pay for Creative Tools was a bad idea. It meant introducing more friction into the process of self-expression, which was the opposite of what we wanted on Snapchat. We also learned something exciting about building new products: if we built more Creative Tools and made them available to everyone for free, our users would create more Snaps and spend more time on Snapchat.

We wanted to find ways to make money that leveraged what we are good at—building new products—and that also empowered people to express themselves, live in the moment, learn about the world, and have fun together.

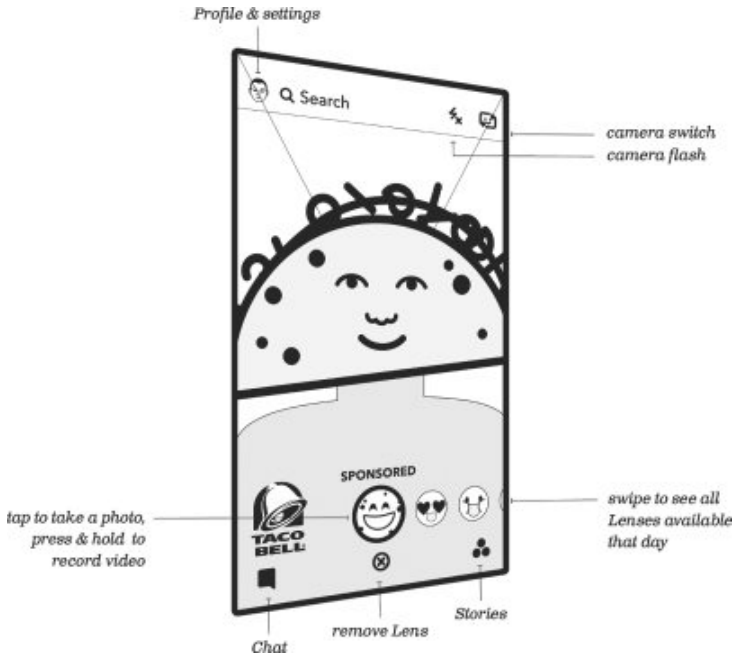
Sponsored Creative Tools

We decided to focus on Sponsored Creative Tools, like Sponsored Geofilters and Sponsored Lenses. These products enable people to express themselves using creative that is provided by our advertising partners. This benefits our community because it empowers expression. It benefits our business because people make more Snaps with Creative Tools that we can provide for free. And it benefits our advertising partners because our audience engages with their campaigns during the creative process and makes them an organic part of the Snaps they send to their friends—resulting in higher performance. The results were immediately positive.

Sponsored Lenses

Advertisers can provide branded Lens experiences to our users by purchasing Sponsored Lenses. The format's interactive nature offers a uniquely engaging way for our community to play with the sponsored experiences. Just like with other Lenses, users have the option to create a Snap and share it with their friends.

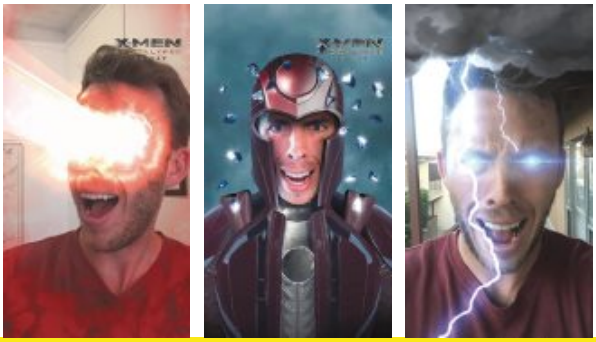
Figure 13. Sponsored Lenses



Example 1. 20 th Century Fox Sponsored Lens

20 th Century Fox

Sponsored Lens

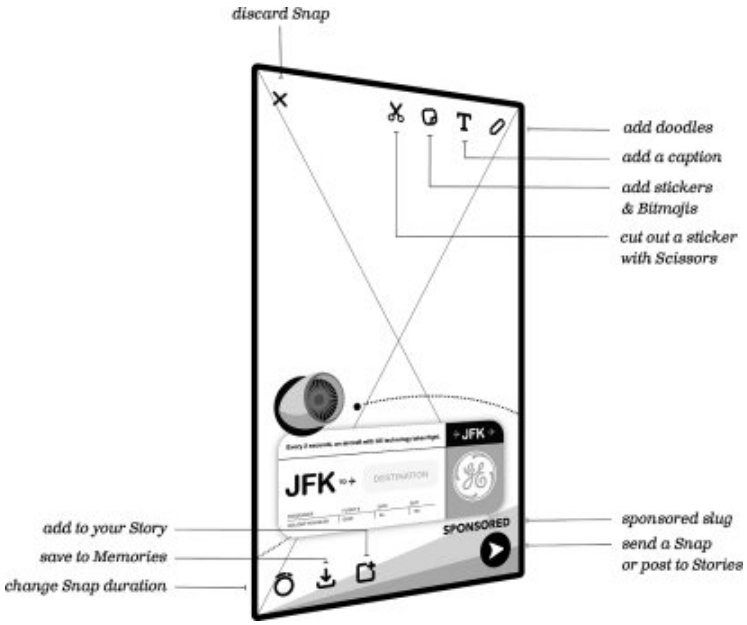


To generate excitement for *X-Men: Apocalypse* , 20th Century Fox ran a Sponsored Lens campaign that let users turn themselves into the iconic characters in the upcoming movie. In one day, people spent a collective 56 years playing with the Sponsored Lenses, which also featured the mutants' powers. They also incorporated the Sponsored Lens into Snaps they shared with their friends, which yielded over 298 million views for the campaign and greatly amplified awareness and anticipation for the movie. The campaign resulted in a 13 percentage point increase in brand awareness, 7x the mobile norm, as measured by Millward Brown. More importantly, the Sponsored Lens also drove a 25% lift in theater-watch intent, over 3x the mobile norm.

Sponsored Geofilters

Our community regularly checks for Geofilters after taking Snaps. Geofilters may be targeted geographically by locations ranging from individual buildings to entire countries. Brands can sponsor Geofilters to help people celebrate holidays or show their friends where they are.

Figure 14. Sponsored Geofilters



Example 2. Under Armour Sponsored Geofilter

Under Armour

Sponsored Geofilter



Sponsored National Geofilters blanket the U.S. for one day, offering brands one of the most effective ways to reach people when they're at their most creative. To boost awareness for its "Rule Yourself" campaign, Under Armour partnered with us to deliver the perfect post-workout Geofilter. The Sponsored Geofilter was viewed over 60 million times and created a 20 percentage point increase in ad recall. More importantly, the campaign yielded a 78% increase in purchase intent, over 5x the mobile retail campaign norm, as measured by Millward Brown.

We are happy with the way that Sponsored Creative Tools improved Snapchat and empowered people to express themselves. Sponsored Creative Tools encourage people to make more Snaps and are sometimes used more than regular Creative Tools. In addition, we also focus on other advertising products that can scale as people watch more content.

Snap Ads

When we first started experimenting with advertising, we decided to try placing Snaps created by advertisers in Stories. We thought this would be a good way to build a scalable advertising business because there are so many people watching billions of Snaps in Stories every day. Advertising in Stories made sense because it meant that our advertising partners had an opportunity to use sight, sound, and motion to tell a story about their brand and products.

We learned a lot about video advertising by closely observing which types of advertisements our community really enjoyed. We wanted to make sure that the video advertisements on Snapchat were engaging, creative, and fun—and that they helped our community learn about the world. With an average of over ten billion videos watched on Snapchat every day, the volume of people creating and watching videos made it easy to understand what worked and what didn't.

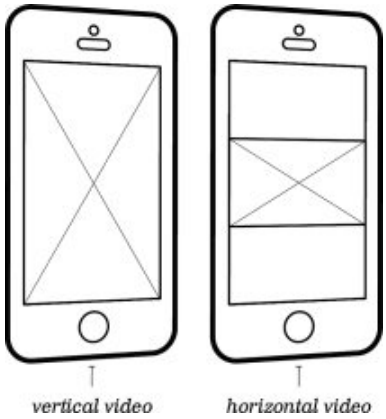
Two of the most popular forms of digital video advertising at the time were pre-roll horizontal video advertisements and in-feed horizontal video advertisements. Pre-roll advertisements played before the content that a user wanted to watch, leaving users feeling like they had been blocked by an advertisement and frustrated that they had to wait to see what they had selected to watch. In-feed advertisements were less obstructive, but they weren't full screen and users often scrolled right past them—just like a banner advertisement on a website.

We believe that our community enjoyed video advertising on television the most because it was part of the experience, especially when the advertisements were funny, creative, and entertaining. There was only one problem for advertisers: many people were watching less video on television and spending more time watching video on their smartphones, on platforms like Snapchat. This meant that it was getting harder to show advertisements to the audience the advertiser wanted to reach. We wanted to figure out how to capture the entertainment and creativity of television advertisements that made them so engaging, and make video advertising part of the fun of watching Stories.

When we first approached advertisers to create Snap Ads, we learned that many of the partners we worked with didn't want to create custom video advertisements just for Snapchat. They wanted to repurpose television advertisements and show them on Snapchat because it was easier and saved money. We had learned from our community that people wanted to create and watch full screen videos in a vertical orientation on their phones, because that's the natural way that people hold their phones. When people are forced to watch repurposed videos from television, the video appears very small in the center of the screen and it is no fun to watch.

We thought that video creative made for television was high quality and entertaining for our users and that we just needed to display it as a Snap—a full screen vertical video with sound. Fortunately, some of our partners were willing to create new advertisements in our vertical video format. We decided to test some of the custom vertical Snap Ads against the horizontal television format to see how they performed. We found that people were more likely to complete a vertical video than its horizontal counterpart, and over time our advertising partners adopted the new format for all Snap Ads. We're excited that many of our advertisers have started to evolve beyond television-style creative and are making advertisements specifically designed as Snap Ads.

Figure 15. Vertical vs. Horizontal Mobile Video

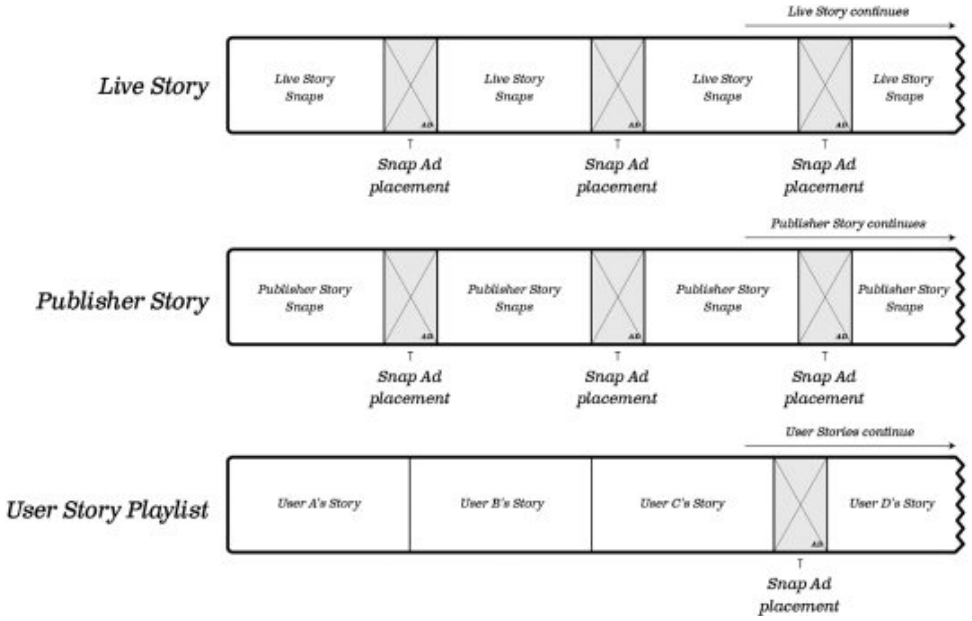


We believe that audio is a fundamental component of video, especially when it comes to emotion and impact. Creating and watching Snaps with sound is a more engaging and expressive experience than if the Snaps were muted. Just imagine watching a horror movie without a soundtrack—it might look like a comedy. That's why we play Snap Ads with sound, unless a user has muted their device. On average, over 60% of all Snap Ads are watched with sound on.

We believe that placement and choice are extremely important when it comes to an advertising product as engaging as Snap Ads. We approached this by following existing user behavior in Stories and decided to show Snap Ads in Stories. This means that people only see Snap Ads when they have already chosen to watch a series of full screen videos with sound.

Publisher Stories are a great opportunity for advertising because they are premium Stories often related to a particular interest. This means we can deliver Snap Ads that might be relevant to the content in those Stories. We also show Snap Ads in between user Stories. Snap Ads can appear at the end of a friend's Story, or they can appear in between the Stories of different friends if the user is using Story Playlist, a feature for watching multiple Stories in succession.

Figure 16. Snap Ad Placement in Stories

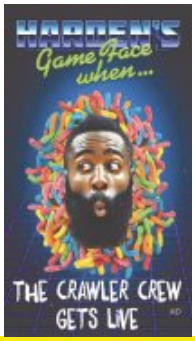


We designed Snap Ads to be skippable because we want to give users the choice whether or not they want to watch an advertisement. We think this provides a better user experience, and also helps protect our advertisers' brands from being associated with a forced interaction. Allowing skipping also challenges our advertisers to create high quality content for Snap Ads, which in turn drives return on advertising spend for them as well as better advertisements for our community.

Example 3. Trolli Snap Ad

Trolli

Snap Ad



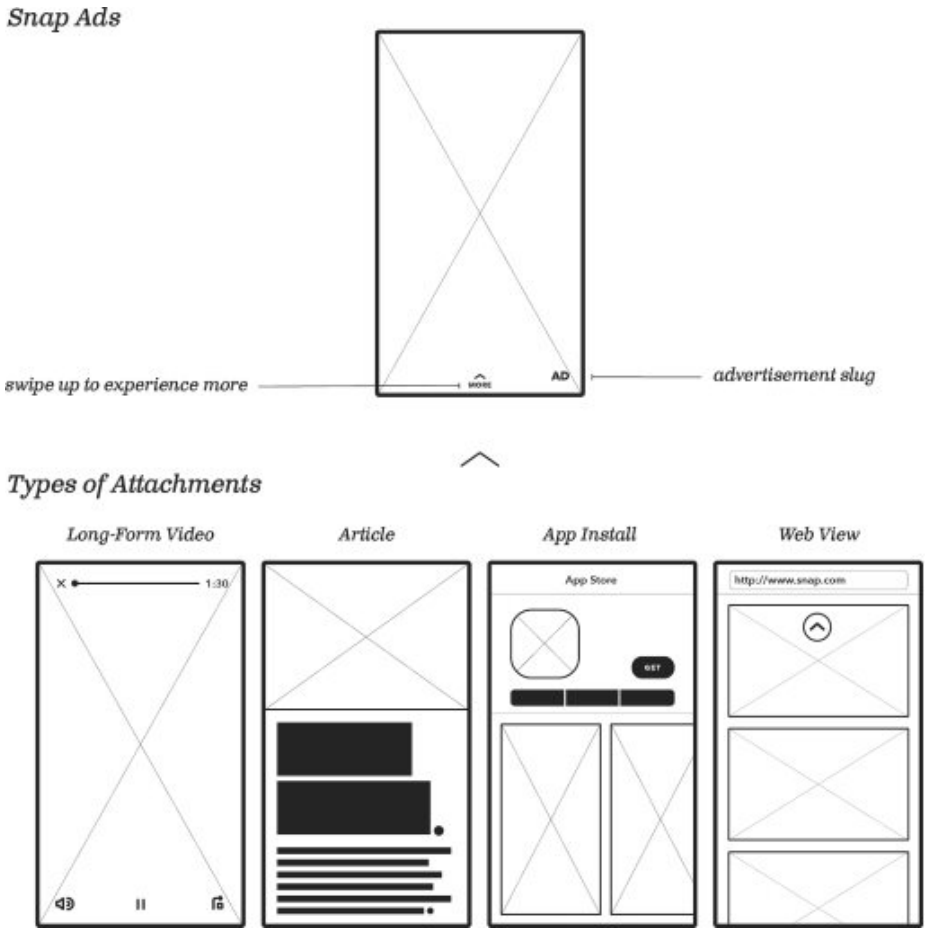
Trolli Candy ran a Snap Ad campaign to highlight its association with the NBA and one of its stars, James Harden. The advertisements appeared in the NBA All-Star Game and Opening Night Live Stories. The results showed a 33% lift in purchase intent for Trolli products, over 2x the mobile CPG norm, and an 11 percentage point increase in brand awareness, 2x the mobile norm, as measured by Millward Brown. Of the people who remembered seeing the campaign, 90% said they enjoyed it.

After we felt like we had made a video advertising product for Snapchat that was as good as television, we wanted to improve it using some of the unique features of smartphones and Snapchat. The first thing we did to expand the Snap Ads product was improve it with interactive capabilities.

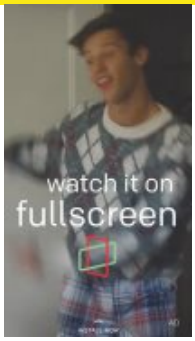
Snap Ads with Attachments

Attachments help advertisers accomplish specific goals by providing a way for users to respond to a Snap Ad while viewing it. For example, a user who views a Snap Ad about a new product can swipe up on the Snap Ad to buy the product instantly from the advertiser's website without leaving the Snapchat application. Our community learned how to swipe up on Snaps created by publishers to read articles or watch long-form videos. This meant that users already knew that they could swipe up on a Snap to learn more—we just extended the feature and made it available for Snap Ads as well.

Figure 17. Snap Ads with Attachments



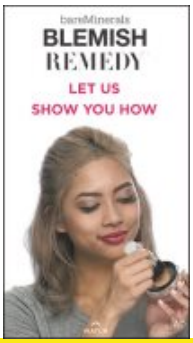
Example 4. Types of Attachments

Long-Form Video	Article	App Install	Web View
			
Swipe Up			
			
Show additional video content that is up to ten minutes long.	Create rich content that can include text, inline video, and GIFs.	Drive seamless app installs from within the Snapchat experience.	Instantly load a mobile web experience.

Example 5. bareMinerals Snap Ad with Long-Form Video Attachment

bareMinerals

Snap Ad with Long-Form Video Attachment



bareMinerals ran a Snap Ad campaign with a Long-Form Video Attachment to help people prepare for those dreaded moments when “Zit Happens.” Enlisting makeup expert Amy Pham, the campaign used a long-form video to showcase their Blemish Remedy line of products and provide an informative step-by-step guide on how to use them to cover up blemishes. Three in ten people who saw the Snap Ad chose to swipe up, spending an average of 30 seconds of their time to learn more about Blemish Remedy. Following the campaign, bareMinerals saw a 2x increase in search traffic for Blemish Remedy products on its website.

Sometimes brands can use multiple different advertising products to create integrated campaigns. Our suite of advertising products work on their own, or all together. Snap Ads tell rich stories, while Sponsored Geofilters let you check in and share your location with friends, and Sponsored Lenses provide an interactive experience.

Example 6. Starbucks Integrated Campaign

Starbucks

Integrated Campaign

Snap Ad



Chain Geofilter



National Lens



To promote Frappuccino as the drink of the summer, Starbucks ran an integrated campaign that leveraged multiple advertising products to tell a cohesive story, reaching over 117 million views. They started by running a series of three playful Snap Ads that each featured a new flavor of Frappuccino. The Snap Ads focused on the bottled version of the beverage, which can be purchased at a variety of different locations for a ”Pop, Sip, and Go” experience.

Starbucks also created an in-store experience throughout the campaign, using regularly-updated Sponsored Chain Geofilters available at their locations across the U.S. to promote the blended version of the drink. The summertime Sponsored Geofilters were a testament to the power of Creative Tools that let users share what they’re up to with their friends and family, with over 40 million people viewing Snaps that featured one of the Sponsored Geofilters.

Finally, Starbucks also ran a Sponsored National Lens campaign to drive awareness by inviting users across the U.S. to play and interact with the Frappuccino-themed Lens, which featured a cameo of the cat from one of the Snap Ads. The Sponsored Lens was engaging, seeing an average of over 23 seconds of play time per user.

Choosing Which Ads to Deliver

We believe that one of the biggest opportunities in mobile advertising is the ability to serve advertisements that are personal and respectful of context. Advertising is more effective and less wasteful when paired with the right contextual understanding. Smartphones can achieve this because they are personal in a way that other forms of media will never be—we eat, sleep, and poop with our smartphones every day. They can also understand the world around them, such as where they are and how fast they are moving.

We work to understand our users so that we can improve our products and deliver better advertisements to the right people. When a user is watching content and an advertising impression becomes available, we need to choose which advertisement to show. We take into account our contextual understanding of the impression to try to pick an advertisement that will be relevant to that user. Our advertising delivery framework optimizes all of these decisions across the whole platform. This improves our community’s experience because we are less likely to show them advertisements they don’t want to see, while decreasing the number of wasted advertising impressions.

For example, Target wanted to optimize the way they reached female customers during the 2016 holiday season. Target worked with one of our Snap Ads Partners to take advantage of our goal-based bidding to optimize the campaign for swipes, while leveraging delivery capabilities to reach users in specific segmented

Snap Lifestyle Categories. Our advertising server optimized delivery of the campaign to maximize swipe-up rates, reducing the effective cost per swipe to the advertiser by more than 60%. At the same time, we charged an effective cost per impression that was more than 80% higher than if they had purchased without optimizing for swipes, increasing the efficiency and monetization potential of our inventory.

As we continue to make these decisions, we can learn from them and improve the choices we make in the future. Additionally, we are able to make better decisions when we have more options, such as more available impressions and more advertisements to fill them with. This means that our advertising delivery will get better as our user engagement grows and advertising business scales.

Measuring Advertising Effectiveness

After we created what we believe are the best mobile advertising products in the market, we wanted to prove it. Advertisers started to experiment with our advertising products with small campaigns to see if our advertising worked. Some were excited about our advertising products and wanted to spend more money to reach a larger audience, but wanted us to provide additional measurement in order for them to feel more comfortable doing so.

For example, advertisers who were spending a lot of money on our products wanted verification that the advertisements they had purchased were actually delivered to our users. We learned that providing third-party verification would help advertisers feel more comfortable with large purchases of our advertising products. In addition to our in-house reporting on delivery metrics, we partnered with Innovid, Sizmek, and Google DDM for third-party verification. These methods typically work by loading a third-party URL with the advertisement and counting how many times that URL was loaded by our application.

Providing this verification for Snap Ads gave us the opportunity to develop additional metrics that enable advertisers to measure viewability and attention for video advertising. We found that there weren't any standard metrics for mobile video viewability and attention across the video advertising business, making it hard for advertisers to compare mobile video advertising campaigns across different publishers and platforms. We were a launch partner for the Moat Video Score, a new way to measure viewability and attention for video advertisements across different video platforms.

The Moat Video Score measures sight, sound, and motion throughout the duration of the video and is comprised of four component metrics: Screen Real Estate, 50% On-Screen Time, Audible Time, and Ad Length.

- Screen Real Estate is the proportion of the video's size to the size of the user's screen. This metric helps advertisers understand how their video advertisement competes with adjacent on-screen content for visual attention. Snap Ads are full screen.
- 50% On-Screen Time is the average length of time that at least 50% of the video is on screen. This metric helps advertisers understand if their video advertisement is viewable on-screen, rather than playing in the background or in a different browser tab. Snap Ads are always visible during playback.
- Audible Time is the average length of time that the video is audible. This metric helps advertisers understand if their video is viewed with sound, because sound is a critical part of video advertising. Snap Ads are played with sound, unless a viewer has chosen to mute their device.
- Ad Length is the average maximum duration of the video. When used with 50% On-Screen Time and Audible Time, this component quantifies the percentage of video seen and heard.

The Moat Video Score has become an important tool for advertisers to measure viewability and attention for their mobile video advertisements.

After we made it easy for our advertising partners to verify delivery and viewability, we focused on helping advertisers verify that their advertisements were delivered to the right audience.

We worked with Nielsen mDAR and Millward Brown to measure the reach and frequency of a campaign and the demographics of the users who viewed it. This helps advertisers verify that they were able to reach the intended audience with their campaign. For example, a male body care company ran a Snap Ad campaign with a long-form video attachment to promote their deodorant for men and wanted to ensure that their campaign reached males between the ages of 13 and 34. Millward Brown verified that approximately 88% of the people who saw their Snap Ad were in the advertiser's target demographic for the campaign.

In addition to verifying that their advertisements are delivered and viewed by the right people, our advertising partners wanted to understand if their advertisements worked. This was a harder measurement challenge because advertisers have different goals for each of their campaigns. We needed several different solutions for advertisers to choose from when they are purchasing campaigns.

Our advertising partners are primarily focused on two things: whether people's perception or attitude towards a product or brand changed after viewing an advertisement, and whether or not people took an action after viewing an advertisement, like buying a product or visiting a store.

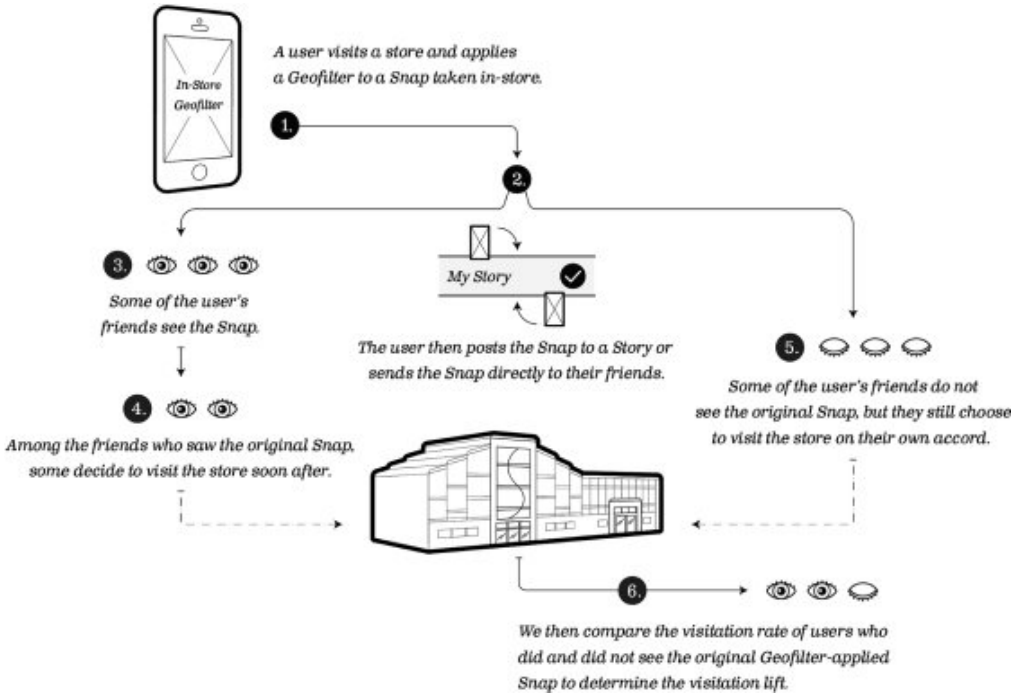
Our collaborations with Nielsen and Millward Brown help us to measure advertising awareness, brand favorability, and purchase intent by surveying our users to understand how exposure to an advertisement changes their awareness and attitude. For example, when a music streaming service ran a Snap Ad campaign, Millward Brown measured that it drove a 30% lift in subscription intent, 2x the mobile norm, and a 24 percentage point increase in ad recall, 1.5x the mobile norm.

We partnered with Oracle Data Cloud to measure how advertisements impact in-store sales for CPG companies. A recent study across 12 campaigns found that 92% of the measured campaigns drove a positive lift in in-store sales, with the campaigns exceeding Oracle Data Cloud norms on all key metrics. For example, two home care campaigns drove over $100 in revenue per thousand impressions—a return on advertising spend in excess of 6x.

For Snap Ads with App Install Attachments, we partnered with Tune, Adjust, Kochava, and Appsflyer to measure whether people that viewed the advertisement installed their app, as well as the long-term value of those users. Pocket Gems ran a Snap Ad with App Install Attachment campaign to drive installs of its new *Episode* game. We partnered with Tune to attribute over 132,000 installs from the campaign.

We recently developed our own Snap-to-Store measurement product using the location-based features of the Snapchat application to determine the increase in store visits after viewing an advertising campaign. For example, Wendy's blanketed its U.S. stores with Sponsored Geofilters that promoted the Jalapeño Fresco Chicken Sandwich. We used our Snap-to-Store measurement methodology to report that the Sponsored Geofilter drove over 42,000 incremental people to a Wendy's location within seven days of viewing the Sponsored Geofilter.

Figure 18. Snap-to-Store Measurement



We are committed to verifying the delivery of our advertisements and proving their efficacy through continued improvements to our measurement products and partnerships. Measuring our products also helps us learn how we can better serve our community with innovative and effective advertisements from our partners.

How We Sell Ads

We offer several different ways to buy advertisements on Snapchat. Our direct sales team works with large advertisers and agencies around the world. Many of our content partners, including publishers like Viacom, also sell our inventory. Advertisers can also work with Snapchat Ads Partners like TubeMogul and 4C, to purchase advertising from us through our advertising API. Our advertising API empowers brands and agencies to programmatically buy, optimize, and measure advertising campaigns in real time. There is no revenue share or other fees between us and our Ads Partners under these arrangements. Additionally, our self-serve On-Demand Geofilter platform allows everyone, individuals and businesses alike, to easily create Geofilters for local businesses and personal moments, like weddings and birthdays. We also have an inside sales team that helps small and medium-sized businesses learn about and purchase On-Demand Geofilters.

Advertiser Reception

While our advertising business is still in its early stages, the combination of user engagement, advertising products, delivery, measurement, and sales channels has helped us deliver results for our advertising partners. We were included in Advertiser Perceptions' September 2016 Digital Campaign Management System Report, which examines advertiser and agency perceptions of various advertising platforms. In a comparison with Facebook, Google Display Network, Instagram, Pinterest, Twitter, and YouTube, we ranked first in overall satisfaction, fourth in plans to increase advertising spend, and third in likelihood to recommend to a colleague.

	Satisfaction Rating	*Plans to Increase Ad Spend*	*Likelihood to Recommend*
1		YouTube	YouTube
2	YouTube	facebook	Google Display Network
3	Google Display Network	Instagram	
4	Instagram		Instagram
5	facebook		facebook
6		Google Display Network	
7	Pinterest	Pinterest	Pinterest

Source: Advertiser Perceptions

Our Strategy

Our strategy is to invest in product innovation and take risks to improve our camera platform. We do this in an effort to drive user engagement, which we can then monetize through advertising. We use the revenue we generate to fund future product innovation to grow our business.

In a world where anyone can distribute products instantly and provide them for free, the best way to compete is by innovating to create the most engaging products. That's because it's difficult to use distribution or cost as a competitive advantage—new software is available to users immediately, and for free. We believe this means that our industry favors companies that innovate, because people will use their products.

We invest heavily in future product innovation and take risks to try to improve our camera platform and drive long-term user engagement. Sometimes this means sacrificing short-term engagement to introduce products, like Stories, that might change the way people use Snapchat. Additionally, our products often use new technologies and require people to change their behavior, such as using a camera to talk with their friends. This means that our products take a lot of time and money to develop, and might have slow adoption rates. While not all of our investments will pay off in the long run, we are willing to take these risks in an attempt to create the best and most differentiated products in the market.

To create effective advertising products that our community might enjoy, we often base our advertising products on existing consumer products and behavior. The same team that designs our consumer products also helps design our advertising products. This means that these formats are engaging and familiar to our users. For example, Taco Bell's Sponsored Lens campaign that let people turn their head into a taco increased overall engagement on our platform because it provided a fun Creative Tool that people wanted to use and share with their friends.

Other products, such as our Chat Service, indirectly help us monetize our business by driving engagement. When a user sends a Snap to a friend, the friend receives a notification prompting them to open the Snapchat application. Even if that Snap didn't contain a Sponsored Creative Tool, it still helps us monetize by increasing the number of times people open our application. Similarly, when our users post Snaps to their Stories, they create additional content for all of their friends to view, increasing engagement and time spent on Snapchat.

Due to the nature of our products and business, our ability to succeed in any given country is largely dependent on its mobile infrastructure and its advertising market. These factors influence our product performance, our hosting costs, and our monetization opportunity in each market.

Our focus on innovative camera experiences means that many of our products are data intensive and work better on high-end mobile devices. This is because camera products involve rich formats like video, which use a lot of cellular bandwidth when used for communication and content consumption. Additionally, our products often use technologies that demand a lot of processing power and don't work as well on lower-end devices, like the technology behind Lenses. This means that unlike many other free mobile applications, the majority of our users tend to be located in markets with high-end mobile devices and high-speed cellular internet.

We have found that these markets are also less expensive to serve because our cloud infrastructure partners typically have better performance and cheaper bandwidth in these countries. As such, our costs tend to be lower in these markets.

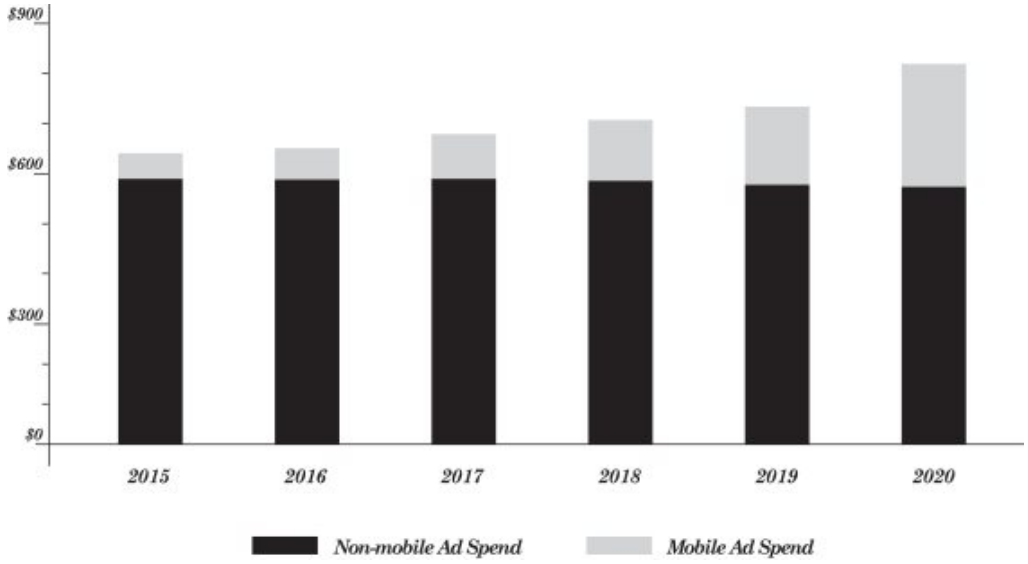
Substantially all of our revenue comes from advertising, so our ability to generate revenue in a particular country depends on the size of its advertising market. Global advertising spend—especially mobile advertising spend—is extremely concentrated, with nearly 85% of mobile spend coming from the top ten advertising markets, according to IDC. Over 60% of our Daily Active Users come from countries on the list.

We benefit greatly from the fact that many of our users are in markets where we have the highest capital efficiency and monetization potential, allowing us to generate revenue and cash flow that we can then invest into future product innovation.

Our Opportunity

We are fortunate to benefit from the growth of the mobile advertising market as advertisers move more of their advertising spend from traditional media to mobile. IDC projects that worldwide advertising spend will grow by 18% from $652 billion in 2016 to $767 billion in 2020. Mobile advertising is the fastest growing segment of this market, and is expected to grow nearly 3x from $66 billion in 2016 to $196 billion in 2020, while all other advertising spend is expected to decrease by approximately $15 billion during the same time period.

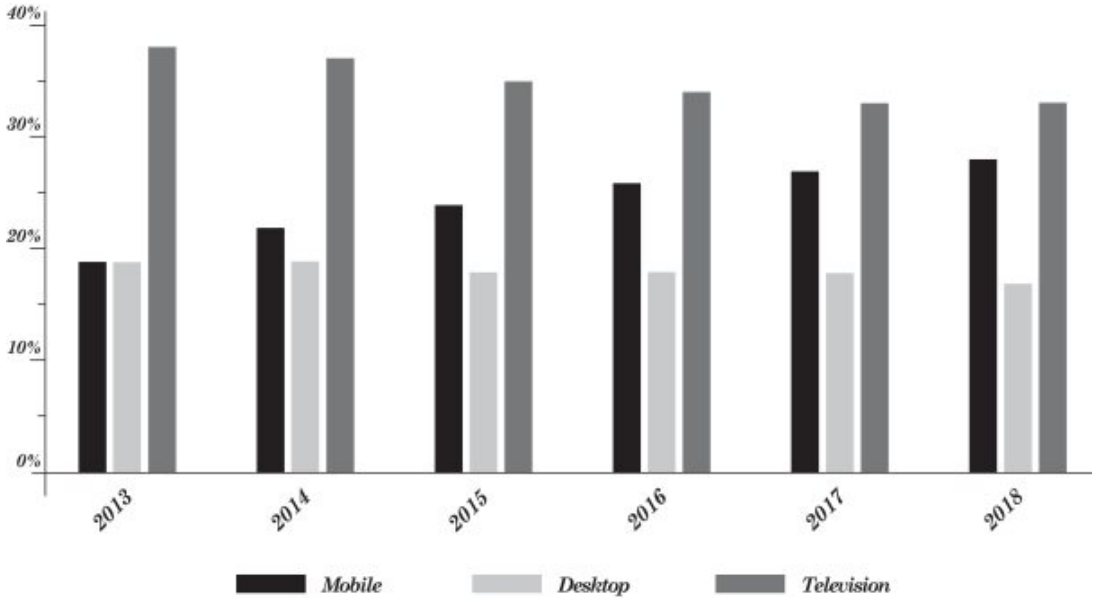
Mobile Advertising to Drive Future Advertising Growth (in billions)



Source: IDC

We believe that one of the major factors driving this rapid growth is the shift of people's attention from desktop and television toward mobile. As people spend less time on traditional media like television, it becomes harder for advertisers to attain the same reach and frequency they have achieved in the past. On the other hand, as time spent on mobile grows, and especially as people spend more time watching videos on mobile, advertisers can transfer their traditional media advertising spend to mobile to make up for that lost reach and frequency. According to forecasts by eMarketer and IDC for 2016, respectively, U.S. adults will spend 26% of their time consuming media on mobile devices, while only 13% of U.S. advertising will be spent on mobile. eMarketer also projects that people will continue to increase the time they spend on mobile compared to desktop and television. We think that this means there is already a significant mobile advertising opportunity, which will only grow as behavior continues to change. Furthermore, we believe that if we can build a scalable mobile advertising platform, we may help expedite the shift of advertising dollars from traditional media to mobile.

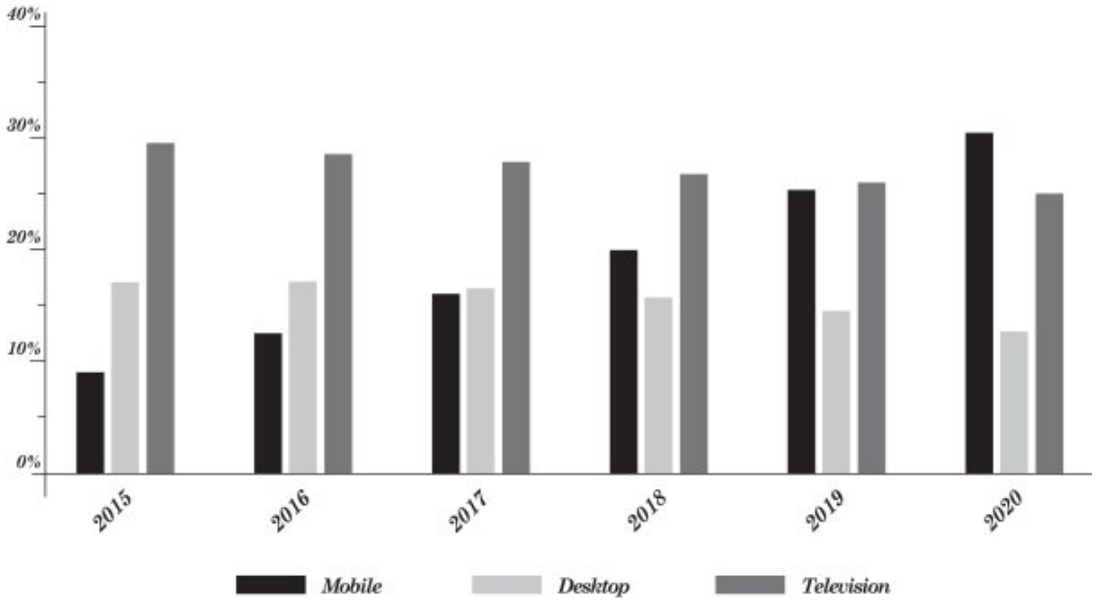
Percentage of Time Spent with Major Media per Day by U.S. Adults (1)



Source: eMarketer

(1) Represents the average time spent per day by U.S. adults on mobile, desktop, and television as a percentage of total time spent per day consuming major media.

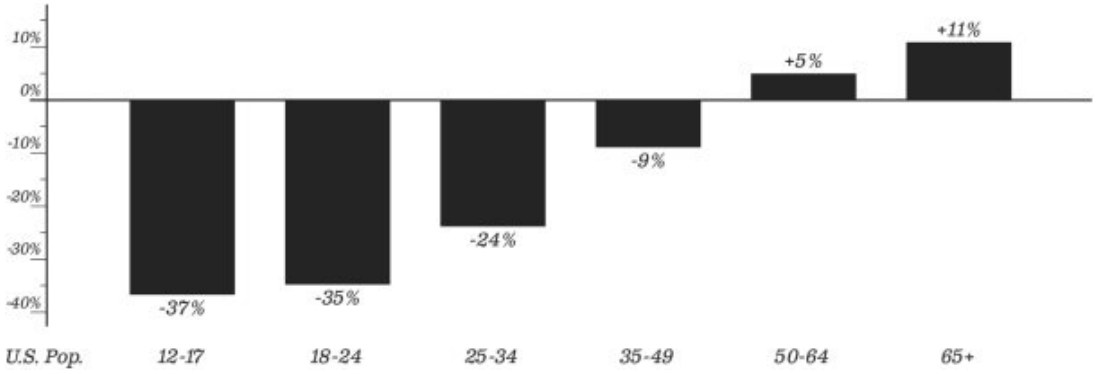
Percentage of Advertising Spend by Media



Source: IDC

The shift in attention to mobile is more pronounced among younger audiences. According to Nielsen, people between the ages of 18 and 24 spent 35% less time watching traditional (live and time-shifted) television in an average month during the second quarter of 2016 compared to the second quarter of 2010. This represents our largest age group, with an average of 36% of our U.S. Daily Active Users between the ages of 18 and 24 in the quarter ended December 31, 2016, based on our internal data. Our next largest age group is 25-34 at 27%, followed by 13-17 at 22%. We think these users represent a big advertising opportunity for us because they are harder to reach on traditional media like television.

Change in Time Spent Watching Traditional TV by Age Group
(Live + Time-Shifted, Q2 2010 vs. Q2 2016)



Source: Nielsen

Our user base is also quickly expanding into older demographics, with more than 50% of our U.S. daily new users being over 25. Certain of our more mature markets may skew older. For example, approximately half of all smartphone users in Norway use Snapchat daily according to eMarketer, and on average approximately 46% of those users are over 35. See "Market, Industry, and Other Data."

Most of the world's advertising spend is concentrated in a few developed markets. The top ten advertising markets command over 70% of overall advertising spend and nearly 85% of mobile spend, according to IDC. Over 60% of our Daily Active Users come from countries on this list, including over 60 million Daily Active Users in the United States and Canada, and over 10 million Daily Active Users in the United Kingdom. We believe that the concentration of our Daily Active Users in these developed markets will help us address the global advertising market opportunity.

Top Ten Advertising Markets

	Total Advertising Spend (in billions)		*Mobile Advertising Spend (in billions)*	
Country	**2016**	**2020**	**2016**	**2020**
United States	*$ 254.8*	*$ 291.4*	*$ 32.4*	*$ 88.8*
China (1)	*86.4*	*109.7*	*12.0*	*55.1*
Japan	*38.8*	*40.0*	*2.3*	*3.6*
United Kingdom	*23.5*	*26.3*	*4.1*	*9.8*
Germany	*17.9*	*21.0*	*1.1*	*3.0*
France	*12.3*	*14.3*	*0.8*	*2.2*
Australia	*11.9*	*14.2*	*1.4*	*4.5*
Brazil	*10.6*	*12.7*	*0.2*	*0.7*
Canada	*8.5*	*11.9*	*1.0*	*2.9*
Italy	*8.2*	*9.4*	*0.7*	*2.3*

Source: IDC
(1) Excludes Hong Kong.

Our Team

Our team is kind, smart, and creative. When we say "kind," we mean the type of kindness that compels you to let someone know that they have something stuck in their teeth even though it's a little awkward. We care deeply about kindness because we want to create a space that helps to give our team the courage to create. We think our team feels comfortable creating new things because they are surrounded by the kindness of their peers and know they have our support.

One of the ways we support our team is through our "Snap-a-Wish" program, which we created to help take care of team members who are facing adverse or unusual circumstances. In the past we have used this program to provide things like last-minute plane tickets for family emergencies or immediate help (and a rental car) when a car was stolen.

Listening to and understanding different points of view is our favorite way to find inspiration and improve the products that we create. One of the ways we reinforce the importance of listening is by practicing it with each other. We have created a bi-weekly "Council" program for our team that encourages team members to express themselves and listen to others. We believe that this type of sharing teaches and reminds our team to listen and learn from those around them.

Another thing that makes our team special is the ability to adapt. We've learned over time how important it is to hire people who are not only experienced, but also adaptable. We focus on understanding adaptability as part of the interview process and we evaluate it by understanding the life decisions that have brought each team member to our company. Snap Inc. is a unique place to work and it's helpful to have team members that want to grow and change because they're excited about trying new things.

We fundamentally believe that having a team of diverse backgrounds and voices working together is our best shot at being able to create innovative products that improve the way people live and communicate. There are two things we focus on to achieve this goal. The first—creating a diverse workplace—helps us assemble this team. We convene at the conferences, host the hackathons, and invest in the institutions that bring us amazing diverse talent every year. The second—creating an inclusive workplace—is much harder to get right, but we believe it is required to unleash the potential of having a diverse team. That's because we believe diversity is about more than numbers. To us, it is really about creating a culture where everyone comes to work knowing that they have a seat at the table and will always be supported both personally and professionally. We started by challenging our management team to set this tone every day with each of their teams, and by investing in inclusion-focused programs ranging from community outreach to internal professional development. We still have a long and difficult road ahead in all of these efforts, but believe they represent one of our biggest opportunities to create a business that is not only successful but also one that we are proud to be a part of.

We had 1,859 employees as of December 31, 2016. None of our domestic employees are represented by a labor organization or are a party to any collective bargaining arrangement. In several foreign jurisdictions, including Canada, China, and France, our employees may be subject to certain national collective bargaining agreements that set minimum salaries, benefits, working conditions, and termination requirements.

Our Commitment to Privacy

Our approach to privacy is simple: Be upfront, offer choices, and never forget that our community comes first.

We built Snapchat as an antidote to the context-less communication that has plagued "social media." Not so long ago, a conversation among friends would be just that: a private communication in which you knew exactly who you were talking to, what you were talking about, and whether what you were saying was being memorialized for eternity. Somewhere along the way, social media—by prioritizing virality and permanence—

sapped conversations of this valuable context and choice. When we began to communicate online, we lost some of what made communication great: spontaneity, emotion, honesty—the full range of human expression that makes us human in the first place.

We don't think digital communication has to be this way. That's why choice matters. We build products and services that emphasize the context of a conversation—who, when, what, and where something is being said. If you don't have the autonomy to shape the context of a conversation, the conversation will simply be shaped by the permanent feeds that homogenize online conversations.

When you read our Privacy Policy, we hope that you'll notice how much we care about the integrity of personal communication. For starters, we've written our Privacy Policy in plain language because we think it's important that everyone understand exactly how we handle their information. Otherwise, it's hard to make informed choices about how you communicate. We've also created a robust Privacy Center where we show that context and choice are more than talking points. There, we point out the many ways that users can control who sees their Snaps and Stories, we explain how long content will remain on our servers, and much more. You'll also find there our Transparency Report. We're proud that we published our first Transparency Report just a few years into the company's existence, long before most companies take that important step.

We also understand that privacy policies—no matter how ambitious—are only as good as the people and practices behind those policies. When someone trusts us to transmit or store their information, we know we have a responsibility to protect that information and we work hard to keep it secure. New features go through an intense privacy-review process—we debate pros and cons, and we work hard to build products we're proud of and that we'll want to use. We use Snapchat constantly, both at work and in our personal lives, and we handle user information with the same care that we want for our family, our friends, and ourselves.

Competition

We compete with other companies in every aspect of our business, particularly with companies that focus on mobile engagement and advertising. Many of these companies, such as Apple, Facebook (including Instagram and WhatsApp), Google (including YouTube), and Twitter, have significantly greater financial and human resources and, in some cases, larger user bases. Given the breadth of our product offerings, we also compete with companies that develop products or otherwise operate in the mobile, camera, communication, media, and advertising industries. Our competitors span from internet technology companies and digital platforms to traditional companies in print, radio, and television sectors to underlying technologies like default smartphone cameras and messaging. Additionally, our competition for engagement varies by region. For instance, we face competition from companies like Kakao, LINE, Naver (including Snow), and Tencent in Asia. The main bases on which we currently compete with these companies include engagement, partnerships, advertising, and talent.

Engagement

We compete to attract and retain our users attention, both in terms of reach and engagement. Since our products and those of our competitors are typically free, we compete based on our brand and the quality of our product offerings rather than on price. We focus on constantly improving and expanding our product lines.

Partnerships

We rely on our partner ecosystem to provide content and experiences and we compete with other companies for those partners' focus and resources.

Advertising

We compete for advertising revenue, especially with respect to video and other highly engaging formats. We believe our ability to compete depends primarily on our reach and ability to deliver a strong return on

investment to our advertisers, which is driven by our advertising products, delivery and measurement capabilities, APIs, and other tools. The industry in which we operate is changing rapidly and we find ourselves in competition with internet-based platforms, advertising networks, and traditional media.

Talent

We compete to attract and retain highly talented individuals, including software engineers, designers, and product managers. Our headquarters in Venice, California and our other principal offices in the Los Angeles area offer certain advantages, such as lower local recruiting competition from other companies and providing an enticing location to live, as well as certain disadvantages such as the increased need to recruit remotely and requiring employees to relocate to Venice, California or the Los Angeles area. In addition to providing competitive compensation packages, we compete for talent by fostering a culture of working hard to create great products and experiences and allowing our employees to have a direct meaningful contribution to new and exciting projects.

We believe that we compete favorably on these factors. However, the industries in which we compete are evolving rapidly and are becoming increasingly competitive, including the opening of offices in the Los Angeles area by our competitors. For additional information, see "Risk Factors—The loss of one or more of our key personnel, or our failure to attract and retain other highly qualified personnel in the future, could seriously harm our business."

Technology

Our research and development efforts focus on product development, advertising technology, and large-scale infrastructure.

Product Development

We work relentlessly to improve our product offerings by creating and improving products for our users, partners, and advertisers. We design products that create and enhance camera experiences, and new technologies are at the core of many of these opportunities.

Advertising Technology

We constantly develop and expand our advertising products, delivery framework, and measurement capabilities. We believe relevant and engaging advertising tends to be more effective and is better for both our community and advertising partners. Our technology roadmap centers on efficient advertising delivery, sophisticated buying and campaign optimization, and measurement solutions for our advertisers.

Large-scale Infrastructure

We spend considerable resources and investment on the underlying architecture that powers our products, such as optimizing the delivery of billions of videos to hundreds of millions of people every day. We currently partner with Google as our primary infrastructure partner to support our growing needs. Partnering with Google has allowed us to scale quickly without upfront infrastructure costs, letting us focus on building great products and experiences. We are currently negotiating an agreement with another cloud provider for redundant infrastructure support of our business operations. For further information, see "Risk Factors—Our business depends on our ability to maintain and scale our technology infrastructure. Any significant disruption to our service could damage our reputation, result in a potential loss of users and decrease in user engagement, and seriously harm our business."

Google Cloud Platform License Agreement

In January 2017, we entered into the Google Cloud Platform License Agreement. Under the agreement we were granted a worldwide, non-exclusive license to access and use certain cloud services provided by Google, including in our web or other applications. We currently run the vast majority of our computing on Google Cloud platform services.

The agreement has an initial term of five years. During that initial term, we are required to purchase at least $400.0 million of cloud services from Google each year beginning on January 30, 2017, though for each of the first four years, up to 15% of this amount may be moved to the subsequent year. We have an option to request a reduction in our minimum purchase commitment if we experience a significant revenue decline. In return for the minimum purchase commitment, we will receive discounted pricing for certain Google Cloud platform services. During the initial term of the agreement, the benefit of that discounted pricing compared to standard rates may diminish. If we fail to meet the minimum purchase commitment during any year, we are required to pay the difference.

After the initial term, the minimum purchase commitment and preferred pricing will terminate, but the agreement will automatically renew for consecutive terms of 12 months each, unless either party elects not to renew through advance notice. Either party may terminate the agreement for the other party's uncured material breach (including certain delinquent payments) and insolvency. We also have the right to terminate the agreement if the Google Cloud platform services remain unavailable due to a force majeure event.

Intellectual Property

Our success depends in part on our ability to protect our intellectual property and proprietary technologies. To protect our proprietary rights, we rely on a combination of intellectual property rights in the United States and other jurisdictions, including patents, trademarks, copyrights, trade secret laws, license agreements, internal procedures, and contractual provisions. We also enter into confidentiality and invention assignment agreements with our employees and contractors and sign confidentiality agreements with third parties. Our internal controls restrict access to priority technology.

As of December 31, 2016, we had 328 issued patents and approximately 220 filed patent applications in the United States and foreign countries relating to our camera platform and other technologies. Our issued patents will expire between 2017 and 2035. We may not be able to obtain protection for our intellectual property, and our existing and future patents, trademarks, and other intellectual property rights may not provide us with competitive advantages or distinguish our products and services from those of our competitors. Our patent applications may not result in the issuance of patents, and any resulting issued patents may have claims narrower than those in our patent applications. Additionally, our current and future patents, trademarks, and other intellectual property rights may be contested, circumvented, or found unenforceable or invalid, and we may not be able to prevent third parties from infringing them. Our internal controls and contractual provisions may not always be effective at preventing unauthorized parties from obtaining our intellectual property and proprietary technologies.

We license content, trademarks, technology, and other intellectual property from our partners, and rely on our license agreements with those partners to use the intellectual property. We also enter into licensing agreements with third parties to receive rights to patents and other know-how. Third parties may assert claims related to intellectual property rights against our partners or us.

Other companies and "non-practicing entities" that own patents, copyrights, trademarks, trade secrets, and other intellectual property rights related to the mobile, camera, communication, media, internet, and other technology-related industries frequently enter into litigation based on allegations of infringement, misappropriation, and other violations of intellectual property or other rights. Third parties, including our

competitors and non-practicing entities, may make claims from time to time that we have infringed their patents, trademarks, copyrights, trade secrets, or other intellectual property rights. We are party to many agreements under which we are obligated to indemnify our customers, suppliers, and channel partners against such claims. As our business grows and competition increases, we will likely face more claims related to intellectual property and litigation matters. In addition, to the extent that we gain greater visibility and market exposure as a public company, we face a higher risk of being the subject of intellectual property infringement claims from third parties. For additional information, see "Risk Factors—We are currently, and expect to be in the future, party to patent lawsuits and other intellectual property claims that are expensive and time-consuming. If resolved adversely, lawsuits and claims could seriously harm our business."

Government Regulation

We are subject to many U.S. federal and state and foreign laws and regulations, including those related to privacy, rights of publicity, data protection, content regulation, intellectual property, health and safety, competition, protection of minors, consumer protection, and taxation. These laws and regulations are constantly evolving and may be interpreted, applied, created, or amended, in a manner that could harm our business.

In December 2014, the Federal Trade Commission resolved an investigation into some of our early practices by handing down a final order. That order requires, among other things, that we establish a robust privacy program to govern how we treat user data. During the 20-year lifespan of the order, we must complete bi-annual independent privacy audits. In June 2014, we entered into a 10-year assurance of discontinuance with the Attorney General of Maryland implementing similar practices, including measures to prevent minors from creating accounts and providing annual compliance reports. Violating existing or future regulatory orders or consent decrees could subject us to substantial monetary fines and other penalties that could negatively affect our financial condition and results of operations.

Furthermore, foreign data protection, privacy, consumer protection, content regulation, and other laws and regulations are often more restrictive than those in the United States. It is possible that certain governments may seek to block or limit our products or otherwise impose other restrictions that may affect the accessibility or usability of any or all our products for an extended period of time or indefinitely. For example, we have very limited access to the China market, as we have not yet established an operating presence in China to support Snapchat. Access to Google, which currently powers our infrastructure, is restricted in China. Additionally, not all our products are available in all locations, including Spectacles, and may not be due to such laws and regulations. We have a public policy team that monitors legal and regulatory developments in the U.S., as well as many foreign countries, and communicates with policymakers and regulators in the U.S. and internationally.

For additional information, see "Risk Factors—If our security is compromised or if our platform is subjected to attacks that frustrate or thwart our users' ability to access our products and services, our users, advertisers, and partners may cut back on or stop using our products and services altogether."

Legal Proceedings

We are currently involved in, and may in the future be involved in, legal proceedings, claims, and investigations in the ordinary course of our business, including claims for infringing intellectual property rights related to our products and the content contributed by our users and partners. Although the results of these proceedings, claims, and investigations cannot be predicted with certainty, we do not believe that the final outcome of these matters is reasonably likely to have a material adverse effect on our business, financial condition, or results of operations. Regardless of final outcomes, however, any such proceedings, claims, and investigations may nonetheless impose a significant burden on management and employees and may come with costly defense costs or unfavorable preliminary and interim rulings.

Facilities

Our corporate headquarters are located in and around Venice, California, where we hold approximately 305,000 square feet across several locations. As of December 31, 2016, our global facilities totaled an aggregate of approximately 591,000 square feet of office space, approximately 582,500 of which was leased and 8,500 of which was owned. For approximately 77,000 square feet of our leased office space, we have assets recorded as construction in progress and buildings, as well as a corresponding long-term liability for our build-to-suit lease agreements where we are considered the deemed owner of these buildings, for accounting purposes. We also maintain offices in multiple locations in the United States and internationally in Europe, Asia, and Australia. We expect to add additional offices as we increase our headcount and expand our business to other continents and countries. We believe that our facilities are sufficient for our current needs and that, should it be needed, additional facilities will be available to accommodate the expansion of our business.

Snap Foundation

In February 2017, we established the Snap Foundation. After this offering, we and our co-founders have each pledged to donate up to 13,000,000 shares of our Class A common stock to the Snap Foundation over the course of the next 15 to 20 years. We anticipate that the proposed programs of the Snap Foundation will support arts, education, and youth.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information for our directors and executive officers, and their ages as of December 31, 2016.

Name	Age	Position
Executive Officers:		
Evan Spiegel	26	Co-Founder, Chief Executive Officer, and Director
Robert Murphy	28	Co-Founder, Chief Technology Officer, and Director
Imran Khan	39	Chief Strategy Officer
Andrew Vollero	50	Chief Financial Officer
Chris Handman	44	General Counsel
Timothy Sehn	36	Senior Vice President of Engineering
Steven Horowitz	49	Vice President of Engineering
Non-Employee Directors:		
Michael Lynton (1)(2)	57	Director and Chairman of the Board
Joanna Coles (2)	54	Director
A.G. Lafley (1)(2)	69	Director
Mitchell Lasky	54	Director
Stanley Meresman (3)	70	Director
Scott D. Miller (1)(3)	64	Director
Christopher Young (3)	44	Director

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

Executive Officers

Evan Spiegel. Mr. Spiegel is our co-founder and has served as our Chief Executive Officer and a member of our board of directors since May 2012. We believe that Mr. Spiegel is qualified to serve as a member of our board based on the perspective and experience he brings as our co-founder and Chief Executive Officer.

Robert Murphy . Mr. Murphy is our co-founder and has served as our Chief Technology Officer and a member of our board of directors since May 2012. Mr. Murphy holds a B.S. in Mathematical and Computational Science from Stanford University. We believe that Mr. Murphy is qualified to serve as a member of our board of directors based on the perspective and experience he brings as our co-founder and Chief Technology Officer.

Imran Khan. Mr. Khan has served as our Chief Strategy Officer since January 2015. From May 2011 to January 2015, Mr. Khan served as a Managing Director in the Investment Banking Division at Credit Suisse. From March 2004 to May 2011, Mr. Khan was an Equity Analyst at J.P. Morgan Securities Inc. Mr. Khan holds a B.S.B.A. in Finance and Economics from the University of Denver.

Andrew Vollero . Mr. Vollero has served as our Chief Financial Officer since February 2016 and previously served as our Vice President, Finance since August 2015. From September 2000 to August 2015, Mr. Vollero was employed at Mattel, Inc., a toy manufacturing company, where he served as the Senior Vice President, Corporate Strategy, Development & Investor Relations from September 2005 to August 2015 and Division CFO, Senior Vice President, Finance and Strategy from September 2000 to September 2005. Mr. Vollero holds a B.A. in Mathematics and Economics from Yale University and a Master of Science in Management from Oxford University.

Chris Handman . Mr. Handman has served as our General Counsel since May 2014. From March 2000 to April 2014, Mr. Handman was a partner in the Supreme Court and Appellate Litigation group at Hogan Lovells LLP in Washington, D.C. Earlier in his career, Mr. Handman served as a law clerk for Judge Patricia M. Wald of the U.S. Court of Appeals for the D.C. Circuit and Judge Colleen Kollar-Kotelly of the U.S. District Court for the District of Columbia. Mr. Handman holds a J.D. from Yale Law School and a B.A. in both Political Science and International Relations from American University.

Timothy Sehn . Mr. Sehn has served as our Senior Vice President of Engineering since September 2013. Prior to joining Snap Inc., Mr. Sehn was employed at Amazon.com, Inc., an e-commerce company, from September 2003 to September 2010, where he held various positions, including as Director of Software Development from September 2010 to September 2013. Mr. Sehn holds a B.A.Sc. from the University of Waterloo.

Steven Horowitz. Mr. Horowitz has served as our Vice President of Engineering since January 2015. Prior to joining Snap Inc., Mr. Horowitz served as Senior Vice President of Software Engineering at Motorola Mobility, LLC, formerly a Google company, from December 2012 through January 2015. From January 2009 through November 2012, Mr. Horowitz served as Chief Technology Officer for Quotient Technology, Inc., a consumer technologies company. Prior to that he worked at Google, Microsoft, and Apple. Mr. Horowitz holds a B.A. from the University of Michigan, Ann Arbor. Mr. Horowitz is also a member of the board of directors of Quotient Technology, Inc.

Non-Employee Directors

Michael Lynton . Mr. Lynton has served on our board of directors since April 2013 and has been Chairman of our board of directors since September 2016. Mr. Lynton served as Chief Executive Officer of Sony Entertainment Inc., an international entertainment company, from April 2012 until February 2017, and has served as Chairman and Chief Executive Officer of Sony Pictures Entertainment since January 2004. Mr. Lynton has also served as a member of the board of directors of Ares Management, L.P. since 2014. Mr. Lynton holds a B.A. in History and Literature from Harvard College and an M.B.A. from Harvard Business School. We believe that Mr. Lynton is qualified to serve as a member of our board of directors and Chairman due to his extensive leadership experience.

Joanna Coles. Ms. Coles has served on our board of directors since December 2015. Ms. Coles was appointed Chief Content Officer of Hearst Magazines in September 2016, overseeing editorial for Hearst's 300 titles globally. Prior to that she was Editor-in-Chief of Cosmopolitan, a role she started in September 2012. She edited Marie Claire magazine from April 2006 to September 2012. Ms. Coles worked for The Times of London from September 1998 to September 2001 and served as New York Bureau Chief for The Guardian from 1997 to 1998. She is on the board of Women Entrepreneurs New York City, an initiative to encourage female entrepreneurship, with a focus on underserved communities. Ms. Coles holds a B.A. in English and American literature from the University of East Anglia. We believe that Ms. Coles is qualified to serve as a member of our board of directors due to her extensive experience working with content providers and advertisers.

A.G. Lafley . Mr. Lafley has served on our board of directors since July 2016. Mr. Lafley has held various positions within The Procter & Gamble Company since 1977 and served as its President, Chief Executive Officer, and as a member of the board of directors from June 2000 until June 2009 and again from May 2013 to June 2016. He also served as Chairman of the Board from July 2002 to January 2010. From April 2010 to May 2013, Mr. Lafley served as a consultant and as a Senior Adviser at Clayton, Dubilier & Rice, LLC, a private equity firm. Mr. Lafley holds an A.B. from Hamilton College and an M.B.A. from Harvard Business School. We believe that Mr. Lafley is qualified to serve as a member of our board of directors due to his extensive leadership experience.

Mitchell Lasky . Mr. Lasky has served on our board of directors since December 2012. Mr. Lasky has been a partner at Benchmark, a venture capital firm, since April 2007. From November 2000 to February 2006,

Mr. Lasky served as Chief Executive Officer of JAMDAT Mobile, Inc., a publicly traded mobile games company, and served as Executive Vice President, Mobile & Online at Electronic Arts, a video game company, after it acquired JAMDAT in February 2006, until April 2007. Mr. Lasky holds a B.A. in History and Literature from Harvard College and a J.D. from the University of Virginia School of Law. We believe Mr. Lasky is qualified to serve as a member of our board of directors due to his extensive experience with social media and technology companies, as well as his experience as a venture capitalist investing in technology companies.

Stanley Meresman . Mr. Meresman has served on our board of directors since July 2015. During the last ten years, Mr. Meresman has served on the boards of directors of various public and private companies, including service as chair of the audit committee for some of these companies. He currently serves on the board of directors, and as chair of the audit committee, of Palo Alto Networks, Inc. He served as a member of the board of directors of LinkedIn Corporation from October 2010 to December 2016, Zynga Inc. from June 2011 to June 2015, Meru Networks, Inc. from September 2010 to May 2013, and Riverbed Technologies, Inc. from March 2005 to May 2012. From January 2004 to December 2004, Mr. Meresman was a Venture Partner with Technology Crossover Ventures, a private equity firm, and was General Partner and Chief Operating Officer of Technology Crossover Ventures from November 2001 to December 2003. During the four years before joining Technology Crossover Ventures, Mr. Meresman was a private investor and board member and advisor to several technology companies. From 1989 to 1997, Mr. Meresman served as the Senior Vice President and Chief Financial Officer of Silicon Graphics, Inc. Mr. Meresman holds a B.S. in Industrial Engineering and Operations Research from the University of California, Berkeley and an M.B.A. from the Stanford Graduate School of Business. We believe that Mr. Meresman is qualified to serve as a member of our board of directors and chair of our audit committee due to his background as a member of the board and chair of the audit committee of other public companies and his financial and accounting expertise from his prior extensive experience as chief financial officer of two publicly traded companies.

Scott D. Miller . Mr. Miller has served on our board of directors since October 2016. Mr. Miller is a founder and Chief Executive Officer of G100 Companies, which operates G100 Network and SSA & Company. Before joining G100 Companies in March 2004, Mr. Miller was employed at Hyatt Hotels Corporation, a global hospitality company, where he served as non-executive vice chairman from August 2003 to December 2004, president from January 1999 to August 2003, and executive vice president from September 1997 to July 2003. Mr. Miller currently serves on the board of directors of QTS Realty Trust, Inc. and served on the boards of Affinion Group, Inc. from 2011 to 2013, AXA Equitable Life Insurance Company from 2002 to 2012, Orbitz Worldwide, Inc. from 2003 to 2004, and NAVTEQ corporation from 2002 to 2006. He also serves on several private company boards. Mr. Miller holds a B.S. in Human Biology from Stanford University and an M.B.A. from the University of Chicago. We believe that Mr. Miller is qualified to serve as a member of our board of directors due to his extensive leadership experience.

Christopher Young . Mr. Young has served on our board of directors since October 2016. Since October 2014, Mr. Young has served as Senior Vice President and General Manager, Intel Security Group at Intel Corporation, a multinational technology company. From November 2011 to September 2014, Mr. Young served as Senior Vice President, Security & Government Group at Cisco Systems, Inc. a technology networking company. From August 2010 to October 2011, Mr. Young served as Senior Vice President & General Manager, End User Computing at VMware, Inc., a software company. From January 2011 to August 2016, Mr. Young served on the board of directors of Rapid7, Inc., a security software company. Mr. Young holds a B.A. in Public Policy from Princeton University and an M.B.A. from Harvard Business School. We believe that Mr. Young is qualified to serve as a member of our board of directors due to his extensive experience with technology companies.

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

Independent Chairman

Our board of directors has appointed Mr. Lynton to serve as our independent Chairman of our board of directors. As Chairman of our board of directors, Mr. Lynton presides over periodic meetings of our independent directors and performs such additional duties as our board of directors may otherwise determine and delegate.

Composition of Our Board of Directors

Certain members of our board of directors were elected under the provisions of a voting agreement. Under the terms of this voting agreement, the stockholders who are party to the voting agreement have agreed to vote their respective shares to elect: (1) one director designated by Benchmark Capital Partners, currently Mr. Lasky; (2) two directors designated by the holders of the Series FP preferred stock, currently Mr. Spiegel and Mr. Murphy; and (3) one individual designated by the other members of the board of directors, currently Mr. Lynton. The voting agreement will terminate on the closing of this offering. Following this offering, no stockholder will have any special rights regarding the election or designation of members of our board of directors. There is no contractual arrangement by which Ms. Coles, Mr. Lafley, Mr. Meresman, Mr. Miller, and Mr. Young were appointed to our board of directors. Our current directors will continue to serve as directors until their resignation, removal, or successor is duly elected.

Our board of directors will consist of nine members on the closing of this offering.

So long as any shares of our Class C common stock are outstanding, we will not have a classified board of directors, and all directors will be elected for annual terms.

Following the conversion of all of our Class C common stock to Class B common stock, and subsequent conversion of all of our Class B common stock to Class A common stock, we will have a classified board of directors consisting of three classes. Each class will be approximately equal in size, with each director serving staggered three-year terms. Directors will be assigned to a class by the then-current board of directors.

When our board of directors is classified, we expect that any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control.

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment, and affiliations, our board of directors has determined that Ms. Coles, Mr. Lafley, Mr. Lasky, Mr. Lynton, Mr. Meresman, Mr. Miller, and Mr. Young do not have relationships that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is “independent” as that term is defined under the listing standards. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our shares by each non-employee director and the transactions described in “Related Person Transactions.”

Committees of Our Board of Directors

Our board of directors has established an audit committee, a compensation committee, and a nominating and corporate governance committee. The composition and responsibilities of each of the committees of our board of directors are described below. Members serve on these committees until their resignation or until otherwise determined by our board of directors. Our board of directors may establish other committees as it deems necessary or appropriate from time to time.

Audit Committee

Our audit committee consists of Mr. Meresman, Mr. Miller, and Mr. Young, each of whom our board of directors has determined satisfies the independence requirements under NYSE listing standards and Rule 10A-3(b)(1) of the Exchange Act. The chair of our audit committee is Mr. Meresman, who our board of directors has determined is an "audit committee financial expert" within the meaning of SEC regulations. Each member of our audit committee can read and understand fundamental financial statements in accordance with applicable requirements. In arriving at these determinations, the board of directors has examined each audit committee member's scope of experience and the nature of their employment in the corporate finance sector.

The primary purpose of the audit committee is to discharge the responsibilities of our board of directors with respect to our corporate accounting and financial reporting processes, systems of internal control, and financial-statement audits, and to oversee our independent registered accounting firm. Specific responsibilities of our audit committee include:

- helping our board of directors oversee our corporate accounting and financial reporting processes;
- managing the selection, engagement, qualifications, independence, and performance of a qualified firm to serve as the independent registered public accounting firm to audit our financial statements;
- discussing the scope and results of the audit with the independent registered public accounting firm, and reviewing, with management and the independent accountants, our interim and year-end operating results;
- developing procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- reviewing related person transactions;
- obtaining and reviewing a report by the independent registered public accounting firm at least annually, that describes our internal quality control procedures, any material issues with such procedures, and any steps taken to deal with such issues when required by applicable law; and
- approving, or, as permitted, pre-approving, audit and permissible non-audit services to be performed by the independent registered public accounting firm.

Compensation Committee

Our compensation committee consists of Mr. Lafley, Mr. Lynton, and Mr. Miller. Our board of directors has determined that Mr. Lafley, Mr. Lynton, and Mr. Miller are each independent under NYSE listing standards, a "non-employee director" as defined in Rule 16b-3 promulgated under the Exchange Act and an "outside director" as that term is defined in Section 162(m) of the Code. The chair of our compensation committee is Mr. Lynton.

The primary purpose of our compensation committee is to discharge the responsibilities of our board of directors in overseeing our compensation policies, plans, and programs and to review and determine the compensation to be paid to our executive officers, directors, and other senior management, as appropriate. Specific responsibilities of our compensation committee include:

- reviewing and approving the compensation of our chief executive officer, other executive officers, and senior management;
- reviewing and recommending to our board of directors the compensation paid to our directors;
- reviewing and approving the compensation arrangements with our executive officers and other senior management;
- administering our equity incentive plans and other benefit programs;

- reviewing, adopting, amending, and terminating, incentive compensation and equity plans, severance agreements, profit sharing plans, bonus plans, change-of-control protections, and any other compensatory arrangements for our executive officers and other senior management;
- reviewing, evaluating, and recommending to our board of directors succession plans for our executive officers; and
- reviewing and establishing general policies relating to compensation and benefits of our employees, including our overall compensation philosophy.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee consists of Ms. Coles, Mr. Lafley, and Mr. Lynton. The chair of our nominating and corporate governance committee is Mr. Lafley. Our board of directors has determined that each member of the nominating and corporate governance committee is independent under the NYSE listing standards, a non-employee director, and free from any relationship that would interfere with the exercise of his or her independent judgment.

Specific responsibilities of our nominating and corporate governance committee include:

- identifying and evaluating candidates, including the nomination of incumbent directors for reelection and nominees recommended by stockholders, to serve on our board of directors;
- considering and making recommendations to our board of directors regarding the composition and chairmanship of the committees of our board of directors;
- instituting plans or programs for the continuing education of our board of directors and orientation of new directors;
- developing and making recommendations to our board of directors regarding corporate governance guidelines and matters; and
- overseeing periodic evaluations of the board of directors' performance, including committees of the board of directors and management.

Code of Conduct

We have adopted a Code of Conduct that applies to all our employees, officers, and directors. This includes our principal executive officer, principal financial officer, and principal accounting officer or controller, or persons performing similar functions. The full text of our Code of Conduct will be posted on our website at www.snap.com. We intend to disclose on our website any future amendments of our Code of Conduct or waivers that exempt any principal executive officer, principal financial officer, principal accounting officer or controller, persons performing similar functions, or our directors from provisions in the Code of Conduct.

Compensation Committee Interlocks and Insider Participation

None of the members of the compensation committee is currently, or has been at any time, one of our officers or employees. None of our executive officers currently serves, or has served during the last year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our board of directors or compensation committee.

Director Compensation

The following table sets forth information concerning the compensation paid to our directors who are not named executive officers during the fiscal year ended December 31, 2016. The compensation received by

Mr. Spiegel as an employee of the company is presented in "Executive Compensation—Summary Compensation Table." Ms. Coles, Mr. Lafley, Mr. Meresman, Mr. Miller, and Mr. Young hold RSUs that vest and are settled on the satisfaction of both (i) a service-based vesting condition and (ii) a performance condition. The performance condition will be satisfied on the earlier of: (a) the effective date of the registration statement in connection with this offering; or (b) a change of control (as defined in our 2014 Plan). The service-based vesting requirement for each of Ms. Coles, Mr. Lafley, Mr. Meresman, Mr. Miller, and Mr. Young are further described below. Except as described in the footnotes to the table below, we do not generally provide cash compensation to our non-employee directors.

Name	Stock Awards (1)	Other	Total
Michael Lynton	$ —	$ —	$ —
Joanna Coles (2)	75,866	35,000	110,866
A.G. Lafley (3)	2,529,321	83,333	2,612,654
Mitchell Lasky	—	—	—
Stanley Meresman (4)	—	—	—
Scott D. Miller (5)	1,060,251	5,833	1,066,084
Robert Murphy (6)	—	259,419	259,419
Christopher Young (7)	1,060,251	5,833	1,066,084

(1) Amounts reported represent the aggregate grant date fair value of RSUs without regard to forfeitures granted to the non-employee members of our board of directors during 2016 under our 2014 Plan, computed in accordance with ASC Topic 718. The valuation assumptions used in calculating the fair value of the RSUs is set forth in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates —Stock-Based Compensation." These amounts do not reflect the actual economic value that may be realized by the director.

(2) Ms. Coles joined our board of directors in December 2015. In connection with Ms. Coles service on our board of directors, we agreed to pay her a $35,000 annual cash retainer, paid on a quarterly basis after completion of each full quarter. In December 2015, we granted Ms. Coles RSUs for 7,488 shares of Class A common stock under our 2014 Plan and these RSUs were outstanding as of December 31, 2016. The service-based vesting condition was satisfied in equal monthly installments over one year of service commencing on December 4, 2015. In July 2016, we granted Ms. Coles RSUs for 4,882 shares of Class A common stock under our 2014 Plan and these RSUs were outstanding as of December 31, 2016. The service-based vesting condition was satisfied in equal monthly installments over one year of service commencing on December 4, 2015.

(3) Mr. Lafley joined our board of directors in July 2016. In connection with Mr. Lafley's service on our board of directors, we agreed to pay him a $200,000 annual cash retainer to cover the costs of his travel to our meetings and events, paid on a quarterly basis after completion of each full quarter. In July 2016, we granted Mr. Lafley RSUs for 162,762 shares of Class A common stock under our 2014 Plan. The service-based vesting condition will be satisfied in equal monthly installments over four years of service commencing on July 15, 2016 and these RSUs were outstanding as of December 31, 2016. In the event of a change in control, the service-based vesting condition of the RSUs will be deemed satisfied for 100% of the RSUs that have not yet satisfied the service-based vesting requirement, immediately before the closing of such change in control.

(4) Mr. Meresman joined our board of directors in July 2015. In July 2015, we granted Mr. Meresman RSUs for 162,762 shares of Class A common stock under which the service-based vesting condition will be satisfied in equal quarterly installments over four years of service commencing on July 17, 2015 and these RSUs were outstanding as of December 31, 2016. In the event of a change in control, the service-based vesting condition of the RSUs will be deemed satisfied for 100% of the RSUs that have not yet satisfied the service-based vesting condition, immediately before the closing of such change in control.

(5) Mr. Miller joined our board of directors in October 2016. In connection with Mr. Miller's service on our board of directors, we agreed to pay him a $35,000 annual cash retainer, paid on a quarterly basis after completion of each full quarter. In October 2016, we granted Mr. Miller RSUs for 65,106 shares of Class A

common stock under which the service-based vesting condition will be satisfied in equal monthly installments over four years of service commencing on October 26, 2016 and these RSUs were outstanding as of December 31, 2016. In the event of a change in control, the service-based vesting condition of the RSUs will be deemed satisfied for 100% of the RSUs that have not yet satisfied the service-based vesting condition, immediately before the closing of such change in control.

(6) Mr. Murphy does not receive any compensation for service as a director. Amounts reported represent (i) $251,603 for his base salary as an employee, (ii) $7,548 in 401(k) contributions made by us on behalf of Mr. Murphy, and (iii) $268 for life insurance premiums paid by us on behalf of Mr. Murphy.

(7) Mr. Young joined our board of directors in October 2016. In connection with Mr. Young's service on our board of directors, we agreed to pay him a $35,000 annual cash retainer, paid on a quarterly basis after completion of each full quarter. In October 2016, we granted Mr. Young RSUs for 65,106 shares of Class A common stock under which the service-based vesting condition will be satisfied in equal monthly installments over four years of service commencing on October 26, 2016 and these RSUs were outstanding as of December 31, 2016. In the event of a change in control, the service-based vesting condition of the RSUs will be deemed satisfied for 100% of the RSUs that have not yet satisfied the service-based vesting condition, immediately before the closing of such change in control.

We currently reimburse our directors for their reasonable out-of-pocket expenses in connection with attending board of directors and committee meetings, other than Mr. Lafley, whose travel expense retainer is described above.

Non-Employee Director Compensation Policy

We intend to adopt a non-employee director compensation policy following the closing of this offering and on terms to be determined at a later date by our board of directors. Under the non-employee director policy, our non-employee directors will be eligible to receive compensation for service on our board of directors and committees of our board of directors.

EXECUTIVE COMPENSATION

Our named executive officers, consisting of our principal executive officer and the next two most highly compensated executive officers as of December 31, 2016, were:

- Evan Spiegel, Co-Founder and Chief Executive Officer;
- Imran Khan, Chief Strategy Officer; and
- Timothy Sehn, Senior Vice President of Engineering.

Summary Compensation Table

The following table presents all of the compensation awarded to or earned by or paid to our named executive officers during the fiscal years ended December 31, 2015 and 2016.

Name and Principal Position	Year	Salary	Bonus (1)	Stock Awards (2)	All Other Compensation (3)	Total
Evan Spiegel	2016	$503,205	$1,000,000	$ —	$ 901,635(4)	$ 2,404,840
Co-Founder and Chief Executive Officer	2015	363,715	1,000,000	—	344,756(5)	1,708,471
Imran Khan	2016	241,539	5,239,460	—	14,658	5,495,657
Chief Strategy Officer	2015	230,000	—	145,292,145	348	145,522,493
Timothy Sehn (6)	2016	400,152	1,000,000	40,000,020	8,348	41,408,520
Senior Vice President of Engineering						

(1) Amounts reported represent bonuses awarded at the discretion of our board of directors.
(2) Amounts reported represent the aggregate grant date fair value of RSUs without regard to forfeitures granted to our named executive officers under our 2014 Plan, computed in accordance with ASC Topic 718. The valuation assumptions used in calculating the fair value of the RSUs is set forth in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Stock-Based Compensation." This amount does not reflect the actual economic value that may be realized by the named executive officer.
(3) Amounts reported include 401(k) contributions and life insurance premiums paid by us on behalf of the named executive officer.
(4) Amount reported includes $890,339 for security for Mr. Spiegel.
(5) Amount reported includes (i) $328,747 for security for Mr. Spiegel and (ii) $15,766 for personal travel.
(6) Mr. Sehn was not a named executive officer for the year ended December 31, 2015.

Outstanding Equity Awards as of December 31, 2016

The following table presents information regarding outstanding equity awards held by our named executive officers as of December 31, 2016. All awards were granted under our 2012 Plan or 2014 Plan, as noted below.

		Option Awards				Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#) (1)	Market Value of Shares or Units of Stock That Have Not Vested ($) (2)
Evan Spiegel	—	—	—	—	—	—	—
Imran Khan	04/06/2015	—	—	—	—	7,094,344(3) (5)	
Timothy Sehn	09/06/2013	6,160,000(4)	2,640,000(4)	$ 0.582	09/05/2023	—	—
	10/26/2016	—	—	—	—	2,604,168(5) (6)	

(1) Each of our named executive officers, other than Mr. Spiegel, hold RSUs that only vest and settle on the satisfaction of both (i) a service-based vesting condition and (ii) a performance condition. The performance

condition will be satisfied on the earlier of: (a) the effective date of the registration statement in connection with this offering, or (b) a change of control (as defined in our 2012 Plan or 2014 Plan, as applicable). The service-based vesting condition for each of our named executive officers is further described below.

(2) The market price for our Class A common stock or Class B common stock, as applicable, is based on the assumed initial public offering price of $ per share, the midpoint of the estimated price range set forth on the cover page of this prospectus.

(3) These RSUs represent shares of Class B common stock granted under our 2012 Plan. The service-based condition was satisfied for 2,364,780 shares underlying the RSUs on December 31, 2016. The service-based condition will be satisfied as follows: 5% of the RSUs will have the service-based condition satisfied on January 16, 2017; 30% of the RSUs will have the service-based requirement satisfied in equal quarterly installments during the 12-month period following January 16, 2017; and 40% of the RSUs will have the service-based condition satisfied in equal quarterly installments during the 12-month period following January 16, 2018.

(4) Represents an option to purchase Class B common stock granted under our 2012 Plan. As of December 31, 2016, 6,160,000 shares were vested and exercisable, and 88,000 shares subject to the option will vest and become exercisable each month over the nine-month period following December 31, 2016. The unvested shares subject to this option are subject to accelerated vesting as described in the section titled "Employment, Severance, and Change in Control Agreements."

(5) The unvested shares subject to these RSUs are subject to accelerated vesting as described in the section titled "Employment, Severance, and Change in Control Agreements."

(6) These RSUs represent shares of Class A common stock granted under our 2014 Plan. The service-based condition was satisfied for no shares underlying the RSUs on December 31, 2016. The service-based condition will be satisfied as follows: 10% of the RSUs will have the service-based condition satisfied on September 1, 2017; 20% of the RSUs will have the service-based requirement satisfied in equal quarterly installments during the 12-month period following September 1, 2017; 30% of the RSUs will have the service-based condition satisfied in equal quarterly installments during the 12-month period following September 1, 2018; and 40% of the RSUs will have the service-based condition satisfied in equal quarterly installments during the 12-month period following September 1, 2019.

Emerging Growth Company Status

We are an "emerging growth company," as defined in the JOBS Act. As an emerging growth company we will be exempt from certain requirements related to executive compensation, including the requirements to hold a nonbinding advisory vote on executive compensation and to provide information relating to the ratio of total compensation of our Chief Executive Officer to the median of the annual total compensation of all of our employees, each as required by the Investor Protection and Securities Reform Act of 2010, which is part of the Dodd-Frank Act.

Pension Benefits

Our named executive officers did not participate in, or otherwise receive any benefits under, any pension or retirement plan sponsored by us during the fiscal year ended December 31, 2016.

Nonqualified Deferred Compensation

Our named executive officers did not participate in, or earn any benefits under, a non-qualified deferred compensation plan sponsored by us during the fiscal year ended December 31, 2016.

Employment, Severance, and Change in Control Agreements

Offer Letters

We have offer letters with each of our executive officers. The offer letters generally provide for at-will employment and set forth the executive officer's initial base salary, eligibility for employee benefits, and

confirmation of the terms of previously issued equity grants, including in some cases severance benefits on a qualifying termination of employment. If an executive officer dies, all outstanding RSUs will be deemed to satisfy the service-based vesting requirement. In addition, each of our named executive officers has executed our standard proprietary information and inventions agreement. The key terms of employment with our executive officers are described below.

Evan Spiegel

In October 2016, we entered into an amended and restated offer letter agreement with Evan Spiegel, our co-founder and Chief Executive Officer, with respect to his continuing employment with us. The offer letter provides for an annual base salary of $500,000, which will be reduced to $1 on the effective date of the registration statement in connection with this offering, and an annual cash bonus of $1,000,000 based on achievement of performance criteria to be mutually agreed on by Mr. Spiegel and our board of directors, provided that, after our initial public offering, Mr. Spiegel will not be entitled to any bonus except as may be determined by our board of directors. Under the terms of his offer letter, Mr. Spiegel will be granted an award of RSUs for shares of Series FP preferred stock representing 3.0% of our outstanding capital stock on an as-converted basis on the closing of this offering, which will be fully vested on the closing of this offering and such shares will be delivered to Mr. Spiegel in equal quarterly installments over three years beginning in the third full calendar quarter following this offering. For the purposes of Mr. Spiegel's offer letter, outstanding capital stock includes shares sold by us in this offering and all shares subject to outstanding restricted stock units that, on the closing of this offering, have met the performance condition and service-based vesting condition. Our board of directors approved the award to Mr. Spiegel in July 2015 to motivate him to continue growing our business and improving our financial results so that we could undertake an initial public offering, which we regard as an important milestone that will provide liquidity to our stockholders and employees.

Robert Murphy

In October 2016, we entered into an amended and restated offer letter agreement with Robert Murphy, our co-founder and Chief Technology Officer with respect to his continuing employment with us. Mr. Murphy's annual base salary as of December 31, 2016 was $250,000.

Imran Khan

In October 2016, we entered into an amended and restated offer letter agreement with Imran Khan, our Chief Strategy Officer, with respect to his continuing employment with us. Mr. Khan's annual base salary as of December 31, 2016 was $240,000.

If Mr. Khan's employment is terminated without cause or he terminates his employment for good reason, within 12 months following a change in control, in addition to the RSUs that have satisfied the service-based vesting requirement, an additional 50% of the then-outstanding RSUs will be deemed to satisfy the service-based vesting requirement. Mr. Khan must sign a release of claims agreement as a pre-condition of receiving this termination benefit.

Andrew Vollero

In October 2016, we entered into an amended and restated offer letter agreement with Andrew Vollero, our Chief Financial Officer, with respect to his continuing employment with us. Mr. Vollero's annual base salary as of December 31, 2016 was $300,000. Under the terms of his amended and restated offer letter, Mr. Vollero receives an annual supplemental payment of $200,000 during the first two years of his employment.

If Mr. Vollero's employment is terminated without cause or he terminates his employment for good reason, within 12 months following a change in control, in addition to the RSUs that have satisfied the service-based

vesting requirement, an additional 50% of the then-outstanding RSUs will be deemed to satisfy the service-based vesting requirement. Mr. Vollero must sign a release of claims agreement as a pre-condition of receiving this termination benefit.

Chris Handman

In October 2016, we entered into an amended and restated offer letter agreement with Chris Handman, our General Counsel, with respect to his continuing employment with us. Mr. Handman's annual base salary as of December 31, 2016 was $475,000.

If Mr. Handman's employment is terminated without cause or he terminates his employment for good reason, within 12 months following a change in control, all outstanding RSUs will be deemed to satisfy the service-based vesting requirement as of his termination date. Mr. Handman must sign a release of claims agreement as a pre-condition of receiving this termination benefit.

Timothy Sehn

In October 2016, we entered into an amended and restated offer letter agreement with Timothy Sehn, our Senior Vice President of Engineering. Mr. Sehn's annual base salary as of December 31, 2016 was $500,000. In October 2016, Mr. Sehn was granted RSUs for 1,302,084 shares of Class A common stock.

If Mr. Sehn's employment is terminated without cause or he terminates his employment for good reason, within 12 months following a change in control, 440,000 shares subject to his option grant (or, if there are fewer than 440,000 shares then unvested, all then unvested shares) will vest in full as of his termination date and, in addition to the RSUs that have satisfied the service-based vesting requirement, 1/16th of the RSUs for each completed quarter of his continued employment will be deemed to satisfy the service-based vesting requirement. Mr. Sehn must sign a release of claims agreement as a pre-condition of receiving this termination benefit.

Steven Horowitz

In October 2016, we entered into an amended and restated offer letter agreement with Steven Horowitz, our Vice President of Engineering. Mr. Horowitz's annual base salary as of December 31, 2016 was $300,000.

If Mr. Horowitz's employment is terminated without cause or he terminates his employment for good reason, within 12 months following a change in control, all outstanding RSUs will be deemed to satisfy the service-based vesting requirement as of his termination date. Mr. Horowitz must sign a release of claims agreement as a pre-condition of receiving this termination benefit.

Employee Benefit Plans

We believe that our ability to grant equity-based awards is a valuable and necessary compensation tool that aligns the long-term financial interests of our employees, consultants, and directors with the financial interests of our stockholders. In addition, we believe that our ability to grant options and other equity-based awards helps us to attract, retain, and motivate employees, consultants, and directors, and encourages them to devote their best efforts to our business and financial success. The principal features of our equity incentive plans and our 401(k) plan are summarized below. These summaries are qualified in their entirety by reference to the actual text of the plans, which, other than the 401(k) plan, are filed as exhibits to the registration statement of which this prospectus is a part.

2017 Equity Incentive Plan

Our board of directors adopted our 2017 Equity Incentive Plan, or our 2017 Plan, in January 2017, and our stockholders approved our 2017 Plan in February 2017. Our 2017 Plan will become effective once the registration statement, of which this prospectus forms a part, is declared effective. Our 2017 Plan provides for the

grant of incentive stock options to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance stock awards, performance cash awards, and other forms of stock awards to employees, directors, and consultants, including employees and consultants of our affiliates. The 2017 Plan will be the successor to our 2012 Equity Incentive Plan and 2014 Equity Incentive Plan, each of which is described below, or, together, the Prior Plans.

Authorized Shares. The maximum number of shares of our Class A common stock that may be issued under our 2017 Plan, based on the Prior Plans' available reserve and outstanding awards as of December 31, 2016, is 355,522,498, which number is the sum of (i) 87,270,108 new shares of Class A common stock, plus (ii) the number of shares of Class A common stock subject to the Prior Plans' available reserve, in an amount not to exceed 41,668,672 shares, plus (iii) a number of shares of Class A common stock equal to the number of shares of Class B common stock subject to the Prior Plans' available reserve, in an amount not to exceed 984,533 shares, plus (iv) the number of shares of Class A common stock that would otherwise have returned to the Prior Plans, as those shares become available from time to time, in an amount not to exceed 73,185,900 shares, plus (v) a number of shares of Class A common stock equal to the number of shares of Class B common stock that would otherwise have returned to the Prior Plans, as those shares become available from time to time, in an amount not to exceed 49,766,414 shares, plus (vi) a maximum of 102,646,871 shares of Class A common stock that are added pursuant to the following sentence. With respect to each share that returns to the 2017 Plan pursuant to clauses (iv) and (v) of the prior sentence that was associated with an award that was outstanding under the Prior Plans as of October 31, 2016, an additional share of Class A common stock will be added to the share reserve of the 2017 Plan, up to a maximum of 102,646,871 shares. In addition, the number of shares of our Class A common stock reserved for issuance under our 2017 Plan will automatically increase on January 1st of each calendar year, starting on January 1, 2018 through January 1, 2027, in an amount equal to 5.0% of the total number of shares of our capital stock outstanding on the last day of the calendar month before the date of each automatic increase, or a lesser number of shares determined by our board of directors. The maximum number of shares of our Class A common stock that may be issued on the exercise of incentive stock options under our 2017 Plan is 1,066,567,494.

Shares subject to stock awards granted under our 2017 Plan that expire or terminate without being exercised in full, or that are paid out in cash rather than in shares, do not reduce the number of shares available for issuance under our 2017 Plan. Additionally, shares become available for future grant under our 2017 Plan if they were issued under stock awards under our 2017 Plan and if we repurchase them or they are forfeited. This includes shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2017 Plan. Our board of directors may also delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified stock awards and (2) determine the number of shares subject to such stock awards. Under our 2017 Plan, our board of directors has the authority to determine and amend the terms of awards and underlying agreements, including:

- recipients;
- the exercise, purchase, or strike price of stock awards, if any;
- the number of shares subject to each stock award;
- the vesting schedule applicable to the awards, together with any vesting acceleration; and
- the form of consideration, if any, payable on exercise or settlement of the award.

Under the 2017 Plan, the board of directors also generally has the authority to effect, with the consent of any adversely affected participant:

- the reduction of the exercise, purchase, or strike price of any outstanding award;

- the cancellation of any outstanding award and the grant in substitution therefore of other awards, cash, or other consideration; or
- any other action that is treated as a repricing under generally accepted accounting principles.

Section 162(m) Limits. At such time as necessary for compliance with Section 162(m) of the Code, no participant may be granted stock awards covering more than 20,000,000 shares of our Class A common stock under the 2017 Plan during any calendar year pursuant to stock options, stock appreciation rights, and other stock awards whose value is determined by reference to an increase over an exercise price or strike price of at least 100% of the fair market value of our Class A common stock on the date of grant. Additionally, under our 2017 Plan, in a calendar year, no participant may be granted a performance stock award covering more than 20,000,000 shares of our Class A common stock or a performance cash award having a maximum value in excess of $20,000,000. These limitations are designed to allow us to grant compensation that will not be subject to the $1,000,000 annual limitation on the income tax deductibility of compensation paid to a covered executive officer imposed by Section 162(m) of the Code.

Stock Options. Incentive stock options and nonstatutory stock options are granted under stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2017 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our Class A common stock on the date of grant. Options granted under the 2017 Plan vest at the rate specified in the stock option agreement as determined by the plan administrator.

Restricted Stock Unit Awards. RSUs are granted under restricted stock unit award agreements adopted by the plan administrator. RSUs may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. An RSU may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the plan administrator, or in any other form of consideration set forth in the RSU agreement. Additionally, dividend equivalents may be credited in respect of shares covered by an RSU. Except as otherwise provided in the applicable award agreement, RSUs that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards are granted under restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of Class A common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock Appreciation Rights. Stock appreciation rights are granted under stock appreciation grant agreements adopted by the plan administrator. The plan administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our Class A common stock on the date of grant. A stock appreciation right granted under the 2017 Plan vests at the rate specified in the stock appreciation right agreement as determined by the plan administrator.

Performance Awards. The 2017 Plan permits the grant of performance-based stock and cash awards that may qualify as performance-based compensation that is not subject to the $1,000,000 limitation on the income tax deductibility imposed by Section 162(m) of the Code. Our compensation committee may structure awards so that the stock or cash will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period.

The performance goals that may be selected include one or more of the following: (i) earnings (including earnings per share and net earnings); (ii) earnings before interest, taxes, and depreciation; (iii) earnings before

interest, taxes, depreciation and amortization; (iv) earnings before interest, taxes, depreciation, amortization, and legal settlements; (v) earnings before interest, taxes, depreciation, amortization, legal settlements, and other income (expense); (vi) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense), and stock-based compensation; (vii) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense), stock-based compensation, and changes in deferred revenue; (viii) total stockholder return; (ix) return on equity or average stockholder's equity; (x) return on assets, investment, or capital employed; (xi) stock price; (xii) margin (including gross margin); (xiii) income (before or after taxes); (xiv) operating income; (xv) operating income after taxes; (xvi) pre-tax profit; (xvii) operating cash flow; (xviii) sales or revenue targets; (xix) increases in revenue or product revenue; (xx) expenses and cost reduction goals; (xxi) improvement in or attainment of working capital levels; (xxii) economic value added (or an equivalent metric); (xxiii) market share; (xxiv) cash flow; (xxv) cash flow per share; (xxvi) share price performance; (xxvii) debt reduction; (xxviii) implementation or completion of projects or processes; (xxix) stockholders' equity; (xxx) capital expenditures; (xxxi) debt levels; (xxxii) operating profit or net operating profit; (xxxiii) workforce diversity; (xxxiv) growth of net income or operating income; (xxxv) billings; (xxxvi) bookings; (xxxvii) employee retention; (xxxviii) user satisfaction; (xxxix) the number of users, including unique users; (xl) budget management; (xli) partner satisfaction; (xlii) entry into or completion of strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property); and (xliii) to the extent that an award is not intended to comply with Section 162(m) of the Code, other measures of performance selected by the board of directors.

The performance goals may be based on company-wide performance or performance of one or more business units, divisions, affiliates, or business segments, and may be either absolute or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the board or committee (as applicable) (i) in the award agreement at the time the award is granted, or (ii) in another document setting forth the performance goals at the time the performance goals are established, the board or committee (as applicable) will appropriately make adjustments in the method of calculating the attainment of performance goals for a performance period as follows: (1) to exclude restructuring or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (5) to exclude the dilutive effects of acquisitions or joint ventures; (6) to assume that any business divested by us achieved performance objectives at targeted levels during the balance of a performance period following the divestiture; (7) to exclude the effect of any change in the outstanding shares of our common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (8) to exclude the effects of stock based compensation and the award of bonuses under the company's bonus plans; (9) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (10) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, the board or committee (as applicable) retains the discretion to reduce or eliminate the compensation or economic benefit due on attainment of performance goals and to define the manner of calculating the performance criteria it selects to use for such performance period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the award agreement or the written terms of a performance cash award.

Other Stock Awards . The plan administrator may grant other awards based in whole or in part by reference to our Class A common stock. The plan administrator will set the number of shares under the stock award and all other terms and conditions of such awards.

Changes to Capital Structure . In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of shares reserved for issuance under the 2017 Plan, (2) the class and maximum number of

shares by which the share reserve may increase automatically each year, (3) the class and maximum number of shares that may be issued on the exercise of incentive stock options, (4) the class and maximum number of shares subject to stock awards that can be granted in a calendar year (as established under the 2017 Plan under Section 162(m) of the Code), and (5) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions . Our 2017 Plan provides that in the event of certain specified significant corporate transactions, including: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of more than 50% of our outstanding securities, (3) the consummation of a merger or consolidation where we do not survive the transaction, and (4) the consummation of a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding before such transaction are converted or exchanged into other property by virtue of the transaction, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the administrator may take one or more of the following actions with respect to such stock awards:

- arrange for the assumption, continuation, or substitution of a stock award by a successor corporation;
- arrange for the assignment of any reacquisition or repurchase rights held by us to a successor corporation;
- accelerate the vesting, in whole or in part, of the stock award and provide for its termination before the transaction;
- arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us;
- cancel or arrange for the cancellation of the stock award before the transaction in exchange for a cash payment, or no payment, as determined by the board; or
- make a payment, in the form determined by our board of directors, equal to the excess, if any, of the value of the property the participant would have received on exercise of the awards before the transaction over any exercise price payable by the participant in connection with the exercise.

The plan administrator is not obligated to treat all stock awards or portions of stock awards, even those that are of the same type, in the same manner and is not obligated to treat all participants in the same manner.

In the event of a change in control, awards granted under the 2017 Plan will not receive automatic acceleration of vesting and exercisability, although this treatment may be provided for in an award agreement. Under the 2017 Plan, a change in control is defined to include (1) the acquisition by any person or company of more than 50% of the combined voting power of our then outstanding stock, (2) a merger, consolidation, or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity), (3) a sale, lease, exclusive license, or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders, and (4) an unapproved change in the majority of the board of directors.

Transferability . A participant may not transfer stock awards under our 2017 Plan other than by will, the laws of descent and distribution, or as otherwise provided under our 2017 Plan.

Plan Amendment or Termination . Our board of directors has the authority to amend, suspend, or terminate our 2017 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No incentive stock options may be granted after the tenth anniversary of the date our board of directors adopted our 2017 Plan. No stock awards may be granted under our 2017 Plan while it is suspended or after it is terminated.

2014 Equity Incentive Plan

Our board of directors adopted, and our stockholders approved, our 2014 Equity Incentive Plan, or our 2014 Plan, in September 2014. Our 2014 Plan was amended most recently in October 2016. Our 2014 Plan allows for the grant of incentive stock options to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options, stock appreciation rights, restricted stock awards, and restricted stock units to employees, directors, and consultants, including employees and consultants of our affiliates.

Our 2017 Plan will become effective on the execution of the underwriting agreement related to this offering. As a result, we do not expect to grant any additional awards under the 2014 Plan following that date, other than awards for up to 2,500,000 shares of Class A common stock to our employees and consultants in France. Any awards granted under the 2014 Plan will remain subject to the terms of our 2014 Plan and applicable award agreements.

Authorized Shares . The maximum number of shares of our Class A common stock that may be issued under our 2014 Plan is 166,164,100, minus the number of shares of our Class B common stock issued after September 4, 2014 under our 2012 Plan. In addition to the share reserve, an additional 53,357,397 shares of Class A common stock are reserved under the 2014 Plan in connection with the Class A Dividend, one share of which will be issued if and when a share from the share reserve is issued in connection with the settlement or exercise of a stock award that was outstanding as of October 31, 2016. The maximum number of shares of Class A common stock that may be issued on the exercise of incentive stock options under our 2014 Plan is three times such maximum number of shares. Shares subject to stock awards granted under our 2014 Plan that expire, are forfeited, or terminate without being exercised in full or are settled in cash do not reduce the number of shares available for issuance under our 2014 Plan. Additionally, shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award become available for future grant under our 2014 Plan, although such shares may not be subsequently issued pursuant to the exercise of an incentive stock option.

Plan Administration . Our board of directors or a duly authorized committee of our board of directors administers our 2014 Plan and the stock awards granted under it. Our board of directors may also delegate to one or more of our officers the authority to (1) designate employees to receive specified stock awards, and (2) determine the number of shares subject to such stock awards. Under our 2014 Plan, the board of directors has the authority to determine and amend the terms of awards and underlying agreements, including:

- recipients;
- the exercise, purchase, or strike price of stock awards, if any;
- the number of shares subject to each stock award;
- the vesting schedule applicable to the awards, together with any vesting acceleration; and
- the form of consideration, if any, payable on exercise or settlement of the award.

Under the 2014 Plan, the board of directors also generally has the authority to effect, with the consent of any adversely affected participant:

- the reduction of the exercise price of any outstanding option or stock appreciation right;
- the cancellation of any outstanding option or stock appreciation right and the grant in substitution therefore of other awards, cash, or other consideration; or
- any other action that is treated as a repricing under generally accepted accounting principles.

Corporate Transactions . Our 2014 Plan provides that in the event of certain specified significant corporate transactions, generally including: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of at

least 90% of our outstanding securities, (3) the consummation of a merger or consolidation where we do not survive the transaction, and (4) the consummation of a merger or consolidation where we do survive the transaction but the shares of common stock outstanding before such transaction are converted or exchanged into other property by virtue of the transaction, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the administrator may take one or more of the following actions with respect to such stock awards: (1) arrange for the assumption, continuation or substitution of a stock award by a successor corporation, (2) arrange for the assignment of any reacquisition or repurchase rights held by us to a successor corporation, (3) accelerate the vesting, in whole or in part, of the stock award and provide for its termination before the transaction, (4) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us, (5) cancel or arrange for the cancellation of the stock award before the transaction in exchange for a cash payment, if any, determined by the board of directors, or (6) make a payment, in the form determined by the board of directors, equal to the excess, if any, of the value of the property the participant would have received on exercise of the stock award before the transaction over any exercise price payable by the participant in connection with the exercise. The plan administrator is not obligated to treat all stock awards, even those that are of the same type, or all participants, in the same manner.

In the event of a change in control, awards granted under the 2014 Plan will not receive automatic acceleration of vesting and exercisability, although the board of directors may provide for this treatment in an award agreement. Under the 2014 Plan, a change in control is defined to include (1) the acquisition by any person of more than 50% of the combined voting power of our then outstanding stock, (2) a merger, consolidation, or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity), (3) our stockholders approve or our board of directors approves a plan of complete dissolution or liquidation or a complete dissolution or liquidation otherwise occurs except for a liquidation into a parent corporation, and (4) a sale, lease, exclusive license, or other disposition of all or substantially all of the assets to an entity that did not previously hold more than 50% of the voting power of our stock.

Transferability . Under our 2014 Plan, the board of directors may provide for limitations on the transferability of awards, in its sole discretion. Option awards are generally not transferable other than by will or the laws of descent and distribution, except as otherwise provided under our 2014 Plan.

Plan Amendment or Termination . Our board of directors has the authority to amend, suspend, or terminate our 2014 Plan, although certain material amendments require the approval of our stockholders, and amendments that would impair the rights of any participant require the consent of that participant.

2012 Equity Incentive Plan

Our board of directors adopted our 2012 Equity Incentive Plan, or our 2012 Plan, in May 2012, and our stockholders approved our 2012 Plan in August 2012. Our 2012 Plan was amended most recently in October 2016. Our 2012 Plan allows for the grant of incentive stock options to employees, including employees of any parent or subsidiary, and for the grant of nonstatutory stock options, stock appreciation rights, restricted stock awards, and restricted stock units to our employees, directors, and consultants, including employees and consultants of our affiliates.

Our 2017 Plan will become effective on the execution of the underwriting agreement related to this offering. As a result, we do not expect to grant any additional awards under the 2012 Plan following that date. Any awards granted under the 2012 Plan will remain subject to the terms of our 2012 Plan and applicable award agreements.

Authorized Shares . The maximum number of shares of our Class B common stock that may be issued under our 2012 Plan is 91,292,140, minus the number of shares of our Class A common stock issued after September 4, 2014 under our 2014 Plan. In addition to the share reserve, an additional 50,022,362 shares of Class A common stock are reserved under the 2012 Plan in connection with the Class A Dividend, one share of which will be

issued if and when a share from the share reserve is issued in connection with the settlement or exercise of a stock award that was outstanding as of October 31, 2016. The maximum number of shares of Class B common stock that may be issued on the exercise of incentive stock options under our 2012 Plan is such maximum number of shares. Shares subject to stock awards granted under our 2012 Plan that expire, are forfeited, or terminate without being exercised in full or are settled in cash do not reduce the number of shares available for issuance under our 2012 Plan. Additionally, shares used to pay the exercise price of a stock award or to satisfy the tax withholding obligations related to a stock award become available for future grant under our 2012 Plan, although such shares may not be subsequently issued pursuant to the exercise of an incentive stock option.

Plan Administration . Our board of directors or a duly authorized committee of our board of directors administers our 2012 Plan and the stock awards granted under it. Our board of directors may also delegate to one or more of our officers the authority to (1) designate employees to receive specified stock awards, and (2) determine the number of shares subject to such stock awards. Under our 2012 Plan, the board of directors has the authority to determine and amend the terms of awards and underlying agreements, including:

- recipients;
- the exercise, purchase, or strike price of stock awards, if any;
- the number of shares subject to each stock award;
- the vesting schedule applicable to the awards, together with any vesting acceleration; and
- the form of consideration, if any, payable on exercise or settlement of the award.

Under the 2012 Plan, the board of directors also generally has the authority to effect, with the consent of any adversely affected participant:

- the reduction of the exercise price of any outstanding option or stock appreciation right;
- the cancellation of any outstanding option or stock appreciation right and the grant in substitution therefore of other awards, cash, or other consideration; or
- any other action that is treated as a repricing under generally accepted accounting principles.

Corporate Transactions . Our 2012 Plan provides that in the event of certain specified significant corporate transactions, generally including: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of at least 90% of our outstanding securities, (3) the consummation of a merger or consolidation where we do not survive the transaction, and (4) the consummation of a merger or consolidation where we do survive the transaction but the shares of common stock outstanding before such transaction are converted or exchanged into other property by virtue of the transaction, unless otherwise provided in an award agreement or other written agreement between us and the award holder, the administrator may take one or more of the following actions with respect to such stock awards: (1) arrange for the assumption, continuation, or substitution of a stock award by a successor corporation, (2) arrange for the assignment of any reacquisition or repurchase rights held by us to a successor corporation, (3) accelerate the vesting, in whole or in part, of the stock award and provide for its termination before the transaction, (4) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by us, (5) cancel or arrange for the cancellation of the stock award before the transaction in exchange for a cash payment, if any, determined by the board of directors, or (6) make a payment, in the form determined by the board of directors, equal to the excess, if any, of the value of the property the participant would have received on exercise of the stock award before the transaction over any exercise price payable by the participant in connection with the exercise. The plan administrator is not obligated to treat all stock awards, even those that are of the same type, or all participants, in the same manner.

In the event of a change in control, awards granted under the 2012 Plan will not receive automatic acceleration of vesting and exercisability, although the board of directors may provide for this treatment in an award agreement. Under the 2012 Plan, a change in control is defined to include (1) the acquisition by any person

of more than 50% of the combined voting power of our then outstanding stock, (2) a merger, consolidation, or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity), (3) our stockholders approve or our board of directors approves a plan of complete dissolution or liquidation or a complete dissolution or liquidation otherwise occurs except for a liquidation into a parent corporation, and (4) a sale, lease, exclusive license, or other disposition of all or substantially all of the assets to an entity that did not previously hold more than 50% of the voting power of our stock.

Transferability . Under our 2012 Plan, the board of directors may provide for limitations on the transferability of awards, in its sole discretion. Option awards are generally not transferable other than by will or the laws of descent and distribution, except as otherwise provided under our 2012 Plan.

Plan Amendment or Termination . Our board of directors has the authority to amend, suspend, or terminate our 2012 Plan, although certain material amendments require the approval of our stockholders, and amendments that would impair the rights of any participant require the consent of that participant.

2017 Employee Stock Purchase Plan

Our board of directors adopted our 2017 Employee Stock Purchase Plan, or ESPP, in January 2017 and our stockholders approved our ESPP in February 2017. Our ESPP will become effective once the registration statement, of which this prospectus forms a part, is declared effective. The ESPP will become effective immediately on the execution and delivery of the underwriting agreement related to this offering. The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees, and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. The ESPP is intended to qualify as an “employee stock purchase plan” within the meaning of Section 423 of the Code for U.S. employees.

Share Reserve . Following this offering, the ESPP authorizes the issuance of 16,484,690 shares of our Class A common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our Class A common stock reserved for issuance will automatically increase on January 1st of each calendar year, beginning on January 1, 2018 (assuming the ESPP becomes effective in fiscal year ending December 31, 2017) through January 1, 2027, by the lesser of (1) 1.0% of the total number of shares of our common stock outstanding on the last day of the calendar month before the date of the automatic increase, and (2) 15,000,000 shares; provided that before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (1) and (2). As of the date hereof, no shares of our Class A common stock have been purchased under the ESPP.

Administration . Our board of directors has delegated its authority to administer the ESPP to our compensation committee. The ESPP is implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under the ESPP, we may specify offerings with durations of not more than 27 months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our Class A common stock will be purchased for employees participating in the offering. We currently intend to have 24-month offerings with multiple purchase periods (of approximately six months in duration) per offering, except that the first purchase period under our first offering may be shorter or longer than six months, depending on the date on which the underwriting agreement relating to this offering becomes effective. An offering under the ESPP may be terminated under certain circumstances.

Payroll Deductions . Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, up to 30% of their earnings (as defined in the ESPP) for the purchase of our Class A common stock under the ESPP. Unless otherwise determined by our board of directors, Class A common stock will be purchased for the accounts of employees participating in the ESPP at a price per share that is at least the lesser of (1) 85% of the fair market value of a share of our Class A common stock on the first date of an offering, or

(2) 85% of the fair market value of a share of our Class A common stock on the date of purchase. For the initial offering, which we expect will commence on the execution and delivery of the underwriting agreement relating to this offering, the fair market value on the first day of the offering period will be the price at which shares of Class A common stock are first sold to the public.

Limitations . Employees may have to satisfy one or more of the following service requirements before participating in the ESPP, as determined by our board of directors, including: (1) being customarily employed for more than 20 hours per week, (2) being customarily employed for more than five months per calendar year, or (3) continuous employment with us or one of our affiliates for a period of time (not to exceed two years). No employee may purchase shares under the ESPP at a rate in excess of $25,000 worth of our Class A common stock based on the fair market value per share of our Class A common stock at the beginning of an offering for each year such a purchase right is outstanding and the maximum number of shares an employee may purchase during a single purchase period is 3,000. Finally, no employee will be eligible for the grant of any purchase rights under the ESPP if immediately after such rights are granted, such employee has voting power over 5% or more of our outstanding capital stock measured by vote or value under Section 424(d) of the Code.

Changes to Capital Structure . In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or similar transaction, the board of directors will make appropriate adjustments to: (1) the number of shares reserved under the ESPP, (2) the maximum number of shares by which the share reserve may increase automatically each year, (3) the number of shares and purchase price of all outstanding purchase rights, and (4) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions . In the event of certain significant corporate transactions, including: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of 90% of our outstanding securities, (3) the consummation of a merger or consolidation where we do not survive the transaction, and (4) the consummation of a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding immediately before such transaction are converted or exchanged into other property by virtue of the transaction, any then-outstanding rights to purchase our stock under the ESPP may be assumed, continued, or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue, or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase shares of our common stock within ten business days before such corporate transaction, and such purchase rights will terminate immediately.

ESPP Amendment or Termination . Our board of directors has the authority to amend or terminate our ESPP, provided that except in certain circumstances such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. We will obtain stockholder approval of any amendment to our ESPP as required by applicable law or listing requirements.

401(k) Plan

We maintain a safe harbor 401(k) plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees are able to defer eligible compensation up to certain Code limits, which are updated annually. We have the ability to make matching and discretionary contributions to the 401(k) plan. Currently, we make a match of each participant's contribution up to a maximum of 3% of the participant's base salary, bonus, and commissions paid during the period, and we make match of 50% of each participant's contribution between 3% and 5% of the participant's base salary, bonus, and commissions paid during the period. Contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. Employees are immediately and fully vested in their own contributions and our contributions. The 401(k) plan is intended to be qualified under

Section 401(a) of the Code, with the related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan are deductible by us when made, and contributions and earnings on those amounts are not taxable to the employees until withdrawn or distributed from the 401(k) plan.

Limitations on Liability and Indemnification Matters

On the closing of this offering, our amended and restated certificate of incorporation will contain provisions that limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission.

Our amended and restated certificate of incorporation will authorize us to indemnify our directors, officers, employees, and other agents to the fullest extent permitted by Delaware law. Our amended and restated bylaws will provide that we are required to indemnify our directors and officers to the fullest extent permitted by Delaware law and may indemnify our other employees and agents. Our amended and restated bylaws will also provide that, on satisfaction of certain conditions, we will advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee, or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers, and other employees as determined by the board of directors. With certain exceptions, these agreements provide for indemnification for related expenses including attorneys' fees, judgments, fines, and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these amended and restated certificate of incorporation and amended and restated bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain customary directors' and officers' liability insurance.

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

Mr. Spiegel and Mr. Murphy are defendants in *Turner v. Spiegel, et al.* , No. BC558442 and, to the extent they are found to have any liability, they may be entitled to indemnification in accordance with their indemnification agreement with us. At present, there is no other pending litigation or proceeding involving any of our directors, officers, or employees for which indemnification is sought and we are not aware of any threatened litigation that may result in claims for indemnification.

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

Rule 10b5-1 Sales Plans

Our directors and officers may adopt written plans, known as Rule 10b5-1 plans, in which they will contract with a broker to buy or sell shares of our Class A common stock, Class B common stock, or Class C common stock on a periodic basis. Under a Rule 10b5-1 plan, a broker executes trades under parameters established by the director or officer when entering into the plan, without further direction from them. The director or officer may amend a Rule 10b5-1 plan in some circumstances and may terminate a plan at any time. Our directors and executive officers may also buy or sell additional shares outside of a Rule 10b5-1 plan when they do not possess of material nonpublic information, subject to compliance with the terms of our insider trading policy. The sale of any shares under such plan would be subject to the lock-up agreement that the director or officer has entered into with the underwriters. See “Underwriting.”

RELATED PERSON TRANSACTIONS

Other than compensation arrangements for our directors and executive officers, which are described elsewhere in this prospectus, below we describe transactions since January 1, 2014 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 holders of more than 5% of our capital stock, or any member of the immediate family of, or person sharing the household with, the foregoing persons, had or will have a direct or indirect material interest.

Investor Rights Agreement

In November 2013, we entered into an amended and restated investor rights agreement, or IRA, which was amended in October 2016, with our founders and certain holders of our preferred stock, including Lynton Asset LP and entities affiliated with Benchmark Capital Partners and Lightspeed Venture Partners, with certain registration rights, including the right to demand that we file a registration statement or request that their shares be covered by a registration statement that we are otherwise filing. Michael Lynton and Mitchell Lasky, members of our board of directors, are affiliated with Lynton Asset LP and Benchmark Capital Partners, respectively. The investor rights agreement also provides these stockholders with information rights, which will terminate on the closing of this offering, and a right of first refusal with regard to certain issuances of our capital stock, which will not apply to, and will terminate on, the closing of this offering. After the closing of this offering, the holders of shares of our Class B common stock issuable on conversion of outstanding preferred stock and shares of our Class C common stock issuable on conversion of our outstanding Series FP preferred stock will be entitled to rights with respect to the registration of their shares of Class B common stock or Class C common stock, respectively, under the Securities Act under this agreement. For a description of these registration rights, see "Description of Capital Stock—Registration Rights."

Founders and Executive Officers

In August 2014, we entered into a full recourse promissory note permitting a loan of up to $5 million with each of Mr. Spiegel and Mr. Murphy. Mr. Spiegel drew down on half of his note in October 2014 and the remainder in February 2015. Mr. Murphy drew down the full amount of his note in June 2015. Each note was unsecured, accrued interest at the rate of the applicable federal rate in the month in which the loan was made, and allowed for repayment at any time. The loans to Mr. Spiegel and Mr. Murphy were repaid in full in September 2016.

In February 2016, we entered into a full recourse promissory note permitting a loan of up to $15 million with Mr. Spiegel. Mr. Spiegel drew down the full amount of his note in February 2016. The note was unsecured, accrued interest at the rate of the applicable federal rate in the month in which the loan was made, and allowed for repayment at any time. This loan to Mr. Spiegel was repaid in full in September 2016.

In January 2015, we loaned Mr. Khan $1,850,244. This loan was evidenced by a full recourse promissory note which was unsecured, accrued interest at the rate of 1.75% per annum, and allowed for repayment at any time. The loan to Mr. Khan was repaid in full in August 2016.

In February 2015, we loaned Mr. Horowitz $3,500,000. This loan was evidenced by a full recourse promissory note which was unsecured, accrued interest at the rate of 1.70% per annum, and allowed for repayment at any time. The loan to Mr. Horowitz was repaid in full in August 2016.

Preferred Stock, Restricted Stock Unit, and Common Stock Repurchase

The repurchases below took place before October 31, 2016, and therefore the number of shares and per share purchase prices were not adjusted to reflect the effects of the Class A Dividend.

In August 2016, we repurchased an aggregate of 260,832 shares of Class B common stock from Mr. Horowitz, at a purchase price of $30.72 per share for an aggregate purchase price of $8.0 million.

In September 2016, we repurchased an aggregate of 137,590 shares of Class B common stock and 125,754 shares of Series FP preferred stock from Mr. Spiegel, at a purchase price of $30.72 per share for an aggregate purchase price of $8.1 million.

In September 2016, we repurchased an aggregate of 137,590 shares of Class B common stock and 125,754 shares of Series FP preferred stock from Mr. Murphy, at a purchase price of $30.72 per share for an aggregate purchase price of $8.1 million.

Sale of Series C Preferred Stock

In January 2014, we sold 293,340 shares of Series C Preferred Stock to an entity affiliated with Michael Lynton, a member of our board of directors, at a purchase price of $3.40893 per share, for an aggregate purchase price of $999,976.

Munger, Tolles & Olson LLP Services

We have engaged the law firm Munger, Tolles & Olson LLP, or Munger, to provide certain legal services to us. Mr. Spiegel's father, John Spiegel, is a partner at Munger, although John Spiegel has not personally provided any material legal services to us. We have paid Munger $305,406, $50,000, and $293,908 during the years ended December 31, 2014, 2015, and 2016, respectively.

Indemnification Agreements

Our amended and restated certificate of incorporation will contain provisions limiting the liability of directors, and our amended and restated bylaws will provide that we will indemnify each of our directors and officers to the fullest extent permitted under Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our employees and other agents when determined appropriate by the board. In addition, we have entered into an indemnification agreement with each of our directors and executive officers, which requires us to indemnify them. For more information regarding these agreements, see "Executive Compensation—Limitations on Liability and Indemnification Matters."

Policies and Procedures for Transactions with Related Persons

In July 2016, we entered into a policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of any class of our common stock, and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related person transaction with us without the approval or ratification of our board of directors or our audit committee. Any request for us to enter into a transaction with an executive officer, director, nominee for election as a director, beneficial owner of more than 5% of any class of our common stock, or any member of the immediate family of any of the foregoing persons, in which the amount involved exceeds $50,000 and such person would have a direct or indirect interest, must be presented to our board of directors or our audit committee for review, consideration, and approval. In approving or rejecting any such proposal, our board of directors or our audit committee is to consider the material facts of the transaction, including whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related person's interest in the transaction.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our shares as of December 31, 2016 by:

- each named executive officer;
- each of our directors;
- our directors and executive officers as a group;
- each person or entity known by us to own beneficially more than 5% of our Class A common stock, Class B common stock, and Class C common stock (by number or by voting power); and
- all selling stockholders.

We have determined beneficial ownership in accordance with the rules and regulations of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Except as indicated by the footnotes below, we believe, based on information furnished to us, that the persons and entities named in the table below have sole voting and sole investment power with respect to all shares that they beneficially own, subject to applicable community property laws.

Applicable percentage ownership before the offering is based on 519,013,572 shares of Class A common stock, 288,794,259 shares of Class B common stock, and 215,887,848 shares of Class C common stock outstanding as of December 31, 2016, assuming (i) the automatic conversion of all outstanding shares of Series FP preferred stock into Class C common stock and all other outstanding shares of preferred stock into shares of Class B common stock and (ii) the vesting and settlement of all outstanding RSUs for which the service-based vesting would be satisfied within 60 days of December 31, 2016, assuming the performance condition had been achieved as of such date, before giving effect to shares withheld to satisfy the associated withholding tax obligations. Applicable percentage ownership after the offering is based on no exercise by the underwriters of their option to purchase additional Class A common stock from certain selling stockholders as well as (i) shares of Class A common stock, (ii) shares of Class B common stock, and (iii) shares of Class C common stock outstanding immediately after the completion of this offering, assuming the issuance of 14,111,225 shares of Class A common stock and 10,512,362 shares of Class B common stock on the vesting of RSUs in connection with this offering. In computing the number of shares beneficially owned by a person and the percentage ownership of such person, we deemed to be outstanding all shares subject to options and RSUs held by the person that are currently exercisable, or exercisable or would vest based on service-based vesting conditions within 60 days of December 31, 2016. However, except as described above, we did not deem such shares outstanding for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, the address for each beneficial owner listed in the table below is c/o Snap Inc., 63 Market Street, Venice, CA 90291.

	Beneficial Ownership Before the Offering								Beneficial Ownership After the Offering						
	Class A Common Stock		Class B Common Stock		Class C Common Stock		% of Total Voting Power Before the Offering	# of Shares being sold	Class A Common Stock		Class B Common Stock		Class C Common Stock		% of Total Voting Power After the Offering
Name of Beneficial Owner	Shares	%	Shares	%	Shares	%			Shares	%	Shares	%	Shares	%	
5% Stockholders and Selling Stockholders:															
Benchmark Capital Partners VII, L.P. (1)	65,799,720	12.7	65,799,720	22.8			2.7								
Lightspeed Venture Partners IX, L.P. (2)	43,314,760	8.3	43,314,760	15.0			1.8								
Directors and Named Executive Officers:															
Evan Spiegel (3)	113,164,485	21.8	5,862,410	2.0	107,943,924	50.0	44.3								
Robert Murphy (4)	113,164,485	21.8	5,862,410	2.0	107,943,924	50.0	44.3								
Imran Khan (5)	1,418,868	*	1,418,868	*			*								
Timothy Sehn (6)	3,373,332	*	3,373,332	*			*								
Michael Lynton (7)	1,509,820	*	1,509,820	*			*								
Joanna Coles (8)	12,370	*					*								
A.G. Lafley (9)	23,736	*					*								
Mitchell Lasky (10)	65,799,720	12.7	65,799,720	22.8			2.7								
Stanley Meresman (11)	61,034	*					*								
Scott D. Miller (12)	5,424	*													
Christopher Young (13)	5,424	*													
All directors and executive officers as a group (14 persons) (14)	300,621,548	58.7	85,909,410	30.3	215,887,848	100.0	91.7								

* Represents beneficial ownership of less than 1%.

(1) Consists of 65,799,720 shares of Class B common stock and 65,799,720 shares of Class A common stock held by Benchmark Capital Partners VII, L.P. Benchmark Capital Management Co. VII, L.L.C., the general partner of Benchmark Capital Partners VII, L.P., may be deemed to have sole power to vote these shares, and Matthew R. Cohler, Bruce W. Dunlevie, Peter H. Fenton, J. William Gurley, Kevin R. Harvey, Mr. Lasky, and Steven M. Spurlock, the managing members of Benchmark Capital Management Co. VII, L.L.C., may be deemed to have shared power to vote these shares. The address for Benchmark Capital Partners VII, L.P. is 2965 Woodside Road, Woodside, CA 94062.

(2) Consists of 43,314,760 shares of Class B common stock and 43,314,760 shares of Class A common stock held by Lightspeed Venture Partners IX, L.P. Lightspeed Ultimate General Partner IX, Ltd. is the general partner of Lightspeed General Partner IX, L.P, which is the general partner of Lightspeed Venture Partners IX, L.P. As such, Lightspeed Ultimate General Partner IX, Ltd. possesses power to direct the voting and disposition of the shares owned by Lightspeed Venture Partners IX, L.P. and may be deemed to have indirect beneficial ownership of the shares held by Lightspeed Venture Partners IX, L.P. Barry Eggers, Jeremy Liew, Ravi Mhatre, Peter Nieh, Christopher J. Schaepe, and John Vrionis are the investment committee members of Lightspeed Ultimate General Partner IX, Ltd., possess power to direct the voting and disposition of the shares owned by Lightspeed Venture Partners IX, L.P., and may be deemed to have indirect beneficial ownership of the shares held by Lightspeed Venture Partners IX, L.P. The address for Lightspeed is 2200 Sand Hill Road, Menlo Park, CA 94025.

(3) Consists of 5,862,410 shares of Class B common stock and 5,862,410 shares of Class A common stock held in trust for which Mr. Spiegel is trustee and holds voting power, and 107,302,075 shares of Class A common stock and 107,943,924 shares of Class C common stock held by Mr. Spiegel individually.

(4) Consists of 5,862,410 shares of Class B common stock and 5,862,410 shares of Class A common stock held in trust for which Mr. Murphy is trustee and holds voting and dispositive power, and 107,302,075 shares of Class A common stock and 107,943,924 shares of Class C common stock held by Mr. Murphy individually.

(5) Mr. Khan holds RSUs for 1,418,868 shares of Class B common stock and 1,418,868 shares of Class A common stock, for which the service-based vesting condition would be satisfied within 60 days of December 31, 2016.

(6) Consists of 3,373,332 shares of Class A common stock and 3,373,332 shares of Class B common stock issuable pursuant to stock options exercisable within 60 days after December 31, 2016.

(7) Consists of (a) 27,550 shares of Class A common stock and 27,550 shares of Class B common stock held by Alter Grandchildren Trust, (b) 1,060,560 shares of Class A common stock and 1,188,930 shares of Class B common stock held by Lynton Asset LP, (c) 128,370 shares of Class A common stock held by Lynton Foundation, and (d) 293,340 shares of Class A common stock and 293,340 shares of Class B common stock held by an entity for which Mr. Lynton holds voting and dispositive power. Mr. Lynton is trustee of the Alter Grandchildren Trust and trustee of Lynton Asset LP.

(8) Ms. Coles holds RSUs for 12,370 shares of Class A common stock, for which the service-based vesting condition would be satisfied within 60 days of December 31, 2016.

(9) Mr. Lafley holds RSUs for 23,736 of Class A common stock, for which the service-based vesting condition would be satisfied within 60 days of December 31, 2016.

(10) Consists of 65,799,720 shares of Class B common stock and 65,799,720 shares of Class A common stock held by Benchmark Capital Partners VII, L.P. Benchmark Capital Management Co. VII, L.L.C., the general partner of Benchmark Capital Partners VII, L.P., may be deemed to have sole power to vote these shares, and Matthew R. Cohler, Bruce W. Dunlevie, Peter H. Fenton, J. William Gurley, Kevin R. Harvey, Mr. Lasky, and Steven M. Spurlock, the managing members of Benchmark Capital Management Co. VII, L.L.C., may be deemed to have shared power to vote these shares.

(11) Mr. Meresman holds RSUs for 61,034 shares of Class A common stock, for which the service-based vesting condition would be satisfied within 60 days of December 31, 2016.

(12) Mr. Miller holds RSUs for 5,424 shares of Class A common stock, for which the service-based vesting condition would be satisfied within 60 days of December 31, 2016.

(13) Mr. Young holds RSUs for 5,424 shares of Class A common stock, for which the service-based vesting condition would be satisfied within 60 days of December 31, 2016.

(14) Consists of 293,638,510 shares of Class A common stock, 79,034,360 shares of Class B common stock, and 215,887,848 shares of Class C common stock held by our current directors and executive officers, 3,373,332 shares of Class A common stock and 3,373,332 shares of Class B common stock issuable under outstanding stock options exercisable within 60 days of December 31, 2016, and RSUs for 3,609,706 shares of Class A common stock and RSUs for 3,501,718 shares of Class B common stock which are subject to vesting conditions expected to occur within 60 days of December 31, 2016.

DESCRIPTION OF CAPITAL STOCK

General

The following description of our capital stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws are summaries and are qualified by reference to the amended and restated certificate of incorporation and the amended and restated bylaws that will be in effect on the closing of this offering. Copies of these documents have been filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of the common stock and preferred stock reflect changes to our capital structure that will be in effect on the closing of this offering.

On the closing of this offering, our amended and restated certificate of incorporation will provide for three classes of common stock: Class A common stock, Class B common stock, and Class C common stock. In addition, our amended and restated certificate of incorporation will authorize shares of undesignated preferred stock, the rights, preferences and privileges of which may be designated from time to time by our board of directors.

On the closing of this offering, our authorized capital stock will consist of 4,460,887,848 shares, all with a par value of $0.00001 per share, of which:

- 3,000,000,000 shares are designated Class A common stock;
- 700,000,000 shares are designated Class B common stock;
- 260,887,848 shares are designated Class C common stock; and
- 500,000,000 shares are designated preferred stock.

As of December 31, 2016, we had outstanding:

- 512,527,443 shares of Class A common stock, which assumes the net issuance of 7,625,096 shares of Class A common stock that will vest and be issued from the settlement of certain outstanding RSUs subject to a performance condition for which the service-based vesting condition was satisfied;
- 283,817,489 shares of Class B common stock, which assumes:
  - the conversion of 246,813,076 outstanding shares of preferred stock into shares of Class B common stock immediately on the closing of this offering; and
  - the net issuance of 5,535,592 shares of Class B common stock that will vest and be issued from the settlement of certain outstanding RSUs subject to a performance condition for which the service-based vesting condition was satisfied; and
- 215,887,848 shares of Class C common stock, which assumes the conversion of 215,887,848 outstanding shares of Series FP preferred stock into shares of Class C common stock immediately on the closing of this offering.

Our outstanding capital stock was held by approximately 305 stockholders of record as of December 31, 2016. Our board of directors is authorized, without stockholder approval except as required by the listing standards of the NYSE, to issue additional shares of our capital stock.

In addition, as of December 31, 2016, and after giving effect to the Class A Dividend, we had outstanding:

- 21,185,669 shares of Class B common stock issuable on the exercise of stock options under our 2012 Plan and 21,185,669 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend;

- 18,068,299 shares of Class B common stock issuable on the vesting and settlement of RSUs under our 2012 Plan and 18,068,299 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend;
- 1,266,433 shares of Class A common stock issuable on the exercise of stock options under our 2014 Plan and 1,266,433 shares of Class A common stock issuable on the exercise of such options under the Class A Dividend; and
- 70,099,641 shares of Class A common stock issuable on the vesting and settlement of RSUs under our 2014 Plan and 49,834,987 shares of Class A common stock issuable on the vesting and settlement of such RSUs under the Class A Dividend.

Class A Common Stock, Class B Common Stock, and Class C Common Stock

Voting Rights

The Class A common stock is non-voting and is not entitled to any votes on any matter that is submitted to a vote of our stockholders, except as required by Delaware law. Delaware law would permit holders of Class A common stock to vote, with one vote per share, on a matter if we were to:

- change the par value of the common stock; or
- amend our certificate of incorporation to alter the powers, preferences, or special rights of the common stock as a whole in a way that would adversely affect the holders of our Class A common stock.

In addition, Delaware law would permit holders of Class A common stock to vote separately, as a single class, if an amendment of our certificate of incorporation would adversely affect them by altering the powers, preferences, or special rights of the Class A common stock, but not the Class B common stock or Class C common stock. As a result, in these limited instances, the holders of a majority of the Class A common stock could defeat any amendment to our certificate of incorporation. For example, if a proposed amendment of our certificate of incorporation provided for the Class A common stock to rank junior to the Class B common stock and Class C common stock with respect to (i) any dividend or distribution, (ii) the distribution of proceeds were we to be acquired, or (iii) any other right, Delaware law would require the vote of the Class A common stock, with each share of Class A common stock entitled to one vote per share. In this instance, the holders of a majority of Class A common stock could defeat that amendment to our certificate of incorporation. Moreover, if an amendment to our certificate of incorporation would alter the powers, preferences, or special rights of the Class A common stock and either the Class B common Stock or the Class C common stock in a way that would affect them adversely compared to the unaffected class, Delaware law would permit the holders of Class A common stock to vote with the other adversely affected class of common stock together as a single class. For example, if a proposed amendment to our certificate of incorporation provided for the Class A common stock and Class B common stock to rank junior to the Class C common stock with respect to (i) any dividend or distribution, (ii) the distribution of proceeds were we to be acquired, or (iii) any other right, Delaware law would require the vote of the Class A common stock and Class B common stock voting together as a single class, with each share of Class A common stock and Class B common stock entitled to one vote per share. In this instance, the holders of a majority of the Class A common stock and Class B common stock, voting together as a single class, could defeat that amendment to our certificate of incorporation.

Holders of our Class B common stock are entitled to one vote per share and holders of Class C common stock are entitled to ten votes per share on any matter submitted to our shareholders. Except as set forth above, holders of shares of Class B common stock and Class C common stock will vote together as a single class on all matters (including the election of directors) submitted to a vote of stockholders. In addition, each class of our common stock may have the right to vote separately in certain instances as listed below under "—Economic Rights."

On the date that all outstanding shares of Class C common stock have converted to Class B common stock, all shares of Class B common stock will convert to Class A common stock and the holders of Class A common stock will be entitled to one vote per share.

Our amended and restated certificate of incorporation does not provide for cumulative voting for the election of directors.

We believe that the voting structure described above, which prolongs our ability to remain a founder-led company, will maximize our ability to create stockholder value. We believe that a significant portion of our success thus far has been attributable to our founders' leadership, creative vision, and management abilities. We also believe that our founders' continued leadership in our company will provide substantial future benefits to us and our stockholders.

Founder Proxy Agreement

Mr. Spiegel and Mr. Murphy, our co-founders, have entered into a proxy agreement with each other, which will remain in effect after the closing of this offering. The agreement will apply to all shares of our Class B common stock and Class C common stock that each may beneficially own from time to time or have voting control over, which will represent approximately % of the outstanding voting power of our capital stock immediately after the closing of this offering.

Under the proxy agreement, Mr. Spiegel has designated Mr. Murphy as his designated proxy holder, and Mr. Murphy has designated Mr. Spiegel as his designated proxy holder. Each co-founder has the right to select from time to time an alternate proxy holder who would exercise the proxy if the primary proxy holder were unable or unwilling to serve as a proxy. Mr. Spiegel and Mr. Murphy have each appointed Michael Lynton as his alternate proxy. Mr. Spiegel and Mr. Murphy may not change the primary proxy holder without the other's consent. A proxy holder will have the right to exercise all of the voting and consent rights of our shares of Class B common stock and Class C common stock beneficially owned by the deceased or disabled co-founder or over which he has voting control on and for the nine months following the co-founder's death or during his disability. Before any proxy holder may vote or act by written consent with respect to the shares of Class B common stock and Class C common stock over which they hold a proxy, that proxy holder will meet with the independent members of our board of directors within 90 days of the co-founder's death or disability.

The proxy agreement will terminate as soon as any of the following occur: (i) nine months after the death of both Mr. Spiegel and Mr. Murphy; (ii) the liquidation, dissolution, or winding up of our business operations; (iii) the execution by us of a general assignment for the benefit of creditors or the appointment of a receiver or trustee to take possession of our property and assets; or (iv) the date as of which Mr. Spiegel and Mr. Murphy terminate the proxy agreement by written consent of Mr. Spiegel and Mr. Murphy, with notice to us.

Economic Rights

Except as otherwise expressly provided in our amended and restated certificate of incorporation or required by Delaware law, all shares of Class A common stock, Class B common stock, and Class C common stock will have the same rights and privileges and rank equally, share ratably, and be identical in all respects for all matters, including those described below.

Dividends and Distributions . Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of Class A common stock, Class B common stock, and Class C common stock will be entitled to share equally, identically, and ratably, on a per share basis, with respect to any dividend or distribution of cash or property paid or distributed by us, unless different treatment of the shares of the affected class is approved by the affirmative vote of the holders of a majority of the outstanding shares of the class treated adversely voting separately as a class. Even though holders of Class A common stock are not normally entitled to a vote on matters presented to our stockholders, they would be entitled to vote separately as a class, with one vote per share, on dividends and distributions if the holders of Class A common stock were treated adversely. As a result, if the holders of Class A common stock were treated adversely in any dividend or

distribution, the holders of a majority of Class A common stock could defeat that dividend or distribution. In addition, if any two classes of common stock are treated adversely relative to another class of common stock with respect to any dividend or distribution, the vote of the holders of a majority of the adversely affected classes, voting together as a single class, would be required to approve that dividend or distribution. For example, if we were to make a distribution of cash to the holders of Class C common stock but not make a cash distribution or make a distribution of stock instead of cash to the holders of Class A common stock and Class B common stock, the holders of a majority of Class A common stock and Class B common stock, voting together as a single class, would be required to approve that dividend or distribution. In that scenario, each share of Class A common stock and Class B common stock would be entitled to one vote per share. See "Dividend Policy" for additional information.

Liquidation Rights . On our liquidation, dissolution, or winding-up, the holders of Class A common stock, Class B common stock, and Class C common stock will be entitled to share equally, identically, and ratably in all assets remaining after the payment of any liabilities, liquidation preferences, and accrued or declared but unpaid dividends, if any, with respect to any outstanding preferred stock, unless a different treatment is approved by the affirmative vote of the holders of a majority of the outstanding shares of each class of common stock, including the Class A common stock, voting separately as a class. As a result, the holders of a majority of each class of common stock, including the Class A common stock, could defeat a proposed distribution of any assets on our liquidation, dissolution, or winding-up if that distribution were not to be shared equally, identically, and ratably.

Change of Control Transactions . The holders of Class A common stock, Class B common stock, and Class C common stock will be treated equally and identically with respect to shares of Class A common stock, Class B common stock, or Class C common stock owned by them, unless different treatment of the shares of each class is approved by the affirmative vote of the holders of a majority of the outstanding shares of each class of common stock, including the Class A common stock, voting separately as a class, on (a) the closing of the sale, transfer, or other disposition of all or substantially all of our assets, (b) the consummation of a merger, reorganization, consolidation, or share transfer which results in our voting securities outstanding immediately before the transaction (or the voting securities issued with respect to our voting securities outstanding immediately before the transaction) representing less than a majority of the combined voting power of the voting securities of the company or the surviving or acquiring entity, or (c) the closing of the transfer (whether by merger, consolidation, or otherwise), in one transaction or a series of related transactions, to a person or group of affiliated persons of securities of the company if, after closing, the transferee person or group would hold 50% or more of the outstanding voting power of the company (or the surviving or acquiring entity). However, consideration to be paid or received by a holder of common stock in connection with any such assets sale, merger, reorganization, consolidation, or share transfer under any employment, consulting, severance, or other arrangement will be disregarded for the purposes of determining whether holders of common stock are treated equally and identically. As a result, the holders of a majority of each class of common stock, including the holders Class A common stock, could defeat a change of control transaction if the holders of Class A common stock, Class B common stock, and Class C common stock were not to be treated equally and identically in such change of control transaction.

Subdivisions and Combinations . If we subdivide or combine in any manner outstanding shares of Class A common stock, Class B common stock, or Class C common stock, the outstanding shares of the other classes will be subdivided or combined in the same manner.

If holders of Class A common stock are treated the same as holders of Class B common stock and Class C common stock with respect to the dividends and distributions, liquidation rights, change of control transactions, and subdivisions and combinations, such holders of Class A common stock will not have the right to vote on such matters.

No Preemptive or Similar Rights

Our Class A common stock, Class B common stock, and Class C common stock are not entitled to preemptive rights, and are not subject to conversion, redemption, or sinking fund provisions, except for the conversion provisions with respect to the Class B common stock and Class C common stock described below.

Conversion

Each share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. Each share of Class C common stock is convertible at any time at the option of the holder into one share of Class B common stock. After the closing of this offering, on any transfer of shares of Class B common stock, whether or not for value, each such transferred share will automatically convert into one share of Class A common stock, except for certain transfers described in our amended and restated certificate of incorporation, including transfers for tax and estate planning purposes, so long as the transferring holder continues to hold sole voting and dispositive power with respect to the shares transferred. After the closing of this offering, any holder's shares of Class B common stock will automatically convert into Class A common stock, on a one-to-one basis, on the death of the holder.

After the closing of this offering, on any transfer of shares of Class C common stock, whether or not for value, each transferred share will automatically convert into one share of Class B common stock, except for certain transfers described in our amended and restated certificate of incorporation, including transfers for tax and estate planning purposes, so long as the transferring holder or a qualified trustee for that holder continues to hold sole voting and dispositive power with respect to the shares transferred, and transfers between founders.

After the closing of this offering, any holder's shares of Class C common stock will automatically convert into Class B common stock, on a one-to-one basis, on the date on which the number of outstanding shares of Class C common stock held by that holder represents less than 30% of the Class C common stock held by that holder on the closing of this offering, or shares of Class C common stock. After the closing of this offering, any holder's shares of Class C common stock will automatically convert into Class B common stock, on a one-to-one basis, nine months after the death of that holder. Once there are no shares of Class C common stock outstanding, all shares of Class B common stock will convert to Class A common stock, on a one-to-one basis, and all shares of Class A common stock will have one vote per share, as described in our amended and restated certificate of incorporation.

After the closing of this offering, either of our founders may transfer shares of Class B common stock or Class C common stock to the other founder or a founder's permitted transferee without such transferred shares converting into Class A common stock or Class B common stock, respectively. In addition, either founder may transfer shares of Class B common stock or Class C common stock to a qualified trustee without such transferred shares converting into Class A common stock or Class B common stock, respectively. A qualified trustee is a professional in the business of providing trustee services that is subject to appointment and removal solely by that founder or, following a founder's death or during the founder's disability event, by the founder's designated proxy (who may be the other founder or another person selected by the founder and approved to act in that role by the independent members of our board of directors). A qualified trustee may not have any pecuniary interest in any Class B common stock or Class C common stock held by any entity of which that person is a trustee. Shares of Class C common stock held by a founder's qualified trustee will convert to Class B common stock nine months after the death of that founder. Termination of a founder's employment or services with us does not result in conversion of Class C common stock held by such founder.

Once transferred and converted into Class A common stock, the Class B common stock may not be reissued. Once transferred and converted into Class B common stock, the Class C common stock may not be reissued.

Fully Paid and Non-Assessable

In connection with this offering, our legal counsel will opine that the shares of our Class A common stock to be issued under this offering will be fully paid and non-assessable.

Preferred Stock

As of December 31, 2016, there were 462,700,924 shares of our preferred stock outstanding. Immediately following the closing of this offering, each outstanding share of our Series FP preferred stock will convert into one share of our Class C common stock and each other outstanding share of preferred stock will convert into one share of our Class B common stock.

On the closing of this offering and under our amended and restated certificate of incorporation, our board of directors may, without further action by our stockholders, fix the rights, preferences, privileges, and restrictions of up to an aggregate of shares of preferred stock in one or more series and authorize their issuance. These rights, preferences, and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, and the number of shares constituting any series or the designation of such series, any or all of which may be greater than the rights of our Class A common stock, Class B common stock, or Class C common stock. Any issuance of our preferred stock could adversely affect the voting power of holders of our Class B common stock or Class C common stock, and the likelihood that such holders would receive dividend payments and payments on liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring, or preventing a change of control or other corporate action. On the closing of this offering, no shares of preferred stock will be outstanding. We have no present plan to issue any shares of preferred stock.

Registration Rights

Stockholder Registration Rights

We are party to an investor rights agreement that provides that certain holders of our preferred stock, including certain holders of at least 5% of our capital stock and entities affiliated with certain of our directors, have certain registration rights, as set forth below. This investor rights agreement was entered into in December 2012 and has been amended and restated from time to time in connection with our preferred stock financings. In addition, certain holders of our preferred stock have registration rights under the purchase agreement under which they originally purchased their preferred stock. The registration of shares of our common stock by the exercise of registration rights described below would enable the holders to sell these shares without restriction under the Securities Act when the applicable registration statement was declared effective. We will pay the registration expenses, other than underwriting discounts and commissions, of the shares registered by the demand, piggyback, and Form S-3 registrations described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. The demand, piggyback, and Form S-3 registration rights described below will expire five years after the effective date of the registration statement, of which this prospectus is a part, or with respect to any particular stockholder, such time after the effective date of the registration statement that such stockholder (a) holds less than 1% of our outstanding common stock (including shares issuable on conversion of outstanding preferred stock), and (b) can sell all of its shares under Rule 144 of the Securities Act during any 90-day period.

Demand Registration Rights

The holders of an aggregate of shares of our Class A common stock (including shares issuable on conversion of Class B common stock) and without giving effect to the sale of shares in this offering by the selling stockholders, will be entitled to certain demand registration rights. At any time beginning 180 days after

the closing of this offering, the holders of at least 50% of these shares may, on not more than two occasions, request that we register all or a portion of their shares. Such request for registration must cover at least 50% of such shares then outstanding, or a lesser percent if the anticipated aggregate offering price, net of underwriting discounts and commissions, would exceed $10,000,000.

Piggyback Registration Rights

After this offering, in the event that we propose to register any of our securities under the Securities Act, the holders of an aggregate of shares of our Class A common stock (including shares issuable on conversion of Class B common stock and Class C common stock), will be entitled to, either for its own account or for the account of other security holders, certain piggyback registration rights allowing the holder to include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to a demand registration or a registration statement on Forms S-4 or S-8, the holders of these shares are entitled to notice of the registration and have the right to include their shares in the registration, subject to limitations that the underwriters may impose on the number of shares included in the offering.

Form S-3 Registration Rights

The holders of an aggregate of 162,962,280 shares of Class A common stock (including shares issuable on conversion of our Class B common stock), and without giving effect to the sale of shares in this offering by the selling stockholders, will be entitled to certain Form S-3 registration rights. The holders of these shares can make a request that we register their shares on Form S-3 if we are qualified to file a registration statement on Form S-3 and if the reasonably anticipated aggregate gross proceeds of the shares offered would equal or exceed $2,000,000. We will not be required to effect more than two registrations on Form S-3 within any 12-month period.

Anti-Takeover Provisions

Certificate of Incorporation and Bylaws to be in Effect On the Closing of this Offering

Because our stockholders do not have cumulative voting rights, stockholders holding a majority of the voting power of our shares of common stock will be able to elect all of our directors. Our amended and restated certificate of incorporation and amended and restated bylaws to be effective on the closing of this offering will provide for stockholder actions at a duly called meeting of stockholders or, before the date on which all shares of common stock convert into a single class, by written consent. A special meeting of stockholders may be called by a majority of our board of directors, the chair of our board of directors, our chief executive officer, or, before the date on which all shares of common stock convert into a single class, the holders of at least 30% of the total voting power of our Class A common stock, Class B common stock, and Class C common stock, voting together as a single class. Our amended and restated bylaws will establish an advance notice procedure for stockholder proposals to be brought before an annual meeting of our stockholders, including proposed nominations of persons for election to our board of directors.

As described above in “Class A Common Stock, Class B Common Stock, and Class C Common Stock—Voting Rights,” our amended and restated certificate of incorporation will further provide for a tri-class common stock structure, which provides Mr. Spiegel, our co-founder and Chief Executive Officer, and Mr. Murphy, our co-founder and Chief Technology Officer, with control over all matters requiring stockholder approval, including the election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets.

The foregoing provisions will make it more difficult for our existing stockholders, other than Mr. Spiegel and Mr. Murphy, to replace our board of directors as well as for another party to obtain control of us by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management. In addition, the authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change our control.

These provisions, including the tri-class structure of our common stock, are intended to preserve our existing founder control structure after completion of our initial public offering, facilitate our continued product innovation and the risk-taking that it requires, permit us to continue to prioritize our long-term goals rather than short-term results, enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of us. These provisions are also designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy fights. However, such provisions could have the effect of discouraging others from making tender offers for our shares and may have the effect of deterring hostile takeovers or delaying changes in our control or management. As a consequence, these provisions may also inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts.

Section 203 of the Delaware General Corporation Law

When we have a class of voting stock that is either listed on a national securities exchange or held of record by more than 2,000 stockholders, we will be subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, subject to certain exceptions.

Choice of Forum

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a breach of fiduciary duty; (iii) any action asserting a claim against us arising under the Delaware General Corporation Law; (iv) any action regarding our amended and restated certificate of incorporation or our amended and restated bylaws; or (v) any action asserting a claim against us that is governed by the internal affairs doctrine. Our amended and restated certificate of incorporation further provides that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Limitations of Liability and Indemnification

See “Executive Compensation—Limitation on Liability and Indemnification.”

Exchange Listing

Our Class A common stock is currently not listed on any securities exchange. We have applied to list our Class A common stock on the NYSE under the symbol “SNAP.”

Transfer Agent and Registrar

On the closing of this offering, the transfer agent and registrar for our Class A common stock, Class B common stock, and Class C common stock will be American Stock Transfer & Trust Company, LLC.

SHARES ELIGIBLE FOR FUTURE SALE

Before the completion of this offering, there has been no public market for our Class A common stock. Future sales of substantial amounts of our Class A common stock, including shares issued on the exercise of outstanding options and issuances of shares on vesting and settlement of RSUs, in the public market after this offering, or the possibility of these sales or issuances occurring, could adversely affect the prevailing market price for our Class A common stock or impair our ability to raise equity capital.

Based on our shares outstanding as of December 31, 2016, on the completion of this offering, a total of 512,527,443 shares of Class A common stock, 283,817,489 shares of Class B common stock, and 215,887,848 shares of Class C common stock will be outstanding, assuming the automatic conversion of all outstanding shares of our Series FP preferred stock into an aggregate of 215,887,848 shares of Class C common stock and all other outstanding shares of preferred stock into an aggregate of 246,813,076 shares of Class B common stock, in each case on the completion of this offering, and the net issuance of 7,625,096 shares of Class A common stock and 5,535,592 shares of Class B common stock that will vest and be issued from the settlement of certain outstanding RSUs subject to a performance condition for which the service-based vesting condition was satisfied. Of these shares, all of the Class A common stock sold in this offering by us or the selling stockholders, plus any shares sold by certain selling stockholders on exercise of the underwriters' option to purchase additional Class A common stock, will be freely tradable in the public market without restriction or further registration under the Securities Act, unless these shares are held by "affiliates," as that term is defined in Rule 144 under the Securities Act.

The remaining shares of Class A common stock, Class B common stock, and Class C common stock will be, and shares of Class A common stock or Class B common stock underlying outstanding RSUs or subject to stock options will be on issuance, "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below. Restricted securities may also be sold outside of the United States to non-U.S. persons in accordance with Rule 904 of Regulation S.

Subject to the lock-up agreements described below and the provisions of Rule 144 or Regulation S under the Securities Act, as well as our insider trading policy, these restricted securities will be available for sale in the public market after the date of this prospectus.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, an eligible stockholder is entitled to sell such shares without complying with the manner of sale, volume limitation, or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. To be an eligible stockholder under Rule 144, such stockholder must not be deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then such person is entitled to sell such shares without complying with any of the requirements of Rule 144, subject to the expiration of the lock-up agreements described below.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell on expiration of the lock-up agreements described below. Beginning 90 days after the date of this prospectus, within any three-month period, such stockholders may sell a number of shares that does not exceed the greater of:

- 1% of the number of Class A common stock then outstanding, which will equal approximately shares immediately after this offering; or
- the average weekly trading volume of our Class A common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

Rule 701 generally allows a stockholder who was issued shares under a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days, to sell these shares in reliance on Rule 144, but without being required to comply with the public information, holding period, volume limitation, or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required by that rule to wait until 90 days after the date of this prospectus before selling those shares under Rule 701, subject to the expiration of the lock-up agreements described below.

Form S-8 Registration Statements

We intend to file one or more registration statements on Form S-8 under the Securities Act with the SEC to register the offer and sale of shares of our Class A common stock and Class B common stock that are issuable under our 2012 Plan, 2014 Plan, 2017 Plan, and ESPP. These registration statements will become effective immediately on filing. Shares covered by these registration statements will then be eligible for sale in the public markets, subject to vesting restrictions, any applicable lock-up agreements described below, and Rule 144 limitations applicable to affiliates.

Lock-up Arrangements

We and all of our directors and executive officers, and the holders of substantially all of our common stock and securities exercisable for or convertible into our Class A common stock, Class B common stock, and Class C common stock outstanding immediately on the closing of this offering, have agreed with the underwriters that, until 150 days after the date of this prospectus; provided, that such restricted period will end ten business days prior to the scheduled closure of our trading window for the first full fiscal quarter completed after the date of this prospectus if (A) such restricted period ends during or within ten business days prior to the scheduled closure of such trading window and (B) such restricted period will end at least 120 days after the date of this prospectus, subject to certain exceptions, we and they will not, without the prior written consent of Morgan Stanley & Co. LLC or Goldman, Sachs & Co., directly or indirectly, offer, sell, contract to sell, pledge, grant any option to purchase, make any short sale, or otherwise dispose of or hedge any of our shares of common stock, any options, or any securities convertible into, or exchangeable for or that represent the right to receive shares of our common stock. We anticipate that the scheduled trading window closure for the first full quarter after the date of this prospectus will begin on June 10, 2017 and open after the first full trading day following our announcement of earnings for that quarter. These agreements are described in “Underwriting.” Either Morgan Stanley & Co. LLC or Goldman, Sachs & Co. may, in its sole discretion, release any of the securities subject to these lock-up agreements at any time.

In addition, we or the underwriters may, from time to time, enter into a separate lock-up agreement with some of the investors in this offering. This separate lock-up agreement may provide for a restricted period that is longer than the period described above.

In addition to the restrictions contained in the lock-up agreements described above, we have entered into agreements with certain security holders, including our IRA, our standard form of option agreement, and our standard form of restricted stock unit agreement, that contain market stand-off provisions imposing restrictions on the ability of such security holders to offer, sell, or transfer our equity securities for a period of 180 days following the date of this prospectus.

Registration Rights

Under our IRA and on the closing of this offering, the holders of shares of our Class A common stock (including shares issuable on conversion of our Class B common stock), or their transferees, will be entitled to certain rights with respect to the registration of the offer and sale of their shares under the Securities Act. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately on the effectiveness of the registration. See "Description of Capital Stock—Registration Rights" for additional information.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the acquisition, ownership, and disposition of our Class A common stock issued pursuant to this offering. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, does not address the potential application of the Medicare contribution tax, and does not address any estate (except to the limited extent set forth below) or gift tax consequences or any tax consequences arising under any state, local, or foreign tax laws, or any other U.S. federal tax laws. This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the Internal Revenue Service, or IRS, all as in effect as of the date of this prospectus. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This discussion is limited to non-U.S. holders who purchase our Class A common stock pursuant to this offering and who hold our Class A common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a particular holder in light of such holder's particular circumstances. This discussion also does not consider any specific facts or circumstances that may be relevant to holders subject to special rules under the U.S. federal income tax laws, including:

- certain former citizens or long-term residents of the United States;
- partnerships or other pass-through entities (and investors therein);
- "controlled foreign corporations";
- "passive foreign investment companies";
- corporations that accumulate earnings to avoid U.S. federal income tax;
- banks, financial institutions, investment funds, insurance companies, brokers, dealers, or traders in securities;
- tax-exempt organizations and governmental organizations;
- tax-qualified retirement plans;
- persons subject to the alternative minimum tax;
- persons who hold or receive our Class A common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- persons that own, or have owned, actually or constructively, more than 5% of our Class A common stock;
- persons who have elected to mark securities to market; and
- persons holding our Class A common stock as part of a hedging or conversion transaction or straddle, or a constructive sale, or other risk reduction strategy or integrated investment.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds our Class A common stock, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Partnerships holding our Class A common stock and the partners in such partnerships are urged to consult their tax advisors about the particular U.S. federal income tax consequences to them of holding and disposing of our common stock.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING, AND DISPOSING OF OUR CLASS A COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL, OR FOREIGN TAX LAWS AND ANY OTHER U.S. FEDERAL TAX LAWS.

Definition of Non-U.S. Holder

For purposes of this discussion, a non-U.S. holder is any beneficial owner of our Class A common stock that is not a "U.S. person" or a partnership (including any entity or arrangement treated as a partnership) for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (1) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust, or (2) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Distributions on Our Class A Common Stock

If we make cash or other property distributions on our Class A common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and will first be applied against and reduce a holder's tax basis in our Class A common stock, but not below zero. Any excess will be treated as gain realized on the sale or other disposition of our Class A common stock and will be treated as described under "—Gain On Disposition of Our Class A Common Stock" below.

Subject to the discussion below regarding effectively connected income, backup withholding and FATCA, dividends paid to a non-U.S. holder of our Class A common stock generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends, or such lower rate specified by an applicable income tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish us or our paying agent a valid IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable successor form) including a U.S. taxpayer identification number and certifying such holder's qualification for the reduced rate. This certification must be provided to us or our paying agent before the payment of dividends and must be updated periodically. If the non-U.S. holder holds the stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to us or our paying agent, either directly or through other intermediaries.

Non-U.S. holders that do not provide the required certification on a timely basis, but that qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS.

If a non-U.S. holder holds our Class A common stock in connection with the conduct of a trade or business in the United States, and dividends paid on our Class A common stock are effectively connected with such holder's U.S. trade or business (and are attributable to such holder's permanent establishment in the United

States if required by an applicable tax treaty), the non-U.S. holder will be exempt from U.S. federal withholding tax. To claim the exemption, the non-U.S. holder must generally furnish a valid IRS Form W-8ECI (or applicable successor form) to the applicable withholding agent.

However, any such effectively connected dividends paid on our Class A common stock generally will be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Gain on Disposition of Our Class A Common Stock

Subject to the discussion below regarding backup withholding and FATCA, a non-U.S. holder generally will not be subject to U.S. federal income tax on any gain realized on the sale or other disposition of our Class A common stock, unless:

- the gain is effectively connected with the non-U.S. holder's 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 maintained by the non-U.S. holder in the United States;
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition, and certain other requirements are met; or
- our Class A common stock constitutes a "United States real property interest" by reason of our status as a United States real property holding corporation, or USRPHC, for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder's holding period for our Class A common stock, and our Class A common stock is not regularly traded on an established securities market during the calendar year in which the sale or other disposition occurs.

Determining whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our foreign real property interests. We believe that we are not currently and do not anticipate becoming a USRPHC for U.S. federal income tax purposes.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular graduated U.S. federal income tax rates in the same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Gain described in the second bullet point above will be subject to U.S. federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by certain U.S.-source capital losses (even though the individual is not considered a resident of the United States), provided that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Annual reports are required to be filed with the IRS and provided to each non-U.S. holder indicating the amount of dividends on our Class A common stock paid to such holder and the amount of any tax withheld with respect to those dividends. These information reporting requirements apply even if no withholding was required

because the dividends were effectively connected with the holder's conduct of a U.S. trade or business, or withholding was reduced or eliminated by an applicable income tax treaty. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established. Backup withholding, currently at a 28% rate, generally will not apply to payments to a non-U.S. holder of dividends on or the gross proceeds of a disposition of our Class A common stock provided the non-U.S. holder furnishes the required certification for its non-U.S. status, such as by providing a valid IRS Form W-8BEN, IRS Form W-8BEN-E or IRS Form W-8ECI, or certain other requirements are met. Backup withholding may apply if the payor has actual knowledge, or reason to know, that the holder is a U.S. person who is not an exempt recipient.

Backup withholding is not an additional tax. If any amount is withheld under the backup withholding rules, the non-U.S. holder should consult with a U.S. tax advisor regarding the possibility of and procedure for obtaining a refund or a credit against the non-U.S. holder's U.S. federal income tax liability, if any.

Withholding on Foreign Entities

Sections 1471 through 1474 of the Code (commonly referred to as FATCA) impose a U.S. federal withholding tax of 30% on certain payments made to a "foreign financial institution" (as specially defined under these rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding certain U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or an exemption applies. FATCA also generally will impose a U.S. federal withholding tax of 30% on certain payments made to a non-financial foreign entity unless such entity provides the withholding agent a certification identifying certain direct and indirect U.S. owners of the entity or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. FATCA currently applies to dividends paid on our Class A common stock. FATCA will also apply to gross proceeds from sales or other dispositions of our Class A common stock after December 31, 2018.

Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of this legislation on their investment in our Class A common stock.

UNDERWRITING

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. are acting as representatives, have severally agreed to purchase, and we and the selling stockholders have agreed to sell to them, severally, the number of shares of our Class A common stock indicated below:

Underwriters	Number of Shares
Morgan Stanley & Co. LLC	
Goldman, Sachs & Co.	
J.P. Morgan Securities LLC	
Deutsche Bank Securities Inc.	
Barclays Capital Inc.	
Credit Suisse Securities (USA) LLC	
Allen & Company LLC	
BTIG, LLC	
C.L. King & Associates, Inc.	
Citigroup Global Markets Inc.	
Cowen and Company, LLC	
Evercore Group, LLC	
Jefferies LLC	
JMP Securities LLC	
LionTree Advisors LLC	
LUMA Securities LLC	
Mischler Financial Group, Inc.	
Oppenheimer & Co., Inc.	
RBC Capital Markets, LLC	
Samuel A. Ramirez & Co., Inc.	
Stifel Financial Corp.	
SunTrust Robinson Humphrey, Inc.	
The Williams Capital Group, L.P.	
William Blair & Company, L.L.C.	
Total	

The underwriters and the representatives are collectively referred to as the "underwriters" and the "representatives," respectively. The underwriters are offering the shares of Class A common stock subject to their acceptance of the shares from us and the selling stockholders 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' option to purchase additional shares 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.

Certain selling stockholders have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 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. 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 stockholders. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase up to an additional shares of our Class A common stock.

		Total	
	Per Share	No Exercise	Full Exercise
Public offering price	$	$	$
Underwriting discounts and commissions to be paid by:			
Us	$	$	$
The selling stockholders	$	$	$
Proceeds, before expenses, to us	$	$	$
Proceeds, before expenses, to selling stockholders	$	$	$

The estimated offering expenses payable by us, exclusive of the underwriting discounts and commissions, are approximately $. We have agreed to reimburse the underwriters for expense relating to clearance of this offering with the Financial Industry Regulatory Authority, or FINRA, up to $ and expenses incurred in connection with the directed share program and certain other expenses in connection with this offering. The underwriters have agreed to reimburse us for certain expenses incurred by us in connection with this offering.

The underwriters have informed us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of our Class A common stock offered by them.

We have applied to list our Class A common stock on the NYSE under the trading symbol "SNAP."

We and all of our directors and officers and the holders of substantially all of our outstanding equity securities have agreed that, without the prior written consent of either of the representatives on behalf of the underwriters, we and they will not, during the period ending 150 days after the date of this prospectus; provided, that such restricted period will end ten business days prior to the scheduled closure of our trading window for the first full fiscal quarter completed after the date of this prospectus if (A) such restricted period ends during or within ten business days prior to the scheduled closure of such trading window and (B) such restricted period will end at least 120 days after the date of this prospectus, which we refer to as 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 common stock or any securities convertible into or exercisable or exchangeable for shares of common stock;
- file any registration statement with the SEC relating to the offering of any shares of common stock or any securities convertible into or exercisable or exchangeable for 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 common stock;

whether any such transaction described above is to be settled by delivery of common stock or such other securities, in cash or otherwise. We anticipate that the scheduled trading window closure for the first full quarter after the date of this prospectus will begin on June 10, 2017 and open after the first full trading day following our announcement of earnings for that fiscal quarter. In addition, we and each such person agrees that, without the

prior written consent of either of the representatives on behalf 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 common stock or any security convertible into or exercisable or exchangeable for common stock.

The lock-up restrictions described in the immediately preceding paragraph do not apply to our directors, officers, and other holders of substantially all of our outstanding securities with respect to:

(i) sales of Class A common stock to the underwriters pursuant to the underwriting agreement;

(ii) transactions relating to shares of Class A common stock acquired in this offering or in open market transactions after the completion of this offering;

(iii) transfers of shares of common stock or any security convertible into common stock as a bona fide gift or charitable contribution;

(iv) transfers of shares of common stock or any security convertible into common stock to an immediate family member or a trust for the direct or indirect benefit of the stockholder or such immediate family member of the stockholder;

(v) transfers of shares of common stock or any security convertible into common stock by will or intestacy;

(vi) transfers of shares of common stock or any security convertible into common stock pursuant to a domestic relations order, divorce decree or court order;

(vii) distributions of shares of common stock or any security convertible into common stock to limited partners, members, stockholders or holders of similar equity interests;

(viii) transfers or distributions of shares of common stock or any securities convertible into or exercisable or exchangeable for common stock 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;

(ix) transfers to us in connection with the repurchase of common stock related to the termination of a stockholder's employment with us pursuant to contractual agreements with us;

(x) the disposition of shares of common stock to us, or the withholding of shares of common stock by us, in a transaction exempt from Section 16(b) of the Exchange Act solely in connection with the payment of taxes due with respect to the vesting or settlement of RSUs granted under our equity incentive plans or pursuant to a contractual employment arrangement described elsewhere in this prospectus, insofar as such RSU is outstanding as of the date of this prospectus; *provided* , that, if required, any public report or filing under Section 16 of the Exchange Act will clearly indicate in the footnotes thereto that such disposition to us or withholding by us of shares or securities was solely to us pursuant to the circumstances described in this clause;

(xi) the exercise of a stock option granted under our equity incentive plans described elsewhere in this prospectus, and the receipt of shares of common stock upon such exercise, insofar as such option is outstanding as of the date of this prospectus, *provided* that any net exercise or cashless exercise of a stock option will only be permitted if such stock option will expire pursuant to its terms during the restricted period, *provided further* that the underlying shares will continue to be subject to the restrictions on transfer set forth in the lockup agreement and, *provided, further* that, if required, any public report or filing under Section 16 of the Exchange Act will clearly indicate in the footnotes thereto that the filing relates to the exercise of a stock option, that no shares were sold to the public by the reporting person and that the shares received upon exercise of the stock option are subject to the lock-up agreement;

(xii) transfers of shares of common stock or any securities convertible into or exercisable or exchangeable for common stock after the closing of this offering pursuant to a bona fide merger, consolidation or other similar transaction involving a change of control approved by our board of directors, *provided*

that, in the event that such change of control transaction is not completed, the securities owned by a security holder shall remain subject to the lock-up agreement;

(xiii) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of common stock, *provided that* (i) such plan does not provide for the transfer of common stock during the restricted period and (ii) to the extent a public announcement or filing under the Exchange Act, if any, is required or voluntarily made regarding the establishment of such plan, such announcement or filing will include a statement to the effect that no transfer of common stock may be made under such plan during the restricted period;

(xiv) the sale of shares of common stock in an underwritten public offering that occurs during the restricted period, including any concurrent exercise (including a net exercise or cashless exercise) or settlement of outstanding equity awards granted under our equity incentive plans or pursuant to a contractual employment arrangement described elsewhere in this prospectus in order to sell the shares of common stock delivered upon such exercise or settlement in such underwritten public offering; *provided that* , if required, any public report or filing under Section 16 of the Exchange Act will clearly indicate in the footnotes thereto that such disposition to us or withholding by us of shares or securities was solely to us pursuant to the circumstances described in this clause; or

(xv) the receipt of shares of common stock in connection with the conversion of our outstanding preferred stock into shares of common stock; *provided that* any such shares of common stock received upon such conversion will continue to be subject to the restrictions on transfer set forth in the lockup agreement;

provided, that , in the case of clauses (iii), (iv), (v), (vi), (vii), or (viii) above each transferee, donee or distributee will sign and deliver a lock up agreement; and, *provided, further that* in the case of clauses (ii), (iii), (iv), (v), (vi), (vii), (viii), or (ix) above no filing under Section 16(a) of the Exchange Act, reporting a reduction in beneficial ownership of shares of common stock, will be required or will be voluntarily made during the restricted period; and, *provided, further that* in the case of clauses (iii), (iv), (v), (vii), and (viii), such transfer or distribution shall not involve a disposition for value.

The lock-up restrictions described above do not apply solely to us with respect to certain transactions.

Either of the representatives, in their sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time.

In addition, we or the underwriters may, from time to time, enter into a separate lock-up agreement with some of the investors in this offering. This separate lock-up agreement may provide for a restricted period that is longer than the period described above.

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 option to purchase additional shares. The underwriters can close out a covered short sale by exercising the option to purchase additional shares 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 option to purchase additional shares. The underwriters may also sell shares in excess of the option to purchase additional shares, 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 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 Class A

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, the selling stockholders and the underwriters have agreed to indemnify each other against certain liabilities, including liabilities under the Securities Act.

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 representatives 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 us, for which they received or will receive customary fees and expenses.

For example, in July 2016, we entered into the Credit Facility with various lenders, including affiliates of Morgan Stanley & Co. LLC, Goldman, Sachs & Co., J.P. Morgan Securities LLC, Deutsche Bank Securities Inc., Barclays Capital Inc., and Credit Suisse Securities (USA) LLC, that allows us to borrow up to $1.1 billion. In December 2016, the amount we are permitted to borrow under the Credit Facility was increased to $1.2 billion. For additional information on the Credit Facility, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources.”

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 this offering, there has been no public market for our Class A common stock. The initial public offering price was determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price were 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. Neither we nor the underwriters can assure investors that an active trading market for the shares will develop, or that after the offering the shares will trade in the public market at or above the initial public price.

Directed Share Program

At our request, the underwriters have reserved up to shares of Class A common stock, or 7.0% of the shares offered by this prospectus, for sale at the initial public offering price to friends of our executive officers, which may include existing investors. None of our employees or members of our board of directors will

participate in this directed share program. Any reserved shares of our Class A common stock that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of our Class A common stock offered by this prospectus. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act, in connection with sales of the reserved shares. Participants in this directed share program will not be subject to the lock-up restriction with respect to any shares purchased through the directed share program.

Selling Restrictions

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, or each a Relevant Member State, an offer to the public of any shares of our 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 any shares of our 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:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representatives for any such offer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of our common stock shall result in a requirement for the publication by us or any underwriter of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares of our 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 any shares of our Class A common stock to be offered so as to enable an investor to decide to purchase any shares of our 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:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or FSMA, received by it in connection with the issue or sale of the shares of our common stock in circumstances in which Section 21(1) of the FSMA does not apply to us; and
- 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 our common stock in, from or otherwise involving the United Kingdom.

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), or 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.

Hong Kong

Each underwriter has represented and agreed that:

- it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any of our Class A common stock other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to our Class A common stock, 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 our 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 may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore, or the SFA, (ii) to a relevant person 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, in each case subject to compliance with conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- 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
- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- shares, debentures and units of shares and debentures 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 pursuant to an offer made under Section 275 of the SFA except:
- to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and

interest in that trust are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;

- where no consideration is or will be given for the transfer; or
- where the transfer is by operation of law.

Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange, or the SIX, or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA, or FINMA, and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes, or CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or the DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission, or ASIC, in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001, or the Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, or the Exempt Investors, who are “sophisticated investors” (within the meaning of section 708(8) of the Corporations Act), “professional investors” (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Canada

The securities may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* . Any resale of the securities must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* , or NI 33-105, the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

LEGAL MATTERS

Cooley LLP, Palo Alto, California, which has acted as our counsel in connection with this offering, will pass on certain legal matters with respect to U.S. federal law in connection with this offering. As of the date of this prospectus, GC&H Investments, LLC, an entity that is comprised of partners and associates of Cooley LLP, beneficially owns 239,800 shares of our Class A common stock and 239,800 shares of our preferred stock, which shares of preferred stock will be converted into 239,800 shares of Class B common stock on the closing of this offering. Goodwin Procter LLP, Menlo Park, California, has acted as counsel to the underwriters in connection with this offering.

CHANGES IN INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Dismissal of Independent Registered Public Accounting Firm

We dismissed PricewaterhouseCoopers LLP, or PwC, as our independent registered public accounting firm on March 3, 2016. The decision to dismiss PwC was approved by our board of directors.

The report of PwC on the financial statements for the fiscal year ended December 31, 2014 contained no adverse opinion or a disclaimer of opinion, and was not qualified or modified as to uncertainty, audit scope or accounting principle. PwC did not audit our consolidated financial statements for any period subsequent December 31, 2014.

During our fiscal year ended December 31, 2014, and the subsequent period through March 3, 2016, (1) there were no disagreements (as that term is used in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) between us and PwC on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of PwC, would have caused PwC to make reference thereto in its report on our consolidated financial statements for the year ended December 31, 2014, and (2) there were no "reportable events" as such term is defined in Item 304(a)(1)(v) of Regulation S-K, except for the following material weaknesses identified in our internal control over financial reporting.

The material weaknesses were identified due to the lack of sufficient qualified accounting personnel, which led to incorrect application of generally accepted accounting principles, insufficiently designed segregation of duties and insufficiently designed controls over business processes, including the financial closing and reporting processes with respect to the development of accounting policies, procedures and estimates. The board of directors discussed the material weaknesses with PwC. We have authorized PwC to respond fully to the inquiries of the successor accountant concerning the subject matter of each of such reportable events.

We have provided PwC with a copy of the disclosures set forth under the heading "Changes in Independent Registered Public Accounting Firm" included in this prospectus and have requested that PwC furnish a letter addressed to the SEC stating whether or not PwC agrees with statements related to them made by us under the heading "Change in Independent Registered Public Accounting Firm" in this prospectus. A copy of that letter is filed as Exhibit 16.1 to the registration statement of which this prospectus forms a part.

Newly Appointed Independent Registered Public Accounting Firm

We engaged Ernst & Young LLP, or Ernst & Young, as our independent registered public accounting firm on April 7, 2016 to audit our consolidated financial statements for the year ended December 31, 2015. The decision to change our principal independent registered public accounting firm was approved by our board of directors.

During our fiscal year ended December 31, 2014, and the subsequent period preceding our engagement of Ernst & Young as our independent registered public accounting firm, we did not consult with Ernst & Young on

matters that involved the application of accounting principles to a specified transaction, the type of audit opinion that might be rendered on our financial statements or any other matter that was either the subject of a disagreement or reportable event.

EXPERTS

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements at December 31, 2015 and 2016, and for each of the two years in the period ended December 31, 2016, as set forth in their report. We have included our financial statements in the prospectus and elsewhere in the registration statement in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of Class A common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our Class A common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. You may obtain copies of this information by mail from the Public Reference Section of the SEC, 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. You may obtain information on the operation of the public reference rooms by calling the SEC at 1-800-SEC-0330. The SEC also maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

On the closing of this offering, we will be subject to the information reporting requirements of the Exchange Act and other reporting requirements of the NYSE, and we will file reports and other information with the SEC as required and make any proxy statements available to the holders of our capital stock as required by the rules of the NYSE. Once this offering closes, we will provide to the holders of shares of Class A common stock the same proxy statements, information statements, annual reports, and other information and reports that we deliver to the holders of shares of Class B common stock and Class C common stock. Any proxy or information statements will clearly indicate that we are not seeking from the holders of non-voting Class A common stock their proxy to vote on any matter described in the proxy, unless they would be entitled to vote on a matter pursuant to applicable law. In the event we do not file a proxy or information statement, the disclosures required by Part III of Form 10-K as well as disclosures required by the NYSE that are customarily included in a proxy statement will be included in our Form 10-K or a 10-K/A. For a discussion regarding the rights, preferences, and privileges of our common stock, see "Description of Capital Stock." These reports, proxy statements and other information will be available for inspection and copying at the public reference room and website of the SEC referred to above.

We also maintain a website at www.snap.com. Information contained in, or accessible through, our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is only as an inactive textual reference.

Snap Inc.

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Stockholders
Snap Inc.

We have audited the accompanying consolidated balance sheets of Snap Inc. as of December 31, 2015 and 2016, and the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for each of the two years in the period ended December 31, 2016. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Snap Inc. at December 31, 2015 and 2016, and the consolidated results of its operations and its cash flows for each of the two years in the period ended December 31, 2016, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Los Angeles, California
January 26, 2017

Snap Inc.
Consolidated Balance Sheets
(in thousands, except per share amounts)

	December 31,		Pro Forma December 31,
	2015	2016	2016 (unaudited)
Assets			
Current assets			
Cash and cash equivalents	$ 640,810	$ 150,121	$ 150,121
Marketable securities	—	837,247	837,247
Accounts receivable, net of allowance	44,325	162,659	162,659
Prepaid expenses and other current assets	7,429	29,958	29,958
Total current assets	692,564	1,179,985	1,179,985
Property and equipment, net	44,079	100,585	100,585
Intangible assets, net	43,230	75,982	75,982
Goodwill	133,944	319,137	319,137
Other assets	25,119	47,103	47,103
Total assets	$ 938,936	$ 1,722,792	$ 1,722,792
Liabilities and Stockholders' Equity			
Current liabilities			
Accounts payable	$ 702	$ 8,419	$ 8,419
Accrued expenses and other current liabilities	155,556	148,325	335,517
Total current liabilities	156,258	156,744	343,936
Other liabilities	18,533	47,134	47,134
Total liabilities	174,791	203,878	391,070
Commitments and contingencies (Note 8)			
Stockholders' equity			
Convertible voting preferred stock, Series A, A-1, and B, $0.00001 par value. 146,962 shares authorized, issued, and outstanding at December 31, 2015 and December 31, 2016 and no shares authorized, issued, and outstanding, pro forma. Liquidation preference of $95,175 at December 31, 2015 and December 31, 2016.	1	1	—
Convertible non-voting preferred stock, Series C, $0.00001 par value. 16,000 shares authorized, issued, and outstanding at December 31, 2015 and December 31, 2016 and no shares authorized, issued, and outstanding, pro forma. Liquidation preference of $54,543 at December 31, 2015 and December 31, 2016.	—	—	—
Convertible non-voting preferred stock, Series D, E, and F, $0.00001 par value. 56,351 shares authorized, 44,555 shares issued and outstanding at December 31, 2015, 83,851 shares authorized, issued, and outstanding at December 31, 2016 and no shares authorized, issued, and outstanding, pro forma.	1	2	—
Series FP convertible voting preferred stock, $0.00001 par value. 217,767 shares authorized, issued, and outstanding at December 31, 2015, 260,888 shares authorized, 215,888 shares issued and outstanding at December 31, 2016 and no shares authorized, issued, and outstanding, pro forma.	2	2	—
Class A non-voting common stock, $0.00001 par value. 1,500,000 shares authorized, 460,655 shares issued and outstanding at December 31, 2015, 1,500,000 shares authorized, 504,902 shares issued and outstanding at December 31, 2016 and 3,000,000 shares authorized, 512,527 shares issued and outstanding, pro forma.	5	5	5
Class B voting common stock, $0.00001 par value. 730,000 shares authorized, 30,931 shares issued and outstanding at December 31, 2015, 1,500,000 shares authorized, 31,469 shares issued and outstanding at December 31, 2016 and 700,000 shares authorized, 283,817 shares issued and outstanding, pro forma.	—	—	3
Class C voting common stock, $0.00001 par value. No shares authorized, issued, and outstanding at December 31, 2015, 260,888 shares authorized, no shares issued and outstanding at December 31, 2016 and 260,888 shares authorized, 215,888 shares issued and outstanding, pro forma.	—	—	2
Notes receivable from officers/stockholders	(10,000)	—	—
Additional paid-in capital	1,467,355	2,728,823	3,639,620
Accumulated other comprehensive income (loss)	—	(2,057)	(2,057)
Accumulated deficit	(693,219)	(1,207,862)	(2,305,851)
Total stockholders' equity	764,145	1,518,914	1,331,722
Total liabilities and stockholders' equity	$ 938,936	$ 1,722,792	$ 1,722,792

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Operations
(in thousands, except per share amounts)

	Year Ended December 31,	
	2015	2016
Revenue	$ 58,663	$ 404,482
Costs and expenses:		
Cost of revenue	182,341	451,660
Research and development	82,235	183,676
Sales and marketing	27,216	124,371
General and administrative	148,600	165,160
Total costs and expenses	440,392	924,867
Loss from operations	(381,729)	(520,385)
Interest income	1,399	4,654
Interest expense	—	(1,424)
Other income (expense), net	(152)	(4,568)
Loss before income taxes	(380,482)	(521,723)
Income tax benefit (expense)	7,589	7,080
Net loss	$ (372,893)	$ (514,643)
Net loss per share attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders (Note 15):		
Basic	$ (0.51)	$ (0.64)
Diluted	$ (0.51)	$ (0.64)
Pro forma net loss per share attributable to Class A, Class B, and Class C common stockholders (Note 15):		
Basic		$ (0.53)
Diluted		$ (0.53)

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Comprehensive Income (Loss)
(in thousands)

	Year Ended December 31,	
	2015	2016
Net loss	$ (372,893)	$ (514,643)
Other comprehensive income (loss), net of tax:		
Unrealized gain (loss) on marketable securities, net of tax	—	44
Foreign currency translation	—	(2,101)
Total other comprehensive income (loss), net of tax	—	(2,057)
Total comprehensive income (loss)	$ (372,893)	$ (516,700)

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Stockholders' Equity
(in thousands)

	Year Ended December 31,			
	2015		2016	
	Shares	Amount	Shares	Amount
Convertible voting preferred stock—Series A, A-1, and B				
Balance, beginning and end of period	146,962	$ 1	146,962	$ 1
Convertible non-voting preferred stock—Series C				
Balance, beginning and end of period	16,000	—	16,000	—
Convertible non-voting preferred stock—Series D, E, and F				
Balance, beginning of period	23,351	—	44,555	1
Issuance of Series F non-voting preferred stock, net of issuance costs	21,204	1	37,668	1
Exchange of Series FP voting preferred stock for Series F non-voting preferred stock	—	—	1,628	—
Balance, end of period	44,555	1	83,851	2
Convertible voting preferred stock—Series FP				
Balance, beginning of period	217,767	2	217,767	2
Repurchase of Series FP voting preferred stock	—	—	(252)	—
Exchange of Series FP voting preferred stock for Series F non-voting preferred stock	—	—	(1,628)	—
Balance, end of period	217,767	2	215,887	2
Class A non-voting common stock				
Balance, beginning of period	437,363	5	460,655	5
Impact of Class A stock split related to Series F non-voting preferred stock	21,204	—	37,668	—
Impact of Class A stock split related to Class B voting common stock	183	—	538	—
Impact of Class A stock split related to repurchase of Series FP voting preferred stock	—	—	(252)	—
Shares issued in connection with exercise of stock options under stock-based compensation plans	2	—	—	—
Issuance of Class A non-voting common stock in connection with acquisitions	1,903	—	6,293	—
Balance, end of period	460,655	5	504,902	5
Class B voting common stock				
Balance, beginning of period	30,748	—	30,931	—
Shares issued in connection with exercise of stock options under stock-based compensation plans	59	—	686	—
Repurchase of Class B voting common stock	(32)	—	(536)	—
Issuance of Class B voting common stock for vesting of restricted stock units	156	—	388	—
Balance, end of period	30,931	$ —	31,469	$ —

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Stockholders' Equity (Continued)
(in thousands)

	Year Ended December 31,			
	2015		2016	
	Shares	Amount	Shares	Amount
Additional paid-in capital				
Balance, beginning of period	—	$ 711,978	—	$ 1,467,355
Stock-based compensation expense	—	73,524	—	31,842
Shares issued in connection with exercise of stock options under stock-based compensation plans	—	60	—	698
Vesting of shares related to early exercise of Class A non-voting common stock options	—	2,218	—	49
Issuance of Series F non-voting preferred stock, net of issuance costs	—	651,305	—	1,157,146
Issuance of Class A non-voting common stock in connection with acquisitions	—	—	—	96,145
Issuance of Class B voting common stock in connection with acquisitions	—	29,270	—	—
Repurchase of Class B voting common stock	—	(1,000)	—	(8,013)
Repurchase of Series FP voting preferred stock	—	—	—	(16,180)
Settlement of restricted stock units	—	—	—	(219)
Balance, end of period	—	1,467,355	—	2,728,823
Accumulated deficit				
Balance, beginning of period	—	(320,326)	—	(693,219)
Net loss	—	(372,893)	—	(514,643)
Balance, end of period	—	(693,219)	—	(1,207,862)
Notes receivable from officers/stockholders				
Balance, beginning of period	—	(2,500)	—	(10,000)
Issuance of notes receivable from officers/stockholders	—	(7,500)	—	(15,000)
Repayment of notes receivable from officers/stockholders	—	—	—	25,000
Balance, end of period	—	(10,000)	—	—
Accumulated other comprehensive income (loss)				
Balance, beginning of period	—	—	—	—
Other comprehensive income (loss)	—	—	—	(2,057)
Balance, end of period	—	—	—	(2,057)
Total stockholders' equity	916,870	$ 764,145	999,071	$ 1,518,914

See Notes to Consolidated Financial Statements.

Snap Inc.
Consolidated Statements of Cash Flows
(in thousands)

	Year Ended December 31,	
	2015	2016
Cash flows from operating activities		
Net loss	$ (372,893)	$ (514,643)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	15,307	29,115
Stock-based compensation	73,524	31,842
Deferred income taxes	(7,700)	(7,952)
Other	626	889
Change in operating assets and liabilities, net of effect of acquisitions:		
Accounts receivable, net of allowance	(41,905)	(118,434)
Prepaid expenses and other current assets	(6,590)	(20,521)
Other assets	(4,451)	(5,064)
Accounts payable	(6,724)	6,486
Accrued expenses and other current liabilities	40,026	(19,728)
Other liabilities	4,158	6,765
Net cash used in operating activities	(306,622)	(611,245)
Cash flows from investing activities		
Purchases of property and equipment	(19,205)	(66,441)
Purchases of intangible assets	(9,100)	(572)
Non-marketable investments	(9,551)	(6,513)
Cash paid for acquisitions, net of cash acquired	(48,730)	(104,001)
Issuance of notes receivable from officers/stockholders	(7,500)	(15,000)
Repayment of notes receivables from officers/stockholders	—	15,000
Purchases of marketable securities	—	(1,565,347)
Sales of marketable securities	—	195,898
Maturities of marketable securities	—	532,690
Change in restricted cash	(1,856)	(7,048)
Other investing activities	(5,000)	—
Net cash used in investing activities	(100,942)	(1,021,334)
Cash flows from financing activities		
Proceeds from the exercise of stock options	60	731
Repurchase of Class B voting common stock and Series FP voting preferred stock	(1,000)	(10,593)
Proceeds from issuances of preferred stock, net of issuance costs	651,306	1,157,147
Borrowings from revolving credit facility	—	5,000
Principal payments on revolving credit facility	—	(5,000)
Payments of deferred offering costs	—	(5,395)
Net cash provided by financing activities	650,366	1,141,890
Change in cash and cash equivalents	242,802	(490,689)
Cash and cash equivalents, beginning of period	398,008	640,810
Cash and cash equivalents, end of period	$ 640,810	$ 150,121
Supplemental disclosures		
Cash paid for income taxes	$ 3	$ 1,686
Supplemental disclosures of non-cash activities		
Issuance of Class B voting common stock related to acquisitions	$ 29,270	$ 96,145
Purchase consideration liabilities related to acquisitions	$ —	$ 21,085
Repurchase of Class B voting common stock and Series FP voting preferred stock in exchange for notes receivable from officers/stockholders	$ —	$ 13,500
Construction in progress related to financing lease obligations	$ 6,305	1,789
Net change in accounts payable and accrued expenses and other current liabilities related to property and equipment additions	$ 3,174	$ 2,084
Deferred offering costs accrued, unpaid	$ —	$ 1,739

See Notes to Consolidated Financial Statements.

Snap Inc.
Notes to Consolidated Financial Statements

1. Nature of Business and Summary of Significant Accounting Policies

Business

Snap Inc. is a camera company.

Snap Inc. ("we," "our," or "us") was formed as Future Freshman, LLC, a California limited liability company, in 2010. We changed our name to Toyopa Group, LLC in 2011, incorporated as Snapchat, Inc., a Delaware corporation, in 2012, and changed our name to Snap Inc. in 2016. Snap Inc. is headquartered in Venice, California. Our flagship product, Snapchat, is a camera application that was created to help people communicate through short videos and images called "Snaps."

Basis of Presentation and Principles of Consolidation

Our consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Our consolidated financial statements include the accounts of Snap Inc. and our wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation. Our fiscal year ends on December 31.

Stock Split Effected in the Form of a Stock Dividend

On October 26, 2016, our board of directors approved a distribution of shares of Class A common stock as a dividend to the holders of all preferred stock and common stock outstanding on October 31, 2016. One share of Class A common stock was distributed for each share of preferred stock and common stock outstanding (the "Stock Split"). As a result of the Stock Split, each outstanding equity award was adjusted to entitle the award holder to receive one share of Class A common stock for each outstanding restricted stock award or stock option to acquire a share of either Class A common stock or Class B common stock. Share and per share amounts for Class A common stock disclosed for all prior periods have been retroactively adjusted to reflect the effects of the Stock Split. The Stock Split did not affect outstanding shares of preferred stock.

Unaudited Pro Forma Balance Sheet Information

In connection with a qualifying initial public offering, as described in Note 9, (i) all outstanding convertible preferred stock other than Series FP convertible voting preferred stock will automatically convert into shares of Class B common stock, and (ii) all shares of Series FP convertible voting preferred stock will automatically convert into shares of Class C common stock. The unaudited pro forma balance sheet information gives effect to the conversion of the convertible preferred stock as of December 31, 2016.

Additionally, as described in "Stock-based Compensation" below, we granted restricted stock units ("RSUs") to employees which included both service-based and performance conditions to vest in the underlying common stock. The performance condition is satisfied on either: (1) a change in control event, such as a sale of all or substantially all of our assets or a merger involving the sale of a majority of the outstanding shares of our voting capital stock, or (2) the effective date of our registration statement in connection with a qualifying initial public offering. We expect to record stock-based compensation expense related to the vesting of RSUs on the effectiveness of our initial public offering. Accordingly, the unaudited pro forma balance sheet information at December 31, 2016 gives effect to stock-based compensation expense of approximately $1.1 billion associated with these RSUs, for which the service-based condition was satisfied as of December 31, 2016. This pro forma adjustment related to stock-based compensation expense of approximately $1.1 billion has been reflected as an increase to additional paid-in capital and accumulated deficit. To meet the tax withholding requirements, we will

withhold the number of shares necessary to satisfy the tax withholding obligations, based on the fair value of our common stock on the date of the initial public offering. We currently expect that the average of these withholding tax rates will be approximately 47%. If the price of our common stock at the time of settlement were equal to $16.33 per share, which is the fair value of our common stock as of December 31, 2016, we estimate that this tax withholding obligation would be approximately $187.2 million in the aggregate. Such amount is included as an increase in accrued expenses and other current liabilities, and an equivalent decrease in additional paid-in capital in the pro forma balance sheet as of December 31, 2016. For RSUs for which the service-based vesting condition was satisfied as of December 31, 2016, the pro forma shares outstanding as of December 31, 2016 includes the issuance of 7.6 million shares of Class A common stock, net of 6.5 million shares withheld for tax withholding obligations, and 5.5 million shares of Class B common stock, net of 5.0 million shares withheld for tax withholding obligations.

In addition, based on the terms of the Chief Executive Officer's ("CEO's") offer letter, on the closing of the initial public offering, the CEO will receive an RSU award ("CEO award") for shares of Series FP preferred stock, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of the initial public offering. The shares underlying the CEO award have voting rights on delivery and settlement of such shares. Such shares are participating securities on the date of the closing of the initial public offering because they will participate in all dividends on Class C common stock. The CEO award will represent 3.0% of all outstanding shares on the closing of the initial public offering, which includes shares sold by us in the initial public offering and the employee RSUs that will vest on the effective date of the registration statement in connection with a qualifying initial public offering. The CEO award will vest immediately on the closing of the initial public offering and such shares will be delivered to the CEO in equal quarterly installments over three years beginning in the third full calendar quarter following the initial public offering. There is no continuing service requirement of the CEO following the closing of the initial public offering.

The effect of the CEO award is not included in the unaudited pro forma balance sheet information due to uncertainty regarding the post IPO shares outstanding and the IPO price per share. When there are estimates related to the post IPO shares outstanding and the IPO price per share, the unaudited pro forma balance sheet will be updated to reflect the estimated amount of compensation expense related to these fully vested awards to be recognized on the effective date of the initial public offering for the CEO award. Shares related to the CEO award will not be included in the pro forma outstanding shares on the effective date of the initial public offering because such shares will be delivered in equal quarterly installments subsequent to the initial public offering in accordance with the terms of the CEO award.

The associated income tax effect to reflect the anticipated future tax benefits on settlement of the above RSUs is not expected to be material as we have established a valuation allowance to reduce our net deferred tax assets to the amount that is more likely than not to be realized (see Note 7).

Use of Estimates

The preparation of our consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements. Management's estimates are based on historical information available as of the date of the consolidated financial statements and various other assumptions that we believe are reasonable under the circumstances. Actual results could differ from those estimates.

Key estimates relate primarily to determining the fair value of assets and liabilities assumed in business combinations, evaluation of contingencies, uncertain tax positions, and the fair value of stock-based awards. On

an ongoing basis, management evaluates our estimates compared to historical experience and trends, which form the basis for making judgments about the carrying value of assets and liabilities.

Concentrations of Business Risk

Our agreement with Google requires that we use their cloud services for substantially all of our hosting requirements. A disruption or loss of service from this partner could seriously harm our ability to operate. Although we believe there are other qualified providers that can provide these services, a transition to a new provider could create a significant disruption to our business and negatively impact our consolidated financial statements.

See Note 18 for discussion of subsequent events relating to this agreement.

Concentrations of Credit Risk

Financial instruments that potentially subject us to significant concentrations of credit risk consist principally of cash, cash equivalents, marketable securities, and accounts receivable. We maintain cash deposits, cash equivalent balances, and marketable securities with several financial institutions. Cash and cash equivalents may be withdrawn or redeemed on demand. We believe that the financial institutions that hold our cash and cash equivalents are financially sound and, accordingly, minimal credit risk exists with respect to these balances. We also maintain investments in U.S. government debt and agency securities that carry high credit ratings and accordingly, minimal credit risk exists with respect to these balances.

We extend credit to our customers based on an evaluation of their ability to pay amounts due under contractual arrangement and generally do not obtain or require collateral.

Revenue Recognition

We generate substantially all of our revenues by offering various advertising products on Snapchat, including Snap Ads, which are vertical full screen video advertisements, and Sponsored Creative Tools, which include Geofilters and Lenses. Sponsored Geofilters allow users to interact with an advertiser's brand by enabling stylized brand artwork to be overlaid on a Snap. Sponsored Lenses allow users to interact with an advertiser's brand by enabling branded interactive experiences.

Revenue from our advertising products is recognized when persuasive evidence of an arrangement exists with our customers, the services have been provided or delivered, the fees are fixed or determinable, and collectability of the related receivable is reasonably assured. Advertising revenue is generated from the display of advertisements on Snapchat through contractual agreements, that are either on a fixed fee basis over a period of time or based on the number of advertising impressions delivered. Revenue related to agreements based on the number of impressions delivered is recognized when the advertisement is displayed. Revenue related to fixed fee arrangements is recognized ratably over the service period, typically less than 30 days in duration, and such arrangements do not contain minimum impression guarantees. In determining whether an arrangement exists, we ensure that an agreement, such as an insertion order, has been fully executed. We determine collectability by performing ongoing credit evaluations and monitoring customer accounts receivable balances. Sales tax is excluded from reported revenue.

We sell advertising directly to advertisers ("Snap-sold" revenue) and certain partners that provide content on Snapchat ("content partners") also sell directly to advertisers ("partner-sold" revenue). Snap Ads may be subject to revenue sharing agreements between us and our content partners. Our Sponsored Creative Tools are only Snap-sold and are not subject to revenue sharing arrangements. Snap-sold revenue is recognized based on the gross amount that we charge the advertiser. Partner-sold revenue is recognized based on the net amount of revenue received from the content partners. For the years ended December 31, 2015 and 2016, approximately

87% and 91% of our advertising revenue was Snap-sold and approximately 13% and 9% of our advertising revenue was partner-sold, respectively.

We report Snap-sold revenue on a gross basis predominately because we are the primary obligor responsible for fulfilling advertisement delivery, including the acceptability of the services delivered. For Snap-sold advertising, we enter into contractual arrangements directly with advertisers. We are directly responsible for the fulfillment of the contractual terms and any remedy for issues with such fulfillment. For Snap-sold revenue, we also have latitude in establishing the selling price with the advertiser, as we sell advertisements at a rate determined at our sole discretion.

We report revenue related to transactions sold by our content partners on a net basis predominately because the content partner, and not Snap Inc., is the primary obligor responsible for fulfillment, including the acceptability of the services delivered. In partner-sold advertising arrangements, the content partner has a direct contractual relationship with the advertiser. There is no contractual relationship between us and the advertiser for partner-sold transactions. When a content partner sells advertisements, the content partner is responsible for fulfilling the advertisements, and accordingly, we have determined the content partner is the primary obligor. Additionally, we do not have any latitude in establishing the price with the advertiser for partner-sold advertising. The content partner may sell advertisements at a rate determined at its sole discretion.

We also generate revenue from sales of our hardware product, Spectacles. Revenue from sales of Spectacles is recognized when delivered, risk of loss has transferred to the customer, and no significant obligations remain. We offer customers limited rights to return products and we record reductions to revenue for expected future product returns. Revenue for the year ended December 31, 2016 from the sales of Spectacles was not material.

Cost of Revenue

Cost of revenue includes payments made by us based on revenue share arrangements with our content partners. Under these arrangements, we pay a portion of the fees we receive from the advertisers for Snap Ads that are displayed within partner content on Snapchat. Such revenue-share costs were $9.6 million and $57.8 million for the years ended December 31, 2015 and 2016, respectively.

In addition, cost of revenue consists of expenses associated with hosting costs of the Snapchat mobile application and content creation, which includes personnel-related costs and advertising measurement services. In addition, cost of revenue includes inventory costs for our Spectacles hardware product and facilities and other supporting overhead costs, including depreciation and amortization.

Advertising

Advertising costs are expensed as incurred and were $2.7 million and $9.4 million for the years ended December 31, 2015 and 2016, respectively.

Stock-based Compensation

We measure and recognize compensation expense for stock-based payment awards, including stock options and RSUs granted to employees and advisors, based on the grant date fair value of the awards. Awards granted to non-employees are marked-to-market each quarter. The grant date fair value of stock options is estimated using a Black-Scholes option pricing model. The fair value of stock-based compensation for stock options is recognized on a straight-line basis, net of estimated forfeitures, over the period during which services are provided in exchange for the award. The grant date fair value of RSUs is estimated based on the fair value of our underlying common stock.

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

Substantially all RSUs granted to employees before December 31, 2016 contain both service-based and performance conditions to vest in the underlying common stock. The service-based condition criteria is generally met 10% after the first year of service, 20% over the second year, 30% over the third year, and 40% over the fourth year. The performance condition will be satisfied on either: (1) a change in control event, such as a sale of all or substantially all of our assets or a merger involving the sale of a majority of the outstanding shares of our voting capital stock, or (2) the effective date of the registration statement in connection with a qualifying initial public offering. A change in control event and effective registration event are not deemed probable until consummated; accordingly no expense is recorded related to these awards until the performance condition becomes probable of occurring. Awards which contain both service-based and performance conditions are recognized using the accelerated attribution method once the performance condition is probable of occurring.

In limited instances, we issue RSUs that vest solely on a service-based condition. For these awards, we recognize stock-based compensation expense on a straight-line basis over the vesting period.

Stock option and RSU awards issued to non-employees are accounted for at fair value. The fair value of each non-employee stock-based compensation award is re-measured each period until the earlier of the date at which the non-employee's performance is complete or a performance commitment date is reached, which is generally the vesting date. Stock-based compensation expense for non-employee stock awards is recognized on a straight-line basis in our consolidated statements of operations.

Stock-based compensation expense recognized in the Consolidated Statements of Operations for all periods presented is based on awards that are expected to vest less estimated forfeitures. We estimate the forfeiture rate of our stock-based awards based on an analysis of actual forfeitures, employee turnover, and other factors. A modification of the terms of a stock-based award is treated as an exchange of the original award for a new award with total compensation cost equal to the grant-date fair value of the original award plus the incremental value of the modification to the award.

Income Taxes

We are subject to income taxes in the United States and numerous foreign jurisdictions. Deferred tax assets and liabilities are determined based on differences between the financial reporting and tax basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the deferred tax asset or liability is expected to be realized or settled.

In evaluating our ability to recover deferred tax assets, we consider all available positive and negative evidence, including historical operating results, ongoing tax planning, and forecasts of future taxable income on a jurisdiction-by-jurisdiction basis. Based on the level of historical losses, we have established a valuation allowance to reduce our net deferred tax assets to the amount that is more likely than not to be realized.

We recognize a tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in our consolidated financial statements from such positions are measured based on the largest benefit that has a greater than 50% likelihood of being realized. We recognize interest and penalties associated with tax matters as part of the income tax provision and include accrued interest and penalties with the related income tax liability on our consolidated balance sheets.

Currency Translation and Remeasurement

The functional currency of the substantial majority of our foreign subsidiaries is the U.S. dollar. Monetary assets and liabilities denominated in a foreign currency are remeasured into U.S. dollars at the exchange rate on

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Notes to Consolidated Financial Statements (Continued)

the balance sheet date. Revenue and expenses are remeasured at the average exchange rates during the period. Equity transactions and other non-monetary assets are remeasured using historical exchange rates. Foreign currency transaction gains and losses are recorded in other income (expense), net on our consolidated statement of operations. For those foreign subsidiaries where the local currency is the functional currency, adjustments to translate those statements into U.S. dollars are recorded in accumulated other comprehensive income (loss) in stockholders' equity.

Cash and Cash Equivalents

Cash and cash equivalents consist of highly liquid investments with original maturities of 90 days or less from the date of purchase.

Restricted Cash

We are required to maintain restricted cash deposits to back letters of credit for certain property leases. These funds are restricted and have been classified in other assets on our consolidated balance sheets due to the nature of restriction. At December 31, 2015 and 2016, we maintained restricted cash totaling $6.2 million and $13.2 million, respectively.

Marketable Securities

We hold investments in marketable securities consisting of U.S. government securities and U.S. government agency securities. We classify our marketable securities as available-for-sale investments in our current assets because they represent investments available for current operations. Our available-for-sale investments are carried at fair value with any unrealized gains and losses, net of taxes, included in accumulated other comprehensive (loss) income in stockholders' equity. We determine gains or losses on the sale or maturities of marketable securities using the specific identification method and these gains or losses are recorded in other income (expense), net in our consolidated statements of operations. Unrealized losses are recorded in other income (expense), net when a decline in fair value is determined to be other than temporary.

Inventory

Prepaid expenses and other current assets include our Spectacles inventory, which consists of finished goods purchased from contract manufacturers. Inventory is stated at the lower of cost or market on a weighted-average cost basis. Inventories are written down for estimated obsolescence or excess inventory equal to the difference between the cost of inventory and estimated market value. Adjustments to reduce inventory to net realizable value are recognized in cost of revenue.

Non-Marketable Investments

We account for non-marketable investments under the cost method when we are not able to exercise significant influence over the investee. When we exercise significant influence over, but do not control the investee, such non-marketable investments are accounted for using the equity method. Under the equity method of accounting, we record our share of the results of the investments within other income (expense), net in our consolidated statements of operations.

Fair Value Measurements

Certain financial instruments are required to be recorded at fair value. Other financial instruments, including cash and cash equivalents and restricted cash, are recorded at cost, which approximates fair value. Additionally,

accounts receivable, accounts payable and accrued expenses approximate fair value because of the short-term nature of these financial instruments.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount less any allowance for doubtful accounts to reserve for potentially uncollectible receivables. To determine the amount of the allowance, we make judgments about the creditworthiness of customers based on ongoing credit evaluation and historical experience. At December 31, 2015 and 2016, the allowance for doubtful accounts was immaterial.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. We compute depreciation using the straight-line method over the estimated useful lives of the assets, which is generally three years for computer hardware and software, five years for furniture and equipment, and over the shorter of lease term or useful life of the assets for leasehold improvements. Buildings are depreciated over a useful life ranging from 25 to 45 years. Maintenance and repairs are expensed as incurred.

Build-to-Suit Leases

We capitalize construction in progress and record a corresponding long-term liability for build-to-suit lease agreements where we are considered the owner, for accounting purposes, during the construction period. For buildings under build-to-suit lease arrangements where we have taken occupancy, which do not qualify for sales recognition under the sale-leaseback accounting guidance, we determined that we continue to be the deemed owner of these buildings. This is principally due to our significant investment in tenant improvements. As a result, the buildings are being depreciated over the shorter of their useful lives or the related lease term. At occupancy, the long-term construction obligations are considered long-term finance lease obligations and are recorded as other liabilities with amounts payable during the next 12 months recorded as accrued expenses and other current liabilities on the consolidated balance sheets. Assets capitalized under build-to-suit leases were $16.3 million and $47.7 million as of December 31, 2015 and 2016, respectively. These assets were under construction and not yet placed in service as of December 31, 2015 and no depreciation expense was recorded in the year ended December 31, 2015. A portion of the assets were placed into service during the year ended December 31, 2016, resulting in an immaterial amount of depreciation expense.

Software Development Costs

Software development costs include costs to develop software to be used to meet internal needs and applications used to deliver our services. We capitalize development costs related to these software applications once the preliminary project stage is complete and it is probable that the project will be completed and the software will be used to perform the function intended. Costs capitalized for developing such software applications were not material for the periods presented.

Segments

Our CEO is our chief operating decision maker. Our CEO reviews financial information presented on a consolidated basis, accompanied by disaggregated information about revenue by geographic region. There are no segment managers who are held accountable by the chief operating decision maker for operations, operating results, and planning for levels or components below the consolidated unit level. We therefore have determined we have a single operating segment.

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Notes to Consolidated Financial Statements (Continued)

Business Combinations

We include the results of operations of the businesses that we acquire from the date of acquisition. We determine the fair value of the assets acquired and liabilities assumed based on their estimated fair values as of the respective date of acquisition. The excess purchase price over the fair values of identifiable assets and liabilities is recorded as goodwill. Determining the fair value of assets acquired and liabilities assumed requires management to use significant judgment and estimates including the selection of valuation methodologies, estimates of future revenue and cash flows, discount rates and selection of comparable companies. Our estimates of fair value are based on assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. During the measurement period, not to exceed one year from the date of acquisition, we may record adjustments to the assets acquired and liabilities assumed, with a corresponding offset to goodwill. At the conclusion of the measurement period, any subsequent adjustments are reflected in the consolidated statements of operations.

When we issue payments or grants of equity to selling shareholders in connection with an acquisition, we evaluate whether the payments or awards are compensatory. This evaluation includes whether cash payments or stock award vesting is contingent on the continued employment of the selling stockholder beyond the acquisition date. If continued employment is required for the cash to be paid or stock awards to vest, the award is treated as compensation for post-acquisition services and is recognized as compensation expense.

Transaction costs associated with business combinations are expensed as incurred, and are included in general and administrative expenses in our consolidated statements of operations.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination. We test goodwill for impairment at least annually, in the fourth quarter, or whenever events or changes in circumstances indicate that goodwill might be impaired. At December 31, 2015 and 2016, we had a single operating segment and reporting unit structure.

In testing for goodwill impairment, we first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, we determine it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then additional impairment testing is not required. However, if we conclude otherwise, we perform the first of a two-step impairment test.

The first step compares the estimated fair value of a reporting unit to its book value, including goodwill. If the estimated fair value exceeds book value, goodwill is considered not to be impaired and no additional steps are necessary. 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 any of the periods presented.

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Notes to Consolidated Financial Statements (Continued)

Intangible Assets

Intangible assets are carried at cost and amortized on a straight-line basis over their estimated useful lives. We determine the appropriate useful life of our intangible assets by measuring the expected cash flows of acquired assets. The estimated useful lives of intangible assets are as follows:

Intangible Asset	Estimated Useful Life
Domain names	5 Years
Trademarks	1 to 5 Years
Non-compete agreements	1 to 3 Years
Acquired developed technology	5 to 7 Years
Customer relationships	2 Years
Patents	3 to 11 Years

Impairment of Long-Lived Assets

We evaluate recoverability of our property and equipment and intangible assets, excluding goodwill, when events or changes indicate the carrying amount of an asset may not be recoverable. Events and changes in circumstances considered in determining whether the carrying value of long-lived assets may not be recoverable include: significant changes in performance relative to expected operating results; significant changes in asset use; and significant negative industry or economic trends and changes in our business strategy. 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. We determined that there were no events or changes in circumstances that indicated our long-lived assets were impaired during any of the periods presented.

Legal Contingencies

For legal contingencies, we accrue a liability for an estimated loss if the potential loss from any claim or legal proceeding is considered probable, and the amount can be reasonably estimated. Note 8 provides additional information regarding our legal contingencies.

Recent Accounting Pronouncements

In January 2017, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") 2017-01, *Business Combinations (Topic 805) Clarifying the Definition of a Business* . The amendments in this update clarify the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The definition of a business affects many areas of accounting including acquisitions, disposals, goodwill, and consolidation. The guidance is effective for interim and annual periods beginning after December 15, 2017 and should be applied prospectively on or after the effective date. We are in the process of evaluating the impact of this accounting standard update.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash,* which requires restricted cash to be presented with cash and cash equivalents on the statement of cash flows and disclosure of how the statement of cash flows reconciles to the balance sheet if restricted cash is shown separately from cash and cash equivalents on the balance sheet. ASU 2016-18 is effective for interim and annual periods beginning after December 15, 2017, with early adoption permitted. We are in the process of evaluating the impact of this accounting standard update on our consolidated financial statements.

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Notes to Consolidated Financial Statements (Continued)

In October 2016, the FASB issued ASU 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfer of Assets Other than Inventory* , which requires the recognition of the income tax consequences of an intra-entity transfer of an asset, other than inventory, when the transfer occurs. ASU 2016-16 is effective for interim and annual periods beginning after December 15, 2018, with early adoption permitted. We have adopted ASU 2016-06 as of January 1, 2017 and do not expect the adoption to have a material impact on our consolidated financial statements.

In August 2016, the FASB issued ASU 2016-15, *Statement of Cash Flows (Topic 230), Classification of Certain Cash Receipts and Cash Payments* . ASU 2016-15 provides guidance for targeted changes with respect to how cash receipts and cash payments are classified in the statements of cash flows, with the objective of reducing diversity in practice. ASU 2016-15 is effective for interim and annual periods beginning after December 15, 2017, with early adoption permitted. We are in the process of evaluating the impact of this accounting standard update on our consolidated statements of cash flows.

In March 2016, the FASB issued ASU 2016-09, *Stock Compensation (Topic 718), Improvements to Employee Share-Based Payment Accounting* . ASU 2016-09, which amends several aspects of accounting for employee share-based payment transactions including the accounting for income taxes, forfeitures, and statutory tax withholding requirements, as well as classification in the statement of cash flows. ASU 2016-09 is effective for fiscal years beginning after December 15, 2016 and interim periods within annual periods beginning after December 15, 2016, with early adoption permitted. We early adopted ASU 2016-09 as of January 1, 2015. The adoption of ASU 2016-09 did not have a material impact on our financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* . ASU 2016-02 requires lessees to recognize lease assets and lease liabilities on the balance sheet and requires expanded disclosures about leasing arrangements. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018 and interim periods in fiscal years beginning after December 15, 2018, with early adoption permitted. We are in the process of evaluating the impact of this accounting standard update on our consolidated financial statements.

In November 2015, the FASB issued ASU 2015-17, *Balance Sheet Classification of Deferred Taxes* . ASU 2015-17 requires that all deferred tax assets and liabilities be classified as non-current on the balance sheet. Before the issuance of ASU 2015-17, deferred tax assets and liabilities were required to be presented as current and non-current. ASU 2015-17 is effective for annual periods in fiscal years beginning after December 15, 2016 and interim periods in fiscal years beginning after December 15, 2016, with early adoption permitted. In 2015, we early adopted ASU 2015-17. The adoption of ASU 2015-17 did not have a material impact on our consolidated financial statements.

In September 2015, the FASB issued ASU 2015-16, *Business Combinations, Simplifying the Accounting for Measurement Period Adjustments (Topic 805)* . The amendments in this update eliminate the requirement that an acquirer in a business combination account for measurement-period adjustments retrospectively. Instead, an acquirer will recognize a measurement-period adjustment during the period in which it determines the amount of the adjustment. The ASU is effective in interim periods within fiscal years beginning after December 15, 2015. We adopted this standard as of January 1, 2016. There was no impact to our adoption of this standard.

In July 2015, the FASB issued ASU 2015-22, *Inventory (Topic 330) - Simplifying the Measurement of Inventory.* The amendments in this update modify the measurement principle for inventory from lower of cost or market value to lower of cost and net realizable value. The ASU defines net realizable value as the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. The ASU is applicable to inventory that is accounted for under the weighted-average cost basis and is effective for fiscal years beginning after December 15, 2016, with early adoption permitted. We early

adopted the standard in the third quarter of 2016 and it did not have a material impact on our consolidated financial statements.

In April 2015, the FASB issued ASU 2015-05, *Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40), Customer's Accounting for Fees Paid in a Cloud Computing Arrangement* to increase the consistency of accounting for cloud computing arrangements among reporting entities. The reporting entity must consider whether a cloud computing arrangement includes a software license. If the arrangement does not include a software license, the entity should account for the arrangement as a service contract. If the arrangement includes a software license, the entity should account for the software license element of the arrangement consistent with the acquisition of other licenses of intangible assets. The guidance is effective for the fiscal years beginning after December 15, 2015 and for interim periods in fiscal years beginning after December 15, 2015. The adoption of ASU 2015-05 did not have a material impact on our consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, *Interest-Imputation of Interest, Simplifying the Presentation of Debt Issuance Costs (Topic 835-30)* . The amendment requires debt issuance costs related to a recognized debt liability to be presented on the balance sheet as a direct deduction from the debt liability rather than as an asset. The ASU did not address the presentation of costs of obtaining a revolving line of credit. In the June 2015 meeting of the Emerging Issues Task Force, the SEC staff clarified it would not object to an entity presenting the cost of securing a revolving line of credit as an asset, regardless of whether a balance is outstanding. The ASU is effective for fiscal years beginning after December 15, 2015. We adopted this standard and a policy that the cost of securing a revolving line of credit will be recorded as an asset on January 1, 2016. The adoption of this standard did not impact our consolidated financial statements.

In February 2015, the FASB issued ASU 2015-02, *Consolidation (Topic 810), Amendments to the Consolidation Analysis* . ASU 2015-02 changes the analysis that a reporting entity must perform to determine whether it should consolidate certain types of legal entities. This amendment is effective for fiscal years beginning after December 15, 2015 and for interim periods within fiscal years beginning after December 15, 2015, with early adoption permitted. We adopted this standard in the first quarter of 2016 on a retrospective basis. The adoption of ASU 2015-02 did not have a material impact on our consolidated financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606).* Topic 606 supersedes the revenue recognition requirements in ASU Topic 605, *Revenue Recognition,* and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. Topic 606 is effective for fiscal years beginning after December 15, 2017, including interim periods within that reporting period, with early adoption permitted for annual reporting periods beginning after December 15, 2016. The standard permits the use of either the retrospective or modified retrospective (cumulative effect) transition method.

The most significant aspect of our evaluation of Topic 606 related to ASU No. 2016-08, *Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net).* This implementation guidance discusses principal versus agent considerations and gross versus net revenue reporting, including specific indicators to assist in the determination of whether we control a specified good or service before it is transferred to the customer. Through our evaluation, we have concluded Snap-sold revenue will be reported on a gross basis and partner-sold revenue will be reported on a net basis, which is consistent with our current revenue recognition policies. We concluded that we control the Snap-sold advertising campaign before it is transferred to the customer because we provide the advertising campaign on Snapchat and have discretion in establishing the price of the advertisements. We concluded that the partner controls significant aspects of the partner-sold advertising campaign before it is transferred to the customer and the partner has discretion in establishing price with the advertiser.

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We do not expect the new standard to have a material impact on our consolidated financial statements. We expect to adopt Topic 606 during the first quarter of 2018. We are still evaluating the use of either the retrospective or modified retrospective transition method.

2. Property and Equipment, Net

Property and equipment, net, consisted of the following:

	As of December 31,	
	2015	2016
	(in thousands)	
Computer hardware and software	$15,055	$ 22,606
Buildings	5,520	36,854
Leasehold improvements	2,519	13,166
Land	4,630	4,630
Furniture and equipment	3,358	20,349
Construction in progress	19,724	20,790
Total	50,806	118,395
Less: accumulated depreciation and amortization	(6,727)	(17,810)
Property and equipment, net	$44,079	$100,585

Depreciation and amortization expense on property and equipment was $5.8 million and $12.9 million for the years ended December 31, 2015 and 2016, respectively.

3. Goodwill and Intangible Assets

The changes in the carrying amount of goodwill for the years ended December 31, 2015 and 2016 were as follows:

	Goodwill
	(in thousands)
Balance as of January 1, 2015	$ 69,511
Goodwill acquired	64,433
Balance as of December 31, 2015	133,944
Goodwill acquired	186,763
Foreign currency translation	(1,570)
Balance as of December 31, 2016	$ 319,137

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Notes to Consolidated Financial Statements (Continued)

Intangible assets consisted of the following:

	December 31, 2015			
	Weighted-Average Remaining Useful Life-Years	Gross carrying Amount	Accumulated Amortization	Net
		(in thousands except years)		
Domain names	3.8	$ 5,000	$ 1,167	$ 3,833
Trademarks	3.5	2,862	1,310	1,552
Non-compete agreements	1.2	243	159	84
Acquired developed technology	3.9	36,298	8,598	27,700
Customer relationships	1.3	2,200	825	1,375
Patents	10.5	9,100	414	8,686
		$55,703	$ 12,473	$43,230

	December 31, 2016			
	Weighted-Average Remaining Useful Life-Years	Gross carrying Amount	Accumulated Amortization	Net
		(in thousands except years)		
Domain names	3.0	$ 5,000	$ 2,157	$ 2,843
Trademarks	2.6	3,072	1,829	1,243
Non-compete agreements	0.3	243	226	17
Acquired developed technology	4.1	83,137	20,569	62,568
Customer relationships	1.0	3,752	2,569	1,183
Patents	9.2	9,450	1,322	8,128
		$104,654	$ 28,672	$75,982

Amortization of intangible assets for the years ended December 31, 2015 and 2016 was $9.5 million and $16.2 million, respectively.

As of December 31, 2016, the estimated intangible asset amortization expense for the next five years and thereafter was as follows:

	Estimated Amortization (in thousands)
Year ending December 31,	
2017	$ 19,902
2018	18,947
2019	16,148
2020	10,922
2021	5,364
Thereafter	4,699
Total	$ 75,982

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Notes to Consolidated Financial Statements (Continued)

4. Balance Sheet Components

Accrued expenses and other current liabilities at December 31, 2015 and 2016 consisted of the following:

	As of December 31,	
	2015	2016
	(in thousands)	
Legal settlement payable	$107,500	$ —
Accrued infrastructure costs	14,848	43,529
Accrued compensation and related expenses	7,657	23,447
Partner revenue share liability	6,620	22,821
Accrued professional fees	2,365	11,157
Accrued tax liability	1,064	9,252
Acquisition purchase consideration liability	—	6,000
Other	15,502	32,119
Total accrued expenses and other current liabilities	$155,556	$148,325

Other liabilities at December 31, 2015 and 2016 consisted of the following:

	As of December 31,	
	2015	2016
	(in thousands)	
Build-to-suit financing obligations	$13,494	$15,140
Acquisition purchase consideration liability	—	15,944
Other	5,039	16,050
Total other liabilities	$18,533	$47,134

5. Long-Term Debt

In July 2016, we entered into a five-year senior unsecured revolving credit facility, or the Credit Facility, with lenders, some of which are affiliated with certain members of our underwriting syndicate, that allows us to borrow up to $1.1 billion to fund working capital and general corporate-purpose expenditures. The loan bears interest at LIBOR plus 0.75%, as well as an annual commitment fee of 0.10% on the daily undrawn balance of the facility. No origination fees were incurred at the closing of the Credit Facility. Any amounts outstanding under this facility will be due and payable in July 2021. In December 2016, the amount we are permitted to borrow under the Credit Facility was increased to $1.2 billion. As of December 31, 2016, no amounts were outstanding under the Credit Facility.

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Notes to Consolidated Financial Statements (Continued)

6. Geographic Information

Revenue by geography is based on the billing address of the advertiser. The following tables list revenue and property and equipment, net by geographic area:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Revenue:		
United States	$56,253	$355,252
Rest of the world (1)	2,410	49,230
Total revenue	$58,663	$404,482

(1) No individual country exceeded 10% of our total revenue for any period presented.

	As of December 31,	
	2015	2016
	(in thousands)	
Property and equipment, net:		
United States	$44,057	$ 98,254
Rest of the world	22	2,331
Total property and equipment, net	$44,079	$100,585

7. Income Taxes

The domestic and foreign components of pre-tax loss were as follows:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Domestic	$ (380,216)	$ (520,482)
Foreign	(266)	(1,241)
Loss before income taxes	$ (380,482)	$ (521,723)

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Notes to Consolidated Financial Statements (Continued)

The components of our income tax (benefit) expense were as follows:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Current:		
Federal	$ —	$ —
State	3	3
Foreign	108	869
Total current income tax (benefit) expense	111	872
Deferred:		
Federal	(7,141)	(6,364)
State	(559)	(780)
Foreign	—	(808)
Total deferred income tax (benefit) expense	(7,700)	(7,952)
Income tax (benefit) expense	$(7,589)	$(7,080)

The following is a reconciliation of the statutory federal income tax rate to our effective tax rate:

	Year Ended December 31,	
	2015	2016
Tax benefit (expense) computed at the federal statutory rate	34.0%	34.0%
State tax benefit (expense), net of federal benefit	2.3	1.3
Change in valuation allowance	(31.0)	(34.6)
Stock-based compensation benefit (expense)	(4.2)	(0.4)
Research & development credit benefit	0.5	1.2
Other benefits (expenses)	0.4	(0.1)
Total income tax benefit (expense)	2.0%	1.4%

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Notes to Consolidated Financial Statements (Continued)

The significant components of net deferred tax balances were as follows:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Deferred tax assets:		
Accrued expenses	$ 7,596	$ 10,864
Deferred revenue	1,498	1,900
Intangible assets	—	24,089
Stock-based compensation	17,344	21,111
Net operating losses	144,591	33,276
Tax credit carryforwards	1,941	15,854
Other	335	1,469
Total deferred tax assets	$ 173,305	$ 108,563
Deferred tax liabilities:		
Intangible assets	$ (7,340)	$ —
Property and equipment	(879)	(167)
Total deferred tax liabilities	(8,219)	(167)
Total net deferred tax assets	165,086	108,396
Valuation allowance	(165,086)	(108,872)
Net deferred taxes	$ —	$ (476)

Income tax benefit was $7.6 million and $7.1 million for the years ended December 31, 2015 and 2016, respectively. The effective income tax rate was 2.0% and 1.4% for the years ended December 31, 2015 and 2016, respectively. The income tax benefits for the years ended December 31, 2015 and 2016 were primarily due to discrete tax benefits of $7.7 million and $7.1 million, respectively, as a result of partial releases of valuation allowances against net deferred tax assets related to acquisitions. The net deferred tax liabilities originating from acquisitions during the periods were considered as an available source of income to realize a portion of our deferred tax assets.

As of December 31, 2016, we had accumulated federal and state net operating loss carry-forwards of $73.7 million and $146.3 million, respectively. The federal and state net operating loss carry-forwards will begin to expire in 2031 and 2026, respectively. As of December 31, 2016, we had accumulated federal and state research tax credits of $11.2 million and $7.0 million, respectively. The federal research tax credits will begin to expire in 2032. The state research tax credit does not expire.

Available net operating losses may be subject to annual limitations due to ownership change limitations provided by the Internal Revenue Code of 1986, as amended (“Code”), and similar state provisions. Under Section 382 of the Code, substantial changes in our ownership and the ownership of acquired companies may limit the amount of net operating loss carry-forwards that are available to offset taxable income. The annual limitation would not automatically result in the loss of net operating loss carry-forwards but may limit the amount available in any given future period. Additional limitations on the use of these tax attributes could occur in the event of possible disputes arising in examination from various taxing authorities.

We recognize valuation allowances on deferred tax assets if it is more likely than not that some or all of the deferred tax assets will not be realized. We had valuation allowances against net deferred tax assets of $165.1 million and $108.9 million as of December 31, 2015 and 2016, respectively.

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Notes to Consolidated Financial Statements (Continued)

As of December 31, 2016, we had an immaterial amount of unremitted earnings related to certain foreign subsidiaries that were indefinitely reinvested. Since these unremitted earnings have been indefinitely reinvested, deferred taxes were not provided. The unrecognized deferred tax liability associated with these unremitted earnings is immaterial.

As of December 31, 2015, we did not have a liability for unrecognized tax benefits. As of December 31, 2016, the gross unrecognized tax benefit was $243.9 million and resulted from additions related to current year tax positions. Substantially all of the unrecognized tax benefit was recorded as a reduction in our gross deferred tax assets, offset by a reduction in our valuation allowance. We have a net unrecognized tax benefit of $3.6 million that is included in other liabilities on our consolidated balance sheet as of December 31, 2016. Assuming there continues to be a valuation allowance against deferred tax assets in future periods when gross unrecognized tax benefits are realized, this would result in a tax benefit of $3.6 million within our provision of income taxes at such time.

Our policy is to recognize interest and penalties associated with tax matters as part of the income tax provision and include accrued interest and penalties with the related income tax liability on our consolidated balance sheet. For the periods presented, there are no material interest and penalties associated with unrecognized tax benefits recorded in our consolidated statement of operations or balance sheet. Any changes to unrecognized tax benefits recorded as of December 31, 2016 that are reasonably possible to occur within the next 12 months are not expected to be material.

The income taxes we pay are subject to review by taxing jurisdictions globally. Our estimate of the potential outcome of any uncertain tax position is subject to management's assessment of relevant risks, facts, and circumstances existing at that time. We believe that our estimate has adequately provided for these matters. However, our future results may include adjustments to estimates in the period the audits are resolved, which may impact our effective tax rate.

Tax years ending on or after December 31, 2012 are subject to examination by federal, state, and various foreign jurisdictions.

8. Commitments and Contingencies

Commitments

Leases

We enter into various non-cancelable lease agreements for certain of our offices with original lease periods expiring between 2016 and 2026. Certain of the arrangements have free rent periods or escalating rent payment provisions. We recognize rent expense under such arrangements on a straight-line basis.

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

Our future minimum lease payments required under these non-cancelable operating lease obligations as of December 31, 2016, were as follows:

	Operating Leases (in thousands)
Year ending December 31,	
2017	$ 32,631
2018	39,769
2019	49,332
2020	50,546
2021	49,921
Thereafter	157,298
Total minimum lease payments	$ 379,497

Operating lease expenses for the years ended December 31, 2015 and 2016 were $11.3 million and $26.9 million, respectively.

We have several lease agreements where we are deemed the owner under build-to-suit lease accounting. The fair value of the leased property and corresponding financing obligations are included in property and equipment, net and other liabilities, respectively, on our consolidated balance sheet as of December 31, 2016. Our future minimum lease payments required under non-cancelable financing lease obligations, which exclusively relate to our build-to-suit leases, as of December 31, 2016, were as follows:

	Financing Leases (in thousands)
Year ending December 31,	
2017	$ 4,659
2018	4,726
2019	4,796
2020	4,947
2021	5,092
Thereafter	22,104
Total minimum lease payments	$ 46,324

We recognize an increase in the fair value of the asset as additional building costs are incurred during the construction period and a corresponding increase in the lease financing obligation for any construction costs to be reimbursed by the landlord. As of December 31, 2016, $15.1 million of lease financing obligations is included in other liabilities on our consolidated balance sheet.

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Notes to Consolidated Financial Statements (Continued)

Contractual Commitments

We have a non-cancelable contractual agreement related to the hosting of our data storage processing, storage, and other computing services. We also have various other non-cancelable contractual commitments related to purchase agreements. The future minimum contractual commitments including commitments less than one year, as of December 31, 2016 of each of the next three years were as follows:

	Minimum Commitment (in thousands)
Year ending December 31,	
2017	$ 105,073
2018	12,989
2019	2,869
Total minimum commitments	$ 120,931

Contingencies

We record a loss contingency when it is probable that an asset has been impaired or a liability has been incurred and the amount of the loss can be reasonably estimated. We also disclose material contingencies when we believe a loss is not probable but reasonably possible. Accounting for contingencies requires us to use judgment related to both the likelihood of a loss and the estimate of the amount or range of loss. Many legal and tax contingencies can take years to be resolved.

Pending Matters

In September 2014, two individuals filed a lawsuit against us and our two founders in the Superior Court of California for Los Angeles County. The complaint alleges two causes of action—common-law right of publicity and statutory right of publicity—based on allegations that the defendants improperly used the plaintiffs' images in promoting Snapchat for Android. The complaint seeks unspecified compensatory and punitive damages, attorneys' fees, and costs. The matter is currently in active discovery. We believe that the lawsuit is without merit and intend to continue to vigorously defend ourselves in this matter. Based on the preliminary nature of the proceedings in this case, the outcome of this legal proceeding remains uncertain.

In April 2016, an individual filed a lawsuit against us and another individual after he was injured in a car accident. The plaintiff alleges that we are liable because the other individual was supposedly using our "speed filter" at the time of the collision. In January 2017, the court dismissed the claim against us.

The outcomes of our legal proceedings are inherently unpredictable, subject to significant uncertainties, and could be material to our financial condition, results of operations, and cash flows for a particular period. For the pending matters described above, it is not possible to estimate the reasonably possible loss or range of loss.

We are subject to various other legal proceedings and claims in the ordinary course of business, including certain patent and privacy matters. Although occasional adverse decisions or settlements may occur, we do not believe that the final disposition of any of our other pending matters will seriously harm our business, financial condition, results of operations, and cash flows.

Settlement

In February 2013, an individual filed an action against us, our predecessor entity and two of our officers in Los Angeles Superior Court, alleging that we were using certain intellectual property that the individual jointly

owned with our founders. In September 2014, the parties entered into a settlement agreement that resolved all claims among the parties. Under the agreement, we agreed to pay the individual a total of $157.5 million and such amounts were recorded in 2014. We paid the individual $50.0 million in 2014. As of December 31, 2015, $107.5 million was included in accrued expenses and other current liabilities on the consolidated balance sheet. We paid the individual $107.5 million in the year ended December 31, 2016. There are no further amounts required to be paid in the future.

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, investors, directors, officers, employees, and other parties with respect to certain matters. Indemnification may include losses from our breach of such agreements, services we provide, or third-party intellectual property infringement claims. These indemnifications may survive termination of the underlying agreement and the maximum potential amount of future indemnification payments may not be subject to a cap. We have not incurred material costs to defend lawsuits or settle claims related to these indemnifications as of December 31, 2015 and 2016. We believe the fair value of these liabilities is immaterial and accordingly have no liabilities recorded for these agreements at December 31, 2015 and 2016.

9. Stockholders' Equity

Common Stock

Class A common stock has no voting rights and Class B common stock is entitled to one vote per share. Any dividends paid to the holders of the Class A common stock and Class B common stock will be paid on a pro rata basis. On a liquidation event, as defined in our amended and restated certificate of incorporation, after payments are made to the series preferred stock that have liquidation preferences, any distribution to common stockholders is made on a pro rata basis to the holders of the Class A common stock, Class B common stock, and the series of preferred stock that have no liquidation preferences, on an as-converted basis.

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

Convertible Preferred Stock

Preferred stock consisted of the following as of December 31, 2015 and 2016:

	As of December 31,					
	2015			2016		
	Shares Authorized	Shares Outstanding	Liquidation Preference	Shares Authorized	Shares Outstanding	Liquidation Preference
	(in thousands)					
Series of preferred stock with liquidation preferences:						
Series A, convertible voting preferred stock	70,289	70,289	$ 14,656	70,289	70,289	$ 14,656
Series A-1, convertible voting preferred stock	35,741	35,741	519	35,741	35,741	519
Series B, convertible voting preferred stock	40,932	40,932	80,000	40,932	40,932	80,000
Series C, convertible non-voting preferred stock	16,000	16,000	54,543	16,000	16,000	54,543
	162,962	162,962	$ 149,718	162,962	162,962	$ 149,718
Series of preferred stock with no liquidation preferences:						
Series D, convertible non-voting preferred stock	3,369	3,369	$ —	3,369	3,369	$ —
Series E, convertible non-voting preferred stock	19,982	19,982	—	19,982	19,982	—
Series F, convertible non-voting preferred stock	33,000	21,204	—	60,500	60,500	—
Series FP, convertible voting preferred stock	217,767	217,767	—	260,889	215,888	—
	274,118	262,322	$ —	344,740	299,739	$ —

Our preferred stock has the following rights and preferences:

Dividends

In preference to the holders of our common stock, each share of preferred stock is entitled to receive, on a pari passu basis, cash dividends at the rate of 6% of the original issue price per annum on each outstanding share of preferred stock. Such dividends are non-cumulative and payable only when and if declared by our board of directors. The original issue price per share for the purposes of the dividends and liquidation preferences described herein is $0.208515 for Series A, $0.01453 for Series A-1, $1.95445 for Series B, $3.40893 for Series C, $0.001 for Series D, $0.001 for Series E, $0.001 for Series F, and $0.000020835 for Series FP.

In the event dividends are paid on any share of common stock or Series FP, we are required to pay an additional dividend on all outstanding shares of Series A, Series A-1, Series B, Series C, Series D, Series E, and Series F, at a per share amount equal to (on an as-if-converted to common stock basis) the amount paid or set aside for each share of common stock or Series FP.

We have not declared or paid any cash dividends on our common or preferred stock through December 31, 2016.

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Notes to Consolidated Financial Statements (Continued)

Liquidation

A liquidation event ("Liquidation Event") is a voluntary or involuntary liquidation, dissolution, or winding-up of Snap Inc. Deemed liquidation events ("Deemed Liquidation Events") include any change in control, or sale, lease, exclusive license, or other disposition of all or substantially all of our assets. In the event of a Liquidation Event or a Deemed Liquidation Event, the Series A, Series A-1, Series B, and Series C are entitled to be paid an amount per share equal to its respective original issue price plus all declared and unpaid dividends, before any distributions or payments are made to holders of the Series D, Series E, Series F, or Series FP, on an as-converted basis, or Common Stock. If assets legally available for distribution are insufficient to pay the full liquidation preference amounts of the Series A, Series A-1, Series B, and Series C, then the remaining assets are distributed ratably in proportion to the amounts they would have been entitled to receive.

After payment of the full liquidation preference of the Series A, Series A-1, Series B, and Series C, the entire remaining amounts legally available for distribution will be distributed to the holders of our common stock pro rata based on the number of shares held by each holder. The liquidation preference for Series A, Series A-1, Series B, and Series C is based on the original issue price per share. The Series D, Series E, Series F, and Series FP are entitled to share in any remaining assets, after payment to the Series A, Series A-1, Series B, and Series C, together with the outstanding common stock, to the extent that they convert to common stock immediately before a Liquidation Event.

Voting

The holders of the Series A, Series A-1, and Series B are entitled to one vote per share. The holders of the Series FP are entitled to ten votes per share. The Series C, Series D, Series E, and Series F are non-voting, except as required by law. The consent of the majority of the Series A, Series A-1, Series B, and Series C, each as a separate voting class, is required to amend, repeal or change our amended and restated certificate of incorporation to the extent that such amendment adversely affects the Series A, Series A-1, Series B, or Series C holders, respectively, or to increase or decrease the number of authorized shares of Series A, Series A-1, Series B, or Series C, respectively. The consent of the majority of the Series FP is required to authorize any new class or series of stock or convertible securities ranking senior to the Series FP in voting rights.

Conversion

Each share of Series A, Series A-1, and Series B is convertible at the holder's option at any time into shares of Class B common stock. The Series C, Series D, Series E, Series F, and Series FP are only convertible at the holder's option immediately before a Liquidation Event or on the effective date of the registration statement in connection with a qualifying initial public offering. The Series A, Series A-1, Series B, Series C, Series D, Series E, and Series F convert to Class B common stock at the then effective conversion rate subject to adjustment in the event of stock-splits, stock dividends, and certain anti-dilutive issuances of shares of our common stock.

Each share of Series A, Series A-1, Series B, Series C, Series D, Series E, and Series F will automatically convert into shares of Class B common stock at the then effective conversion rate, on the vote of the holders of a majority of the outstanding shares of the Series A, Series A-1, and Series B (collectively, the "Voting Preferred"), or immediately on the closing of a firmly underwritten public offering under an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of our Class A common stock in which (i) the gross cash proceeds to us (before underwriting discounts, commissions and fees) are at least $25.0 million and (ii) our shares have been listed for trading on the New York Stock Exchange, NASDAQ Global Select Market, or NASDAQ Global Market or any successor markets or exchanges (a qualifying initial public offering). On such automatic conversion, any declared and unpaid dividends are payable. There have been no cash dividends declared since inception.

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Notes to Consolidated Financial Statements (Continued)

The Series FP automatically converts to Class B common stock on the affirmative election of the holders of a majority of the outstanding shares of the Series FP. In any transfer of shares of Series FP from the original holder, the shares of Series FP will automatically convert to shares of Class B common stock at the then-effective conversion rate. Series FP stockholders may sell shares of Series FP in connection with an equity financing by us. Any Series FP sold in such financing will automatically convert into the series of preferred stock sold in the equity financing at the then-effective Series FP preferred stock conversion rate, provided that the sale of such shares of Series FP preferred stock are for the same price as the preferred shares sold in the equity financing.

Amendments to Certificate of Incorporation

On October 26, 2016, our board of directors approved an amended and restated certificate of incorporation that created a new class of common stock, Class C common stock. The amended and restated certificate of incorporation authorized 260,887,848 shares of Class C common stock. The rights of the holders of Class C common stock are identical to those of Class A common stock and Class B common stock, except with respect to voting rights. Each share of Class C common stock is entitled to ten votes per share. The rights of the holders of Class A common stock and Class B common stock did not change. Accordingly, Class A common stock has no voting rights and Class B common stock is entitled to one vote per share. No shares of Class C common stock have been issued to date. The Series FP will automatically convert to Class C common stock immediately on the closing of a qualifying initial public offering.

Our amended and restated certificate of incorporation, as well as Delaware law, provide stockholders with certain rights to preclude amendments to our amended and restated certificate of incorporation that would adversely alters the rights, powers, or preferences of a given class of stock compared to other classes. Any amendments to our amended and restated certificate of incorporation must be approved by the class of stock adversely affected by the proposed amendment. In addition, as provided by Delaware law, before any amendment may be put to a stockholder vote, it must be approved by the board of directors.

Following the date of a qualifying initial public offering, shares of Class C common stock will convert to Class B common stock when such holder holds less than 30% of the Class C common stock held by such holder on the date of a qualifying initial public offering. Once there are no shares of Class C common stock outstanding, all shares of Class B common stock will convert to Class A common stock, and all Class A common stock will have one vote per share.

10. Non-Marketable Investments

We held investments in privately-held companies with a carrying value of $9.1 million and $11.8 million as of December 31, 2015 and 2016, respectively. Our share of losses in equity method investments was a net loss of $0.5 million and $3.9 million for the years ended December 31, 2015 and 2016, respectively, which is included in other income (expense), net in our consolidated statements of operations. Non-marketable investments are included within other assets on the consolidated balance sheet. Such investments are reviewed periodically for impairments. No impairments were recorded in the years ended December 31, 2015 and 2016.

11. Fair Value Measurements

Assets and liabilities measured at fair value are classified into the following categories:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

- Level 3: Unobservable inputs reflecting the reporting entity's own assumptions or external inputs from inactive markets.

We classify our marketable securities within Level 1 because we use quoted market prices to determine their fair value. We recognize transfers between levels within the fair value hierarchy, if any, at the end of each period. There were no transfers between levels during the periods presented.

The following table sets forth our financial assets as of December 31, 2015 and 2016 that are measured at fair value on a recurring basis during the period:

	Fair Value December 31,	
	2015	2016
	(in thousands)	
Cash and cash equivalents		
Cash	$640,810	$150,121
U.S. government securities	—	—
U.S. government agency securities	—	—
Total cash and cash equivalents	$640,810	$150,121
Marketable securities		
U.S. government securities	$ —	$505,333
U.S. government agency securities	—	331,914
Total marketable securities	$ —	$837,247

Gross unrealized gains and losses for cash equivalents and marketable securities as of December 31, 2015 and 2016 were not material. The amortized cost of U.S. government securities with maturities less than one year was $502.4 million as of December 31, 2016. The amortized cost of U.S. government securities with maturities between one and five years was $3.0 million as of December 31, 2016. The amortized cost of U.S. government agency securities with maturities of less than a year was $284.7 million as of December 31, 2016. The amortized cost of U.S. government agency securities with maturities between one and five years was $47.2 million as of December 31, 2016.

12. Accumulated Other Comprehensive Income (Loss)

The table below presents the changes in accumulated other comprehensive income (loss) ("AOCI") by component and the reclassifications out of AOCI:

	Changes in Accumulated Other Comprehensive Income (Loss) by Component		
	Marketable Securities	Foreign Currency Translation	Total
	(in thousands)		
Balance at December 31, 2015	$ —	$ —	$ —
OCI before reclassifications (1)	325	(2,101)	(1,776)
Amounts reclassified from AOCI (2) (3)	(281)	—	(281)
Net current period OCI	44	(2,101)	(2,057)
Balance at December 31, 2016	$ 44	$ (2,101)	$(2,057)

(1) Net of tax expense (benefit) of $0.2 million for gains / losses on marketable securities.
(2) Net of tax expense (benefit) of $0.1 million for gains / losses on marketable securities.
(3) Realized gains and losses on marketable securities are reclassified from AOCI into other income (expense), net in the consolidated statements of operations.

13. Employee Benefit Plans

We have a defined contribution 401(k) plan (the "401(k) Plan") for our United States-based employees. The 401(k) Plan is for all full-time employees who meet certain eligibility requirements. Eligible employees may contribute up to 100% of their annual compensation, but are limited to the maximum annual dollar amount allowable under the Internal Revenue Code. Beginning in 2016, we match 100% of each participant's contribution up to a maximum of 3% of the participant's base salary, bonus, and commissions paid during the period, and we match 50% of each participant's contribution between 3% and 5% of the participant's base salary, bonus, and commissions paid during the period. For the year ended December 31, 2015, we did not make any matching contributions. During the year ended December 31, 2016, we recognized expense of $4.2 million related to matching contributions.

14. Stock-Based Compensation

2014 Equity Incentive Plan and 2012 Equity Incentive Plan

We maintain two stock-based employee compensation plans: the Amended and Restated 2014 Equity Incentive Plan (the "2014 Plan") and the Amended and Restated 2012 Equity Incentive Plan (the "2012 Plan" and, together with the 2014 Plan, the "Stock Plans"). Our Stock Plans provide for the issuance of incentive and nonstatutory stock options, RSUs, restricted stock awards, and stock appreciation rights to qualified employees and non-employees.

All employees are eligible to receive awards of common stock under the Stock Plans. At December 31, 2016, we were authorized to issue up to 269,543,860 shares of Class A common stock and Class B common stock under the Stock Plans. At December 31, 2016, 42,653,205 shares of Class A common stock and Class B common stock were available for future grant from the Stock Plans. We issue new shares on settlement of vested RSUs and exercise of stock options. Stock options generally have a four-year vesting period. Our board of directors can suspend or terminate the Stock Plans at any time. Suspension or termination of the Stock Plans does not impair rights and obligations under any stock award granted while the Stock Plans were in effect except with the written consent of the affected participant. Certain stock options and RSUs have vesting provisions in the event of a change in control or only vest if both a change in control occurs and the employee continues to provide service.

Stock Options

Under the 2012 Plan, at exercise, stock option awards entitle the holder to receive one share of non-voting Class A common stock, and one share of voting Class B common stock (the "2012 Plan Stock Option Awards"). Under the 2014 Plan, at exercise, stock option awards entitle the holder to receive two shares of non-voting Class A common stock (the "2014 Plan Stock Option Awards").

Stock-based compensation expense for stock options granted to employees and non-employees is estimated based on the option's fair value as calculated by the Black-Scholes option pricing model. The Black-Scholes model requires various assumptions, including the fair value of our common stock, expected life, expected

dividend yield and expected volatility. If any of the assumptions used in the Black-Scholes model change significantly, stock-based compensation expense may differ materially in the future from that recorded in the current period. Because there is no public market for our common stock, our board of directors determined the common stock fair value at the stock option grant date by considering several objective and subjective factors, including the price paid by investors for our preferred stock, our actual and forecasted operating and financial performance, market conditions and performance of comparable publicly traded companies, developments and milestones in our company, the rights and preferences of our common and preferred stock, the likelihood of achieving a liquidity event, and transactions involving our preferred stock. The fair value of our common stock has been determined in accordance with applicable elements of the practice aid issued by the American Institute of Certified Public Accountants, *Valuation of Privately Held Company Equity Securities Issued as Compensation* . We estimated the expected volatility of our awards from the historical volatility of selected public companies with comparable characteristics to us, including similarity in size and lines of business. The expected term of options represents the period that our stock-based awards are expected to be outstanding. The risk-free interest rate is based on the implied yield currently available on U.S. treasury notes with terms approximately equal to the expected life of the option. The expected dividend rate is zero as we currently have no history or expectation of declaring cash dividends on our common stock. We did not grant any stock options in 2015. During the year ended December 31, 2016, we granted options with an aggregate grant date fair value of $37.8 million to certain employees in conjunction with an acquisition.

The weighted-average assumptions used to determine the fair value of employee stock options granted during the year ended December 31, 2016 were as follows:

Expected term from grant date (in years)	6.2
Risk-free interest rate	1.4%
Expected volatility	63%
Dividend yield	0%
Strike price	$1.00

The weighted-average fair value of employee stock options granted during the year ended December 31, 2016 was $30.19 per share.

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Stock option activity for the years ended December 31, 2015 and 2016 was as follows:

	Number of 2012 Plan Stock Option Awards	Number of 2014 Plan Stock Option Awards	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
	(in thousands, except per share data)				
Outstanding at January 1, 2015	27,960	19	$ 2.74	8.88	$ 530,629
Granted	—	—	$ —	—	—
Exercised	(59)	(1)	$ 1.00	—	—
Forfeited	(5,967)	(5)	$ 4.28	—	—
Outstanding at December 31, 2015	21,934	13	$ 2.33	7.82	$ 623,071
Granted	—	1,253	$ 1.00	—	—
Exercised	(686)	—	$ 1.06	—	—
Forfeited	(62)	—	$ 15.35	—	—
Outstanding at December 31, 2016	21,186	1,266	$ 2.26	6.97	$ 682,565
Exercisable at December 31, 2016	15,931	13	$ 1.75	6.77	$ 492,906
Vested and expected to vest at December 31, 2016	21,058	1,266	$ 2.24	6.97	$ 679,080

Total stock-based compensation expense for stock option awards was $68.9 million for the year ended December 31, 2015, of which $43.6 million was due to the accelerated vesting of modified stock-based compensation awards for certain former employees. Total stock-based compensation expense for stock option awards was $20.3 million for the year ended December 31, 2016. Total unrecognized compensation cost related to unvested stock options at December 31, 2016 was $48.6 million and is expected to be recognized over a weighted-average period of 2.3 years. The total grant date fair values of options that vested in the years ended December 31, 2015 and 2016 were $24.6 million and $15.5 million, respectively. The intrinsic values of stock options exercised in the years ended December 31, 2015 and 2016 were $1.8 million and $21.6 million, respectively.

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Restricted Stock Units

Restricted stock unit activity for the years ended December 31, 2015 and 2016 was as follows. Reflected in the table below, Non-Voting Common A RSUs entitle the holder to one share of Class A common stock on vesting, and Voting Common B RSUs entitle the holder to one share of Class B common stock on vesting.

	Non-Voting Common A RSUs	Voting Common B RSUs	Weighted-Average Grant Date Fair Value per RSU
	(in thousands, except per share data)		
Unvested at January 1, 2015	12,152	12,152	$ 9.02
Granted	43,655	21,459	$ 15.36
Vested	(156)	(156)	$ 13.92
Forfeited	(4,458)	(3,728)	$ 14.23
Unvested at December 31, 2015	51,193	29,727	$ 15.02
Granted	104,783	—	$ 15.87
Vested	(395)	(395)	$ 14.90
Forfeited	(3,467)	(751)	$ 15.40
Unvested at December 31, 2016	152,114	28,581	$ 15.50

As of December 31, 2016, RSUs to receive 152,039,295 shares of Class A common stock and RSUs to receive 28,505,805 shares of Class B common stock have been issued to employees and include both service-based and performance conditions to vest in the underlying shares of common stock. The performance condition will be satisfied on the first to occur of: (1) a change in control event, such as a sale of all or substantially all of our assets or a merger involving the sale of a majority of the outstanding shares of our voting capital stock; or (2) the effective date of the registration statement in connection with a qualifying initial public offering. Stock-based compensation expense is recognized only for those RSUs that are expected to meet the service-based and performance conditions. As of December 31, 2015 and 2016, achievement of the performance condition was not probable. A change in control event and effective registration statement are not deemed probable until consummated. If the initial public offering had occurred on December 31, 2016, we would have recognized $1.1 billion of stock-based compensation expense for all RSUs with a performance condition that had satisfied the service-based condition on that date, and would have approximately $1.5 billion of unrecognized compensation cost, which is expected to be recognized over a weighted-average period of approximately 3.4 years.

As of December 31, 2016, RSUs to receive 75,000 shares of Class A common stock and RSUs to receive 75,000 shares of Class B common stock included only service-based conditions to vest in the underlying common stock. The total stock-based compensation expense for RSUs not subject to a performance condition for the year ended December 31, 2015 was $4.6 million. The total stock-based compensation expense for RSUs not subject to a performance condition for the year ended December 31, 2016 was $3.4 million. As of December 31, 2016 the total unrecognized compensation cost related to unvested RSUs not subject to a performance condition is $3.2 million, which is expected to be recognized over a weighted-average period of 1.8 years.

In August 2016, we modified the terms and removed the performance condition of 260,832 shares of RSUs originally granted to one employee with both a service-based and performance condition. We recognized $8.2 million in stock-based compensation expense for this modification and issued 260,832 shares of Class B voting common stock as the service condition of these modified RSUs had already been met as of the date of modification. The shares were immediately repurchased and retired by us.

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Notes to Consolidated Financial Statements (Continued)

In addition, based on the terms of the CEO's offer letter, on the closing of the initial public offering, the CEO will receive an RSU award for shares of Series FP preferred stock, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of the initial public offering. The CEO award will represent 3.0% of all outstanding shares on the closing of the initial public offering, which includes shares sold by us in the initial public offering and the employee RSUs that will vest on the effective date of the registration statement in connection with a qualifying initial public offering. The CEO award will vest immediately on the closing of the initial public offering and such shares will be delivered to the CEO in equal quarterly installments over three years beginning in the third full calendar quarter following the initial public offering. There is no continuing service requirement of the CEO following the closing of the initial public offering. Accordingly, such shares will be delivered in equal quarterly installments regardless of the CEO's employment status with Snap Inc. following an initial public offering. This award will be recognized as compensation expense based on 3.0% of shares outstanding post initial public offering and the initial public offering share price. The CEO award compensation expense will be recognized immediately on the closing of the initial public offering.

In the year ended December 31, 2015, we conducted tender offers to allow all employees the opportunity to amend the terms of their RSUs. The new vesting terms differ slightly from the original terms. Under the original terms, an employee must be employed by us at the time of the liquidity event to vest in the underlying shares. Under the new terms, an employee who satisfied any portion of the service-based condition vests in the underlying shares on the liquidity event regardless of whether they were employed by us at the liquidity event. As no expense related to the original RSUs had been recorded because the performance condition has not yet been deemed probable, the modifications related to the tender offer did not result in any incremental expense. For those RSUs accepted under the tender offer, the underlying RSUs are valued at the RSU fair value on the tender offer modification date. This change is reflected in the total unrecognized compensation cost related to unvested RSUs with a performance condition disclosed above. The total unrecognized compensation cost increased $105.5 million related to 17,843,888 RSUs in the year ended December 31, 2015 due to the tender offers.

Stock-based Compensation Expense by Function

Total stock-based compensation expense by function was as follows:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Cost of revenue	$ 488	$ 532
Research and development	10,309	21,935
Sales and marketing	3,534	3,956
General and administrative	59,193	5,419
Total	$ 73,524	$ 31,842

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

15. Net Loss per Share

We compute net loss per share of Class A common stock and Class B common stock and Series D, E, F, and FP preferred stock using the two-class method required for multiple classes of common stock and participating securities. The rights, including the liquidation and dividend rights, of the Class A common stock and Class B common stock, and the Series D, E, F, and FP preferred stock are substantially identical, other than voting rights. Accordingly, the Class A common stock, Class B common stock, and the Series D, E, F, and FP share in our net losses.

Our participating securities include Series A, A-1, B, and C convertible preferred stock, as the holders of these series of preferred stock are entitled to receive a noncumulative dividend on a pari passu basis in the event that a dividend is paid on common stock. We also consider any shares issued on the early exercise of stock options subject to repurchase to be participating securities because holders of such shares have non-forfeitable dividend rights in the event a dividend is paid on common stock. The holders of Series A, A-1, B, and C of preferred stock, as well as the holders of early exercised shares subject to repurchase, do not have a contractual obligation to share in our losses. As such, our net losses for the years ended December 31, 2015 and 2016 were not allocated to these participating securities.

Basic net loss per share is computed by dividing net loss attributable to Class A common and Class B common stockholders and Series D, E, F, and FP preferred stockholders by the weighted-average number of shares of our Class A common stock and Class B common stock and Series D, E, F, and FP preferred stock outstanding during the period.

For the calculation of diluted net loss per share, net loss per share attributable to common stockholders and preferred Series D, E, F, and FP preferred stockholders for basic net loss per share is adjusted by the effect of dilutive securities, including awards under our equity compensation plans. Diluted net loss per share attributable to common stockholders and Series D, E, F, and FP preferred stockholders is computed by dividing the resulting net loss attributable to common stockholders and Series D, E, F, and FP preferred stockholders by the weighted-average number of fully diluted common shares outstanding. In the years ended December 31, 2015 and 2016 our potential dilutive shares, such as stock options, RSUs, common stock subject to repurchase, and shares of convertible Series A, A-1, B, and C preferred stock were not included in the computation of diluted net loss per share as the effect of including these shares in the calculation would have been anti-dilutive.

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

The numerators and denominators of the basic and diluted net loss per share computations for our common stock and Series D, E, F, and FP preferred stock are calculated as follows for the years ended December 31, 2015 and 2016:

	Year Ended December 31,							
	2015				2016			
	Common Stock		Preferred Stock		Common Stock		Preferred Stock	
	(in thousands, except per share data)							
	Class A (non-voting)	Class B (voting)	Series D, E, F (non-voting)	Series FP (voting)	Class A (non-voting)	Class B (voting)	Series D, E, F (non-voting)	Series FP (voting)
Numerator:								
Net loss	$(228,933)	$(13,323)	$(19,731)	$(110,906)	$(311,523)	$(19,287)	$(45,887)	$(137,946)
Net loss attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders	$(228,933)	$(13,323)	$(19,731)	$(110,906)	$(311,523)	$(19,287)	$(45,887)	$(137,946)
Denominator:								
Basic shares:								
Weighted-average shares - Basic	449,516	26,159	38,742	217,767	489,019	30,276	72,033	216,543
Diluted shares:								
Weighted-average shares - Diluted	449,516	26,159	38,742	217,767	489,019	30,276	72,033	216,543
Net loss per share attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders:								
Basic	$ (0.51)	$ (0.51)	$ (0.51)	$ (0.51)	$ (0.64)	$ (0.64)	$ (0.64)	$ (0.64)
Diluted	$ (0.51)	$ (0.51)	$ (0.51)	$ (0.51)	$ (0.64)	$ (0.64)	$ (0.64)	$ (0.64)

The following potentially dilutive shares were excluded from the calculation of diluted net loss per share attributable to Class A and Class B common stockholders and Series D, E, F, and FP preferred stockholders because their effect would have been anti-dilutive for the periods presented:

	Year Ended December 31,	
	2015	2016
	(in thousands)	
Convertible voting preferred stock, Series A, A-1 and B	146,962	146,962
Convertible non-voting preferred stock, Series C	16,000	16,000
Stock options	43,896	44,904
Unvested RSUs not subject to performance conditions	404	150
Shares subject to repurchase	4,984	185

Pro Forma Net Loss per Share (unaudited)

Unaudited pro forma basic and diluted net loss per share were computed to give effect to the automatic conversion of all outstanding convertible preferred stock into Class B common stock other than Series FP preferred stock which automatically converts to Class C common stock in connection with a qualifying initial public offering using the if converted method as though the conversion had occurred as of the beginning of the period or the original date of issuance, if later. The liquidation and dividend rights are identical among Class A, Class B, and Class C common stock, and all classes of common stock share equally in our earnings and losses. Accordingly, net loss has been reallocated to Class A, Class B, and Class C common stock on a proportional basis.

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

In addition, the pro forma share amounts include the RSUs granted to employees with both service-based and performance conditions, which had satisfied the service-based condition as of December 31, 2016. These RSUs will vest on the satisfaction of the performance condition in connection with a qualifying initial public offering. Stock-based compensation expense associated with these RSUs is excluded from this pro forma presentation. If the qualifying initial public offering had occurred on December 31, 2016, we would have recorded $1.1 billion of stock-based compensation expense related to these RSUs. The number of shares of Class A and Class B common stock included in the pro forma adjustment was determined based on whether the terms of RSUs granted to employees entitled them to shares of Class A or Class B common stock.

To meet the tax withholding requirements, we will withhold the number of shares necessary to satisfy the tax withholding obligations, based on the fair value of our common stock on the date of the initial public offering. We currently expect that the average of these withholding tax rates will be approximately 47%. For RSUs for which the service-based vesting condition was satisfied as of December 31, 2016, the pro forma shares outstanding for the year ended December 31, 2016 includes the weighted-average issuance of 4.9 million shares of Class A common stock, net of 4.3 million shares withheld for tax withholding obligations and a weighted-average 4.2 million shares of Class B common stock, net of 3.7 million shares withheld for tax withholding obligations.

In addition, based on the terms of the CEO's offer letter, on the closing of the initial public offering, the CEO will receive an RSU award for shares of Series FP preferred stock, which will become an RSU covering an equivalent number of shares of Class C common stock on the closing of the initial public offering. The shares underlying the CEO award have voting rights on delivery and settlement of such shares. Such shares are participating securities on the date of the closing of the initial public offering because they will participate in all dividends on Class C common stock. The CEO award will represent 3.0% of all outstanding shares on the closing of the initial public offering, which includes shares sold by us in the initial public offering and the employee RSUs that will vest on the effective date of the registration statement in connection with the initial public offering ("post IPO shares outstanding"). The CEO award will vest immediately on the closing of the initial public offering and such shares will be delivered to the CEO in equal quarterly installments over three years beginning in the third full calendar quarter following the initial public offering. There is no continuing service requirement of the CEO following the closing of the initial public offering. Accordingly, such shares will be delivered in equal quarterly installments regardless of the CEO's employment status with Snap Inc. following an initial public offering.

The effect of the CEO award is not included in the pro forma share amounts due to the uncertainty regarding the post IPO shares outstanding. When there is an estimate of the post IPO shares outstanding the unaudited pro forma net loss per share will be updated to reflect the estimated number of vested shares for the CEO award on the closing date of the initial public offering.

The number of shares and per share amounts presented below have been retroactively adjusted to reflect the effects of the Stock Split. See Note 1 for additional information on the Stock Split.

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

The numerators and denominators of the basic and diluted pro forma net loss per share computations for our common stock and Series D, E, F, and FP preferred stock are calculated as follows for the year ended December 31, 2016:

	Year Ended December 31, 2016				
	Common Stock			Preferred Stock	
	Class A (non-voting)	Class B (voting)	Class C (voting)	Series D, E, F (non-voting)	Series FP (voting)
	(in thousands, except per share data)				
Numerator:					
Net loss as reported	$ (311,523)	$ (19,287)	$ —	$ (45,887)	$(137,946)
Reallocation of net loss due to pro forma adjustments	52,119	(122,232)	(113,720)	45,887	137,946
Net loss attributable to Class A, Class B, and Class C common stockholders for pro forma basic net loss per share computation	$ (259,404)	$(141,519)	$(113,720)	$ —	$ —
Denominator:					
Basic shares:					
Weighted-average shares outstanding used for basic net loss per share computation	489,019	30,276	—	72,033	216,543
Pro forma adjustment to reflect assumed conversion of Series A-F preferred stock to Class B common stock	—	234,995	—	(72,033)	—
Pro forma adjustment to reflect assumed conversion of Series FP preferred stock to Class C common stock	—	—	216,543	—	(216,543)
Pro forma adjustment to reflect assumed vesting of RSUs with performance condition, net of shares withheld for tax withholding obligations	4,932	4,205	—	—	—
Number of shares used for pro forma basic net loss per share computation	493,951	269,476	216,543	—	—
Diluted shares:					
Weighted-average shares - Diluted	493,951	269,476	216,543	—	—
Pro forma net loss per share attributable to Class A, Class B, and Class C common stockholders:					
Basic	$ (0.53)	$ (0.53)	$ (0.53)	$ —	$ —
Diluted	$ (0.53)	$ (0.53)	$ (0.53)	$ —	$ —

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

16. Business Acquisitions

Looksery

In April 2015, we acquired Looksery, Inc. ("Looksery"). Looksery is a mobile video communication company that specializes in creating lenses for use within applications and was acquired to enhance the functionality of our platform. The total purchase consideration was $79.4 million. In addition to the purchase consideration, we provided for an additional $71.2 million, of which $43.6 million is in the form of restricted stock units to employees for future services. The remaining $27.6 million relates to cash payments, a portion of which was paid at the acquisition close and the remainder will be paid to employees for future services over the four years after the transaction. We also incurred $16.4 million in transaction-related costs, which are included in general and administrative expense in the consolidated statement of operations for the year ended December 31, 2015.

The allocation of the total purchase consideration for the acquisition of Looksery is as follows:

	Total (in thousands)
Technology	$ 18,800
Customer relationships	2,200
Goodwill	64,433
Net deferred tax liability	(7,700)
Other assets acquired and liabilities assumed, net	1,692
Total	$ 79,425

The goodwill amount represents synergies related to our existing platform expected to be realized from this business combination and assembled workforce. The associated goodwill and intangible assets are not deductible for tax purposes.

Bitstrips

In March 2016, we acquired all outstanding shares of Bitstrips Inc. ("Bitstrips"), a web and mobile application that allows users to create a personal avatar. The total purchase consideration was $64.2 million, which includes $46.6 million in cash and $11.6 million in shares of our non-voting Class A common stock. Of the total purchase consideration, $6.0 million was recorded in accrued expenses and other current liabilities on the consolidated balance sheet.

The allocation of the total purchase consideration for the acquisition of Bitstrips is as follows:

	Total (in thousands)
Technology	$ 15,700
Customer relationships	1,600
Goodwill	52,671
Net deferred tax liability	(4,585)
Other assets acquired and liabilities assumed, net	(1,162)
Total	$ 64,224

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

The goodwill amount represents synergies related to our existing platform expected to be realized from this business combination and assembled workforce. The associated goodwill and intangible assets are not deductible for tax purposes.

Other Acquisitions

In August 2016, we acquired all outstanding shares of a mobile search company. The total purchase consideration was $114.5 million, which includes $21.0 million in cash and $83.0 million in shares of our non-voting Class A common stock. Of the total purchase consideration, $10.5 million was recorded in other liabilities on the consolidated balance sheet. The allocation of the total purchase consideration for the acquisition is as follows:

	Total (in thousands)
Technology	$ 19,400
Goodwill	98,826
Net deferred tax liability	(7,112)
Other assets acquired and liabilities assumed, net	3,421
Total	$ 114,535

The goodwill amount represents synergies related to our existing platform expected to be realized from this business combination and assembled workforce. The associated goodwill and intangible assets are not deductible for tax purposes.

In addition, in 2016, we acquired all outstanding shares of a research and development-driven computer vision software company and substantially all of the assets of various companies that specialize in the areas of software and advertising technologies. Each of the acquisitions constituted a business. The total consideration transferred for these acquisitions was $47.0 million. Of the total purchase consideration, $4.6 million was recorded in other liabilities on the consolidated balance sheet. The allocation of the total purchase consideration for the above mentioned acquisitions is as follows:

	Total (in thousands)
Technology	$ 12,300
Goodwill	35,266
Net deferred tax liability	(500)
Other assets acquired and liabilities assumed, net	(97)
Total	$ 46,969

The goodwill amount represents synergies related to our existing platform expected to be realized from these business combinations and assembled workforce. Of the technology intangible assets and goodwill in the above table, $9.8 million and $30.7 million is deductible for tax purposes, respectively.

Additional Information on 2016 Acquisitions

In connection with the acquisitions completed during the year ended December 31, 2016, we also agreed to provide additional consideration of $255.2 million, in both stock and cash, to certain employees of the acquired entities contingent on their continued employment with us.

Snap Inc.
Notes to Consolidated Financial Statements (Continued)

In addition, unaudited pro forma results of operations assuming the above acquisitions had taken place at the beginning of each period are not provided because the historical operating results of the acquired entities were not material and pro forma results would not be materially different from reported results for the periods presented.

17. Related Party Transactions

Promissory Notes

As of December 31, 2015, we had notes receivable from our CEO and our Chief Technology Officer in the amount of $5.0 million and $5.0 million, respectively. In February 2016, our CEO drew down an additional $15.0 million. These loans were made in 2014, 2015, and 2016 pursuant to full recourse promissory notes and stock pledge agreements. During 2016, $15.0 million of the notes receivable were repaid in cash and the remaining $10.0 million were repaid through repurchase of Class B voting common stock and Series FP voting preferred stock held by our CEO and Chief Technology Officer. As of December 31, 2016, there were no outstanding notes receivable from officers/stockholders.

18. Subsequent Events

For our consolidated financial statements as of and for the years ended December 31, 2015 and 2016 we have evaluated subsequent events through January 26, 2017, which is the date the financial statements were available to be issued, except for the following which is as of February 2, 2017 (unaudited):

On January 30, 2017, we entered into the Google Cloud Platform License Agreement. Under the agreement, we were granted access and use certain cloud services. The agreement has an initial term of five years and we are required to purchase at least $400.0 million of cloud services in each year of the agreement, though for each of the first four years, up to 15% of this amount may be moved to a subsequent year. If we fail to meet the minimum purchase commitment during any year, we are required to pay the difference. Our agreement with Google permits us to use other third-party service providers for a portion of our cloud services.

On January 27, 2017, our board of directors adopted our 2017 Employee Stock Purchase Plan, or ESPP. The ESPP will become effective once the registration statement in connection with the initial public offering is declared effective. The ESPP authorizes the issuance of 16,484,690 shares of our Class A common stock.

On January 27, 2017, our board of directors adopted our 2017 Equity Incentive Plan, or the 2017 Plan. The 2017 Plan will become effective once the registration statement in connection with the initial public offering is declared effective. The maximum number of shares of our Class A common stock that may be issued under our 2017 Plan is 355,522,498, including 42,653,205 shares of Class A common stock and Class B common stock reserved under the 2012 Plan and 2014 Plan, as of December 31, 2016.

On January 27, 2017, our board of directors approved our pledge to donate up to 13,000,000 shares of Class A common stock over the course of the next 15 to 20 years to the Snap Foundation, which will support arts, education, and youth.

Shares

Snap Inc.

Class A Common Stock

Morgan Stanley *Goldman, Sachs & Co.* *J. P. Morgan* *Deutsche Bank Securities*
Barclays *Credit Suisse* *Allen & Company LLC*

Through and including , 2017 (the 25th day after the date of this prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Unless otherwise indicated, all references to "Snap," the "company," "we," "our," "us," or similar terms refer to Snap Inc. and its subsidiaries.

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth all expenses to be paid by us, other than underwriting discounts and commissions, in connection with this offering. All amounts shown are estimates except for the SEC registration fee, the FINRA filing fee and the exchange listing fee.

SEC registration fee	$	*
FINRA filing fee		*
Exchange listing fee		*
Printing and engraving expenses		*
Legal fees and expenses		*
Accounting fees and expenses		*
Custodian transfer agent and registrar fees		*
Miscellaneous		*
Total	$	*

* to be filed by amendment.

Item 14. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act. Our amended and restated certificate of incorporation that will be in effect on the closing of this offering permits indemnification of our directors, officers, employees, and other agents to the maximum extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws that will be in effect on the closing of this offering provide that we will indemnify our directors and officers and permit us to indemnify our employees and other agents, in each case to the maximum extent permitted by the Delaware General Corporation Law.

We have entered into indemnification agreements with our directors and officers, whereby we have agreed to indemnify our directors and officers to the fullest extent permitted by law, including indemnification against expenses and liabilities incurred in legal proceedings to which the director or officer was, or is threatened to be made, a party by reason of the fact that such director or officer is or was a director, officer, employee, or agent of Snap Inc., provided that such director or officer acted in good faith and in a manner that the director or officer reasonably believed to be in, or not opposed to, the best interest of Snap Inc. At present, there is no pending litigation or proceeding involving a director or officer of Snap Inc. regarding which indemnification is sought, nor is the registrant aware of any threatened litigation that may result in claims for indemnification.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Securities Exchange Act of 1934, as amended, that might be incurred by any director or officer in his capacity as such.

The underwriters are obligated, under certain circumstances, under the underwriting agreement to be filed as Exhibit 1.1 hereto, to indemnify us and our officers and directors against liabilities under the Securities Act.

Item 15. Recent Sales of Unregistered Securities.

The following sets forth information regarding all unregistered securities sold since January 1, 2014 (after giving effect to a 10-for-1 stock split effected on July 3, 2014 and without giving effect to the Class A Dividend):

Sales of Preferred Stock

(1) In January 2014, we sold an aggregate of 1,332,640 shares of Series C preferred stock to a total of three accredited investors at a purchase price per share of $3.40893 for an aggregate purchase price of $4,542,876.

(2) In April 2014, we sold an aggregate of 3,369,220 shares of Series D preferred stock to a total of three accredited investors at a purchase price per share of $15.35016 for an aggregate purchase price of $51,718,066.

(3) In July 2014, we sold an aggregate of 1,013,085 shares of Series E preferred stock to a total of five accredited investors at a purchase price per share of $21.7158 for an aggregate purchase price of $21,999,951.

(4) In August 2014, we sold an aggregate of 6,237,393 shares of Series E preferred stock to a total of four accredited investors at a purchase price per share of $21.7158 for an aggregate purchase price of $135,449,979.

(5) In September 2014, we sold an aggregate of 1,544,958 shares of Series E preferred stock to a total of three accredited investors at a purchase price per share of $21.7158 for an aggregate purchase price of $33,549,999.

(6) In October 2014, we sold an aggregate of 2,394,569 shares of Series E preferred stock to a total of two accredited investors at a purchase price per share of $21.7158 for an aggregate purchase price of $51,999,981.

(7) In November 2014, we sold an aggregate of 4,604,942 shares of Series E preferred stock to a total of five accredited investors at a purchase price per share of $21.7158 for an aggregate purchase price of $99,999,999.

(8) In December 2014, we sold an aggregate of 4,186,629 shares of Series E preferred stock to a total of three accredited investors at a purchase price of $21.7158 per share for an aggregate purchase price of $90,915,998.

(9) In February 2015, we sold an aggregate of 6,510,416 shares of Series F preferred stock to one accredited investor at a purchase price of $30.72 for an aggregate purchase price of $199,999,980.

(10) In March 2015, we sold an aggregate of 6,347,652 shares of Series F preferred stock to a total of 23 accredited investors at a purchase price of $30.72 for an aggregate purchase price of $194,999,869.

(11) In April 2015, we sold an aggregate of 3,276,040 shares of Series F preferred stock to a total of seven accredited investors at a purchase price of $30.72 for an aggregate purchase price of $100,639,949.

(12) In May 2015, we sold an aggregate of 1,367,187 shares of Series F preferred stock to a total of four accredited investors at a purchase price of $30.72 for an aggregate purchase price of $41,999,985.

(13) In June 2015, we sold an aggregate of 24,414 shares of Series F preferred stock to one accredited investor at a purchase price of $30.72 for an aggregate purchase price of $749,998.

(14) In July 2015, we sold an aggregate of 3,678,383 shares of Series F preferred stock to a total of six accredited investors at a purchase price of $30.72 for an aggregate purchase price of $112,999,926.

(15) In January 2016, we sold an aggregate of 224,756 shares of Series F preferred stock to one accredited investor at a purchase price of $30.72 for an aggregate purchase price of $6,904,504.

(16) In February 2016, we sold an aggregate of 5,696,615 shares of Series F preferred stock to a total of 14 accredited investors at a purchase price of $30.72 for an aggregate purchase price of $175,000,013.

(17) In March 2016, we sold an aggregate of 334,471 shares of Series F preferred stock to a total of two accredited investors at a purchase price of $30.72 for an aggregate purchase price of $10,274,949.

(18) In April 2016, we sold an aggregate of 8,631,480 shares of Series F preferred stock to a total of 15 accredited investors at a purchase price of $30.72 for an aggregate purchase price of $265,159,066.

(19) In May 2016, we sold an aggregate of 22,780,982 shares of Series F preferred stock to a total of 97 accredited investors at a purchase price of $30.72 for an aggregate purchase price of $699,831,767.

Plan-Related Issuances

(20) From January 1, 2014 through February 2, 2017, we granted to our directors, employees, consultants, and other service providers options to purchase 18,291,500 shares of our Class B common stock with per share exercise prices ranging from $0.99 to $21.72 under our 2012 Plan.

(21) From January 1, 2014 through February 2, 2017, we issued to our directors, employees, consultants, and other service providers an aggregate of 6,391,991 shares of our Class B common stock at per share purchase prices ranging from $0.054 to $15.35 pursuant to exercises of options granted under our 2012 Plan.

(22) From January 1, 2014 through February 2, 2017, we issued to our directors, employees, consultants, and other service providers an aggregate of 33,680,567 RSUs to be settled in shares of our Class B common stock under our 2012 Plan.

(23) From January 1, 2014 through February 2, 2017, we issued to our directors, employees, consultants, and other service providers an aggregate of 583,309 shares of our Class B common stock upon the vesting and settlement of RSUs and shares issued pursuant to a restricted stock award granted under our 2012 Plan, of which 300,525 shares were repurchased.

(24) From January 1, 2014 through February 2, 2017, we granted to our directors, employees, consultants, and other service providers options to purchase 1,276,859 shares of our Class A common stock with per share exercise prices ranging from $0.68 to $1.55 under our 2014 Plan.

(25) From January 1, 2014 through February 2, 2017, we issued to our directors, employees, consultants, and other service providers an aggregate of 651 shares of our Class A common stock at a per share purchase price of $1.55 pursuant to exercises of options granted under our 2014 Plan.

(26) From January 1, 2014 through February 2, 2017, we issued to our directors, employees, consultants, and other service providers an aggregate of 88,922,351 RSUs to be settled in shares of our Class A common stock under our 2014 Plan.

Acquisitions

(27) On April 29, 2014, we issued 1,103,140 shares of our Class B common stock as consideration to seven individuals in connection with our acquisition of all of the outstanding shares of a company.

(28) On September 5, 2014, we issued 1,266,322 shares of our Class A common stock as consideration to eight individuals and seventeen entities in connection with our acquisition of all of the outstanding shares a company.

(29) On April 17, 2015, we issued 952,810 shares of our Class A common stock as consideration to two individuals and two entities in connection with our acquisition of all of the outstanding shares of a company.

(30) On March 21, 2016, we issued 458,731 shares of our Class A common stock as consideration to eight individuals and two entities in connection with our acquisition of all of the outstanding shares of a company.

(31) On March 24, 2016, we issued 48,826 shares of our Class A common stock as consideration to four individuals in connection with our acquisition of all of the outstanding shares of a company.

(32) On August 16, 2016, we issued 2,638,961 shares of our Class A common stock as consideration to six individuals and twenty-one entities in connection with our acquisition of all of the outstanding shares of a company.

None of the foregoing transactions involved any underwriters, underwriting discounts, or commissions, or any public offering. Unless otherwise specified above, we believe these transactions were exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act (and Regulation D or Regulation S promulgated thereunder), or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or under benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Item 16. Exhibits and Financial Statement Schedules.

(a) Exhibits.

See the Exhibit Index on the page immediately following the signature page for a list of exhibits filed as part of this registration statement on Form S-1, which Exhibit Index is incorporated herein by reference.

(b) Financial Statement Schedules.

All financial statement schedules are omitted because the information required to be set forth therein is not applicable or is shown in the consolidated financial statements or the notes thereto.

Item 17. Undertakings.

(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 may be permitted to directors, officers, and controlling persons of the registrant under the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(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 on Rule 430A and contained in a form of prospectus filed by the registrant under Rule 424(b)(1) or (4) or 497(h) under the Securities Act will be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus will be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time will be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Venice, California on February 2, 2017.

SNAP INC.

By: /s/ Evan Spiegel
Name: Evan Spiegel
Title: Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Evan Spiegel, Chris Handman, and Andrew Vollero, and each one of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in their name, place, and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and to sign any registration statement for the same offering covered by this registration statement that is to be effective on filing pursuant to Rule 462(b) under the Securities Act of 1933, as amended, and all post-effective amendments thereto, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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/ Evan Spiegel Evan Spiegel	Chief Executive Officer and Director (Principal Executive Officer)	February 2, 2017
/s/ Robert Murphy Robert Murphy	Director and Chief Technology Officer	February 2, 2017
/s/ Andrew Vollero Andrew Vollero	Chief Financial Officer (Principal Financial and Accounting Officer)	February 2, 2017
/s/ Joanna Coles Joanna Coles	Director	February 2, 2017
/s/ A.G. Lafley A.G. Lafley	Director	February 2, 2017
/s/ Mitchell Lasky Mitchell Lasky	Director	February 2, 2017

Signature	Title	Date
/s/ Michael Lynton Michael Lynton	Director	February 2, 2017
/s/ Stanley Meresman Stanley Meresman	Director	February 2, 2017
/s/ Scott D. Miller Scott D. Miller	Director	February 2, 2017
/s/ Christopher Young Christopher Young	Director	February 2, 2017

EXHIBIT INDEX

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation of Snap Inc., as currently in effect.
3.2	Form of Amended and Restated Certificate of Incorporation of Snap Inc., to be in effect on the closing of the offering.
3.3	Amended and Restated Bylaws of Snap Inc., as amended, as currently in effect.
3.4	Form of Amended and Restated Bylaws of Snap Inc., to be in effect on the closing of the offering.
4.1	Form of Class A Common Stock Certificate.
5.1*	Opinion of Cooley LLP.
10.1	Amended and Restated Investor Rights Agreement, dated October 31, 2016.
10.2+	Snap Inc. Amended and Restated 2012 Equity Incentive Plan.
10.3+	Forms of grant notice, stock option agreement and notice of exercise under the Snap Inc. Amended and Restated 2012 Equity Incentive Plan.
10.4+	Forms of restricted stock unit grant notice and award agreement under the Snap Inc. Amended and Restated 2012 Equity Incentive Plan.
10.5+	Snap Inc. Amended and Restated 2014 Equity Incentive Plan.
10.6+	Forms of grant notice, stock option agreement and notice of exercise under the Snap Inc. Amended and Restated 2014 Equity Incentive Plan.
10.7+	Forms of restricted stock unit grant notice and award agreement under the Snap Inc. Amended and Restated 2014 Equity Incentive Plan.
10.8+	Snap Inc. 2017 Equity Incentive Plan, to be in effect on the closing of this offering.
10.9+	Forms of grant notice, stock option agreement and notice of exercise under the Snap Inc. 2017 Equity Incentive Plan, to be in effect on the closing of this offering.
10.10+	Forms of restricted stock unit grant notice and award agreement under the Snap Inc. 2017 Equity Incentive Plan, to be in effect on the closing of this offering.
10.11+	Snap Inc. 2017 Employee Stock Purchase Plan.
10.12+	Form of Indemnification Agreement, to be entered into by and between Snap Inc. and each director and executive officer.
10.13+	Amended and Restated Offer Letter, by and between Snap Inc. and Evan Spiegel, dated October 27, 2016.
10.14+	Amended and Restated Offer Letter, by and between Snap Inc. and Robert Murphy, dated October 27, 2016.
10.15+	Amended and Restated Offer Letter, by and between Snap Inc. and Andrew Vollero, dated October 27, 2016.
10.16+	Amended and Restated Offer Letter, by and between Snap Inc. and Imran Khan, dated October 27, 2016.
10.17+	Amended and Restated Offer Letter, by and between Snap Inc. and Chris Handman, dated October 27, 2016.
10.18+	Amended and Restated Offer Letter, by and between Snap Inc. and Timothy Sehn, dated October 27, 2016.
10.19+	Amended and Restated Offer Letter, by and between Snap Inc. and Steven Horowitz, dated October 27, 2016.
10.20#	Google Cloud Platform License Agreement, by and between Snap Inc. and Google Inc., dated .

Exhibit Number	Description
10.21	Revolving Credit Agreement, by and among Snap Inc., Morgan Stanley Senior Funding, Inc., Deutsche Bank AG Cayman Islands Branch, Goldman Sachs Bank USA, JPMorgan Chase Bank, N.A., Barclays Bank PLC, and Credit Suisse AG, Cayman Islands Branch, dated July 29, 2016.
16.1	Letter from PricewaterhouseCoopers LLP to the Securities and Exchange Commission.
21.1	List of Subsidiaries.
23.1	Consent of Ernst & Young, LLP, independent registered public accounting firm.
23.2*	Consent of Cooley LLP (included in Exhibit 5.1).
24.1	Power of Attorney (see signature pages).

* To be filed by amendment. All other exhibits are submitted herewith.
\+ Indicates management contract or compensatory plan.
\# Confidential treatment has been requested for portions of this exhibit.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF SNAP INC.

Evan Spiegel hereby certifies that:

ONE: The date of filing the original Certificate of Incorporation of this corporation with the Secretary of State of the State of Delaware was May 24, 2012. The original name of this corporation was Snapchat, Inc.

TWO: He is the duly elected and acting President and Chief Executive Officer of Snap Inc., a Delaware corporation.

THREE: The Certificate of Incorporation of this corporation is hereby amended and restated to read as follows:

I.

The name of this corporation is Snap Inc. (the " ***Company*** ").

II.

The address of the registered office of the Company in the State of Delaware is 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, 19808 and the name of the registered agent of the Company in the State of Delaware at such address is the Corporation Service Company.

III.

The purpose of the Company is to engage in any lawful act or activity for which a corporation may be organized under the Delaware General Corporation Law (" ***DGCL*** ").

IV.

A. The Company is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares which the Company is authorized to issue is 3,768,588,812, of which 3,260,887,848 shares shall be Common Stock (the " ***Common Stock*** "), par value $0.00001 per share, and 507,700,964 shares shall be Preferred Stock (the " ***Preferred Stock*** "), par value $0.00001 per share. 1,500,000,000 shares of the authorized shares of Common Stock are hereby designated Class A Common Stock (the " ***Class A Common Stock*** "), 1,500,000,000 shares of the authorized Common Stock are hereby designated Class B Common Stock (the " ***Class B Common Stock*** "), and 260,887,848 shares of the authorized Common Stock are hereby designated Class C Common Stock (the " ***Class C Common Stock*** ").

B. The number of authorized shares of Common Stock or any class thereof may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by the affirmative vote of the holders of a majority of the Class B Common Stock, Series FP Preferred (as defined below) and Voting Preferred (as defined below), voting together as a single class on an as-if-converted basis.

C. 70,288,840 of the authorized shares of Preferred Stock are hereby designated "Series A Preferred Stock" (the " ***Series A Preferred*** "), 35,741,260 of the authorized shares of Preferred Stock are hereby designated "Series A-1 Preferred Stock" (the " ***Series A-1 Preferred*** "), 40,932,220 of the authorized shares of Preferred Stock are hereby designated "Series B Preferred Stock" (the " ***Series B Preferred*** " and, together with the Series A Preferred and Series A-1 Preferred, the " ***Voting Preferred*** "), 16,000,000 of the authorized shares of Preferred Stock are hereby designated "Series C Preferred Stock" (the " ***Series C Preferred*** " and, together with the Voting Preferred, the " ***Prior Preferred*** "), 3,369,220 of the authorized shares of Preferred Stock are hereby designated "Series D Preferred Stock" (the " ***Series D Preferred*** "), 19,981,576 of the authorized shares of Preferred Stock are hereby designated "Series E Preferred Stock" (the " ***Series E Preferred*** "), 60,500,000 of the authorized shares of Preferred Stock are hereby designated "Series F Preferred Stock" (the " ***Series F Preferred*** " and, together with the Prior Preferred, Series D Preferred, and Series E Preferred, the " ***Investor Preferred*** "), and 260,887,848 of the authorized shares of Preferred Stock are hereby designated "Series FP Preferred Stock" (the " ***Series FP Preferred*** " and together with the Investor Preferred, the " ***Series Preferred*** "). Except to the extent a vote of the holders of Series Preferred or Series FP Preferred is required by the provisions of Section IV.E.2(b)(ii), Section IV.E.2(c)(ii), Section IV.E.2(d)(ii), Section IV.E.2(e)(ii), or Section IV.E.2(f)(ii) hereof, the number of authorized shares of Preferred Stock (and any series thereof) may be increased or decreased (but not below the number of shares of Preferred Stock then outstanding) by the affirmative vote of the holders of a majority of the Class B Common Stock, Series FP Preferred and Voting Preferred, voting together as a single class on an as-if-converted basis.

D. Except as otherwise provided in this Amended and Restated Certificate of Incorporation or required by applicable law, shares of Common Stock shall have the same rights and powers, rank equally (including as to dividends and distributions, and on any liquidation, dissolution or winding up of the corporation), share ratably and be identical in all respects as to all matters.

E. The rights, preferences, privileges, restrictions and other matters relating to the Series Preferred are as follows:

1. D IVIDEND R IGHTS .

(a) Holders of Series Preferred, in preference to the holders of Common Stock, shall be entitled to receive, on a pari passu basis and only out of funds that are legally available therefor, cash dividends at the rate of six percent (6%) of the Original Issue Price (as defined below) per annum on each outstanding share of Series Preferred. Such dividends shall be payable only when, as and if declared by the Board of Directors (the " ***Board*** ") and shall be non-cumulative.

(b) The " ***Original Issue Price*** " shall be (i) $0.208515 for the Series A Preferred, (ii) $0.01453 for the Series A-1 Preferred, (iii) $1.95445 for the Series B Preferred, (iv) $3.40893 for the Series C Preferred, (v) $0.001 for the Series D Preferred, (vi) $0.001 for the Series E Preferred, (vii) $0.001 for the Series F Preferred, and (viii) $0.000020835 for the Series FP Preferred (each as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the acceptance of this Amended and Restated Certificate of Incorporation for filing with the Secretary of State of the State of Delaware (the " ***Filing Date*** ")).

(c) So long as any shares of Series Preferred are outstanding, the Company shall not pay or declare any dividend (whether in cash or property), or make any other distribution on the Common Stock, or purchase, redeem or otherwise acquire for value any shares of Common Stock, until all dividends as set forth in Section 1(a) above on the Series Preferred shall have been paid or declared and set apart, except for:

(i) acquisitions of Common Stock by the Company pursuant to agreements that permit the Company to repurchase such shares at no more than cost upon termination of services to the Company;

(ii) acquisitions of Common Stock in exercise of the Company's right of first refusal to repurchase such shares;

(iii) distributions to holders of Common Stock in accordance with Section 3; or

(iv) a dividend in the form of one or more shares of Class A Common Stock paid on each outstanding share of the Company's Common Stock and Series Preferred declared on or about October 31, 2016 (the " ***Class A Dividend*** ").

(d) In the event dividends are paid on any share of Common Stock, the Company shall pay a dividend on all outstanding shares of Series Preferred in a per share amount equal (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Common Stock. In the event dividends are paid on any share of Series FP Preferred, the Company shall pay a dividend on all outstanding shares of Investor Preferred in a per share amount equal (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Series FP Preferred.

(e) The provisions of Sections 1(c) and 1(d) shall not apply to a dividend payable solely in Common Stock, other than the Class A Dividend, to which other stock dividends the provisions of Section 4(f) hereof are applicable, or any repurchase of any outstanding securities of the Company that is approved by the Board.

(f) A distribution to the Company's stockholders may be made without regard to the preferential dividends arrears amount or any preferential rights amount (each as determined under applicable law).

2. V OTING R IGHTS .

(a) General Rights. Each holder of shares of the Voting Preferred shall be entitled to the number of votes equal to the number of shares of Class B Common Stock into which such shares of Voting Preferred could be converted (pursuant to Section 4 hereof) immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent and shall have voting rights and powers equal to the voting rights and powers of the Class B Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Company. In any vote of the Series FP Preferred, including any vote of any holders of Preferred Stock and/or Common Stock voting together or as separate classes, each holder of shares of Series FP Preferred shall be entitled to the number of votes equal to ten (10) multiplied by the number of shares of Class B Common Stock into which such shares of Series FP Preferred could be converted (pursuant to Section 4 hereof) immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent and shall have voting rights and powers equal to the voting rights and powers of the Class B Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Company. Except as otherwise provided herein or as required by law, the Voting Preferred and Series FP Preferred shall vote together with the Class B Common Stock at any annual or special meeting of the stockholders and not as separate classes, and may act by written consent in the same manner as the Class B Common Stock. If the vote or approval of the Company's Preferred Stock is required by law, the Series Preferred shall vote together as a single class on an as-converted basis; *provided* , *however* , that the Series C Preferred, the Series D Preferred, the Series E Preferred, and the Series F Preferred shall not participate in any such vote. Notwithstanding anything herein to the contrary, the Series C Preferred, the Series D Preferred, the Series E Preferred, and the Series F Preferred shall have no voting rights and no holder thereof shall be entitled to vote on any matter other than as set forth in Section IV.E.2(f), Section IV.E.2(g), Section IV.E.2(h), and Section IV.E.2(i) hereof, respectively.

(b) Separate Vote of Voting Preferred. For so long as at least 48,987,440 shares of Voting Preferred remain outstanding (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the Filing

Date), in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of a majority of the outstanding Voting Preferred voting together as a single class on an as-converted basis shall be necessary for effecting or validating the following actions (whether by amendment, merger, consolidation, recapitalization or otherwise), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio* , and of no force or effect:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation of the Company (including any filing of a Certificate of Designation) that alters or changes the voting or other powers, preferences, or other special rights, privileges or restrictions of the Voting Preferred so as to affect them adversely in a manner different than other classes of stock; *provided* that authorizing or designating (including without limitation any change to the authorized capital to permit such authorization or designation) or issuing one or more series of capital stock or any other securities convertible into equity securities of the Company shall be deemed not to affect the Voting Preferred adversely or in a manner different than other classes of stock;

(ii) Any increase or decrease in the authorized number of shares of any series of Voting Preferred;

(iii) Enter into any transaction, other than continuation of the existing relationships and arrangements, between the Company and (a) Evan Spiegel and/or his affiliates, as long as (i) Mr. Spiegel remains on the Board, (ii) the holders of Series FP Preferred collectively have the right to elect a majority of the Company's directors, or (iii) the holders of Series FP Preferred collectively hold a majority of the voting power of the Company's capital stock, and/or (b) Robert Murphy and/or his affiliates, as long as (i) Mr. Murphy remains on the Board, (ii) the holders of Series FP Preferred collectively have the right to elect a majority of the Company's directors, or (iii) the holders of Series FP Preferred collectively hold a majority of the voting power of the Company's capital stock; other than (1) indemnification agreements in the form made available to all directors, and (2) agreements and/or transactions approved by the Board, including the approval of the Preferred Director (as defined below), if such Preferred Director is a member of the Board at such time; and

(iv) Any redemption, repurchase or payment of dividends with respect to Common Stock or Preferred Stock, except for dividends required pursuant to Section 1 hereof, acquisitions of capital stock pursuant to agreements under which the Company has the option to repurchase shares at no more than cost upon the occurrence of certain events, such as the termination of employment or service, acquisitions of capital stock in the exercise of the Company's right of first refusal to repurchase such shares, distributions to holders in accordance with Section 3 hereof and redemptions, repurchases or dividend payments approved by the Board, including the vote of the Preferred Director, if such Preferred Director is a member of the Board at such time.

(c) Separate Vote of Series A Preferred. For so long as at least 56,231,060 shares of Series A Preferred remain outstanding (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the Filing

Date), in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of a majority of the outstanding Series A Preferred shall be necessary for effecting or validating the following actions (whether by amendment, merger, consolidation, recapitalization or otherwise), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio* , and of no force or effect:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation of the Company (including any filing of a Certificate of Designation) that alters or changes the voting or other powers, preferences, or other special rights, privileges or restrictions of the Series A Preferred so as to affect them adversely in a manner different than other classes of stock; *provided* that authorizing or designating (including without limitation any change to the authorized capital to permit such authorization or designation) or issuing one or more series of capital stock or any other securities convertible into equity securities of the Company shall be deemed not to affect the Series A Preferred adversely or in a manner different than other classes of stock; and

(ii) Any increase or decrease in the authorized number of shares of Series A Preferred.

(d) Separate Vote of Series A-1 Preferred. For so long as at least 34,600,000 shares of Series A-1 Preferred remain outstanding (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the Filing Date), in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of a majority of the outstanding Series A-1 Preferred shall be necessary for effecting or validating the following actions (whether by amendment, merger, consolidation, recapitalization or otherwise), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio* , and of no force or effect:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation of the Company (including any filing of a Certificate of Designation) that alters or changes the voting or other powers, preferences, or other special rights, privileges or restrictions of the Series A-1 Preferred so as to affect them adversely in a manner different than other classes of stock; *provided* that authorizing or designating (including without limitation any change to the authorized capital to permit such authorization or designation) or issuing one or more series of capital stock or any other securities convertible into equity securities of the Company shall be deemed not to affect the Series A-1 Preferred adversely or in a manner different than other classes of stock; and

(ii) Any increase or decrease in the authorized number of shares of Series A-1 Preferred.

(e) Separate Vote of Series B Preferred. For so long as at least 15,000,000 shares of Series B Preferred remain outstanding (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the Filing Date), in addition to any other vote or consent required herein or by law, the vote or written

consent of the holders of a majority of the outstanding Series B Preferred shall be necessary for effecting or validating the following actions (whether by amendment, merger, consolidation, recapitalization or otherwise), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio* , and of no force or effect:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation of the Company (including any filing of a Certificate of Designation) that alters or changes the voting or other powers, preferences, or other special rights, privileges or restrictions of the Series B Preferred so as to affect them adversely in a manner different than other classes of stock; *provided* that authorizing or designating (including without limitation any change to the authorized capital to permit such authorization or designation) or issuing one or more series of capital stock or any other securities convertible into equity securities of the Company shall be deemed not to affect the Series B Preferred adversely or in a manner different than other classes of stock; and

(ii) Any increase or decrease in the authorized number of shares of Series B Preferred.

(f) Separate Vote of Series C Preferred. For so long as at least 8,000,000 shares of Series C Preferred remain outstanding (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the Filing Date), in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of a majority of the outstanding Series C Preferred shall be necessary for effecting or validating the following actions (whether by amendment, merger, consolidation, recapitalization or otherwise), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio* , and of no force or effect:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation of the Company (including any filing of a Certificate of Designation) that alters or changes the voting or other powers, preferences, or other special rights, privileges or restrictions of the Series C Preferred so as to affect them adversely in a manner different than other classes of stock; *provided* that authorizing or designating (including without limitation any change to the authorized capital to permit such authorization or designation) or issuing one or more series of capital stock or any other securities convertible into equity securities of the Company shall be deemed not to affect the Series C Preferred adversely or in a manner different than other classes of stock; and

(ii) Any increase or decrease in the authorized number of shares of Series C Preferred.

(g) Separate Vote of Series D Preferred. The vote or written consent of the holders of a majority of the outstanding Series D Preferred shall be necessary only as required under Section 242(b)(2) of the DGCL or as otherwise required under applicable law.

(h) Separate Vote of Series E Preferred. The vote or written consent of the holders of a majority of the outstanding Series E Preferred shall be necessary only as required under Section 242(b)(2) of the DGCL or as otherwise required under applicable law.

(i) Separate Vote of Series F Preferred. The vote or written consent of the holders of a majority of the outstanding Series F Preferred shall be necessary only as required under Section 242(b)(2) of the DGCL or as otherwise required under applicable law.

(j) Separate Vote of Series FP Preferred. For so long as any shares of Series FP Preferred remain outstanding, in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of a majority of the outstanding Series FP Preferred shall be necessary for effecting or validating the following actions (whether by merger, recapitalization or otherwise):

(i) Any authorization or any designation, whether by reclassification or otherwise, of any new class or series of stock or any other securities convertible into equity securities of the Company ranking equal or senior to the Series FP Preferred in voting rights.

(k) Increase in the Size of Board of Directors. In addition to any other vote or consent required herein or by law, the vote or written consent of the holders of a majority of the outstanding Class B Common Stock, Series FP Preferred and Voting Preferred, voting together as a single class on an as-if-converted basis, shall be necessary for effecting any increase in the size of the Board that results in a Board with more than four (4) directors, except to increase the size of the Board by one (1) director in connection with the hiring and appointment to the Board of a new chief executive officer of the Company.

(l) Election of Board of Directors.

(i) For so long as at least 34,983,360 shares of Voting Preferred remain outstanding (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the Filing Date), the holders of Voting Preferred, voting as a separate class on an as-converted basis, shall be entitled to vote their shares of Voting Preferred to elect one member of the Board (the " ***Preferred Director*** ") at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such director in accordance with applicable law and to fill any vacancy caused by the resignation, death or removal of such director. Each Preferred Director shall be entitled to one (1) vote on all matters at all meetings of the directors or in connection with any action by written consent in lieu of a meeting pursuant to the DGCL.

(ii) The holders of Series FP Preferred Stock, voting as a separate class, shall be entitled to elect two members of the Board (each, a " ***Series FP Director*** ") at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such directors in accordance with applicable law and to fill any vacancy caused by the resignation, death or removal of such directors. Each Series FP Director shall be entitled to that number of votes per director equal to the number of total authorized directors of the Board at the time of such vote on all matters at all meetings of the directors or in connection with any action by written consent in lieu of a meeting pursuant to the DGCL.

(iii) The holders of Class B Common Stock, Series FP Preferred and Voting Preferred, voting together as a single class on an as-if-converted basis, shall be entitled to vote their shares of Class B Common Stock, Series FP Preferred and/or Voting Preferred to elect all remaining members of the Board at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such directors in accordance with applicable law and to fill any vacancy caused by the resignation, death or removal of such directors. Each such director shall be entitled to one (1) vote on all matters at all meetings of the directors or in connection with any action by written consent in lieu of a meeting pursuant to the DGCL.

(iv) Notwithstanding the provisions of Section 223(a)(1) and 223(a)(2) of the DGCL, any vacancy, including newly created directorships resulting from any increase in the authorized number of directors or amendment of this Amended and Restated Certificate of Incorporation, and vacancies created by removal or resignation of a director, may be filled by a majority of the directors then in office, though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced; *provided* , *however* , that where such vacancy occurs among the directors elected by the holders of a class or series of stock, the holders of shares of such class or series may override the Board of Directors' action to fill such vacancy by (i) voting for their own designee to fill such vacancy at a meeting of the Company's stockholders or (ii) written consent, if the consenting stockholders hold a sufficient number of shares to elect their designee at a meeting of the stockholders in which all members of such class or series are present and voted. Any director may be removed during his or her term of office without cause, by, and only by, the affirmative vote of the holders of the shares of the class or series of stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders, and any vacancy thereby created may be filled by the holders of that class or series of stock represented at the meeting or pursuant to written consent. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director.

(v) No person entitled to vote at an election for directors may cumulate votes to which such person is entitled unless required by applicable law at the time of such election. During such time or times that applicable law requires cumulative voting, every stockholder entitled to vote at an election for directors may cumulate such stockholder's votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such stockholder's shares are otherwise entitled, or distribute the stockholder's votes on the same principle among as many candidates as such stockholder desires. No stockholder, however, shall be entitled to so cumulate such stockholder's votes unless (A) the names of such candidate or candidates have been placed in nomination prior to the voting and (B) the stockholder has given notice at the meeting, prior to the voting, of such stockholder's intention to cumulate such stockholder's votes. If any stockholder has given proper notice to cumulate

votes, all stockholders may cumulate their votes for any candidates who have been properly placed in nomination. Under cumulative voting, the candidates receiving the highest number of votes, up to the number of directors to be elected, are elected.

3. L IQUIDATION R IGHTS .

(a) Upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary (a " ***Liquidation Event*** "), before any distribution or payment shall be made to the holders of the Series D Preferred, Series E Preferred, Series F Preferred, Series FP Preferred or any Common Stock, the holders of Prior Preferred shall be entitled to be paid out of the assets of the Company legally available for distribution (or the consideration received by the Company or its stockholders in an Acquisition) for each share of Prior Preferred then held by them, an amount per share of Prior Preferred equal to the applicable Original Issue Price plus all declared and unpaid dividends on such Prior Preferred. If, upon any such Liquidation Event, the assets of the Company shall be insufficient to make payment in full to all holders of Prior Preferred of the liquidation preference set forth in this Section 3(a), then such assets (or consideration) shall be distributed among the holders of Prior Preferred at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled to receive under this Section 3(a).

(b) After the payment of the full liquidation preference of the Prior Preferred as set forth in Section 3(a) above, the remaining assets of the Company legally available for distribution (or the consideration received by the Company or its stockholders in an Acquisition), if any, shall be distributed ratably to the holders of the Common Stock as provided in Article IV Section E.3.

(c) An Asset Transfer or Acquisition (each as defined below) shall be deemed a Liquidation Event for purposes of this Section 3.

(i) For the purposes of this Section 3: (i) " ***Acquisition*** " shall mean (A) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the shares of capital stock of the Company immediately prior to such consolidation, merger or reorganization, continue to represent a majority of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization, (*provided* that, for the purpose of this 3(c), all shares of Class B Common Stock issuable upon exercise or conversion of Preferred Stock or other stock, options, warrants, purchase rights or other securities exercisable for or convertible into Common Stock outstanding immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of capital stock are converted or exchanged); or (B) any transaction or series of related transactions to which the Company is a party in which shares of the Company are transferred such that in excess of fifty percent (50%) of the Company's voting power is transferred; *provided* that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the

Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof; and (ii) " ***Asset Transfer*** " shall mean a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

(ii) In any Acquisition or Asset Transfer, if the consideration to be received is securities of a corporation or other property other than cash, its value will be deemed its fair market value as determined in good faith by the Board on the date such determination is made (including the approval of the Preferred Director, if any is then in office).

(iii) The Company shall not have the power to effect an Acquisition or Asset Transfer unless the definitive agreement for such transaction (the " ***Agreement*** ") provides that the consideration payable to the stockholders of the Company in connection therewith shall be allocated among the holders of capital stock of the Company in accordance with this Section 3.

(d) Notwithstanding the foregoing, upon any Liquidation Event (including an Acquisition or Asset Transfer), each holder of Series Preferred shall be entitled to receive, for each share of Series Preferred then held, out of the proceeds available for distribution, the greater of (i) the amount of cash, securities or other property to which such holder would be entitled to receive with respect to such shares in such Liquidation Event pursuant to Section 3(a) (without giving effect to this Section 3(d)) or (ii) the amount of cash, securities or other property to which such holder would be entitled to receive in such Liquidation Event with respect to such shares if such shares had been converted to Class B Common Stock immediately prior to such Liquidation Event or Acquisition or Asset Transfer, giving effect to this Section 3(d) with respect to all shares of Series Preferred simultaneously. The foregoing sentence shall apply with respect to any shares of Class B Common Stock that were issued upon conversion of shares of Series B Preferred pursuant to Section 4(j)(i)(A)(i) below (and shall be calculated as if none of the Series Preferred were converted in such conversion with respect to clause (i) above), *provided* that such conversion was effected in connection with the Liquidation Event; *provided* , *however* , that the holders of a majority of the shares of Series B Preferred outstanding at the time of such conversion may waive the application of this sentence.

4. C ONVERSION R IGHTS OF S ERIES P REFERRED .

The holders of the Series Preferred shall have the following rights with respect to the conversion of the Series Preferred into shares of Class B Common Stock or Class C Common Stock, as applicable (the " ***Conversion Rights*** "):

(a) Optional Conversion. Subject to and in compliance with the provisions of this Section 4, any shares of Series Preferred may, at the option of the holder, be converted at any time into fully-paid and nonassessable shares of Class B Common Stock; *provided* , *however* , that the Series C Preferred, Series D Preferred, Series E Preferred, and Series F Preferred may only be converted pursuant to this Section 4(a) either (i) immediately prior to a Liquidation Event or (ii) upon or following the closing of the Company's firmly underwritten initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of Class A Common Stock or Class B Common

Stock for the account of the Company. The number of shares of Class B Common Stock or, in the case of conversion of Series FP Preferred pursuant to Section 4(j)(i)(B)(ii), Class C Common Stock to which a holder of Series Preferred shall be entitled upon conversion shall be the product obtained by multiplying the applicable " ***Series Preferred Conversion Rate*** " then in effect (determined as provided in Section 4(b)) by the number of shares of Series Preferred being converted.

(b) Series Preferred Conversion Rate. The conversion rate in effect at any time for conversion of the Series Preferred (the " ***Series Preferred Conversion Rate*** ") shall be the quotient obtained by dividing the applicable Original Issue Price of such Series Preferred by the applicable Series Preferred Conversion Price, calculated as provided in Section 4(c).

(c) Series Preferred Conversion Price. The conversion price for the Series Preferred shall initially be the applicable Original Issue Price of such Series Preferred (the " ***Series Preferred Conversion Price*** "). Such initial Series Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 4. All references to the Series Preferred Conversion Price herein shall mean the Series Preferred Conversion Price as so adjusted.

(d) Mechanics of Optional Conversion. Each holder of Series Preferred who desires to convert the same into shares of Class B Common Stock pursuant to this Section 4 shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or any transfer agent for the Series Preferred, and shall give written notice to the Company at such office that such holder elects to convert the same. Such notice shall state the number of shares of Series Preferred being converted. Thereupon, the Company shall promptly issue and deliver at such office to such holder a certificate or certificates for the number of shares of Class B Common Stock to which such holder is entitled and shall promptly pay (i) in cash or, to the extent sufficient funds are not then legally available therefor, in Class B Common Stock (at the Class B Common Stock's fair market value determined by the Board as of the date of such conversion) any declared and unpaid dividends on the shares of Series Preferred being converted and (ii) in cash (at the Class B Common Stock's fair market value determined by the Board as of the date of conversion) the value of any fractional share of Class B Common Stock otherwise issuable to any holder of Series Preferred. Such conversion shall be deemed to have been made at the close of business on the date of such surrender of the certificates representing the shares of Series Preferred to be converted, and the person entitled to receive the shares of Class B Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of Class B Common Stock on such date.

(e) Adjustment for Stock Splits and Combinations. If at any time or from time to time on or after Filing Date the Company effects a subdivision of the outstanding Class B Common Stock or Class C Common Stock, as applicable, the applicable Series Preferred Conversion Price in effect immediately before that subdivision shall be proportionately decreased. Conversely, if at any time or from time to time after the Filing Date the Company combines the outstanding shares of Class B Common Stock or Class C Common Stock, as applicable, into a smaller number of shares, the applicable Series Preferred Conversion Price in effect immediately before the combination shall be proportionately increased. Any adjustment under this Section 4(e) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(f) Adjustment for Common Stock Dividends and Distributions. If at any time or from time to time on or after the Filing Date the Company pays to holders of Common Stock a dividend or other distribution in additional shares of Common Stock, other than the Class A Dividend, the applicable Series Preferred Conversion Price then in effect shall be decreased as of the time of such issuance, as provided below:

(i) The Series Preferred Conversion Price shall be adjusted by multiplying the Series Preferred Conversion Price then in effect by a fraction:

(A) the numerator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance, and

(B) the denominator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance plus the number of shares of Common Stock issuable in payment of such dividend or distribution;

(ii) If the Company fixes a record date to determine which holders of Class B Common Stock or Class C Common Stock are entitled to receive such dividend or other distribution, the applicable Series Preferred Conversion Price shall be fixed as of the close of business on such record date and the number of shares of Common Stock shall be calculated immediately prior to the close of business on such record date; and

(iii) If such record date is fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the applicable Series Preferred Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the applicable Series Preferred Conversion Price shall be adjusted pursuant to this Section 4(f) to reflect the actual payment of such dividend or distribution.

(g) Adjustment for Reclassification, Exchange, Substitution, Reorganization, Merger or Consolidation. If at any time or from time to time on or after the Filing Date the Class B Common Stock or Class C Common Stock, as applicable, issuable upon the conversion of the Series Preferred is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification, merger, consolidation or otherwise (other than, an Acquisition as defined in Section 3 or a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 4), in any such event each share of Series Preferred, shall thereafter be convertible in lieu of the Class B Common Stock or Class C Common Stock, as applicable, into which it was convertible prior to such event into the kind and amount of securities, cash or other property that a holder of the number of shares of Class B Common Stock or Class C Common Stock of the Company issuable upon conversion of one share of Series Preferred immediately prior to such recapitalization, reclassification, merger, consolidation or other transaction would have been entitled to receive pursuant to such transaction, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 4 with respect to the rights of the holders of

Series Preferred after the capital reorganization to the end that the provisions of this Section 4 (including adjustment of the applicable Series Preferred Conversion Price then in effect and the number of shares issuable upon conversion of the Series Preferred) shall be applicable after that event and be as nearly equivalent as practicable.

(h) Certificate of Adjustment. In each case of an adjustment or readjustment of any Series Preferred Conversion Price for the number of shares of Class B Common Stock, or Class C Common Stock, as applicable, or other securities issuable upon conversion of the Series Preferred, if the Series Preferred is then convertible pursuant to this Section 4, the Company, at its expense, shall compute such adjustment or readjustment in accordance with the provisions hereof and shall, upon request, prepare a certificate showing such adjustment or readjustment, and shall mail such certificate, by first class mail, postage prepaid, to each registered holder of Series Preferred so requesting at the holder's address as shown in the Company's books. The certificate shall set forth such adjustment or readjustment, showing in detail the facts upon which such adjustment or readjustment is based, including a statement of (i) the applicable Series Preferred Conversion Price at the time in effect and (ii) the type and amount, if any, of other property that at the time would be received upon conversion of the Series Preferred. Failure to request or provide such notice shall have no effect on any such adjustment.

(i) Notices of Record Date. Upon (i) any taking by the Company of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or (ii) any Acquisition (as defined in Section 3) or other capital reorganization of the Company, any reclassification or recapitalization of the capital stock of the Company, any merger or consolidation of the Company with or into any other corporation, or any Asset Transfer (as defined in Section 3), or any voluntary or involuntary dissolution, liquidation or winding up of the Company, the Company shall mail to each holder of Series Preferred at least ten (10) days prior to (x) the record date, if any, specified therein; or (y) if no record date is specified, the date upon which such action is to take effect (or, in either case, such shorter period approved by the holders of a majority of the outstanding Series Preferred) a notice specifying (A) the date on which any such record is to be taken for the purpose of such dividend or distribution and a description of such dividend or distribution, (B) the date on which any such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up is expected to become effective, and (C) the date, if any, that is to be fixed as to when the holders of record of Class B Common Stock or Class C Common Stock, as applicable, (or other securities) shall be entitled to exchange their shares of Class B Common Stock or Class C Common Stock, as applicable, (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up.

(j) Automatic Conversion.

(i) Each share of Series Preferred shall automatically be converted, based on the applicable then-effective Series Preferred Conversion Price as follows:

(A) for the Investor Preferred, each share of Investor Preferred shall automatically be converted into shares of Class B Common Stock (i) at any time

upon the affirmative election of the holders of a majority of the outstanding shares of the Voting Preferred (voting together as a single class and on an as-converted basis) or (ii) immediately upon the closing of a firmly underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of Class A Common Stock or Class B Common Stock for the account of the Company in which (1) the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) are at least $25,000,000 and (2) a class of the Company's shares have been listed for trading on the New York Stock Exchange, NASDAQ Global Select Market or NASDAQ Global Market or any successor markets or exchanges (a " ***Qualified IPO*** ").

(B) for the Series FP Preferred (i) each share of Series FP Preferred shall automatically be converted into shares of Class B Common Stock at any time on the affirmative election of the holders of a majority of the outstanding shares of the Series FP Preferred and (ii) each share of Series FP Preferred shall automatically be converted into shares of Class C Common Stock immediately on the closing of a Qualified IPO.

Upon such automatic conversion any declared and unpaid dividends shall be paid in accordance with the provisions of Section 4(d).

(ii) Any shares of Series FP Preferred purchased by an investor of the Company in connection with an Equity Financing (as defined below) shall automatically be converted immediately prior to such transfer into shares of the series of Preferred Stock of the Company sold in the Equity Financing at the then-effective Series Preferred Conversion Rate for the Series FP Preferred; *provided* that such investor must purchase such shares of Series FP Preferred for the same price as the shares of Preferred Stock sold in such Equity Financing. Unless waived by all holders of Series FP Preferred then outstanding, the Company shall provide a notice to each holder of Series FP Preferred Stock of an expected closing of an Equity Financing summarizing the material terms of such Equity Financing at least five (5) business days prior to the initial closing of such Equity Financing. For purposes of this Section, "Equity Financing" shall mean an equity financing of the Company in which the Company sells at least $1,000,000 worth of a newly created series of Preferred Stock of the Company.

(iii) With respect to any holder of Series FP Preferred, each share of Series FP Preferred held by such holder will automatically be converted into shares of Class B Common Stock, based on the applicable then-effective Series Preferred Conversion Price, as follows:

(A) on the occurrence of a Transfer of such share of Series FP Preferred, other than a Permitted Transfer; or

(B) with respect to Series FP Preferred held by a Founder and a Founder's Permitted Transferees and Qualified Trustees, nine months following the death of such Founder.

(iv) Upon the occurrence of any of the events specified in Section 4(j)(i), 4(j)(ii) or 4(j)(iii) above, the outstanding shares of Investor Preferred and/or Series FP Preferred, as applicable, shall be converted automatically without any further action by the

holders of such shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent; *provided* , *however* , that the Company shall not be obligated to issue certificates evidencing the shares of Class B Common Stock or Class C Common Stock, as applicable, issuable upon such conversion unless the certificates evidencing such shares of Series Preferred are either delivered to the Company or its transfer agent as provided below, or the holder notifies the Company or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates. Upon the occurrence of such automatic conversion of the Series Preferred, the holders of Series Preferred shall surrender the certificates representing such shares at the office of the Company or any transfer agent for the Series Preferred. Thereupon, there shall be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Class B Common Stock or Class C Common Stock, as applicable, into which the shares of Series Preferred surrendered were convertible on the date on which such automatic conversion occurred, and any declared and unpaid dividends shall be paid in accordance with the provisions of Section 4(d).

(k) Fractional Shares. No fractional shares of Class B Common Stock or Class C Common Stock, as applicable, shall be issued upon conversion of Series Preferred. All shares of Class B Common Stock or Class C Common Stock, as applicable, (including fractions thereof) issuable upon conversion of more than one share of Series Preferred by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If after the aforementioned aggregation the conversion would result in the issuance of any fractional share, the Company shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the fair market value of one share of Class B Common Stock or Class C Common Stock, as applicable, (as determined by the Board) on the date of conversion.

(l) Reservation of Stock Issuable Upon Conversion. The Company shall at all times reserve and keep available out of its authorized but unissued shares of Class B Common Stock and Class C Common Stock, solely for the purpose of effecting the conversion of the shares of the Series Preferred, such number of its shares of Class B Common Stock and Class C Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series Preferred. If at any time the number of authorized but unissued shares of Class B Common Stock and Class C Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series Preferred, the Company will take such corporate action as may be necessary to increase its authorized but unissued shares of Class B Common Stock or Class C Common Stock, as applicable, to such number of shares as shall be sufficient for such purpose.

(m) Notices. Any notice required by the provisions of this Section 4 shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by electronic transmission in compliance with the provisions of the DGCL if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with verification of receipt. All notices shall be addressed to each holder of record at the address of such holder appearing on the books of the Company.

(n) Payment of Taxes. The Company will pay all taxes (other than taxes based upon income) and other governmental charges that may be imposed with respect to the issue or delivery of shares of Class B Common Stock or Class C Common Stock, as applicable, upon conversion of shares of Series Preferred, excluding any tax or other charge imposed in connection with any transfer involved in the issue and delivery of shares of Class B Common Stock or Class C Common Stock, as applicable, in a name other than that in which the shares of Series Preferred so converted were registered.

5. N O R EISSUANCE OF S ERIES P REFERRED .

(a) Any shares of Series Preferred redeemed, purchased, converted or exchanged by the Company shall be cancelled and retired and shall not be reissued or transferred.

F. Except as provided above, the rights, preferences, privileges, restrictions and other matters relating to the Common Stock are as follows:

1. D EFINITIONS . For purposes of this Amended and Restated Certificate of Incorporation:

(a) " ***Base Class C Common Stock*** " for any Founder means the number of shares of Class C Common Stock held by such Founder and such Founder's Permitted Transferees and Qualified Trustees on the IPO Date.

(b) " ***Disability Event*** " means an event that results in a Founder's inability to perform the material duties of his employment by reason of any medically determinable physical or mental impairment that can be expected to result in death within 12 months or can be expected to last for a continuous period of not less than 12 months, as determined by a licensed physician jointly selected by a majority of the Independent Directors and the Founder. If the Founder is incapable of selecting a licensed physician, then the Founder's spouse shall make the selection on behalf of the Founder, or in the absence or incapacity of the Founder's spouse, the Founder's parents shall make the selection on behalf of the Founder, or in the absence of parents of the Founder, a natural person then acting as the successor trustee of a revocable living trust which was created by the Founder and which holds more shares of all classes of capital stock of the Company than any other revocable living trust created by the Founder shall make the selection on behalf of the Founder, or in absence of any such successor trustee, the legal guardian or conservator of the estate of the Founder shall make the selection on behalf of the Founder.

(c) " ***Final Conversion Date*** " means, following the IPO Date, the date fixed by the Board that is no less than 61 days and no more than 180 days following the date that no shares of Class C Common Stock are outstanding.

(d) " ***Founder*** " means either Evan Spiegel or Robert Murphy.

(e) " ***Independent Directors*** " mean a majority of the members of the Board designated as independent directors in accordance with the Listing Standards.

(f) " ***IPO Date*** " means the first closing date of the first Qualified IPO.

(g) " ***Listing Standards*** " means (i) the requirements of any national stock exchange under which the Company's equity securities are listed for trading that are generally applicable to companies with common equity securities listed thereon or (ii) if the Company's equity securities are not listed for trading on a national stock exchange, the requirements of the New York Stock Exchange generally applicable to companies with equity securities listed thereon.

(h) " ***Parent*** " of an entity means any entity that directly or indirectly owns or controls a majority of the voting power of the voting securities of such entity.

(i) " ***Permitted Transfer*** " means any Transfer of a share of Series FP Preferred, Class B Common Stock or Class C Common Stock to any of the entities or individuals listed below:

(i) a trust for the benefit of such Qualified Stockholder or persons other than the Qualified Stockholder so long as a Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such trust; *provided* that in the event a Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such trust, each such share of Series FP Preferred, Class B Common Stock or Class C Common Stock then held by such trust shall automatically convert as provided in Article IV.E.4(j), Article IV.F.5 or Article IV.F.6, as applicable;

(ii) a trust under the terms of which a Qualified Stockholder has retained a "qualified interest" within the meaning of §2702(b)(1) of the Internal Revenue Code or a reversionary interest so long as a Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such trust; *provided* , *however* , that in the event a Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such trust, each such share of Series FP Preferred, Class B Common Stock or Class C Common Stock then held by such trust shall automatically convert as provided in Article IV.E.4(j), Article IV.F.5 or Article IV.F.6, as applicable;

(iii) an Individual Retirement Account, as defined in Section 408(a) of the Internal Revenue Code, or a pension, profit sharing, stock bonus or other type of plan or trust of which such Qualified Stockholder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Internal Revenue Code; *provided* that in each case such Qualified Stockholder has sole dispositive power and exclusive

Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held in such account, plan or trust, and *provided* , *further* , that in the event the Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such account, plan or trust, each such share of Series FP Preferred, Class B Common Stock or Class C Common Stock then held by such trust shall automatically convert as provided in Article IV.E.4(j), Article IV.F.5 or Article IV.F.6, as applicable;

(iv) a corporation in which such Qualified Stockholder directly, or indirectly through one or more Permitted Transferees, owns shares with sufficient Voting Control in the corporation, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such corporation; *provided* that in the event the Qualified Stockholder no longer owns sufficient shares or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such corporation, each such share of Series FP Preferred, Class B Common Stock or Class C Common Stock then held by such corporation shall automatically convert as provided in Article IV.E.4(j), Article IV.F.5 or Article IV.F.6, as applicable;

(v) a partnership in which such Qualified Stockholder directly, or indirectly through one or more Permitted Transferees, owns partnership interests with sufficient Voting Control in the partnership, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such partnership; *provided* that in the event the Qualified Stockholder no longer owns sufficient partnership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such partnership, each such share Series FP Preferred, Class B Common Stock or Class C Common Stock then held by such partnership shall automatically convert as provided in Article IV.E.4(j), Article IV.F.5 or Article IV.F.6, as applicable;

(vi) a limited liability company in which such Qualified Stockholder directly, or indirectly through one or more Permitted Transferees, owns membership interests with sufficient Voting Control in the limited liability company, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such limited liability company; *provided* that in the event the Qualified Stockholder no longer owns sufficient membership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such limited liability company, each such share of Series FP Preferred, Class B Common Stock or Class C Common Stock then held by such limited liability company shall automatically convert as provided in Article IV.E.4(j), Article IV.F.5 or Article IV.F.6, as applicable; or

(vii) a Transfer by a Founder or a Founder's Permitted Transferee or Qualified Trustee of shares of Series FP Preferred, Class B Common Stock or Class C Common Stock, or the right to exercise dispositive power over, or Voting Control with respect to, such shares, to a Founder or a Permitted Transferee or Qualified Trustee of a Founder.

Without limiting the generality of the foregoing, a Founder shall be deemed to have sole dispositive power and exclusive Voting Control with respect to any shares of Series FP Preferred, Class B Common Stock or Class C Common Stock over which a Qualified Trustee exercises such dispositive power and Voting Control. In the event a Founder's Qualified Trustee resigns as trustee, or becomes ineligible to be a Qualified Trustee, or otherwise ceases to serve as a Qualified Trustee, the Founder shall have sixty (60) days to appoint a replacement Qualified Trustee before any shares of Series FP Preferred, Class B Common Stock or Class C Common Stock over which the Qualified Trustee had sole dispositive power and exclusive Voting Control become subject to the automatic conversion provisions of Article IV.E.4(j), Article IV.F.5 or Article IV.F.6, as applicable.

(j) " ***Permitted Transferee*** " means a transferee of shares of Class B Common Stock, Class C Common Stock or Series FP Preferred received in a Transfer that constitutes a Permitted Transfer.

(k) " ***Qualified Stockholder*** " means (i) any registered holder of a share of Series FP Preferred, Class B Common Stock, or Class C Common Stock immediately after the IPO Date; (ii) the initial registered holder of any share of Series FP Preferred, Class B Common Stock or Class C Common Stock that is originally issued by the Company after the IPO Date pursuant to the exercise or conversion of options or warrants or settlement of restricted stock units (" ***RSUs*** ") that, in each case, are outstanding as the IPO Date or are issued in connection with, or upon completion of, a Qualified IPO; and (iii) a Permitted Transferee or, in the case of a Founder, such Founder's Qualified Trustee.

(l) " ***Qualified Trustee*** " means a professional in the business of providing trustee services, including private professional fiduciaries, trust companies, accounting, legal or financial advisors, or bank trust departments that (a) is subject to appointment and removal solely by a Founder or, following a Founder's death or during the Founder's Disability Event, by the Founder's designated proxy (who may be the other Founder or another person selected by the Founder and approved to act in that role by the Independent Directors), and (b) has no pecuniary interest in any Series FP Preferred, Class B Common Stock or Class C Common Stock held by any entity of which such person is a trustee.

(m) " ***Transfer*** " of a share of Series FP Preferred, Class B Common Stock or Class C Common Stock means, directly or indirectly, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law (including by merger, consolidation or otherwise), including, without limitation, a transfer of a share of Series FP Preferred, Class B Common Stock or Class C Common Stock to a broker or other nominee (regardless of whether there is a corresponding change in beneficial ownership), or the transfer of, or entering into a binding agreement with respect to, Voting Control (as defined below) over such share by proxy or otherwise. A " ***Transfer*** " will also be deemed to have occurred with respect to all shares of Series FP Preferred, Class B Common Stock or Class C

Common Stock beneficially held by an entity that is a Qualified Stockholder, if after the IPO Date there is a Transfer of the voting power of the voting securities of such entity or any direct or indirect Parent of such entity, such that the previous holders of such voting power no longer retain sole dispositive power and exclusive Voting Control with respect to the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock held by such holder. Notwithstanding the foregoing, the following will not be considered a " ***Transfer*** ":

(i) granting a revocable proxy to officers or directors of the Company at the request of the Board in connection with actions to be taken at an annual or special meeting of stockholders or in connection with any action by written consent of the stockholders solicited by the Board (if action by written consent of stockholders is permitted at such time under this Amended and Restated Certificate of Incorporation);

(ii) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with stockholders who are holders of Series FP Preferred, Class B Common Stock or Class C Common Stock, which voting trust, agreement or arrangement (A) is disclosed either in a Schedule 13D filed with the Securities and Exchange Commission or in writing to the Secretary of the Company, (B) either has a term not exceeding one year or is terminable by the holder of the shares subject thereto at any time and (C) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than the mutual promise to vote shares in a designated manner;

(iii) pledging shares of Series FP Preferred, Class B Common Stock or Class C Common Stock by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction for so long as such stockholder continues to exercise Voting Control over such pledged shares; *provided* , *however* , that a foreclosure on such shares or other similar action by the pledgee will constitute a " ***Transfer*** " unless such foreclosure or similar action qualifies as a " ***Permitted Transfer*** " at such time;

(iv) granting a proxy by a Founder to a Qualified Trustee or a person disclosed to the Independent Directors, to exercise dispositive power and/or Voting Control of the shares of Series FP Preferred, Class B Common Stock or Class C Common Stock owned directly or indirectly, beneficially and of record, by such Founder effective either (A) on the death of such Founder or (B) during any Disability Event of such Founder, including the exercise of such proxy by such person; or

(v) entering into a support or similar voting agreement (with or without granting a proxy) in connection with a Liquidation Event.

(n) " ***Voting Control*** " means, with respect to a share of Series FP Preferred, Class B Common Stock or Class C Common Stock, the power (whether exclusive or shared) to vote or direct the voting of such share by proxy, voting agreement or otherwise.

2. R IGHTS R ELATING TO D IVIDENDS , S UBDIVISIONS AND C OMBINATIONS .

(a) Subject to the prior rights of holders of all classes and series of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when, as and if declared by the Board, out of any assets of the Company legally available therefor, such dividends as may be declared from time to time by the

Board. Any dividends paid to the holders of shares of Common Stock shall be paid pro rata, on an equal priority, pari passu basis, unless different treatment of the shares of each such class is approved by the affirmative vote of the holders of a majority of the outstanding shares of the applicable class of Common Stock treated adversely, voting separately as a class.

(b) The Company shall not declare or pay any dividend or make any other distribution to the holders of Common Stock payable in securities of the Company unless the same dividend or distribution with the same record date and payment date shall be declared and paid on all shares of Common Stock; *provided* , *however* , that (i) dividends or other distributions payable in shares of Class A Common Stock or rights to acquire shares of Class A Common Stock may be declared and paid to the holders of Class A Common Stock without the same dividend or distribution being declared and paid to the holders of the Class B Common Stock or Class C Common Stock if, and only if, a dividend payable in shares of Class B Common Stock and Class C Common Stock, as applicable, or rights to acquire shares of Class B Common Stock or Class C Common Stock, as applicable, are declared and paid to the holders of Class B Common Stock and Class C Common Stock at the same rate and with the same record date and payment date; (ii) dividends or other distributions payable in shares of Class B Common Stock or rights to acquire shares Class B Common Stock may be declared and paid to the holders of Class B Common Stock without the same dividend or distribution being declared and paid to the holders of the Class A Common Stock or Class C Common Stock if, and only if, a dividend payable in shares of Class A Common Stock and Class C Common Stock, as applicable, or rights to acquire shares of Class A Common Stock or Class C Common Stock, as applicable, are declared and paid to the holders of Class A Common Stock and Class C Common Stock at the same rate and with the same record date and payment date and (iii) dividends or other distributions payable in shares of Class C Common Stock or rights to acquire shares Class C Common Stock may be declared and paid to the holders of Class C Common Stock without the same dividend or distribution being declared and paid to the holders of the Class A Common Stock or Class B Common Stock if, and only if, a dividend payable in shares of Class A Common Stock and Class B Common Stock, as applicable, or rights to acquire shares of Class A Common Stock or Class B Common Stock, as applicable, are declared and paid to the holders of Class A Common Stock and Class B Common Stock at the same rate and with the same record date and payment date.

(c) If the Company in any manner subdivides or combines the outstanding shares of Class A Common Stock, Class B Common Stock or Class C Common Stock, then the outstanding shares of all Common Stock will be subdivided or combined in the same proportion and manner.

3. V OTING R IGHTS .

(a) Class A Common Stock. Except as required by law, the Class A Common Stock will have no voting rights and no holder thereof shall be entitled to vote on any matter; *provided* , that, upon and following the Final Conversion Date, each holder of a share of Class A Common Stock shall be entitled to one vote for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

(b) Class B Common Stock. Each holder of shares of Class B Common Stock will be entitled to one vote for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

(c) Class C Common Stock. Each holder of shares of Class C Common Stock will be entitled to ten votes for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

(d) General. Except as otherwise expressly provided herein or as required by law, the holders of Preferred Stock, Class A Common Stock, Class B Common Stock and Class C Common Stock will vote together and not as separate series or classes.

4. L IQUIDATION R IGHTS .

In the event of a Liquidation Event, upon the completion of the distributions required under Article IV Section E.3 with respect to the shares of Prior Preferred that may then be outstanding, the remaining assets of the Company legally available for distribution to stockholders shall be distributed on an equal priority, pro rata basis to the holders of Common Stock, unless different treatment of the shares of each such class is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, Class B Common Stock and Class C Common Stock, each voting separately as a class; *provided, however* , that for the avoidance of doubt, consideration to be paid or received by a holder of Common Stock in connection with any Liquidation Event pursuant to any employment, consulting, severance or similar services arrangement shall not be deemed to be "distribution to stockholders" for the purpose of this Section 4.

5. C ONVERSION OF THE C LASS B C OMMON S TOCK . Following the IPO Date, the Class B Common Stock will be convertible into Class A Common Stock as follows:

(a) Each share of Class B Common Stock will automatically convert into one fully paid and nonassessable share of Class A Common Stock on the Final Conversion Date.

(b) With respect to any holder of Class B Common Stock, each share of Class B Common Stock held by such holder will automatically be converted into one fully paid and nonassessable share of Class A Common Stock, as follows:

(i) on the affirmative election of such holder;

(ii) on the occurrence of a Transfer of such share of Class B Common Stock, other than a Permitted Transfer; or

(iii) with respect to Class B Common Stock held by a holder who is a natural person, or a Permitted Transferee of such natural person, upon the death of such natural person.

(c) On the occurrence of the conversion events specified in Sections 5(a) or 5(b) above, such conversion will occur automatically without the need for any further

action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent; *provided* , *however* , that the Company will not be obligated to issue certificates evidencing the shares of Class A Common Stock issuable on such conversion unless the certificates evidencing such shares of Class B Common Stock, if any such certificates have been issued, are either delivered to the Company or its transfer agent as provided below, or the holder notifies the Company or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates. On the occurrence of such automatic conversion of the Class B Common Stock, the holders of Class B Common Stock so converted will surrender the certificates representing such shares at the office of the Company or any transfer agent for the Class A Common Stock. Thereupon, if requested by any holder of Class B Common Stock, there will be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Class A Common Stock into which the shares of Class B Common Stock surrendered were convertible on the date on which such automatic conversion occurred.

6. C ONVERSION OF THE C LASS C C OMMON S TOCK . Following the IPO Date, the Class C Common Stock will be convertible into Class B Common Stock as follows:

(a) With respect to any holder of Class C Common Stock, each share of Class C Common Stock held by such holder will automatically be converted into one fully paid and nonassessable share of Class B Common Stock, as follows:

(i) on the occurrence of a Transfer of such share of Class C Common Stock, other than a Permitted Transfer;

(ii) on the affirmative election of such holder;

(iii) with respect to Class C Common Stock held by a Founder and a Founder's Permitted Transferees and Qualified Trustees, at such time as such Class C Common Stock represents in the aggregate less than 30% of such Founder's Base Class C Common Stock; or

(iv) with respect to Class C Common Stock held by a Founder and a Founder's Permitted Transferees and Qualified Trustees, nine months following the death of such Founder.

(b) On the occurrence of the conversion events specified in Section 6(a) above, such conversion will occur automatically without the need for any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent; *provided* , *however* , that the Company shall not be obligated to issue certificates evidencing the shares of Class B Common Stock issuable on such conversion unless the certificates evidencing such shares of Class C Common Stock, if any such certificates have been issued, are either delivered to the Company or its transfer agent as provided below, or the holder notifies the Company or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates. On the occurrence of such automatic

conversion of the Class C Common Stock, the holders of Class C Common Stock so converted will surrender the certificates representing such shares at the office of the Company or any transfer agent for the Class B Common Stock. Thereupon, if requested by any holder of Class C Common Stock, there will be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Class B Common Stock into which the shares of Class C Common Stock surrendered were convertible on the date on which such automatic conversion occurred.

7. R ESERVATION OF S TOCK I SSUABLE U PON C ONVERSION . The Company will at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock and Class B Common Stock, solely for the purpose of effecting the conversion of the shares of the Class B Common Stock and the Class C Common Stock, as applicable, such number of its shares of Class A Common Stock and Class B Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock and Class C Common Stock, as applicable; and if at any time the number of authorized but unissued shares of Class A Common Stock or Class B Common Stock will not be sufficient to effect the conversion of all then-outstanding shares of Class B Common Stock and Class C Common Stock, as applicable, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Class A Common Stock or Class B Common Stock, as applicable, to such number of shares as will be sufficient for such purpose.

8. M ISCELLANEOUS .

(a) No Reissuance of Class B Common Stock or Class C Common Stock . No share or shares of Class B Common Stock or Class C Common Stock acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares that the Company shall be authorized to issue.

(b) Preemptive Rights . No stockholder of the Company shall have a right to purchase shares of capital stock of the Company sold or issued by the Company except to the extent that such a right may from time to time be set forth in a written agreement between the Company and a stockholder.

V.

Director Liability

A. The liability of the directors of the Company for monetary damages shall be eliminated to the fullest extent under applicable law.

B. To the fullest extent permitted by applicable law, the Company is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Company (and any other persons to which applicable law permits the Company to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise in excess of the indemnification and advancement otherwise permitted by such applicable law. If applicable law is amended after

approval by the stockholders of this Article V to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director to the Company shall be eliminated or limited to the fullest extent permitted by applicable law as so amended.

C. Any repeal or modification of this Article V shall only be prospective and shall not affect the rights or protections or increase the liability of any director under this Article V in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

D. The Company renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, any Excluded Opportunity. An " ***Excluded Opportunity*** " is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, any director of the Company who is not an employee of the Company or any of its subsidiaries, (collectively, " ***Covered Persons*** "), unless in either case such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Company.

VI.

For the management of the business and for the conduct of the affairs of the Company, and in further definition, limitation and regulation of the powers of the Company, of its directors and of its stockholders or any class thereof, as the case may be, it is further provided that:

A. The management of the business and the conduct of the affairs of the Company shall be vested in its Board. The number of directors that shall constitute the whole Board shall be fixed by the Board in the manner provided in the Bylaws, subject to any restrictions which may be set forth in this Amended and Restated Certificate of Incorporation.

B. The Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the Company, subject to any restrictions that may be set forth in this Amended and Restated Certificate of Incorporation. The stockholders shall also have the power to adopt, amend or repeal the Bylaws of the Company, subject to any restrictions that may be set forth in this Amended and Restated Certificate of Incorporation.

C. The directors of the Company need not be elected by written ballot unless the Bylaws so provide.

D. Following the IPO Date, special meetings of the stockholders may be called only by (i) prior to the Final Conversion Date, at least 30% of the voting power of the Class A Common Stock, Class B Common Stock and Class C Common Stock, voting together as a single class, (ii) by the Board pursuant to a resolution adopted by a majority of the entire Board; (iii) the chairperson of the Board; or (iv) the chief executive officer of the Company.

E. Until the Final Conversion Date, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior

notice and without a vote if a consent or consents in writing, setting forth the action so taken, will be signed by the holders of outstanding stock of the Company having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of the Company entitled to vote thereon were present and voted. Effective on and after the Final Conversion Date, subject to the rights of the holders of any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Company must be effected at a duly called annual or special meeting of stockholders of the Company and may not be effected by any consent in writing by such stockholders.

F. Advance notice of nominations for the election of directors will be given in the manner and to the extent provided in the Bylaws of the Company.

G. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, immediately following the Final Conversion Date, the directors will be divided, with respect to the time for which they severally hold office, into three classes designated as Class I, Class II and Class III, respectively (the " ***Classified Board*** "). The Board may assign members of the Board in office immediately prior to the Classified Board becoming effective to the several classes of the Classified Board, which assignments will become effective at the same time the Classified Board becomes effective. Directors will be assigned to each class in accordance with a resolution or resolutions adopted by a majority of the Board, with the number of directors in each class to be divided as nearly equal as reasonably possible. The initial term of office of the Class I directors will expire at the Company's first annual meeting of stockholders following the date on which the Classified Board becomes effective, the initial term of office of the Class II directors will expire at the Company's second annual meeting of stockholders following the date on which the Classified Board becomes effective, and the initial term of office of the Class III directors will expire at the Company's third annual meeting of stockholders following the date on which the Classified Board becomes effective. At each annual meeting of stockholders following the date on which the Classified Board becomes effective, directors elected to succeed those directors of the class whose terms then expire will be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election.

VII.

Unless the Company consents in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee of the Company to the Company or the Company's stockholders, (iii) any action asserting a claim arising under any provision of the Delaware General Corporation Law, the certificate of incorporation, or the bylaws of the Company, or (iv) any action asserting a claim governed by the internal-affairs doctrine. Any person or entity that acquires any interest in shares of capital stock of the Company will be deemed to have notice of and consented to the provisions of this section

Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the

resolution of any complaint asserting a cause of action arising under the Securities Act of 1933. Any person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to the provisions of this Amended and Restated Certificate of Incorporation.

* * * *

FOUR: This Amended and Restated Certificate of Incorporation has been duly approved by the Board of Directors of the Company.

FIVE: This Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of the Company in accordance with Section 228 of the DGCL. This Amended and Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Sections 242 and 245 of the DGCL by the stockholders of the Company.

Snap Inc. has caused this Amended and Restated Certificate of Incorporation to be signed by its President and Chief Executive Officer this 26th day of January, 2017.

SNAP INC.

By: /s/ Evan Spiegel
Evan Spiegel
President and Chief Executive Officer

[Signature Page to Amended and Restated Certificate of Incorporation]

Exhibit 3.2

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
SNAP INC.

Snap Inc., a Delaware corporation, hereby certifies that:

1. The name of the corporation is Snap Inc. The corporation filed its original Certificate of Incorporation with the Secretary of State on May 24, 2012 under the name Snapchat, Inc.

2. This Amended and Restated Certificate of Incorporation of the corporation attached hereto as Exhibit A , which is incorporated herein by this reference, and which restates, integrates and further amends the provisions of the Certificate of Incorporation of this corporation as previously amended or supplemented, has been duly adopted by the corporation's Board of Directors and a majority of the corporation's outstanding stock in accordance with Sections 242 and 245 of the Delaware General Corporation Law, with the approval of the corporation's stockholders having been given by written consent without a meeting in accordance with Section 228 of the Delaware General Corporation Law.

IN WITNESS WHEREOF, said corporation has caused this Amended and Restated Certificate of Incorporation to be signed by its duly authorized officer and the foregoing facts stated herein are true and correct.

Dated: _____, 2017

SNAP INC.

By: _____
Evan Spiegel
Chief Executive Officer

EXHIBIT A

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
SNAP INC.

ARTICLE I

NAME

The name of this corporation is Snap Inc. (the " ***Company*** ").

ARTICLE II

REGISTERED AGENT

The address of the registered office of the Company in the State of Delaware is 2711 Centerville Road, Suite 400, City of Wilmington, County of New Castle, 19808 and the name of the registered agent of the Company in the State of Delaware at such address is the Corporation Service Company.

ARTICLE III

PURPOSE

The purpose of the Company is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.

ARTICLE IV

AUTHORIZED STOCK

1. **Authorized Shares** . This Company is authorized to issue two classes of stock to be designated, respectively, " ***Common Stock*** " and " ***Preferred Stock.*** " The total number of shares of Common Stock authorized to be issued is 3,960,887,848 shares, $0.00001 par value per share, 3,000,000,000 of which are designated " ***Class A Common Stock*** ", 700,000,000 of which are designated " ***Class B Common Stock*** " and 260,887,848 of which are designated " ***Class C Common Stock.*** " The total number of shares of Preferred Stock authorized to be issued is 500,000,000 shares, $0.00001 par value per share.

2. **Preferred Stock** . The Preferred Stock may be issued from time to time in one or more series. The Board is hereby expressly authorized to provide for the issue of all or any of the shares of the Preferred Stock in one or more series, and to fix the number of shares and to determine or alter for each such series, such voting powers, full or limited, or no voting powers, and such designation, preferences, and relative, participating, optional, or other rights and such qualifications, limitations, or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board providing for the issuance of such shares and as may be permitted by the Delaware General Corporation Law. The Board is also expressly

authorized to increase or decrease the number of shares of any series of Preferred Stock subsequent to the issuance of shares of that series of Preferred Stock, but not below the number of shares of such series of Preferred Stock then outstanding. In case the number of shares of any series of Preferred Stock shall be decreased in accordance with the foregoing sentence, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series of Preferred Stock. The number of authorized shares of 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 a majority of the voting power of the stock of the corporation entitled to vote thereon, without a separate vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to the terms of any certificate of designation filed with respect to any series of Preferred Stock.

ARTICLE V

TERMS OF CLASSES AND SERIES

The rights, preferences, privileges, restrictions and other matters relating to the Common Stock are as follows:

1. **Definitions** . For purposes of this Article V, the following definitions apply;

1.1 " ***Acquisition*** " shall mean (A) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the shares of capital stock of the Company immediately prior to such consolidation, merger or reorganization, continue to represent a majority of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization, (provided that, for the purpose of this 1.1, all stock, options, warrants, purchase rights or other securities exercisable for or convertible into Common Stock outstanding immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of capital stock are converted or exchanged); or (B) any transaction or series of related transactions to which the Company is a party in which shares of the Company are transferred such that in excess of fifty percent (50%) of the Company's voting power is transferred; provided that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof.

1.2 " ***Amended and Restated Certificate of Incorporation*** " shall mean this Amended and Restated Certificate of Incorporation of the Company, as may be amended.

1.3 " ***Asset Transfer*** " shall mean a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

1.4 " ***Base Class C Common Stock*** " for any Founder means, the number of shares of Class C Common Stock held by such Founder and such Founder's Permitted Transferees and Qualified Trustees on the IPO Date.

1.5 " ***Board*** " shall mean the Board of Directors of the Company.

1.6 " ***Disability Event*** " means an event that results in a Founder's inability to perform the material duties of his employment by reason of any medically determinable physical or mental impairment that can be expected to result in death within 12 months or can be expected to last for a continuous period of not less than 12 months, as determined by a licensed physician jointly selected by a majority of the Independent Directors and the Founder. If the Founder is incapable of selecting a licensed physician, then the Founder's spouse shall make the selection on behalf of the Founder, or in the absence or incapacity of the Founder's spouse, the Founder's parents shall make the selection on behalf of the Founder, or in the absence of parents of the Founder, a natural person then acting as the successor trustee of a revocable living trust which was created by the Founder and which holds more shares of all classes of capital stock of the Company than any other revocable living trust created by the Founder shall make the selection on behalf of the Founder, or in absence of any such successor trustee, the legal guardian or conservator of the estate of the Founder shall make the selection on behalf of the Founder.

1.7 " ***Final Conversion Date*** " means, following the IPO Date, the date fixed by the Board that is no less than 61 days and no more than 180 days following the date that no shares of Class C Common Stock are outstanding.

1.8 " ***Founder*** " means either Evan Spiegel or Robert Murphy.

1.9 " ***Independent Directors*** " mean a majority of the members of the Board designated as independent directors in accordance with the Listing Standards.

1.10 " ***IPO Date*** " means the first date that a class of the Company's shares have been listed for trading on the New York Stock Exchange, NASDAQ Global Select Market or NASDAQ Global Market or any successor markets or exchanges.

1.11 " ***Liquidation Event*** " means any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, or any Acquisition or Asset Transfer.

1.12 " ***Listing Standards*** " means (i) the requirements of any national stock exchange under which the Company's equity securities are listed for trading that are generally applicable to companies with common equity securities listed thereon or (ii) if the Company's equity securities are not listed for trading on a national stock exchange, the requirements of the New York Stock Exchange generally applicable to companies with equity securities listed thereon.

1.13 " ***Parent*** " of an entity means any entity that directly or indirectly owns or controls a majority of the voting power of the voting securities of such entity.

1.14 " ***Permitted Transfer*** " means any Transfer of a share of Class B Common Stock or Class C Common Stock to any of the entities or individuals listed below:

(a) a trust for the benefit of such Qualified Stockholder or persons other than the Qualified Stockholder so long as a Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such trust; provided that in the event a Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such trust, each such share of Class B Common Stock or Class C Common Stock then held by such trust shall automatically convert as provided in Article V.5 or Article V.6, as applicable;

(b) a trust under the terms of which a Qualified Stockholder has retained a "qualified interest" within the meaning of §2702(b)(1) of the Internal Revenue Code or a reversionary interest so long as a Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such trust; provided, however, that in the event a Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such trust, each such share of Class B Common Stock or Class C Common Stock then held by such trust shall automatically convert as provided in Article V.5 or Article V.6, as applicable;

(c) an Individual Retirement Account, as defined in Section 408(a) of the Internal Revenue Code, or a pension, profit sharing, stock bonus or other type of plan or trust of which such Qualified Stockholder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Internal Revenue Code; provided that in each case such Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held in such account, plan or trust, and provided, further, that in the event the Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such account, plan or trust, each such share of Class B Common Stock or Class C Common Stock then held by such trust shall automatically convert as provided in Article V.5 or Article V.6, as applicable;

(d) a corporation in which such Qualified Stockholder directly, or indirectly through one or more Permitted Transferees, owns shares with sufficient Voting Control in the corporation, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such corporation; provided that in the event the Qualified Stockholder no longer owns sufficient shares or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such corporation, each such share of Class B Common Stock or Class C Common Stock then held by such corporation shall automatically convert as provided in Article V.5 or Article V.6, as applicable;

(e) a partnership in which such Qualified Stockholder directly, or indirectly through one or more Permitted Transferees, owns partnership interests with sufficient Voting Control in the partnership, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect

to the shares of Class B Common Stock or Class C Common Stock held by such partnership; provided that in the event the Qualified Stockholder no longer owns sufficient partnership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such partnership, each such share Class B Common Stock or Class C Common Stock then held by such partnership shall automatically convert as provided in Article V.5 or Article V.6, as applicable;

(f) a limited liability company in which such Qualified Stockholder directly, or indirectly through one or more Permitted Transferees, owns membership interests with sufficient Voting Control in the limited liability company, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such limited liability company; provided that in the event the Qualified Stockholder no longer owns sufficient membership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder to retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such limited liability company, each such share of Class B Common Stock or Class C Common Stock then held by such limited liability company shall automatically convert as provided in Article V.5 or Article V.6, as applicable; or

(g) a Transfer by a Founder or a Founder's Permitted Transferee or Qualified Trustee of shares of Class B Common Stock or Class C Common Stock, or the right to exercise dispositive power over, or Voting Control with respect to, such shares, to a Founder or a Permitted Transferee or Qualified Trustee of a Founder. Without limiting the generality of the foregoing, a Founder shall be deemed to have sole dispositive power and exclusive Voting Control with respect to any shares of Class B Common Stock or Class C Common Stock over which a Qualified Trustee exercises such dispositive power and Voting Control. In the event a Founder's Qualified Trustee resigns as trustee, or becomes ineligible to be a Qualified Trustee, or otherwise ceases to serve as a Qualified Trustee, the Founder shall have sixty (60) days to appoint a replacement Qualified Trustee before any shares of Class B Common Stock or Class C Common Stock over which the Qualified Trustee had sole dispositive power and exclusive Voting Control become subject to the automatic conversion provisions of Article V.5 or Article V.6, as applicable.

1.15 " ***Permitted Transferee*** " means a transferee of shares of Class B Common Stock or Class C Common Stock received in a Transfer that constitutes a Permitted Transfer.

1.16 " ***Qualified Stockholder*** " means (a) any registered holder of a share of Class B Common Stock or Class C Common Stock immediately after the IPO Date; (b) the initial registered holder of any shares of Class B Common Stock or Class C Common Stock that is originally issued by the Company after the IPO Date pursuant to the exercise or conversion of options or warrants or settlement of restricted stock units (" ***RSUs*** ") that, in each case, are outstanding as the IPO Date or are issued in connection with, or upon completion of, a Qualified IPO; and (c) a Permitted Transferee or, in the case of a Founder, such Founder's Qualified Trustee.

1.17 ***"Qualified Trustee*** " means a professional in the business of providing trustee services, including private professional fiduciaries, trust companies, accounting, legal or financial advisors, or bank trust departments that (a) is subject to appointment and removal solely by a Founder or, following a Founder's death or during the Founder's Disability Event, by the Founder's designated proxy (who may be the other Founder or another person selected by the Founder and approved to act in that role by the Independent Directors), and (b) has no pecuniary interest in any Class B Common Stock or Class C Common Stock held by any entity of which such person is a trustee.

1.18 " ***Transfer*** " of a share of Class B Common Stock or Class C Common Stock means, directly or indirectly, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law (including by merger, consolidation or otherwise), including, without limitation, a transfer of a share of Class B Common Stock or Class C Common Stock to a broker or other nominee (regardless of whether there is a corresponding change in beneficial ownership), or the transfer of, or entering into a binding agreement with respect to, Voting Control (as defined below) over such share by proxy or otherwise. A " *Transfer* " will also be deemed to have occurred with respect to all shares of Class B Common Stock or Class C Common Stock beneficially held by an entity that is a Qualified Stockholder, if after the IPO Date there is a Transfer of the voting power of the voting securities of such entity or any direct or indirect Parent of such entity, such that the previous holders of such voting power no longer retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock or Class C Common Stock held by such holder. Notwithstanding the foregoing, the following will not be considered a " *Transfer* ":

(a) granting a revocable proxy to officers or directors of the Company at the request of the Board in connection with actions to be taken at an annual or special meeting of stockholders or in connection with any action by written consent of the stockholders solicited by the Board (if action by written consent of stockholders is permitted at such time under this Amended and Restated Certificate of Incorporation);

(b) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with stockholders who are holders of Class B Common Stock or Class C Common Stock, which voting trust, agreement or arrangement (i) is disclosed either in a Schedule 13D filed with the Securities and Exchange Commission or in writing to the Secretary of the Company, (ii) either has a term not exceeding one year or is terminable by the holder of the shares subject thereto at any time and (iii) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than the mutual promise to vote shares in a designated manner;

(c) pledging shares of Class B Common Stock or Class C Common Stock by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction for so long as such stockholder continues to exercise Voting Control over such pledged shares; provided, however, that a foreclosure on such shares or other similar action by the pledgee will constitute a "Transfer" unless such foreclosure or similar action qualifies as a "Permitted Transfer" at such time;

(d) granting a proxy by a Founder to a Qualified Trustee or a person disclosed to the Independent Directors, to exercise dispositive power and/or Voting Control of the shares of Class B Common Stock or Class C Common Stock owned directly or indirectly, beneficially and of record, by such Founder effective either (i) on the death of such Founder or (ii) during any Disability Event of such Founder, including the exercise of such proxy by such person; or

(e) entering into a support or similar voting agreement (with or without granting a proxy) in connection with a Liquidation Event.

1.19 " ***Voting Control*** " means, with respect to a share of Class B Common Stock or Class C Common Stock, the power (whether exclusive or shared) to vote or direct the voting of such share by proxy, voting agreement or otherwise.

2. **Identical Rights** . Except as otherwise provided in this Amended and Restated Certificate of Incorporation or required by applicable law, shares of Common Stock shall have the same rights and powers, rank equally (including as to dividends and distributions, and any liquidation, dissolution or winding up of the corporation but excluding voting as described in Section 3 below), share ratably and be identical in all respects as to all matters, including:

2.1 Subject to the prior rights of holders of all classes and series of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when, as and if declared by the Board, out of any assets of the Company legally available therefor, such dividends as may be declared from time to time by the Board. Any dividends paid to the holders of shares of Common Stock shall be paid pro rata, on an equal priority, pari passu basis, unless different treatment of the shares of each such class is approved by the affirmative vote of the holders of a majority of the outstanding shares of the applicable class of Common Stock treated adversely, voting separately as a class.

2.2 The Company shall not declare or pay any dividend or make any other distribution to the holders of Common Stock payable in securities of the Company unless the same dividend or distribution with the same record date and payment date shall be declared and paid on all shares of Common Stock; provided, however, that (i) dividends or other distributions payable in shares of Class A Common Stock or rights to acquire shares of Class A Common Stock may be declared and paid to the holders of Class A Common Stock without the same dividend or distribution being declared and paid to the holders of the Class B Common Stock or Class C Common Stock if, and only if, a dividend payable in shares of Class B Common Stock and Class C Common Stock, as applicable, or rights to acquire shares of Class B Common Stock or Class C Common Stock, as applicable, are declared and paid to the holders of Class B Common Stock and Class C Common Stock at the same rate and with the same record date and payment date; (ii) dividends or other distributions payable in shares of Class B Common Stock or rights to acquire shares Class B Common Stock may be declared and paid to the holders of Class B Common Stock without the same dividend or distribution being declared and paid to the holders of the Class A Common Stock or Class C Common Stock if, and only if, a dividend payable in shares of Class A Common Stock and Class C Common Stock, as applicable, or rights to acquire shares of Class A Common Stock or Class C Common Stock, as applicable, are declared and paid to the holders of Class A Common Stock and Class C Common Stock at the same rate and with the same record date and payment date and (iii) dividends or other

distributions payable in shares of Class C Common Stock or rights to acquire shares Class C Common Stock may be declared and paid to the holders of Class C Common Stock without the same dividend or distribution being declared and paid to the holders of the Class A Common Stock or Class B Common Stock if, and only if, a dividend payable in shares of Class A Common Stock and Class B Common Stock, as applicable, or rights to acquire shares of Class A Common Stock or Class B Common Stock, as applicable, are declared and paid to the holders of Class A Common Stock and Class B Common Stock at the same rate and with the same record date and payment date; and provided, further, that nothing in the foregoing shall prevent the Company from declaring and paying dividends or other distributions payable in shares of one class of Common Stock or rights to acquire one class of Common Stock to holders of all classes of Common Stock.

2.3 If the Company in any manner subdivides or combines the outstanding shares of Class A Common Stock, Class B Common Stock or Class C Common Stock, then the outstanding shares of all Common Stock will be subdivided or combined in the same proportion and manner.

3. **Voting Rights** .

3.1 Common Stock .

(a) Class A Common Stock . Except as required by law, the Class A Common Stock will have no voting rights and no holder thereof shall be entitled to vote on any matter; provided, that, upon and following the Final Conversion Date, each holder of a share of Class A Common Stock shall be entitled to one vote for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

(b) Class B Common Stock . Each holder of shares of Class B Common Stock will be entitled to one vote for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

(c) Class C Common Stock . Each holder of shares of Class C Common Stock will be entitled to ten votes for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters or, if no such record date is established, the date such vote is taken or any written consent of stockholders is solicited.

3.2 General . Except as otherwise expressly provided herein or as required by law, the holders of Class A Common Stock, Class B Common Stock and Class C Common Stock will vote together and not as separate series or classes.

3.3 Authorized Shares. The number of authorized shares of Common Stock or any class thereof may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by the affirmative vote of the holders of a majority of the Class B Common Stock and Class C Common Stock, voting together as a single class on an as-if-converted basis.

3.4 Election of Directors . Subject to any rights of the holders of any series of Preferred Stock to elect directors under specified circumstances, prior to the Final Conversion Date the holders of Class B Common Stock and Class C Common Stock, voting together as a single class, shall be entitled to elect, remove and replace all directors of the Company, and following the Final Conversion Date, the holders of Common Stock, voting together as a single class, shall be entitled to elect, remove and replace all directors of the Company.

4. **Liquidation Rights**

In the event of a Liquidation Event, subject to the rights of any Preferred Stock that may then be outstanding, the assets of the Company legally available for distribution to stockholders shall be distributed on an equal priority, pro rata basis to the holders of Common Stock, unless different treatment of the shares of each such class is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class A Common Stock, Class B Common Stock and Class C Common Stock, each voting separately as a class; provided, however, that for the avoidance of doubt, consideration to be paid or received by a holder of Common Stock in connection with any Liquidation Event pursuant to any employment, consulting, severance or similar services arrangement shall not be deemed to be "distribution to stockholders" for the purpose of this Section 4.

5. **Conversion of the Class B Common Stock** . The Class B Common Stock will be convertible into Class A Common Stock as follows:

(a) Each share of Class B Common Stock will automatically convert into one fully paid and nonassessable share of Class A Common Stock on the Final Conversion Date.

(b) With respect to any holder of Class B Common Stock, each share of Class B Common Stock held by such holder will automatically be converted into one fully paid and nonassessable share of Class A Common Stock, as follows:

(i) on the affirmative election of such holder;

(ii) on the occurrence of a Transfer of such share of Class B Common Stock, other than a Permitted Transfer; or

(iii) with respect to Class B Common Stock held by a holder who is a natural person, or a Permitted Transferee of such natural person, upon the death of such natural person.

(c) On the occurrence of the conversion events specified in Sections 5(a) or 5(b) above, such conversion will occur automatically without the need for any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent; provided, however, that the Company will not be obligated to issue certificates evidencing the shares of Class A Common Stock issuable on such conversion unless the certificates evidencing such shares of Class B Common Stock, if any such certificates have been issued, are either delivered to the Company or its transfer agent as provided below, or the holder notifies the Company or its transfer agent that such certificates

have been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates. On the occurrence of such automatic conversion of the Class B Common Stock, the holders of Class B Common Stock so converted will surrender the certificates representing such shares at the office of the Company or any transfer agent for the Class A Common Stock. Thereupon, if requested by any holder of Class B Common Stock, there will be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Class A Common Stock into which the shares of Class B Common Stock surrendered were convertible on the date on which such automatic conversion occurred.

6. **Conversion of the Class C Common Stock** . The Class C Common Stock will be convertible into Class B Common Stock as follows:

(a) With respect to any holder of Class C Common Stock, each share of Class C Common Stock held by such holder will automatically be converted into one fully paid and nonassessable share of Class B Common Stock, as follows:

(i) on the occurrence of a Transfer of such share of Class C Common Stock, other than a Permitted Transfer;

(ii) on the affirmative election of such holder;

(iii) with respect to Class C Common Stock held by a Founder and a Founder's Permitted Transferees and Qualified Trustees, at such time as such Class C Common Stock represents in the aggregate less than 30% of such Founder's Base Class C Common Stock; or

(iv) with respect to Class C Common Stock held by a Founder and a Founder's Permitted Transferees and Qualified Trustees, nine months following the death of such Founder.

(b) On the occurrence of the conversion events specified in Section 6(a) above, such conversion will occur automatically without the need for any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Company or its transfer agent; provided, however, that the Company shall not be obligated to issue certificates evidencing the shares of Class B Common Stock issuable on such conversion unless the certificates evidencing such shares of Class C Common Stock, if any such certificates have been issued, are either delivered to the Company or its transfer agent as provided below, or the holder notifies the Company or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such certificates. On the occurrence of such automatic conversion of the Class C Common Stock, the holders of Class C Common Stock so converted will surrender the certificates representing such shares at the office of the Company or any transfer agent for the Class B Common Stock. Thereupon, if requested by any holder of Class C Common Stock, there will be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Class B Common Stock into which the shares of Class C Common Stock surrendered were convertible on the date on which such automatic conversion occurred.

7. **Reservation of Stock Issuable Upon Conversion** . The Company will at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock and Class B Common Stock, solely for the purpose of effecting the conversion of the shares of the Class B Common Stock and the Class C Common Stock, as applicable, such number of its shares of Class A Common Stock and Class B Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock and Class C Common Stock, as applicable; and if at any time the number of authorized but unissued shares of Class A Common Stock or Class B Common Stock will not be sufficient to effect the conversion of all then-outstanding shares of Class B Common Stock and Class C Common Stock, as applicable, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Class A Common Stock or Class B Common Stock, as applicable, to such number of shares as will be sufficient for such purpose.

8. **Miscellaneous** .

8.1 No Reissuance of Class B Common Stock or Class C Common Stock . No share or shares of Class B Common Stock or Class C Common Stock acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares that the Company shall be authorized to issue.

8.2 Preemptive Rights . No stockholder of the Company shall have a right to purchase shares of capital stock of the Company sold or issued by the Company except to the extent that such a right may from time to time be set forth in a written agreement between the Company and a stockholder.

ARTICLE VI

DIRECTOR LIABILITY

1. The liability of the directors of the Company for monetary damages shall be eliminated to the fullest extent under applicable law.

2. To the fullest extent permitted by applicable law, the Company is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Company (and any other persons to which applicable law permits the Company to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise in excess of the indemnification and advancement otherwise permitted by such applicable law. If applicable law is amended after approval by the stockholders of this Article V to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director to the Company shall be eliminated or limited to the fullest extent permitted by applicable law as so amended.

3. Any repeal or modification of this Article V shall only be prospective and shall not affect the rights or protections or increase the liability of any director under this Article V in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

ARTICLE VII

For the management of the business and for the conduct of the affairs of the Company, and in further definition, limitation and regulation of the powers of the Company, of its directors and of its stockholders or any class thereof, as the case may be, it is further provided that:

1. The management of the business and the conduct of the affairs of the Company shall be vested in its Board. The number of directors that shall constitute the whole Board shall be fixed by the Board in the manner provided in the Bylaws, subject to any restrictions which may be set forth in this Amended and Restated Certificate of Incorporation.

2. The Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the Company, subject to any restrictions that may be set forth in this Amended and Restated Certificate of Incorporation. The stockholders shall also have the power to adopt, amend or repeal the Bylaws of the Company, subject to any restrictions that may be set forth in this Amended and Restated Certificate of Incorporation.

3. The directors of the Company need not be elected by written ballot unless the Bylaws so provide.

4. Special meetings of the stockholders may be called only by (i) prior to the Final Conversion Date, at least 30% of the voting power of the Class A Common Stock, Class B Common Stock and Class C Common Stock, voting together as a single class, (ii) by the Board pursuant to a resolution adopted by a majority of the entire Board; (iii) the chairperson of the Board; or (iv) the chief executive officer of the Company.

5. Until the Final Conversion Date, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote if a consent or consents in writing, setting forth the action so taken, will be signed by the holders of outstanding stock of the Company having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock of the Company entitled to vote thereon were present and voted. Effective on and after the Final Conversion Date, subject to the rights of the holders of any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Company must be effected at a duly called annual or special meeting of stockholders of the Company and may not be effected by any consent in writing by such stockholders.

6. Advance notice of nominations for the election of directors will be given in the manner and to the extent provided in the Bylaws of the Company.

7. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, immediately following the Final Conversion Date, the directors will be divided, with respect to the time for which they severally hold office, into three classes designated as Class I, Class II and Class III, respectively (the " ***Classified Board*** "). The Board may assign members of the Board in office immediately prior to the Classified Board becoming effective to the several classes of the Classified Board, which assignments will become effective at the same time the Classified Board becomes effective. Directors will be assigned to each class in accordance with a resolution or resolutions adopted by a majority of the Board, with the number of directors in each class to be divided as nearly equal as reasonably possible. The initial term of office of the Class I directors will expire at the Company's first annual meeting of stockholders following the date on which the Classified Board becomes effective, the initial term of office of the Class II directors will expire at the Company's second annual meeting of stockholders following the date on which the Classified Board becomes effective, and the initial term of office of the Class III directors will expire at the Company's third annual meeting of stockholders following the date on which the Classified Board becomes effective. At each annual meeting of stockholders following the date on which the Classified Board becomes effective, directors elected to succeed those directors of the class whose terms then expire will be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election.

8. Unless the Company consents in writing to an alternative forum, the Court of Chancery of the State of Delaware will be the exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee of the Company to the Company or the Company's stockholders, (iii) any action asserting a claim arising under any provision of the Delaware General Corporation Law, the certificate of incorporation, or the bylaws of the Company, or (iv) any action asserting a claim governed by the internal-affairs doctrine. Any person or entity that acquires any interest in shares of capital stock of the Company will be deemed to have notice of and consented to the provisions of this section.

Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933. Any person or entity purchasing or otherwise acquiring any interest in any security of the Company shall be deemed to have notice of and consented to the provisions of this Amended and Restated Certificate of Incorporation.

Exhibit 3.3

BYLAWS
OF
SNAP INC.
(A DELAWARE CORPORATION)

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BYLAWS

OF

SNAP INC.

(A DELAWARE CORPORATION)

ARTICLE I

OFFICES

Section 1. Registered Office . The registered office of the corporation in the State of Delaware shall be in the City of Wilmington, County of New Castle.

Section 2. Other Offices . The corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal . The Board of Directors may adopt a corporate seal. The corporate seal shall consist of a die bearing the name of the corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings . Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law (" ***DGCL*** ").

Section 5. Annual Meeting .

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may lawfully come before it, shall be held on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders; (ii) by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving of notice provided for in the following paragraph, who is entitled to vote at the meeting and who complied with the notice procedures set forth in Section 5.

(b) At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, (i) the stockholder must have given timely notice thereof in writing to the Secretary of the corporation, (ii) such other business must be a proper matter for stockholder action under the DGCL, (iii) if the stockholder, or the beneficial owner on whose behalf any such proposal or nomination is made, has provided the corporation with a Solicitation Notice (as defined in this Section 5(b)), such stockholder or beneficial owner must, in the case of a proposal, have delivered a proxy statement and form of proxy to holders of at least the percentage of the corporation's voting shares required under applicable law to carry any such proposal, or, in the case of a nomination or nominations, have delivered a proxy statement and form of proxy to holders of a percentage of the corporation's voting shares reasonably believed by such stockholder or beneficial owner to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder, and must, in either case, have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided pursuant to this section, the stockholder or beneficial owner proposing such business or nomination must not have solicited a number of proxies sufficient to have required the delivery of such a Solicitation Notice under this Section 5. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. In no event shall the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (A) as to each person whom the stockholder proposed to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the " ***1934 Act*** ") and Rule 14a-4(d) thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class and number of shares of the corporation which are owned beneficially and of record by such stockholder and such beneficial owner, and (iii) whether either such stockholder or beneficial owner intends to deliver a proxy statement and form of proxy to holders of, in the case of the proposal, at least the percentage of the corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (an affirmative statement of such intent, a " ***Solicitation Notice*** ").

(c) Notwithstanding anything in the second sentence of Section 5(b) of these Bylaws to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the corporation at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 5 shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the Secretary at the principal executive offices of the corporation not later than the close of business on the tenth day following the day on which such public announcement is first made by the corporation.

(d) Only such persons who are nominated in accordance with the procedures set forth in this Section 5 shall be eligible to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 5. Except as otherwise provided by law, the Chairman of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defective proposal or nomination shall not be presented for stockholder action at the meeting and shall be disregarded.

(e) Notwithstanding the foregoing provisions of this Section 5, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, stockholders must provide notice as required by the regulations promulgated under the 1934 Act. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation proxy statement pursuant to Rule 14a-8 under the 1934 Act.

(f) For purposes of this Section 5, " ***public announcement*** " shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13,14 or 15(d) of the 1934 Act.

Section 6. Special Meetings .

(a) Special meetings of the stockholders of the corporation may be called, for any purpose or purposes, by (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer, (iii) the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption) or (iv) by the holders of shares entitled to cast not less than ten percent of the votes at the meeting, and shall be held at such place, on such date, and at such time as the Board of Directors shall fix.

At any time or times that the corporation is subject to Section 2115(b) of the California General Corporation Law (" ***CGCL*** "), stockholders holding five percent or more of the outstanding shares shall have the right to call a special meeting of stockholders as set forth in Section 18(b) herein.

(b) If a special meeting is properly called by any person or persons other than the Board of Directors, the request shall be in writing, specifying the general nature of the business proposed to be transacted, and shall be delivered personally or sent by certified or registered mail, return receipt requested, or by telegraphic or other facsimile transmission to the Chairman of the Board of Directors, the Chief Executive Officer, or the Secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The Board of Directors shall determine the time and place of such special meeting, which shall be held not less than 35 nor more than 120 days after the date of the receipt of the request. Upon determination of the time and place of the meeting, the officer receiving the request shall cause notice to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. Nothing contained in this paragraph (b) shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

Section 7. Notice of Meetings . Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than ten nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at any such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum . At all meetings of stockholders, except where otherwise provided by statute or by the Certificate of Incorporation, or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the outstanding shares of stock entitled to vote shall constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairman of the meeting or by vote of the holders of a majority of the shares represented thereat, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by the statute or by the Certificate of Incorporation or these Bylaws, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting shall be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings . Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairman of the meeting or by the vote of a majority of the shares present in person, by remote communication, if applicable, or represented by proxy. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights . For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, shall be entitled to vote at any meeting of stockholders. Every person entitled to vote or execute consents shall have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy shall be voted after three years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock . If shares or other securities having voting power stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: (a) if only one votes, his act binds all; (b) if more than one votes, the act of the majority so voting binds all; (c) if more than one votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) shall be a majority or even-split in interest.

Section 12. List of Stockholders . The Secretary shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. The list shall be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting .

(a) Unless otherwise provided in the Certificate of Incorporation, any action required by statute to be taken at any annual or special meeting of the stockholders, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, or by electronic transmission setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) Every written consent or electronic transmission shall bear the date of signature of each stockholder who signs the consent, and no written consent or electronic transmission shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consent delivered to the corporation in the manner herein required, written consents or electronic transmissions signed by a sufficient number of stockholders to take action are delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation’s registered office shall be by hand or by certified or registered mail, return receipt requested.

(c) Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing or by electronic transmission and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of stockholders to take action were delivered to the corporation as provided in Section 228(c) of the DGCL. If the action which is consented to is such as would have required the filing of a certificate under any section of the DGCL if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

(d) A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, shall be deemed to be written, signed and dated for the purposes of this section, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the corporation can determine (i) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxyholder or by a person or persons authorized to act for the stockholder and (ii) the date on which such stockholder or proxyholder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be delivered to the corporation by delivery to its registered office in the state of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the corporation or to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the board of directors of the corporation. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Section 14. Organization .

(a) At every meeting of stockholders, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or, if the President is absent, a chairman of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, shall act as chairman. The Secretary, or, in his absence, an Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

(b) The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairman of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the

meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairman shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office . The authorized number of directors of the corporation shall be fixed by the Board of Directors from time to time. Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors shall not have been elected at an annual meeting, they may be elected as soon thereafter as convenient.

Section 16. Powers . The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Term of Directors .

(a) Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, directors shall be elected at each annual meeting of stockholders to serve until the next annual meeting of stockholders and until his successor is duly elected and qualified or until his death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

(b) No person entitled to vote at an election for directors may cumulate votes to which such person is entitled, unless, at the time of such election, the corporation is subject to Section 2115(b) of the CGCL. During such time or times that the corporation is subject to Section 2115(b) of the CGCL, every stockholder entitled to vote at an election for directors may cumulate such stockholder’s votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such stockholder’s shares are otherwise entitled, or distribute the stockholder’s votes on the same principle among as many candidates as such stockholder thinks fit. No stockholder, however, shall be entitled to so cumulate such stockholder’s votes unless (i) the names of such candidate or candidates have been placed in nomination prior to the voting and (ii) the stockholder has given notice at the meeting, prior to the voting, of such stockholder’s intention to cumulate such stockholder’s votes. If any stockholder has given proper notice to cumulate votes, all stockholders may cumulate their votes for any candidates who have been properly placed in nomination. Under cumulative voting, the candidates receiving the highest number of votes, up to the number of directors to be elected, are elected.

Section 18. Vacancies .

(a) Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships

resulting from any increase in the number of directors shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, *provided* , *however* , that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

(b) At any time or times that the corporation is subject to §2115(b) of the CGCL, if, after the filling of any vacancy, the directors then in office who have been elected by stockholders shall constitute less than a majority of the directors then in office, then

(1) any holder or holders of an aggregate of 5% or more of the total number of shares at the time outstanding having the right to vote for those directors may call a special meeting of stockholders; or

(2) the Superior Court of the proper county shall, upon application of such stockholder or stockholders, summarily order a special meeting of the stockholders, to be held to elect the entire board, all in accordance with Section 305(c) of the CGCL, the term of office of any director shall terminate upon that election of a successor.

Section 19. Resignation . Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time, upon receipt by the Secretary or at the pleasure of the Board of Directors. If no such specification is made, it shall be deemed effective at the pleasure of the Board of Directors. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each Director so chosen shall hold office for the unexpired portion of the term of the Director whose place shall be vacated and until his successor shall have been duly elected and qualified.

Section 20. Removal .

(a) Subject to any limitations imposed by applicable law (and assuming the corporation is not subject to Section 2115 of the CGCL), the Board of Directors or any director may be removed from office at any time with or without cause by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors; except whenever the holders of any class or series are entitled to elect one or more directors by the Certificate of Incorporation, with respect to the removal without cause of a director or directors so elected, the vote of the holders of the outstanding shares of that class or series and not the vote of the outstanding shares as a whole shall apply.

(b) During such time or times that the corporation is subject to Section 2115(b) of the CGCL, the Board of Directors or any individual director may be removed from office at any time without cause by the affirmative vote of the holders of at least a majority of the outstanding shares

entitled to vote on such removal; provided, however, that unless the entire Board is removed, no individual director may be removed when the votes cast against such director's removal, or not consenting in writing to such removal, would be sufficient to elect that director if voted cumulatively at an election which the same total number of votes were cast (or, if such action is taken by written consent, all shares entitled to vote were voted) and the entire number of directors authorized at the time of such director's most recent election were then being elected.

Section 21. Meetings

(a) Regular Meetings . Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, including a voice-messaging system or other system designated to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means. No further notice shall be required for a regular meeting of the Board of Directors.

(b) Special Meetings . Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairman of the Board, the President or any director.

(c) Meetings by Electronic Communications Equipment . Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) Notice of Special Meetings . Notice of the time and place of all special meetings of the Board of Directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least 24 hours before the date and time of the meeting. If notice is sent by US mail, it shall be sent by first class mail, postage prepaid at least three days before the date of the meeting. Notice of any meeting may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice . The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice shall sign a written waiver of notice or shall waive notice by electronic transmission. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting .

(a) Unless the Certificate of Incorporation requires a greater number, a quorum of the Board of Directors shall consist of a majority of the exact number of directors fixed from time to time by the Board of Directors in accordance with the Certificate of Incorporation; provided, however, at any

meeting, whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting . Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation . Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees .

(a) Executive Committee . The Board of Directors may appoint an Executive Committee to consist of one or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any bylaw of the corporation.

(b) Other Committees . The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors shall consist of one or more members of the Board of Directors and shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event shall any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term . The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of subsections (a) or (b) of this Bylaw may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings . Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 25 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

Section 26. Organization . At every meeting of the directors, the Chairman of the Board of Directors, or, if a Chairman has not been appointed or is absent, the President, or if the President is absent, the most senior Vice President, (if a director) or, in the absence of any such person, a chairman of the meeting chosen by a majority of the directors present, shall preside over the meeting. The Secretary, or in his absence, any Assistant Secretary directed to do so by the President, shall act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 27. Officers Designated . The officers of the corporation shall include, if and when designated by the Board of Directors, the President, the Chief Executive Officer, one or more Vice Presidents, the Secretary, the Chief Financial Officer, the Treasurer and the Controller, all of whom shall be elected at the annual organizational meeting of the Board of Directors. The Board of Directors may also appoint one or more Assistant Secretaries, Assistant Treasurers, Assistant Controllers and such other officers and agents with such powers and duties as it shall deem necessary. The Board of Directors may assign such additional titles to one or more of the officers as it shall deem appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation shall be fixed by or in the manner designated by the Board of Directors.

Section 28. Tenure and Duties of Officers .

(a) General . All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

(b) Duties of Chairman of the Board of Directors . The Chairman of the Board of Directors, when present, shall preside at all meetings of the stockholders and the Board of Directors. The Chairman of the Board of Directors shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. If there is no President, then the Chairman of the Board of Directors shall also serve as the Chief Executive Officer of the corporation and shall have the powers and duties prescribed in paragraph (c) of this Section 28.

(c) Duties of President . The President shall preside at all meetings of the stockholders and at all meetings of the Board of Directors, unless the Chairman of the Board of Directors has been appointed and is present. Unless some other officer has been elected Chief Executive Officer of the corporation, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time.

(d) Duties of Vice Presidents . The Vice Presidents may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(e) Duties of Secretary . The Secretary shall attend all meetings of the stockholders and of the Board of Directors and shall record all acts and proceedings thereof in the minute book of the corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary shall perform all other duties provided for in these Bylaws and other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors shall designate from time to time. The President may direct any Assistant Secretary to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

(f) Duties of Chief Financial Officer . The Chief Financial Officer shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the President. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Chief Financial Officer shall perform other duties commonly incident to his office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time. The President may direct the Treasurer or any Assistant Treasurer, or the Controller or any Assistant Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each Controller and Assistant Controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the President shall designate from time to time.

Section 29. Delegation of Authority . The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 30. Resignations . Any officer may resign at any time by giving notice in writing or by electronic transmission notice to the Board of Directors or to the President or to the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 31. Removal . Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, by the unanimous written consent of the directors in office at the time, by any committee, by the Chief Executive Officer or by other superior officers upon whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 32. Execution of Corporate Instruments . The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name without limitation, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature shall be binding upon the corporation.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 33. Voting of Securities Owned by the Corporation . All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, shall be voted, and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairman of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 34. Form and Execution of Certificates . The shares of the corporation shall be represented by certificates, or shall be uncertificated. Certificates for the shares of stock, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock

in the corporation represented by certificate shall be entitled to have a certificate signed by or in the name of the corporation by the Chairman of the Board of Directors, or the President or any Vice President and by the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 35. Lost Certificates . A new certificate or certificates shall be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner's legal representative, to agree to indemnify the corporation in such manner as it shall require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 36. Transfers.

(a) No holder of any of the shares of stock of the corporation may sell, transfer, assign, pledge, or otherwise dispose of or encumber any of the shares of stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise (each, a " ***Transfer*** ") without the prior written consent of the corporation, upon duly authorized action of its Board of Directors. The corporation may withhold consent for any legitimate corporate purpose, as determined by the Board of Directors. Examples of the basis for the corporation to withhold its consent include, without limitation, (i) if such Transfer to individuals, companies or any other form of entity identified by the corporation as a potential competitor or considered by the corporation to be unfriendly; or (ii) if such Transfer increases the risk of the corporation having a class of security held of record by two thousand (2,000) or more persons, or five hundred (500) or more persons who are not accredited investors (as such term is defined by the SEC), as described in Section 12(g) of the 1934 Act and any related regulations, or otherwise requiring the corporation to register any class of securities under the 1934 Act; or (iii) if such Transfer would result in the loss of any federal or state securities law exemption relied upon by the corporation in connection with the initial issuance of such shares or the issuance of any other securities; or (iv) if such Transfer is facilitated in any manner by any public posting, message board, trading portal, intemet site, or similar method of communication, including without limitation any trading portal or Internet site intended to facilitate secondary transfers of securities; or (v) if such Transfer is to be effected in a brokered transaction; or (vi) if such Transfer represents a Transfer of less than all of the shares then held by the stockholder and its affiliates or is to be made to more than a single transferee.

(b) If a stockholder desires to Transfer any shares, then the stockholder shall first give written notice thereof to the corporation. The notice shall name the proposed transferee and state the number of shares to be transferred, the proposed consideration, and all other terms and conditions of the proposed transfer. Any shares proposed to be transferred to which Transfer the corporation has consented pursuant to Section 36(a) will first be subject to the corporation's right of first refusal located in Section 46 hereof.

(c) Any Transfer, or purported Transfer, of shares not made in strict compliance with this Section 36 shall be null and void, shall not be recorded on the books of the corporation and shall not be recognized by the corporation.

(d) The foregoing restriction on Transfer shall terminate upon the date securities of the corporation are first offered to the public pursuant to a registration statement filed with, and declared effective by, the United States Securities and Exchange Commission under the Securities Act of 1933, as amended.

(e) The certificates representing shares of stock of the corporation shall bear on their face the following legend so long as the foregoing Transfer restrictions are in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A TRANSFER RESTRICTION, AS PROVIDED IN THE BYLAWS OF THE CORPORATION."

Section 37. Fixing Record Dates .

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, subject to applicable law, not be more than 60 nor less than ten days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date shall not

precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 38. Registered Stockholders . The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 39. Execution of Other Securities . All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 34), may be signed by the Chairman of the Board of Directors, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; provided, however, that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 40. Declaration of Dividends . Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 41. Dividend Reserve . Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors shall think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 42. Fiscal Year . The fiscal year of the corporation may be fixed by resolution of the Board of Directors. In the absence of such resolution, the fiscal year shall be the calendar year.

ARTICLE XI

INDEMNIFICATION

Section 43. Indemnification of Directors, Executive Officers, Other Officers, Employees and Other Agents .

(a) Directors and Executive Officers . The corporation shall indemnify its directors and executive officers (for the purposes of this Article XI, "executive officers" shall have the meaning defined in Rule 3b-7 promulgated under the 1934 Act) to the fullest extent not prohibited by the DGCL or any other applicable law; provided, however, that the corporation may modify the extent of such indemnification by individual contracts with its directors and executive officers; and, provided, further, that the corporation shall not be required to indemnify any director or executive officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the Delaware General Corporation Law or any other applicable law or (iv) such indemnification is required to be made under subsection (d).

(b) Other Officers, Employees and Other Agents . The corporation shall have power to indemnify its other officers, employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person except executive officers to such officers or other persons as the Board of Directors shall determine.

(c) Expenses . The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or executive officer, of the corporation, or is or was serving at the request of the corporation as a director or executive officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or executive officer in connection with such proceeding, provided, however, that, if the DGCL requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section 43 or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Bylaw, no advance shall be made by the corporation to an executive officer of the corporation (except by reason of

the fact that such executive officer is or was a director of the corporation, in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made by a majority vote of a quorum consisting of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement . Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and executive officers under this Bylaw shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or executive officer. Any right to indemnification or advances granted by this Bylaw to a director or executive officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or no disposition of such claim is made within ninety (90) days of request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an executive officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such executive officer is or was a director of the corporation) for advances, the corporation shall be entitled to raise as a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by a director or executive officer to enforce a right to indemnification or to an advancement of expenses hereunder, the burden of proving that the director or executive officer is not entitled to be indemnified, or to such advancement of expenses, under this Article XI or otherwise shall be on the corporation.

(e) Non-Exclusivity of Rights . The rights conferred on any person by this Bylaw shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL or any other applicable law.

(f) Survival of Rights . The rights conferred on any person by this Bylaw shall continue as to a person who has ceased to be a director, or executive officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance . To the fullest extent permitted by the DGCL, or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Bylaw.

(h) Amendments . Any repeal or modification of this Bylaw shall only be prospective and shall not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause . If this Bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and executive officer to the full extent not prohibited by any applicable portion of this Bylaw that shall not have been invalidated, or by any other applicable law. If this Section 43 shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and executive officer to the full extent under applicable law.

(j) Certain Definitions . For the purposes of this Bylaw, the following definitions shall apply:

(1) The term " ***proceeding*** " shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(2) The term " ***expenses*** " shall be broadly construed and shall include, without limitation, court costs, attorneys' fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(3) The term the " ***corporation*** " shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Bylaw with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(4) References to a " ***director*** ," " ***executive officer*** ," " ***officer*** ," " ***employee*** ," or " ***agent*** " of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, executive officer, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(5) References to " ***other enterprises*** " shall include employee benefit plans; references to " ***fines*** " shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to " ***serving at the request of the corporation*** " shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Bylaw.

ARTICLE XII

NOTICES

Section 44. Notices .

(a) Notice to Stockholders . Written notice to stockholders of stockholder meetings shall be given as provided in Section 7 herein. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by United States mail or nationally recognized overnight courier, or by facsimile, telegraph or telex or by electronic mail, electronic transmission or other electronic means.

(b) Notice to Directors . Any notice required to be given to any director may be given by the method stated in subsection (a), or as provided for in Section 21 of these Bylaws. If such notice is not delivered personally, it shall be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing . An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice . It shall not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person with Whom Communication Is Unlawful . Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address . Except as otherwise prohibited under DGCL, any notice given under the provisions of DGCL, the Certificate of Incorporation or the Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent shall have been deemed to have been given if such stockholder fails to object in writing to the corporation within 60 days of having been given notice by the corporation of its intention to send the single notice. Any consent shall be revocable by the stockholder by written notice to the corporation.

ARTICLE XIII

AMENDMENTS

Section 45. Amendments . The Board of Directors is expressly empowered to adopt, amend or repeal Bylaws of the corporation. The stockholders shall also have power to adopt, amend or repeal the Bylaws of the corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE XIV

RIGHT OF FIRST REFUSAL

Section 46. Right of First Refusal . No stockholder shall Transfer any of the shares of stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise, except by a Transfer which meets the requirements set forth in Section 36 and below:

(a) If the stockholder desires to Transfer any of his shares of stock, then the stockholder shall first give the notice specified in Section 36(b) hereof and comply with the provisions therein.

(b) For 30 days following receipt of such notice, the corporation shall have the option to purchase all (but not less than all) of the shares specified in the notice at the price and upon the terms set forth in such notice; provided, however, that, with the consent of the stockholder, the corporation shall have the option to purchase a lesser portion of the shares specified in said notice at the price and upon the terms set forth therein. In the event of a gift, property settlement or other transfer in which the proposed transferee is not paying the full price for the shares, and that is not otherwise exempted from the provisions of this Section 46, the price shall be deemed to be the fair market value of the stock at such time as determined in good faith by the Board of Directors. In the event the corporation elects to purchase all of the shares or, with consent of the stockholder, a lesser portion of the shares, it shall give written notice to the transferring stockholder of its election and settlement for said shares shall be made as provided below in paragraph (d).

(c) The corporation may assign its rights hereunder.

(d) In the event the corporation and/or its assignee(s) elect to acquire any of the shares of the transferring stockholder as specified in said transferring stockholder's notice, the Secretary of the corporation shall so notify the transferring stockholder and settlement thereof shall be made in cash within 30 days after the Secretary of the corporation receives said transferring stockholder's notice; provided that if the terms of payment set forth in said transferring stockholder's notice were other than cash against delivery, the corporation and/or its assignee(s) shall pay for said shares on the same terms and conditions set forth in said transferring stockholder's notice.

(e) In the event the corporation and/or its assignees(s) do not elect to acquire all of the shares specified in the transferring stockholder's notice, said transferring stockholder may, subject to the corporation's approval and all other restrictions on Transfer located in Section 36 hereof, within the sixty-day period following the expiration or waiver of the option rights granted to the corporation and/or its assignees(s) herein, Transfer the shares specified in said transferring stockholder's notice which were

not acquired by the corporation and/or its assignees(s) as specified in said transferring stockholder's notice. All shares so sold by said transferring stockholder shall continue to be subject to the provisions of this bylaw in the same manner as before said Transfer.

(f) Anything to the contrary contained herein notwithstanding, the following transactions shall be exempt from the right of first refusal in Section 46(a):

(1) A stockholder's Transfer of any or all shares held either during such stockholder's lifetime or on death by will or intestacy to such stockholder's immediate family or to any custodian or trustee for the account of such stockholder or such stockholder's immediate family or to any limited partnership of which the stockholder, members of such stockholder's immediate family or any trust for the account of such stockholder or such stockholder's immediate family will be the general or limited partner(s) of such partnership. " ***Immediate family*** " as used herein shall mean spouse, lineal descendant, father, mother, brother, or sister of the stockholder making such Transfer;

(2) A stockholder's bona fide pledge or mortgage of any shares with a commercial lending institution, provided that any subsequent Transfer of said shares by said institution shall be conducted in the manner set forth in this bylaw;

(3) A stockholder's Transfer of any or all of such stockholder's shares to the corporation or to any other stockholder of the corporation;

(4) A stockholder's Transfer of any or all of such stockholder's shares to a person who, at the time of such Transfer, is an officer or director of the corporation;

(5) A corporate stockholder's Transfer of any or all of its shares pursuant to and in accordance with the terms of any merger, consolidation, reclassification of shares or capital reorganization of the corporate stockholder, or pursuant to a sale of all or substantially all of the stock or assets of a corporate stockholder;

(6) A corporate stockholder's Transfer of any or all of its shares to any or all of its stockholders; or

(7) A Transfer by a stockholder which is a limited or general partnership to any or all of its partners or former partners in accordance with partnership interests.

In any such case, the transferee, assignee, or other recipient shall receive and hold such stock subject to the provisions of this Section 46 and the transfer restrictions in Section 36, and there shall be no further Transfer of such stock except in accord with this bylaw and the transfer restrictions in Section 36.

(g) The provisions of this bylaw may be waived with respect to any Transfer either by the corporation, upon duly authorized action of its Board of Directors, or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation (excluding the votes represented by those shares to be transferred by the transferring stockholder). This bylaw may be amended or repealed either by a duly authorized action of the Board of Directors or by the stockholders, upon the express written consent of the owners of a majority of the voting power of the corporation.

(h) Any Transfer, or purported Transfer, of securities of the corporation shall be null and void unless the terms, conditions, and provisions of this bylaw are strictly observed and followed.

(i) The foregoing right of first refusal shall terminate upon the date securities of the corporation are first offered to the public pursuant to a registration statement filed with, and declared effective by, the United States Securities and Exchange Commission under the Securities Act of 1933, as amended.

(j) The certificates representing shares of stock of the corporation shall bear on their face the following legend so long as the foregoing right of first refusal remains in effect:

> "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A RIGHT OF FIRST REFUSAL OPTION IN FAVOR OF THE CORPORATION AND/OR ITS ASSIGNEE(S), AS PROVIDED IN THE BYLAWS OF THE CORPORATION."

ARTICLE XV

LOANS TO OFFICERS

Section 47. Loans to Officers . Except as otherwise prohibited under applicable law, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a Director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XVI

MISCELLANEOUS

Section 48. Annual Report .

(a) During such times as the Company is subject to the provisions of Section 2115 of the CGCL, and subject to the provisions of paragraph (b) of this Bylaw, the Board of Directors shall cause an annual report to be sent to each stockholder of the corporation not later than 120 days after the close of the corporation's fiscal year. Such report shall include a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year, accompanied by any report thereon of independent accountants or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation. When there are more than 100 stockholders of record of the corporation's shares, as determined by Section 605 of the CGCL, additional information as required by Section 1501(b) of the CGCL shall also be contained in such report, provided that if the corporation has a class of securities registered under Section 12 of the 1934 Act, the 1934 Act shall take precedence. Such report shall be sent to stockholders at least 15 days prior to the next annual meeting of stockholders after the end of the fiscal year to which it relates.

(b) If and so long as there are fewer than 100 holders of record of the corporation's shares, the requirement of sending of an annual report to the stockholders of the corporation is hereby expressly waived.

AMENDMENT TO THE BYLAWS
OF
SNAP INC.,
a Delaware corporation

In accordance with a resolution approved by the Board of Directors of Snap Inc. (formerly Snapchat, Inc.) a Delaware corporation (the "***Company***"), on December 3, 2012, the bylaws of the Company (the "***Bylaws***") are hereby amended as follows:

1. A new Section 36(f) shall be added as follows:

   "**(f)** Notwithstanding the provisions of this Section 36, the requirement of the corporation's consent pursuant to this Section 36 shall not apply to any Transfer of shares for no consideration by a stockholder that is a venture capital fund to its affiliated venture capital funds."

2. A new Section 46(f)(8) shall be added as follows:

   "**(8)** A Transfer by a stockholder that is a venture capital fund for no consideration to its affiliated venture capital funds."

A MENDMENT TO THE B YLAWS
OF
S NAP I NC .,
a Delaware corporation

In accordance with a resolution approved by the Board of Directors of Snap Inc. (formerly Snapchat, Inc.) a Delaware corporation (the " ***Company*** "), on June 30, 2013, the bylaws of the Company (the " ***Bylaws*** ") are hereby amended as follows:

1. Section 36(f) shall be amended and restated to read in its entirety as follows:

   " **(f)** Notwithstanding the provisions of this Section 36, the requirement of the corporation's consent pursuant to this Section 36 shall not apply to (i) any Transfer of shares for no consideration by a stockholder that is a venture capital fund to its affiliated venture capital funds or (ii) any Transfer of shares by THL A 1 7 Limited or its affiliates to any Consolidated Affiliate (as defined below). For the purposes of these bylaws, a "Consolidated Affiliate." shall mean any Affiliate (as defined below) of THL A17 Limited that is part of the consolidated Tencent Holdings Limited group under International Financial Reporting Standards, and shall exclude any individual or entity that is not part of the consolidated Tencent Holdings Limited group under International Financial Reporting Standards. For the purposes of this definition, "Affiliate" shall mean with respect to any individual or entity, any other individual or entity who, directly or indirectly (including through one or more intermediaries), controls, is controlled by, or is under common control with, such individual or entity. For purposes of this definition, "control," when used with respect to any specified individual or entity, shall mean the power, direct or indirect, to direct or cause the direction of the management and policies of such individual or entity, whether through ownership of voting securities or partnership or other ownership interests, by contract or otherwise; and the terms "controlling" and "controlled" shall have correlative meanings."

2. A new Section 46(f)(9) shall be added as follows:

   " **(9)** A Transfer by THL A17 Limited or its affiliates to any Consolidated Affiliate."

Exhibit 3.4

AMENDED AND RESTATED BYLAWS

OF

SNAP INC.
(A DELAWARE CORPORATION)

AMENDED AND RESTATED BYLAWS

OF

SNAP INC.
(A DELAWARE CORPORATION)

ARTICLE I

OFFICES

Section 1. Registered Office . The registered office of the corporation in the State of Delaware is in the City of Wilmington, County of New Castle.

Section 2. Other Offices. The corporation will also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. If adopted, the corporate seal will consist of a die bearing the name of the corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting will not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law (" ***DGCL*** ").

Section 5. Annual Meeting .

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may properly come before it, will be held on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders (with respect to business other than nominations); (ii) brought specifically by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving the stockholder's notice provided for in Section 5(b) below, who is entitled to vote at the meeting and who complied with the notice procedures set forth in Section 5. For the avoidance of doubt, clause (iii) above will be the exclusive means for a stockholder to make nominations and submit other business (other than matters properly included in the corporation's notice of meeting of stockholders and proxy statement under Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the " ***1934 Act*** ")) before an annual meeting of stockholders.

(b) At an annual meeting of the stockholders, only such business will be conducted as is a proper matter for stockholder action under Delaware law and as will have been properly brought before the meeting in accordance with the procedures below.

(1) For nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a), the stockholder must be entitled to vote at the meeting and deliver written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(3) and must update and supplement such written notice on a timely basis as set forth in Section 5(c). Such stockholder's notice will set forth: (A) as to each nominee such stockholder proposes to nominate at the meeting: (1) the name, age, business address and residence address of such nominee, (2) the principal occupation or employment of such nominee, (3) the class and number of shares of each class of capital stock of the corporation which are owned of record and beneficially by such nominee, (4) the date or dates on which such shares were acquired and the investment intent of such acquisition and (5) such other information concerning such nominee as would be required to be disclosed in a proxy statement soliciting proxies for the election of such nominee as a director in an election contest (even if an election contest is not involved), or that is otherwise required to be disclosed pursuant to Section 14 of the 1934 Act and the rules and regulations promulgated thereunder (including such person's written consent to being named as a nominee and to serving as a director if elected); and (B) the information required by Section 5(b)(4). The corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director of the corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

(2) Other than proposals sought to be included in the corporation's proxy materials pursuant to Rule 14(a)-8 under the 1934 Act, for business other than nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a), the stockholder must deliver written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(3), and must update and supplement such written notice on a timely basis as set forth in Section 5(c). Such stockholder's notice will set forth: (A) as to each matter such stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting, and any material interest (including any anticipated benefit of such business to any Proponent (as defined below) other than solely as a result of its ownership of the corporation's capital stock, that is material to any Proponent individually, or to the Proponents in the aggregate) in such business of any Proponent; and (B) the information required by Section 5(b)(4).

(3) To be timely, the written notice required by Section 5(b)(1) or 5(b)(2) must be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the ninetieth (90 th) day nor earlier than the close of business on the one hundred twentieth (120 th) day prior to the first anniversary of the preceding year's annual meeting; provided, however, that, subject to the last sentence of this Section 5(b)(3), in the event that the date of the annual meeting is advanced more than thirty (30) days prior to or delayed by more than thirty (30) days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so received not earlier than the close of business on the one hundred twentieth (120 th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90 th) day prior to such annual meeting or the tenth (10 th) day following the day on which public announcement of the date of such meeting is first made. In no event will an adjournment or a postponement of an annual meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(4) The written notice required by Section 5(b)(1) or 5(b)(2) will also set forth, as of the date of the notice and as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (each, a " ***Proponent*** " and collectively, the " ***Proponents*** "): (A) the name and address of each Proponent, as they appear on the corporation's books; (B) the class, series and number of shares of the corporation that are owned beneficially and of record by

each Proponent; (C) a description of any agreement, arrangement or understanding (whether oral or in writing) with respect to such nomination or proposal between or among any Proponent and any of its affiliates or associates, and any others (including their names) acting in concert, or otherwise under the agreement, arrangement or understanding, with any of the foregoing; (D) a representation that the Proponents are holders of record or beneficial owners, as the case may be, of shares of the corporation entitled to vote at the meeting and intend to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice (with respect to a notice under Section 5(b)(1)) or to propose the business that is specified in the notice (with respect to a notice under Section 5(b)(2)); (E) a representation as to whether the Proponents intend to deliver a proxy statement and form of proxy to holders of a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (with respect to a notice under Section 5(b)(1)) or to carry such proposal (with respect to a notice under Section 5(b)(2)); (F) to the extent known by any Proponent, the name and address of any other stockholder supporting the proposal on the date of such stockholder's notice; and (G) a description of all Derivative Transactions (as defined below) by each Proponent during the previous twelve (12) month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions.

(c) A stockholder providing written notice required by Section 5(b)(1) or (ii) will update and supplement such notice in writing, if necessary, so that the information provided or required to be provided in such notice is true and correct in all material respects as of (i) the record date for the meeting and (ii) the date that is five (5) business days prior to the meeting and, in the event of any adjournment or postponement thereof, five (5) business days prior to such adjourned or postponed meeting. In the case of an update and supplement pursuant to clause (i) of this Section 5(c), such update and supplement will be received by the Secretary at the principal executive offices of the corporation not later than five (5) business days after the record date for the meeting. In the case of an update and supplement pursuant to clause (ii) of this Section 5(c), such update and supplement will be received by the Secretary at the principal executive offices of the corporation not later than two (2) business days prior to the date for the meeting, and, in the event of any adjournment or postponement thereof, two (2) business days prior to such adjourned or postponed meeting.

(d) Notwithstanding anything in Section 5(b)(3) to the contrary, in the event that the number of directors of the Board of Directors of the corporation is increased and there is no public announcement of the appointment of a director, or, if no appointment was made, of the vacancy, made by the corporation at least ten (10) days before the last day a stockholder may deliver a notice of nomination in accordance with Section 5(b)(3), a stockholder's notice required by this Section 5 and which complies with the requirements in Section 5(b)(1), other than the timing requirements in Section 5(b)(3), will also be considered timely, but only with respect to nominees for any new positions created by such increase, if it will be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the tenth (10 th) day following the day on which such public announcement is first made by the corporation. At such time that the corporation has a classified Board of Directors, this Section 5(d) shall only apply with respect to increases in an Expiring Class. For purposes of this Section 5(d), an " ***Expiring Class*** " shall mean a class of directors whose term shall expire at the next annual meeting of stockholders.

(e) A person will not be eligible for election or re-election as a director unless the person is nominated either in accordance with clause (ii) of Section 5(a), or in accordance with clause (iii) of Section 5(a). Except as otherwise required by law, the chairperson of the meeting will have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, or the Proponent does not act in accordance with the representations in Sections 5(b)(4)(D) and 5(b)(4)(E), to declare that such proposal or nomination will not be presented for stockholder action at the meeting and will be disregarded, notwithstanding that proxies in respect of such nominations or such business may have been solicited or received.

(f) Notwithstanding the foregoing provisions of this Section 5, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, a stockholder must also comply with all applicable requirements of the 1934 Act and the rules and regulations thereunder. Nothing in these Bylaws will be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; *provided, however,* that any references in these Bylaws to the 1934 Act or the rules and regulations thereunder are not intended to and will not limit the requirements applicable to proposals and nominations to be considered pursuant to Section 5(a)(iii).

(g) For purposes of Sections 5 and 6,

(1) " ***affiliates*** " and " ***associates*** " have the meanings set forth in Rule 405 under the Securities Act of 1933, as amended (the "1933 Act");

(2) " ***Derivative Transaction*** " means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proponent or any of its affiliates or associates, whether record or beneficial: (A) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the corporation, (B) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the corporation, (C) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes, or (D) which provides the right to vote or increase or decrease the voting power of, such Proponent, or any of its affiliates or associates, with respect to any securities of the corporation, which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proponent in the securities of the corporation held by any general or limited partnership, or any limited liability company, of which such Proponent is, directly or indirectly, a general partner or managing member; and

(3) " ***public announcement*** " means disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the 1934 Act.

Section 6. Special Meetings .

(a) Special meetings of the stockholders of the corporation may be called, for any purpose as is a proper matter for stockholder action under Delaware law, by (A) the Chairperson of the Board of Directors, (B) the Chief Executive Officer, (C) the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption), or (D) prior to the Final Conversion Date (as such term is defined in the Certificate of Incorporation), by the holders of at least 30% of the voting power of the Company's Class A Common Stock, Class B Common Stock and Class C Common Stock, voting together as a single class, provided that such written request is in compliance with the requirements of Section 6(b) hereof (" ***Stockholder-Requested Meeting*** "). A Stockholder-Requested Meeting may not be called on or after the Final Conversion Date. A request to call a special meeting pursuant to Section 6(a)(D) will not be valid unless made in accordance with the requirements and procedures set forth in this Section 6. Except as may otherwise be required by law, the Board of Directors will determine, in its sole judgment, the validity of any request under Section 6(a)(D), including whether such request was properly made in compliance with these Bylaws.

(b) For a special meeting called pursuant to Section 6(a)(A), the Board of Directors will determine the time and place, if any, of such special meeting. Upon determination of the time and place, if any, of the meeting, the Secretary will cause a notice of meeting to be given to the stockholders

entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. For a Stockholder-Requested Meeting, the request will (i) be in writing, signed and dated by a stockholder of record, (ii) set forth the purpose of calling the special meeting and include the information required by the stockholder's notice as set forth in Section 5(b)(1) and in Section 5(b)(2) (for the proposal of business other than nominations) and (iii) be delivered personally or sent by certified or registered mail, return receipt requested, to the Secretary at the principal executive offices of the corporation. If the Board of Directors determines that a request pursuant to Section 6(a)(D) is valid, the Board of Directors will determine the time and place, if any, of a Stockholder-Requested Meeting, which time will be not less than thirty (30) days nor more than ninety (90) days after the receipt of such request, and will set a record date for the determination of stockholders entitled to vote at such meeting in the manner set forth in Section 36 hereof. Following determination of the time and place, if any, of the meeting, the Secretary will cause a notice of meeting to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. No business may be transacted at a special meeting, including a Stockholder-Requested Meeting otherwise than as specified in the notice of meeting.

(c) Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the corporation who is a stockholder of record at the time of giving notice provided for in this paragraph, who will be entitled to vote at the meeting and who delivers written notice to the Secretary of the corporation setting forth the information required by Section 5(b)(1). In the event the corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder of record may nominate a person or persons (as the case may be), for election to such position(s) as specified in the corporation's notice of meeting, if written notice setting forth the information required by Section 5(b)(1) of these Bylaws will be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the later of the ninetieth (90 th) day prior to such meeting or the tenth (10 th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The stockholder will also update and supplement such information as required under Section 5(c). In no event will an adjournment or a postponement of a special meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(d) Notwithstanding the foregoing provisions of this Section 6, a stockholder must also comply with all applicable requirements of the 1934 Act and the rules and regulations thereunder with respect to matters set forth in this Section 6. Nothing in these Bylaws will be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; *provided, however,* that any references in these Bylaws to the 1934 Act or the rules and regulations thereunder are not intended to and will not limit the requirements applicable to nominations for the election to the Board of Directors or proposals of other business to be considered pursuant to Section 6(a)(D) or to be considered pursuant to Section 6(c) of these Bylaws.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders will be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at any such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his or her attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting will be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the Certificate of Incorporation, or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the voting power of the outstanding shares of stock entitled to vote will constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chairperson of the meeting or by vote of the holders of a majority of the voting power of the shares represented thereat, but no other business will be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute or by applicable stock exchange rules, or by the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the subject matter will be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors will be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by statute, by applicable stock exchange rules or by the Certificate of Incorporation or these Bylaws, a majority of the voting power of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, will constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute, by applicable stock exchange rules or by the Certificate of Incorporation or these Bylaws, the affirmative vote of the holders of a majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting will be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairperson of the meeting or by the vote of the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting will be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, will be entitled to vote at any meeting of stockholders. Every person entitled to vote will have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy will be voted after three (3) years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two (2) or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two (2) or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting will have the following effect: (a) if only one (1) votes, his or her act binds all; (b) if more than one (1) votes, the act of the majority so voting binds all; (c) if more than one (1) votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) will be a majority or even-split in interest.

Section 12. List of Stockholders. The Secretary will prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list will be open to the examination of any stockholder, for any purpose germane to the meeting, (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. The list will be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting .

(a) Unless otherwise provided in the Certificate of Incorporation, any action required by statute to be taken at any annual or special meeting of the stockholders, or any action which may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, or by electronic transmission until the Final Conversion Date (as defined in the Certificate of Incorporation) setting forth the action so taken, will be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, so long as such action is provided for, the Board of Directors may fix a record date, which record date will not precede the date on which the resolution fixing the record date is adopted by the Board of Directors, and which date will not be more than ten (10) days after the date on which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent will, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors will promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within ten (10) days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, will be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office will be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting will be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

Section 14. Organization .

(a) At every meeting of stockholders, the Chairperson of the Board of Directors, or, if a Chairperson has not been appointed or is absent, the Chief Executive Officer, or, if the Chief Executive Officer is absent, the President, or, if the President is absent, a chairperson of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, will act as chairperson. The Secretary, or, in his or her absence, an Assistant Secretary directed to do so by the Chief Executive Officer or the President, will act as secretary of the meeting.

(b) The Board of Directors of the corporation will be entitled to make such rules or regulations for the conduct of meetings of stockholders as it will deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairperson of the meeting will have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairperson will permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter on which the stockholders will vote at the meeting will be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairperson of the meeting, meetings of stockholders will not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office. The authorized number of directors of the corporation will be fixed in accordance with the Certificate of Incorporation. Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors will not have been elected at an annual meeting, they may be elected as soon thereafter as convenient at a special meeting of the stockholders called for that purpose in the manner provided in these Bylaws.

Section 16. Powers. The business and affairs of the corporation will be managed by or under the direction of the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. (a) Classes of Directors. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, following the closing of the initial public offering pursuant to an effective registration statement under the 1933 Act, covering the offer and sale of Class A Common Stock of the corporation to the public (the " ***Initial Public Offering*** ") and for so long as the Final Conversion Date has not occurred, the corporation will not have a classified Board of Directors, and all directors will be elected at each annual meeting of stockholders to hold office until the next annual meeting. Notwithstanding the foregoing, immediately following the Final Conversion Date, the corporation will have a classified Board of Directors and the directors will be divided into three classes designated as Class I, Class II and Class III, respectively The Board of Directors is authorized to assign members of the Board of Directors already in office to such classes at the time the classification becomes effective. At the first annual meeting of stockholders after which both the closing of the Initial Public Offering and the Final Conversion Date has occurred, the term of office of the Class I directors will expire and Class I directors will be elected for a full term of three years. At the second annual meeting of stockholders after which both the closing of the Initial Public Offering and the Final Conversion Date has occurred, the term of office of the Class II directors will expire and Class II directors will be elected for a full term of three years. At the third annual meeting of stockholders after which both the closing of the Initial Public Offering and the Final Conversion Date has occurred, the term of office of the Class III directors will expire and Class III directors will be elected for a full term of three years. At each succeeding annual meeting of stockholders, directors will be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting.

Notwithstanding the foregoing provisions of this Section 17, each director will serve until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. No decrease in the number of directors constituting the Board of Directors will shorten the term of any incumbent director.

Section 18. Vacancies. Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock or as otherwise provided by applicable law, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors will, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships will be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, and not by the stockholders, *provided, however* , that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series will, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships will be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected, and not by the stockholders. Any director elected in accordance with the preceding sentence will hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor will have been elected and qualified. A vacancy in the Board of Directors will be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time. If no such specification is made, the Secretary, in his or her discretion, may either (a) require confirmation from the director prior to deeming the resignation effective, in which case the resignation will be deemed effective on receipt of such confirmation, or (b) deem the resignation effective at the time of delivery of the resignation to the Secretary. When one or more directors resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, will have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations will become effective, and each director so chosen will hold office for the unexpired portion of the term of the director whose place will be vacated and until his successor will have been duly elected and qualified.

Section 20. Removal.

(a) After the Final Conversion Date, subject to the rights of holders of any series of Preferred Stock to elect additional directors under specified circumstances, neither the Board of Directors nor any individual director may be removed without cause.

(b) Subject to any limitation imposed by applicable law and the requirements set forth in the Certificate of Incorporation, any individual director or directors may be removed from office at any time with cause, and until the Final Conversion Date, without cause, by the affirmative vote of the holders of a majority of the voting power of all then outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors, voting together as a single class.

Section 21. Meetings

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, by telephone, including a voice-messaging system or other system designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means. No further notice will be required for regular meetings of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairperson of the Board, the Chief Executive Officer or a majority of the authorized number of directors.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means will constitute presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place of all special meetings of the Board of Directors will be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least twenty-four (24) hours before the date and time of the meeting. If notice is sent by US mail, it will be sent by first class mail, postage prepaid at least three (3) days before the date of the meeting. Notice of any meeting may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, will be as valid as though it had been transacted at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice will sign a written waiver of notice or will waive notice by electronic transmission. All such waivers will be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting .

(a) Unless the Certificate of Incorporation requires a greater number, and except with respect to questions related to indemnification arising under Section 44 for which a quorum will be one-third of the exact number of directors fixed from time to time, a quorum of the Board of Directors will consist of a majority of the exact number of directors fixed from time to time by the Board of Directors in accordance with the Certificate of Incorporation; *provided, however,* at any meeting whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business will be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing will be in paper form if the minutes are maintained in paper form and will be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors will be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained will be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees .

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one (1) or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors will have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee will have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors will consist of one (1) or more members of the Board of Directors and will have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event will any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of subsections (a) or (b) of this Section 25 may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member will terminate on the date of his death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings. Unless the Board of Directors will otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 25 will be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, on notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee will constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present will be the act of such committee.

Section 26. Duties of Chairperson of the Board of Directors. The Chairperson of the Board of Directors, if appointed and when present, will preside at all meetings of the stockholders and the Board of Directors. The Chairperson of the Board of Directors will perform other duties commonly incident to the office and will also perform such other duties and have such other powers, as the Board of Directors will designate from time to time.

Section 27. Organization. At every meeting of the directors, the Chairperson of the Board of Directors, or, if a Chairperson has not been appointed or is absent, the Chief Executive Officer (if a

director), or, if a Chief Executive Officer is absent, the President (if a director), or if the President is absent, the most senior Vice President (if a director), or, in the absence of any such person, a chairperson of the meeting chosen by a majority of the directors present, will preside over the meeting. The Secretary, or in his absence, any Assistant Secretary or other officer, director or other person directed to do so by the person presiding over the meeting, will act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 28. Officers Designated. The officers of the corporation will include, if and when designated by the Board of Directors, the Chairperson, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Technology Officer, the Chief Financial Officer, and the Treasurer. The Board of Directors may also appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers and agents with such powers and duties as it deems necessary. The Board of Directors may assign such additional titles to one or more of the officers as it deems appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation will be fixed by or in the manner designated by the Board of Directors or a committee thereof to which the Board of Directors has delegated such responsibility.

Section 29. Tenure and Duties of Officers.

(a) General. All officers will hold office at the pleasure of the Board of Directors and until their successors have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

(b) Duties of Chief Executive Officer. The Chief Executive Officer will preside at all meetings of the stockholders and at all meetings of the Board of Directors (if a director), unless the Chairperson of the Board of Directors has been appointed and is present. Unless an officer has been appointed Chief Executive Officer of the corporation, the President will be the Chief Executive Officer of the corporation and will, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. To the extent that a Chief Executive Officer has been appointed and no President has been appointed, all references in these Bylaws to the President will be deemed references to the Chief Executive Officer. The Chief Executive Officer will perform other duties commonly incident to the office and will also perform such other duties and have such other powers, as the Board of Directors designate from time to time.

(c) Duties of President. The President will preside at all meetings of the stockholders and at all meetings of the Board of Directors (if a director), unless the Chairperson of the Board of Directors, or the Chief Executive Officer has been appointed and is present. Unless another officer has been appointed Chief Executive Officer of the corporation, the President will be the chief executive officer of the corporation and will, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President will perform other duties commonly incident to the office and will also perform such other duties and have such other powers, as the Board of Directors (or the Chief Executive Officer, if the Chief Executive Officer and President are not the same person and the Board of Directors has delegated the designation of the President's duties to the Chief Executive Officer) designate from time to time.

(d) Duties of Vice Presidents. A Vice President may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant (unless the duties of the President are being filled by the Chief Executive Officer). A Vice President will perform other duties commonly incident to their office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or, if the Chief Executive Officer has not been appointed or is absent, the President designate from time to time.

(e) Duties of Secretary. The Secretary will attend all meetings of the stockholders and of the Board of Directors and will record all acts and proceedings thereof in the minute book of the corporation. The Secretary will give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary will perform all other duties provided for in these Bylaws and other duties commonly incident to the office and will also perform such other duties and have such other powers, as the Board of Directors will designate from time to time. The Chief Executive Officer, or if no Chief Executive Officer is then serving, the President may direct any Assistant Secretary or other officer to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President designate from time to time.

(f) Duties of Chief Financial Officer. The Chief Financial Officer will keep or cause to be kept the books of account of the corporation in a thorough and proper manner and will render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President. The Chief Financial Officer, subject to the order of the Board of Directors, will have the custody of all funds and securities of the corporation. The Chief Financial Officer will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President designate from time to time. To the extent that a Chief Financial Officer has been appointed and no Treasurer has been appointed, all references in these Bylaws to the Treasurer will be deemed references to the Chief Financial Officer. The President may direct the Treasurer, if any, or any Assistant Treasurer, or the controller or any assistant controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each controller and assistant controller will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President designate from time to time.

(g) Duties of Treasurer. Unless another officer has been appointed Chief Financial Officer of the corporation, the Treasurer will be the chief financial officer of the corporation and will keep or cause to be kept the books of account of the corporation in a thorough and proper manner and will render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President, and, subject to the order of the Board of Directors, will have the custody of all funds and securities of the corporation. The Treasurer will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President and Chief Financial Officer (if not Treasurer) designate from time to time.

(h) Duties of Chief Technology Officer. The Chief Technology Officer shall have responsibility for the general research and development activities of the corporation, for supervision of the corporation's research and development personnel, for new product development and product improvements, for overseeing the development and direction of the corporation's intellectual property development and such other responsibilities as may be given to the Chief Technology Officer by the Board of Directors, subject to: (a) the provisions of these Bylaws; (b) the direction of the Board of Directors; and (c) the supervisory powers of the Chief Executive Officer of the corporation.

Section 30. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 31. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission to the Board of Directors or to the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President or to the Secretary. Any such resignation will be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation will become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation will not be necessary to make it effective. Any resignation will be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 32. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written consent of the directors in office at the time, or by any committee or by the Chief Executive Officer or by other superior officers on whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 33. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name without limitation, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature will be binding on the corporation. All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation will be signed by such person or persons as the Board of Directors authorize so to do. Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee will have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 34. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, will be voted, and all proxies with respect thereto will be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairperson of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 35. Form and Execution of Certificates. The shares of the corporation will be represented by certificates, or will be uncertificated if so provided by resolution or resolutions of the Board of Directors. Certificates for the shares of stock, if any, will be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock in the corporation represented by certificate will be entitled to have a certificate signed by or in the name of the corporation by the Chairperson of the Board of Directors, or the President or any Vice President and by the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed on a certificate will have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 36. Lost Certificates. A new certificate or certificates will be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, on the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the

owner's legal representative, to agree to indemnify the corporation in such manner as it will require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 37. Transfers .

(a) Transfers of record of shares of stock of the corporation will be made only on its books by the holders thereof, in person or by attorney duly authorized, and, in the case of stock represented by certificate, on the surrender of a properly endorsed certificate or certificates for a like number of shares.

(b) The corporation will have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

Section 38. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date will not precede the date on which the resolution fixing the record date is adopted by the Board of Directors, and which record date will, subject to applicable law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders will be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders will apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date will not precede the date on which the resolution fixing the record date is adopted, and which record date will be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose will be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 39. Registered Stockholders. The corporation will be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and will not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it will have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 40. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 36), may be signed by the Chairperson of the Board of Directors, the Chief Executive Officer, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an

Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; *provided, however,* that where any such bond, debenture or other corporate security will be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security will be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, will be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who will have signed or attested any bond, debenture or other corporate security, or whose facsimile signature will appear thereon or on any such interest coupon, will have ceased to be such officer before the bond, debenture or other corporate security so signed or attested will have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature will have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 41. Declaration of Dividends. Dividends on the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 42. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors will think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 43. Fiscal Year. The fiscal year of the corporation will be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

Section 44. Indemnification of Directors, Officers, Employees and Other Agents.

(a) Directors and Officers. The corporation will indemnify its directors and officers to the fullest extent not prohibited by the DGCL or any other applicable law; *provided, however,* that the corporation may modify the extent of such indemnification by individual contracts with its directors and officers; and, *provided, further,* that the corporation will not be required to indemnify any director or officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the DGCL or any other applicable law or (iv) such indemnification is required to be made under paragraph (d) of this Section 44.

(b) Employees and other Agents. The corporation will have power to indemnify its employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors will have the power to delegate the determination of whether indemnification will be given to any such person as the Board of Directors determine.

(c) Expenses. The corporation will advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director or officer, of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or officer in connection with such proceeding provided, however, that if the DGCL requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) will be made only on delivery to the corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it will ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Section 44 or otherwise. Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Section 44, no advance will be made by the corporation to an officer of the corporation (except by reason of the fact that such officer is or was a director of the corporation in which event this sentence will not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and officers under this Section 44 will be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or officer. Any right to indemnification or advances granted by this Section 44 to a director or officer will be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within ninety (90) days of request therefor. To the extent permitted by law, the claimant in such enforcement action, if successful in whole or in part, will be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation will be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such officer is or was a director of the corporation) for advances, the corporation will be entitled to raise a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his or her conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, will be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by a director or officer to enforce a right to indemnification or to an advancement of expenses hereunder, the burden of proving that the director or officer is not entitled to be indemnified, or to such advancement of expenses, under this Section 44 or otherwise will be on the corporation.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Section 44 will not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL or any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Section 44 will continue as to a person who has ceased to be a director, officer, employee or other agent and will inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL or any other applicable law, the corporation, on approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Section 44.

(h) Amendments. Any repeal or modification of this Section 44 will only be prospective and will not affect the rights under this Section 44 in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Section 44 or any portion hereof will be invalidated on any ground by any court of competent jurisdiction, then the corporation will nevertheless indemnify each director and officer to the full extent not prohibited by any applicable portion of this Section 44 that will not have been invalidated, or by any other applicable law. If this Section 44 will be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation will indemnify each director and executive officer to the full extent under any other applicable law.

(j) Certain Definitions. For the purposes of this Section 44, the following definitions will apply:

(1) The term “proceeding” will be broadly construed and includes, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(2) The term “expenses” will be broadly construed and includes, without limitation, court costs, attorneys’ fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(3) The term the “corporation” will include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, will stand in the same position under the provisions of this Section 44 with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(4) References to a “director,” “executive officer,” “officer,” “employee,” or “agent” of the corporation will include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, executive officer, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(5) References to "other enterprises" will include employee benefit plans; references to "fines" will include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" will include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan will be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this section.

ARTICLE XII

NOTICES

Section 45. Notices .

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings will be given as provided in Section 7 herein. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by United States mail or nationally recognized overnight courier, or by facsimile, telegraph or telex or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in subsection (a) or as otherwise provided in these Bylaws. If such notice is not delivered personally, it will be sent to such address as such director has filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, will in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It will not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person with Whom Communication is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person will not be required and there will be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which will be taken or held without notice to any such person with whom communication is unlawful will have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate will state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address. Except as otherwise prohibited under DGCL, any notice given under the provisions of DGCL, the Certificate of Incorporation or the

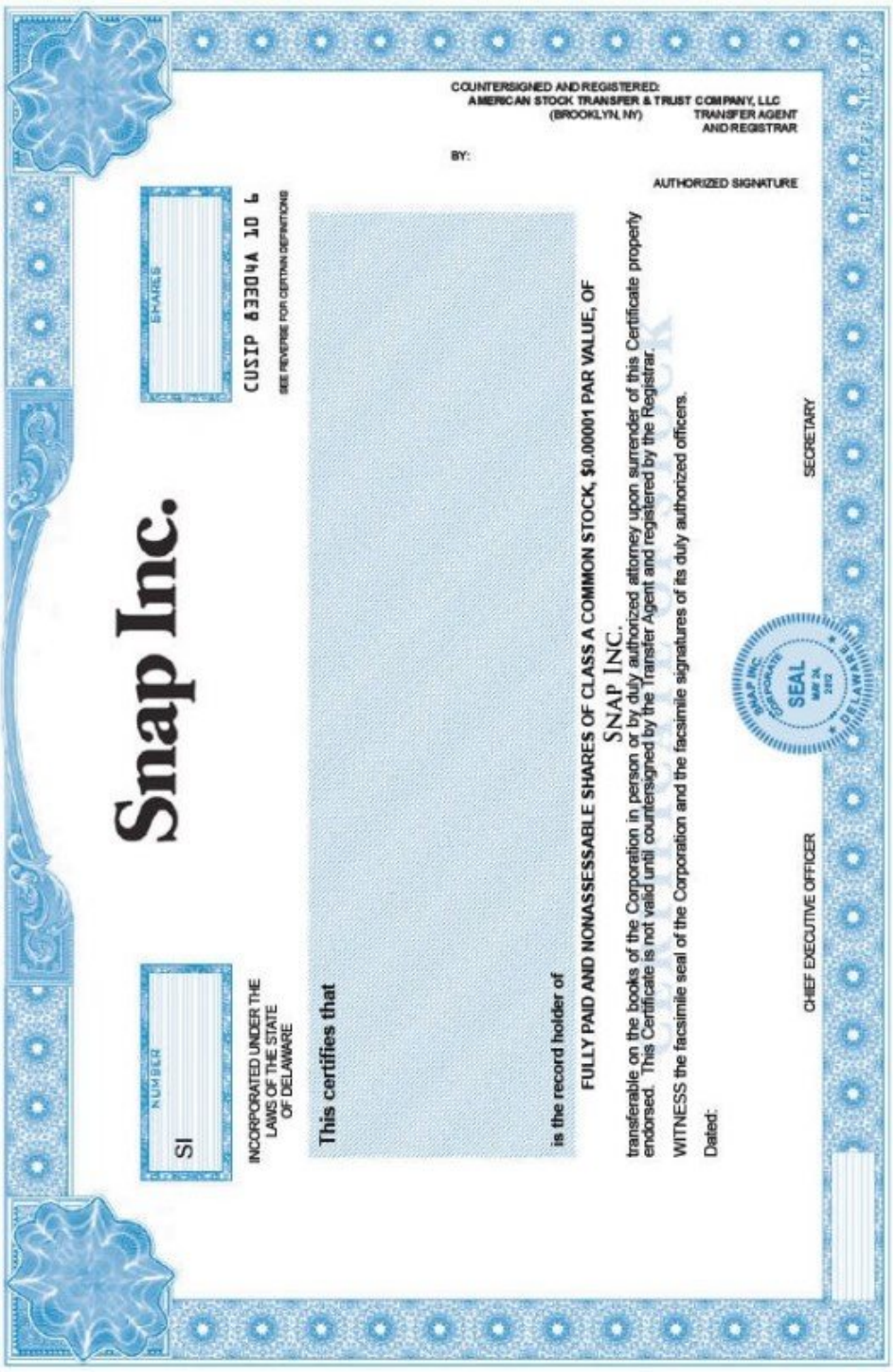
Bylaws will be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent will have been deemed to have been given if such stockholder fails to object in writing to the corporation within sixty (60) days of having been given notice by the corporation of its intention to send the single notice. Any consent will be revocable by the stockholder by written notice to the corporation.

ARTICLE XIII

AMENDMENTS

Section 46. Amendments. Subject to the limitations set forth in Section 44(h) of these Bylaws or the provisions of the Certificate of Incorporation, the Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the corporation. Any adoption, amendment or repeal of the Bylaws of the corporation by the Board of Directors will require the approval of a majority of the authorized number of directors. The stockholders also will have power to adopt, amend or repeal the Bylaws of the corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders will require the affirmative vote of the holders of a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

Exhibit 4.1


Snap Inc.
NUMBER
SI
SHARES
CUSIP 83304A 10 6
SEE REVERSE FOR CERTAIN DEFINITIONS
INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE
This certifies that
is the record holder of
FULLY PAID AND NONASSESSABLE SHARES OF CLASS A COMMON STOCK, $0.00001 PAR VALUE, OF
SNAP INC.
transferable on the books of the Corporation in person or by duly authorized attorney upon surrender of this Certificate properly endorsed. This Certificate is not valid until countersigned by the Transfer Agent and registered by the Registrar.
WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.
Dated:
CHIEF EXECUTIVE OFFICER
SECRETARY
SEAL
COUNTERSIGNED AND REGISTERED:
AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC
(BROOKLYN, NY)
TRANSFER AGENT AND REGISTRAR
BY:
AUTHORIZED SIGNATURE

The Corporation shall furnish without charge to each stockholder who so requests a statement of the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock of the Corporation or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Such requests shall be made to the Corporation's Secretary at the principal office of the Corporation.

KEEP THIS CERTIFICATE IN A SAFE PLACE. IF IT IS LOST, STOLEN, OR DESTROYED THE CORPORATION WILL REQUIRE A BOND INDEMNITY AS A CONDITION TO THE ISSUANCE OF A REPLACEMENT CERTIFICATE.

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

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

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

FOR VALUE RECEIVED, _____ hereby sell(s), assign(s) and transfer(s) unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

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

_____

_____

_____ shares

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

_____ attorney-in-fact

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

Dated _____

X _____

X _____

Signature(s) Guaranteed:

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

By _____

THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION, (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15. GUARANTEES BY A NOTARY PUBLIC ARE NOT ACCEPTABLE. SIGNATURE GUARANTEES MUST NOT BE DATED.

SNAP INC.

AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT

T HIS A MENDED AND R ESTATED I NVESTOR R IGHTS A GREEMENT (the " ***Agreement*** ") is entered into as of October 31, 2016, by and among **S NAP I NC .** , a Delaware corporation (the " ***Company*** ") and the investors listed on Exhibit A hereto, referred to hereinafter as the " ***Investors*** " and each individually as an " ***Investor*** " and the holders listed on Exhibit B hereto, referred to hereinafter as the " ***Founders*** " and each individually as a " ***Founder*** ."

R ECITALS

W HEREAS , the Investors are holders of the Company's Series A Preferred Stock (the " ***Series A Stock*** "), Series A-1 Preferred Stock (the " ***Series A-1 Stock*** "), Series B Preferred Stock (the " ***Series B Stock*** " and, together with the Series A Stock and the Series A-1 Stock, the " ***Prior Preferred*** "), and/or Series C Preferred Stock (the " ***Series C Stock***);

W HEREAS , the Company (formerly known as Snapchat, Inc.) previously entered into that certain Amended and Restated Investor Rights Agreement dated as of November 26, 2013, by and among the Company, the Investors and the Founders named therein (the " ***Prior Agreement*** ");

W HEREAS , the parties to the Prior Agreement desire to amend and restate the Prior Agreement and accept the rights and covenants hereof in lieu of their rights and covenants under the Prior Agreement; and

W HEREAS , pursuant to Section 5.5 of the Prior Agreement, the Prior Agreement may be amended only with the written consent of the Company and the holders of a majority of the then-outstanding Registrable Securities (voting together as a single class on an as-converted basis) (collectively, the " ***Requisite Holders*** ").

N OW , T HEREFORE , in consideration of these premises and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Company and the undersigned, representing the Requisite Holders, agree to amend and restate the Prior Agreement as follows:

SECTION 1. GENERAL.

1.1 Amendment and Restatement of Prior Agreement. The Prior Agreement is hereby amended in its entirety and restated herein. Such amendment and restatement is effective upon the execution of this Agreement by the Company and the parties required for an amendment pursuant to Section 5.5 of the Prior Agreement. Upon such execution, all provisions of, rights granted and covenants made in the Prior Agreement are hereby waived, released and superseded in their entirety and shall have no further force or effect, including, without limitation, all rights of first refusal and any notice period associated therewith otherwise applicable to the transactions contemplated by that certain Series C Preferred Stock Purchase Agreement dated November 26, 2013, as amended (the " ***Purchase Agreement*** ").

1.2 Definitions. As used in this Agreement the following terms shall have the following respective meanings:

(a) ***"Affiliate"*** means with respect to any specified person, any other person who or which, directly or indirectly, controls, is controlled by, or is under common control with such specified person, including, without limitation, any general partner, officer, director or manager of such person and any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or is under common investment management with, such person.

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

(c) ***"Form S-3"*** means such form under the Securities Act as in effect on the date hereof or any successor or similar registration form under the Securities Act subsequently adopted by the SEC which permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the SEC.

(d) ***"Holder"*** means any person owning of record Registrable Securities that have not been sold to the public or any assignee of record of such Registrable Securities in accordance with Section 2.9 hereof; provided, however, that the Founders shall not be deemed to be Holders for purposes of Sections 2.2, 2.4 or 5.5.

(e) ***"Initial Offering"*** means the Company's first firm commitment underwritten public offering of its Common Stock registered under the Securities Act.

(f) ***"Register," "registered,"*** and ***"registration"*** refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

(g) ***"Registrable Securities"*** means (a) Class A Common Stock of the Company issuable or issued upon conversion of the Shares; provided, however, that any such shares held by the Founders shall not be deemed Registrable Securities for purposes of Sections 2.2, 2.4 or 5.5, and (b) any Class A Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, such above-described securities. Notwithstanding the foregoing, Registrable Securities shall not include any securities (i) sold by a person to the public either pursuant to a registration statement or Rule 144 or (ii) sold in a private transaction in which the transferor's rights under Section 2 of this Agreement are not assigned.

(h) ***"Registrable Securities then outstanding"*** shall be the number of shares of the Company's Common Stock that are Registrable Securities and either (a) are then issued and outstanding or (b) are issuable pursuant to then exercisable or convertible securities.

(i) ***"Registration Expenses"*** shall mean all expenses incurred by the Company in complying with Sections 2.2, 2.3 and 2.4 hereof, including, without limitation, all registration and filing fees, printing expenses, fees and disbursements of counsel for the Company, reasonable fees and disbursements of a single special counsel for the Holders not to exceed twenty-five thousand dollars ($25,000) per registration, blue sky fees and expenses and the expense of any special audits incident to or required by any such registration (but excluding the compensation of regular employees of the Company which shall be paid in any event by the Company).

(j) ***"Restated Certificate"*** shall mean the Company's Amended and Restated Certificate of Incorporation, as may be amended and/or restated from time to time.

(k) ***"SEC"*** or ***"Commission"*** means the Securities and Exchange Commission.

(l) ***"Securities Act"*** shall mean the Securities Act of 1933, as amended.

(m) ***"Selling Expenses"*** shall mean all underwriting discounts and selling commissions applicable to the sale.

(n) ***"Shares"*** shall mean (a) the Prior Preferred and the Series C Stock, (together, the ***"Investor Preferred"***) held from time to time by the Investors listed on Exhibit A hereto and their permitted assigns and (b) the Company's Series FP Preferred Stock held from time to time by the Founders.

(o) ***"Special Registration Statement"*** shall mean (i) a registration statement relating to any employee benefit plan or (ii) with respect to any corporate reorganization or transaction under Rule 145 of the Securities Act, any registration statements related to the issuance or resale of securities issued in such a transaction or (iii) a registration related to stock issued upon conversion of debt securities.

SECTION 2. REGISTRATION; RESTRICTIONS ON TRANSFER.

2.1 Restrictions on Transfer.

(a) Each Holder agrees not to make any disposition of all or any portion of the Shares or Registrable Securities unless and until:

(i) the Company's Board of Directors has provided prior written approval of such disposition as set forth in the Company's Bylaws;

(ii) there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with such registration statement; or

(iii) (A) The transferee has agreed in writing to be bound by the terms of this Agreement, (B) such Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and (C) if reasonably requested by the Company, such Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, that such disposition will not require registration of such shares under the Securities Act. It is agreed that the Company will not require opinions of counsel for transactions made pursuant to Rule 144, except in unusual circumstances. After its Initial Offering, the Company will not require any transferee pursuant to Rule 144 to be bound by the terms of this Agreement if the shares so transferred do not remain Registrable Securities hereunder following such transfer.

(b) Notwithstanding the provisions of subsection (a) above, no such restriction shall apply to a transfer by a Holder that is (A) a partnership transferring to its partners or former partners in accordance with partnership interests, (B) a corporation transferring to a wholly-owned subsidiary or a parent corporation that owns all of the capital stock of the Holder, (C) a limited liability company transferring to its members or former members in accordance with their interest in the limited liability company, (D) an individual transferring to the Holder's family member or trust for the benefit of an individual Holder, or (E) an Investor transferring for no consideration to an Affiliate of such Investor; *provided* that in each case the transferee will agree in writing to be subject to the terms of this Agreement to the same extent as if he were an original Holder hereunder.

(c) Each certificate representing Shares or Registrable Securities shall be stamped or otherwise imprinted with legends substantially similar to the following (in addition to any legend required under applicable state securities laws):

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "***ACT***") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.
>
> THE SALE, PLEDGE, HYPOTHECATION OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS AND CONDITIONS OF A CERTAIN INVESTOR RIGHTS AGREEMENT BY AND BETWEEN THE STOCKHOLDER AND THE COMPANY. COPIES OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY.

(d) The Company shall be obligated to reissue promptly unlegended certificates at the request of any Holder thereof if the Company has completed its Initial Offering and the Holder shall have obtained an opinion of counsel (which counsel may be counsel to the Company) reasonably acceptable to the Company to the effect that the securities proposed to be disposed of may lawfully be so disposed of without registration, qualification and legend, *provided that* the second legend listed above shall be removed only at such time as the Holder of such certificate is no longer subject to any restrictions hereunder.

(e) Any legend endorsed on an instrument pursuant to applicable state securities laws and the stop-transfer instructions with respect to such securities shall be removed upon receipt by the Company of an order of the appropriate blue sky authority authorizing such removal.

2.2 Demand Registration.

(a) Subject to the conditions of this Section 2.2, if the Company shall receive a written request from the Holders of a majority of the Registrable Securities (the " ***Initiating Holders*** ") that the Company file a registration statement under the Securities Act covering the registration of at least a majority of the Registrable Securities then outstanding (or a lesser percent if the anticipated aggregate offering price, net of underwriting discounts and commissions, would exceed $10,000,000), then the Company shall, within thirty (30) days of the receipt thereof, give written notice of such request to all Holders, and subject to the limitations of this Section 2.2, effect, as expeditiously as reasonably possible, the registration under the Securities Act of all Registrable Securities that all Holders request to be registered.

(b) If the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to this Section 2.2 or any request pursuant to Section 2.4 and the Company shall include such information in the written notice referred to in Section 2.2(a) or Section 2.4(a), as applicable. In such event, the right of any Holder to include its Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Holders of a majority of the Registrable Securities held by all Initiating Holders (which underwriter or underwriters shall be reasonably acceptable to the Company). Notwithstanding any other provision of this Section 2.2 or Section 2.4, if the underwriter advises the Company that marketing factors require a limitation of the number of securities to be underwritten (including Registrable Securities) then the Company shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the number of shares that may be included in the underwriting shall be allocated to the Holders of such Registrable Securities on a *pro rata* basis based on the number of Registrable Securities held by all such Holders (including the Initiating Holders **)** ; *provided, however* , that the number of shares of Registrable Securities to be included in such underwriting and registration shall not be reduced unless all other securities of the Company are first entirely excluded from the underwriting and registration. Any Registrable Securities excluded or withdrawn from such underwriting shall be withdrawn from the registration.

(c) The Company shall not be required to effect a registration pursuant to this Section 2.2:

(i) prior to the expiration of the restrictions on transfer set forth in Section 2.11 following the Initial Offering;

(ii) after the Company has effected two (2) registrations pursuant to this Section 2.2, and such registrations have been declared or ordered effective;

(iii) during the period starting with the date of filing of, and ending on the date one hundred eighty (180) days following the effective date of the registration statement pertaining to a public offering, other than pursuant to a Special Registration Statement; provided that the Company makes reasonable good faith efforts to cause such registration statement to become effective;

(iv) if within thirty (30) days of receipt of a written request from Initiating Holders pursuant to Section 2.2(a), the Company gives notice to the Holders of the Company's intention to file a registration statement for a public offering, other than pursuant to a Special Registration Statement within ninety (90) days;

(v) if the Company shall furnish to Holders requesting a registration statement pursuant to this Section 2.2 a certificate signed by the Chairman of the Board stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company and its stockholders for such registration statement to be effected at such time, in which event the Company shall have the right to defer such filing for a period of not more than one hundred twenty (120) days after receipt of the request of the Initiating Holders; *provided* that such right to delay a request shall be exercised by the Company not more than twice in any twelve (12) month period;

(vi) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 2.4 below; or

(vii) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

2.3 Piggyback Registrations. The Company shall notify all Holders of Registrable Securities in writing at least fifteen (15) days prior to the filing of any registration statement under the Securities Act for purposes of a public offering of securities of the Company (including, but not limited to, registration statements relating to secondary offerings of securities of the Company, but excluding Special Registration Statements) and will afford each such Holder an opportunity to include in such registration statement all or part of such Registrable Securities held by such Holder. Each Holder desiring to include in any such registration statement all or any part of the Registrable Securities held by it shall, within fifteen (15) days after the above-described notice from the Company, so notify the Company in writing. Such notice shall state the intended method of disposition of the Registrable Securities by such Holder. If a Holder decides not to include all of its Registrable Securities in any registration statement thereafter filed by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent registration statement or registration statements as may be filed by the Company with respect to offerings of its securities, all upon the terms and conditions set forth herein.

(a) Underwriting. If the registration statement of which the Company gives notice under this Section 2.3 is for an underwritten offering, the Company shall so advise the Holders of Registrable Securities. In such event, the right of any such Holder to include Registrable Securities in a registration pursuant to this Section 2.3 shall be conditioned upon

such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting by the Company. Notwithstanding any other provision of this Agreement, if the Company determines in good faith, based on consultation with the underwriter, that marketing factors require a limitation of the number of shares to be underwritten, the number of shares that may be included in the underwriting shall be allocated, first, to the Company; second, to the Investors on a *pro rata* basis based on the total number of Registrable Securities held by the Investors; third, to the Founders on a *pro rata* basis based on the total number of Registrable Securities held by the Founders; and fourth, to any stockholder of the Company (other than a Holder) on a *pro rata* basis; provided, however, that in no event shall the amount of securities of the selling Holders included in the registration be reduced below thirty percent (30%) of the total amount of securities included in such registration, unless such offering is the Initial Offering and such registration does not include shares of any other selling stockholders, in which event any or all of the Registrable Securities of the Holders may be excluded in accordance with the immediately preceding clause. In no event will shares of any other selling stockholder be included in such registration that would reduce the number of shares which may be included by Holders without the written consent of Holders of not less than a majority of the Registrable Securities proposed to be sold in the offering. If any Holder disapproves of the terms of any such underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the underwriter, delivered at least ten (10) business days prior to the effective date of the registration statement. Any Registrable Securities excluded or withdrawn from such underwriting shall be excluded and withdrawn from the registration. For any Holder which is a partnership, limited liability company or corporation, the Affiliates, partners, retired partners, members, retired members and stockholders of such Holder, or the estates and family members of any such partners, retired partners, members and retired members and any trusts for the benefit of any of the foregoing person shall be deemed to be a single "Holder," and any *pro rata* reduction with respect to such "Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "Holder," as defined in this sentence.

(b) Right to Terminate Registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.3 whether or not any Holder has elected to include securities in such registration. The Registration Expenses of such withdrawn registration shall be borne by the Company in accordance with Section 2.5 hereof.

2.4 Form S-3 Registration. In case the Company shall receive from any Holder or Holders of Registrable Securities a written request or requests that the Company effect a registration on Form S-3 (or any successor to Form S-3) or any similar short-form registration statement and any related qualification or compliance with respect to all or a part of the Registrable Securities owned by such Holder or Holders, the Company will:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders of Registrable Securities; and

(b) as soon as practicable, effect such registration and all such qualifications and compliances as may be so requested and as would permit or facilitate the sale and distribution of all or such portion of such Holder's or Holders' Registrable Securities as are

specified in such request, together with all or such portion of the Registrable Securities of any other Holder or Holders joining in such request as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company; *provided, however* , that the Company shall not be obligated to effect any such registration, qualification or compliance pursuant to this Section 2.4:

(i) if Form S-3 is not available for such offering by the Holders, or

(ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public of less than two million dollars ($2,000,000), or

(iii) if within thirty (30) days of receipt of a written request from any Holder or Holders pursuant to this Section 2.4, the Company gives notice to such Holder or Holders of the Company's intention to make a public offering within ninety (90) days, other than pursuant to a Special Registration Statement;

(iv) if the Company shall furnish to the Holders a certificate signed by the Chairman of the Board of Directors of the Company stating that in the good faith judgment of the Board of Directors of the Company, it would be seriously detrimental to the Company and its stockholders for such Form S-3 registration to be effected at such time, in which event the Company shall have the right to defer the filing of the Form S-3 registration statement for a period of not more than one hundred twenty (120) days after receipt of the request of the Holder or Holders under this Section 2.4; *provided,* that such right to delay a request shall be exercised by the Company not more than twice in any twelve (12) month period, or

(v) if the Company has, within the twelve (12) month period preceding the date of such request, already effected two (2) registrations on Form S-3 for the Holders pursuant to this Section 2.4, or

(vi) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

(c) Subject to the foregoing, the Company shall file a Form S-3 registration statement covering the Registrable Securities and other securities so requested to be registered as soon as practicable after receipt of the requests of the Holders. Registrations effected pursuant to this Section 2.4 shall not be counted as demands for registration or registrations effected pursuant to Section 2.2.

2.5 Expenses of Registration. Except as specifically provided herein, all Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to Section 2.2, 2.3 or 2.4 herein shall be borne by the Company. All Selling Expenses incurred in connection with any registrations hereunder, shall be borne by the holders of the securities so registered *pro rata* on the basis of the number of shares so registered. The Company shall not, however, be required to pay for expenses of any registration proceeding begun pursuant to Section 2.2 or 2.4, the request of which has been subsequently withdrawn by

the Initiating Holders unless (a) the withdrawal is based upon material adverse information concerning the Company of which the Initiating Holders were not aware at the time of such request or (b) the Holders of a majority of Registrable Securities agree to deem such registration to have been effected as of the date of such withdrawal for purposes of determining whether the Company shall be obligated pursuant to Section 2.2(c)(ii) or 2.4(b)(v), as applicable, to undertake any subsequent registration, in which event such right shall be forfeited by all Holders). If the Holders are required to pay the Registration Expenses, such expenses shall be borne by the holders of securities (including Registrable Securities) requesting such registration in proportion to the number of shares for which registration was requested. If the Company is required to pay the Registration Expenses of a withdrawn offering pursuant to clause (a) above, then such registration shall not be deemed to have been effected for purposes of determining whether the Company shall be obligated pursuant to Section 2.2(c)(ii) or 2.4(b)(v), as applicable, to undertake any subsequent registration.

2.6 Obligations of the Company. Whenever required to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use all reasonable efforts to cause such registration statement to become effective, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for up to sixty (60) days or, if earlier, until the Holder or Holders have completed the distribution related thereto; provided, however, that at any time, upon written notice to the participating Holders and for a period not to exceed sixty (60) days thereafter (the " ***Suspension Period*** "), the Company may delay the filing or effectiveness of any registration statement or suspend the use or effectiveness of any registration statement (and the Initiating Holders hereby agree not to offer or sell any Registrable Securities pursuant to such registration statement during the Suspension Period) if the Company reasonably believes that there is or may be in existence material nonpublic information or events involving the Company, the failure of which to be disclosed in the prospectus included in the registration statement could result in a Violation (as defined below). In the event that the Company shall exercise its right to delay or suspend the filing or effectiveness of a registration hereunder, the applicable time period during which the registration statement is to remain effective shall be extended by a period of time equal to the duration of the Suspension Period. The Company may extend the Suspension Period for an additional consecutive sixty (60) days with the consent of the holders of a majority of the Registrable Securities registered under the applicable registration statement, which consent shall not be unreasonably withheld. If so directed by the Company, all Holders registering shares under such registration statement shall (i) not offer to sell any Registrable Securities pursuant to the registration statement during the period in which the delay or suspension is in effect after receiving notice of such delay or suspension; and (ii) use their best efforts to deliver to the Company (at the Company's expense) all copies, other than permanent file copies then in such Holders' possession, of the prospectus relating to such Registrable Securities current at the time of receipt of such notice. Notwithstanding the foregoing, the Company shall not be required to file, cause to become effective or maintain the effectiveness of any registration statement other than a registration statement on Form S-3 that contemplates a distribution of securities on a delayed or continuous basis pursuant to Rule 415 under the Securities Act.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection with such registration statement as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement for the period set forth in subsection (a) above.

(c) Furnish to the Holders such number of copies of a prospectus, including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use its reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or Blue Sky laws of such jurisdictions as shall be reasonably requested by the Holders; *provided* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter(s) of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement at any time when a prospectus relating thereto is required to be delivered under the Securities Act of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing. The Company will, as soon as reasonably practicable, use reasonable efforts to amend or supplement such prospectus in order to cause such prospectus not to include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made.

(g) Use its reasonable efforts to furnish, on the date that such Registrable Securities are delivered to the underwriters for sale, if such securities are being sold through underwriters, (i) an opinion, dated as of such date, of the counsel representing the Company for the purposes of such registration, in form and substance as is customarily given to underwriters in an underwritten public offering, addressed to the underwriters, if any, and (ii) a letter, dated as of such date, from the independent certified public accountants of the Company, in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering addressed to the underwriters.

2.7 Delay of Registration; Furnishing Information.

(a) No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

(b) It shall be a condition precedent to the obligations of the Company to take any action pursuant to Section 2.2, 2.3 or 2.4 that the selling Holders shall furnish to the Company such information regarding themselves, the Registrable Securities held by them and the intended method of disposition of such securities as shall be required to effect the registration of their Registrable Securities.

(c) The Company shall have no obligation with respect to any registration requested pursuant to Section 2.2 or Section 2.4 if the number of shares or the anticipated aggregate offering price of the Registrable Securities to be included in the registration does not equal or exceed the number of shares or the anticipated aggregate offering price required to originally trigger the Company's obligation to initiate such registration as specified in Section 2.2 or Section 2.4, whichever is applicable.

2.8 Indemnification. In the event any Registrable Securities are included in a registration statement under Sections 2.2, 2.3 or 2.4:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, the partners, members, officers, stockholders and directors of each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a " ***Violation*** ") by the Company: (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement or incorporated reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any state securities law or any rule or regulation promulgated under the Securities Act, the Exchange Act or any state securities law in connection with the offering covered by such registration statement; and the Company will reimburse each such Holder, partner, member, officer, stockholder, director, underwriter or controlling person or other aforementioned person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; *provided however* , that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable in any such case for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by such Holder, partner, member, stockholder, officer, director, underwriter or controlling person of such Holder or other aforementioned person.

(b) To the extent permitted by law, each Holder will, if Registrable Securities held by such Holder are included in the securities as to which such registration qualifications or compliance is being effected, indemnify and hold harmless the Company, each of its directors,

its officers and each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter and any other Holder selling securities under such registration statement or any of such other Holder's partners, directors or officers or any person who controls such Holder, against any losses, claims, damages or liabilities (joint or several) to which the Company or any such director, officer, controlling person, underwriter or other such Holder, or partner, director, officer or controlling person of such other Holder may become subject under the Securities Act, the Exchange Act or other federal or state law, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based upon any of the following statements: (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement or incorporated reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act (collectively, a " ***Holder Violation*** "), in each case to the extent (and only to the extent) that such Holder Violation occurs in reliance upon and in conformity with written information furnished by such Holder under an instrument duly executed by such Holder and stated to be specifically for use in connection with such registration; and each such Holder will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, controlling person, underwriter or other Holder, or partner, officer, director or controlling person of such other Holder in connection with investigating or defending any such loss, claim, damage, liability or action if it is judicially determined that there was such a Holder Violation; *provided, however,* that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; *provided further* , that in no event shall any indemnity under this Section 2.8 exceed the net proceeds from the offering received by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume the defense thereof with counsel mutually satisfactory to the parties; *provided, however,* that an indemnified party shall have the right to retain its own counsel, with the fees and expenses thereof to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of liability to the indemnified party under this Section 2.8 to the extent, and only to the extent, prejudicial to its ability to defend such action, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) If the indemnification provided for in this Section 2.8 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any losses,

claims, damages or liabilities referred to herein, the indemnifying party, in lieu of indemnifying such indemnified party thereunder, shall to the extent permitted by applicable law contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the Violation(s) or Holder Violation(s) that resulted in such loss, claim, damage or liability, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission; *provided* , *that* in no event shall any contribution by a Holder hereunder (when combined with any amounts paid or payable by such person pursuant to Section 2.8(b)) exceed the net proceeds from the offering received by such Holder.

(e) The obligations of the Company and Holders under this Section 2.8 shall survive completion of any offering of Registrable Securities in a registration statement and, with respect to liability arising from an offering to which this Section 2.8 would apply that is covered by a registration filed before termination of this Agreement, such termination. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of each indemnified party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party of a release from all liability in respect to such claim or litigation.

2.9 Assignment of Registration Rights. The rights to cause the Company to register Registrable Securities pursuant to this Section 2 may be assigned by a Holder to a transferee or assignee of Registrable Securities (for so long as such shares remain Registrable Securities) that (a) is a subsidiary, Affiliate, parent, general partner, limited partner, retired partner, member or retired member, of a Holder that is a corporation, partnership or limited liability company, (b) is a Holder's family member or trust for the benefit of an individual Holder, or (c) acquires at least 250,000 shares of Registrable Securities (as adjusted for stock splits and combinations); *provided, however,* (i) the transferor shall, within ten (10) days after such transfer, furnish to the Company written notice of the name and address of such transferee or assignee and the securities with respect to which such registration rights are being assigned and (ii) such transferee shall agree to be subject to all restrictions set forth in this Agreement.

2.10 Limitation on Subsequent Registration Rights. Other than as provided in Section 5.10, after the date of this Agreement, the Company shall not enter into any agreement with any holder or prospective holder of any securities of the Company that would grant such holder rights to demand the registration of shares of the Company's capital stock, or to include such shares in a registration statement that would reduce the number of shares includable by the Holders.

2.11 Market Stand-Off Agreement. Each Holder hereby agrees that such Holder shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock (or other securities) of the Company held by such Holder immediately prior to the effectiveness of the Registration Statement for such offering (other than those included in the

registration) during (i) the 180-day period following the effective date of the Initial Offering and (ii) the 90-day period following the effective date of a registration statement of the Company filed under the Securities Act. The foregoing provisions of this Section 2.11 shall apply only to the Company's initial offering of equity securities, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only be applicable to the Holders if all officers, directors and greater than two percent (2%) stockholders of the Company enter into similar agreements. The underwriters in connection with the Company's Initial Offering are intended third-party beneficiaries of this Section 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in the Company's Initial Offering that are consistent with this Section 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply to all Holders subject to such agreements pro rata based on the number of shares subject to such agreements. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities of each Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period. Notwithstanding the foregoing, such 180-day period may be extended by no more than an additional 18 days if required pursuant to regulatory restrictions on (i) the publication or other distribution of research reports or (ii) analyst recommendations and opinions, including (without limitation) the restrictions set forth in Rule 2711(f)(4) of the National Association of Securities Dealers and Rule 472(f)(4) of the New York Stock Exchange, as amended, or any similar successor rules.

2.12 Agreement to Furnish Information. Each Holder agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the managing underwriters that are consistent with the Holder's obligations under Section 2.11 or that are necessary to give further effect thereto. In addition, if requested by the Company or the representative of the underwriters of Common Stock (or other securities) of the Company, each Holder shall provide, within ten (10) days of such request, such information as may be required by the Company or such representative in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Securities Act. The obligations described in Section 2.11 and this Section 2.12 shall not apply to a Special Registration Statement. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to such shares of Common Stock (or other securities) until the end of such period. Each Holder agrees that any transferee of any shares of Registrable Securities shall be bound by Sections 2.11 and 2.12. The underwriters of the Company's stock are intended third party beneficiaries of Sections 2.11 and 2.12 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

2.13 Rule 144 Reporting. With a view to making available to the Holders the benefits of certain rules and regulations of the SEC which may permit the sale of the Registrable Securities to the public without registration, the Company agrees to use its best efforts to:

(a) Make and keep public information available, as those terms are understood and defined in SEC Rule 144 or any similar or analogous rule promulgated under the Securities Act, at all times after the effective date of the first registration filed by the Company for an offering of its securities to the general public;

(b) File with the SEC, in a timely manner, all reports and other documents required of the Company under the Exchange Act; and

(c) So long as a Holder owns any Registrable Securities, furnish to such Holder forthwith upon request: a written statement by the Company as to its compliance with the reporting requirements of said Rule 144 of the Securities Act, and of the Exchange Act (at any time after it has become subject to such reporting requirements); a copy of the most recent annual or quarterly report of the Company filed with the Commission; and such other reports and documents as a Holder may reasonably request in connection with availing itself of any rule or regulation of the SEC allowing it to sell any such securities without registration.

2.14 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 2.2, Section 2.3, or Section 2.4 hereof shall terminate upon the earlier of: (i) the date five (5) years following the Initial Offering; or (ii) such time as such Holder, as reflected on the Company's list of stockholders, holds less than 1% of the Company's outstanding Common Stock (treating all shares of Preferred Stock on an as converted basis), the Company has completed its Initial Offering and all Registrable Securities of the Company issuable or issued upon conversion of the Shares held by and issuable to such Holder (and its affiliates) may be sold pursuant to Rule 144 during any ninety (90) day period. Upon such termination, such shares shall cease to be "Registrable Securities" hereunder for all purposes.

SECTION 3. COVENANTS OF THE COMPANY.

3.1 Basic Financial Information and Reporting.

(a) The Company will maintain true books and records of account in which full and correct entries will be made of all its business transactions pursuant to a system of accounting established and administered in accordance with generally accepted accounting principles consistently applied (except as noted therein), and will set aside on its books all such proper accruals and reserves as shall be required under generally accepted accounting principles consistently applied.

(b) To the extent requested by an Investor that, collectively with its Affiliates, (i) owns at least 250,000 shares of Registrable Securities (as adjusted for stock splits and combinations) and (ii) has purchased at least $8,000,000 in shares of Investor Preferred (a " ***Major Investor*** "), as soon as practicable after the end of each fiscal year of the Company, and in any event within one hundred twenty (120) days thereafter, the Company will furnish such Investor a balance sheet of the Company, as at the end of such fiscal year, and a statement of income and a statement of cash flows of the Company, for such year, all prepared in accordance with generally accepted accounting principles consistently applied (except as noted therein) and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail. Such financial statements shall be unaudited; provided, however, that the Company's Board of Directors may decide that any such statements be accompanied by a report and opinion thereon by independent public accountants selected by the Company's Board of Directors.

(c) The Company shall deliver to each Investor that has a right to designate a member of the Company's Board of Directors pursuant to Section 1.2 of the Amended and Restated Voting Agreement by and among the Company, the Key Holders, and the Investors named therein, dated as of the date hereof, as may be amended and/or restated from time to time copies of any other financial information that is prepared for and presented to the Company's Board of Directors upon the request of such Investor.

3.2 Confidentiality of Records. Each Investor agrees to use the same degree of care as such Investor uses to protect its own confidential information to keep confidential any information furnished to such Investor hereof that the Company identifies as being confidential or proprietary (so long as such information is not in the public domain), except that such Investor may disclose such proprietary or confidential information (i) to any partner, subsidiary or parent of such Investor as long as such partner, subsidiary or parent is advised of and agrees or has agreed to be bound by the confidentiality provisions of this Section 3.2 or comparable restrictions; (ii) at such time as it enters the public domain through no fault of such Investor; (iii) that is communicated to it free of any obligation of confidentiality; (iv) that is developed by Investor or its agents independently of and without reference to any confidential information communicated by the Company; or (v) as required by applicable law. Notwithstanding the foregoing, each Investor that is a limited partnership or limited liability company may disclose such proprietary or confidential information (1) to any current partner of the partnership or any subsequent partnership under common investment management, limited partner, general partner, member or management company of such Investor or, to the extent required by the terms of the limited partnership or other organizational documents of such Investor, former partners or members who retained an economic interest in such Investor (or any employee or representative of any of the foregoing) and (2) to its directors, officers, partners, members, stockholders and employees who have a need to know such information (each of the foregoing persons, a " ***Permitted Disclosee*** "), or legal counsel or accountants for such Investor, in each case only to the extent that (a) such disclosure is reasonably necessary and (b) each such Permitted Disclosee is advised of and agrees or has agreed to be bound by the confidentiality provisions of this Section 3.2 or comparable restrictions. Furthermore, nothing contained in this Section 3.2 shall prevent any Investor or any Permitted Disclosee from (A) entering into any business, entering into any agreement with a third party, or investing in or engaging in investment discussions with any other company (whether or not competitive with the Company), provided that such Investor or Permitted Disclosee does not, except as expressly permitted in accordance with this Section 3.2, disclose or otherwise make use of any proprietary or confidential information of the Company in connection with such activities, or (B) making any disclosures required by applicable securities exchange requirements, law, rule, regulation or court or other governmental order. In the event a person or entity is reasonably determined by the Board to be a competitor of the Company, then notwithstanding the foregoing, such person or entity shall not be a Permitted Disclosee; provided, however, that an Investor that is a venture capital fund shall not be deemed a competitor of the Company solely as a result of its investment in other companies.

3.3 No Publicity. Each Investor further agrees that such Investor or its partners, members or any Permitted Disclosees, in each case providing services to such Investor, or any of such Investor's directors, officers, stockholders or employees shall not, at any time, (i) make any public disclosure related to the Company of any kind, including to any print, radio, television or internet news, press or blog outlet, or otherwise initiate or engage in any verbal or written communication in a manner that such communication will be (or would reasonably be) expected

to become publicly disclosed or available, or (ii) provide to any third party any information or statement related to the Company (other than information that has already been publicly disclosed by the Company), including the terms and existence of the Company's Series C Preferred Stock Financing and related documents and transactions, without the prior written consent of the Company. Notwithstanding Section 3.3(ii) above, each Investor that is a limited partnership or limited liability company may disclose such information to any Permitted Disclosee, or legal counsel or accountants for such Investor, in each case only to the extent that (a) such disclosure is reasonably necessary and (b) each such Permitted Disclosee, legal counsel or accountant is advised of and agrees or has agreed to be bound by the no publicity provisions of this Section 3.3 or comparable restrictions. Furthermore, nothing contained in this Section 3.3 shall prevent any Investor or any Permitted Disclosee from (A) entering into any business, entering into any agreement with a third party, or investing in or engaging in investment discussions with any other company (whether or not competitive with the Company), provided that such Investor or Permitted Disclosee does not, except as expressly permitted in accordance with this Section 3.3, make any public disclosure related to the Company of any kind, or provide to any third party any information or statement related to the Company (other than information that has already been publicly disclosed by the Company) in connection with such activities, or (B) making any disclosures required by applicable securities exchange requirements, law, rule, regulation or court or other governmental order. In the event a person or entity is reasonably determined by the Board to be a competitor of the Company, then notwithstanding the foregoing, such person or entity shall not be a Permitted Disclosee; provided, however, that an Investor that is a venture capital fund shall not be deemed a competitor of the Company solely as a result of its investment in other companies.

3.4 Reservation of Common Stock. The Company will at all times reserve and keep available, solely for issuance and delivery upon the conversion of the Preferred Stock, all Common Stock issuable from time to time upon such conversion.

3.5 Proprietary Information and Inventions Agreement. The Company shall require all employees and consultants to execute and deliver a Proprietary Information and Inventions Agreement substantially in a form approved by the Company's counsel or Board of Directors.

3.6 Directors' Liability and Indemnification. The Company's Certificate of Incorporation and Bylaws shall provide (a) for elimination of the liability of director to the maximum extent permitted by law and (b) for indemnification of directors for acts on behalf of the Company to the maximum extent permitted by law. In addition, the Company shall enter into and use its best efforts to at all times maintain indemnification agreements with each of its directors to indemnify such directors to the maximum extent permissible under applicable law.

3.7 Termination of Covenants. All covenants of the Company contained in Section 3 of this Agreement (other than the provisions of Section 3.2, 3.3 and 3.6) shall expire and terminate as to each Investor upon the earlier of (i) the effective date of the registration statement pertaining to an Initial Offering or (ii) upon an " ***Acquisition*** " as defined in the Restated Certificate, in which (A) the consideration received by the Investors, if any, is in the form of cash and/or marketable securities or (B) the acquiring entity in such Acquisition provides the Investors with covenants similar to those contained in Section 3 hereof to the extent such acquirer provides such covenants to its own similarly-situated investors.

SECTION 4. RIGHTS OF FIRST REFUSAL.

4.1 Subsequent Offerings. Subject to applicable securities laws, each Investor that, collectively with its Affiliates, (i) owns at least 250,000 shares of Prior Preferred (as adjusted for stock splits and combinations) and (ii) has purchased at least $8,000,000 in shares of Prior Preferred (an " ***Eligible Investor*** ") shall have a right of first refusal to purchase its *pro rata* share of all Equity Securities, as defined below, that the Company may, from time to time, propose to sell and issue after the date of this Agreement, other than the Equity Securities excluded by Section 4.7 hereof. Each Investor's *pro rata* share is equal to the ratio of (a) the number of shares of the Company's Common Stock (including all shares of Common Stock issuable or issued upon conversion of the Shares or upon the exercise of outstanding warrants or options) of which such Investor is deemed to be a holder immediately prior to the issuance of such Equity Securities to (b) the total number of shares of the Company's outstanding Common Stock (including all shares of Common Stock issued or issuable upon conversion of the Shares or upon the exercise of any outstanding warrants or options). The term " ***Equity Securities*** " shall mean (i) any Common Stock, Preferred Stock or other security of the Company, (ii) any security convertible into or exercisable or exchangeable for, with or without consideration, any Common Stock, Preferred Stock or other security (including any option to purchase such a convertible security), (iii) any security carrying any warrant or right to subscribe to or purchase any Common Stock, Preferred Stock or other security or (iv) any such warrant or right.

4.2 Exercise of Rights. If the Company proposes to issue any Equity Securities, it shall give each Eligible Investor written notice of its intention, describing the Equity Securities, the price and the terms and conditions upon which the Company proposes to issue the same. Each Eligible Investor shall have fifteen (15) days from the giving of such notice to agree to purchase up to its *pro rata* share of the Equity Securities for the price and upon the terms and conditions specified in the notice by giving written notice to the Company and stating therein the quantity of Equity Securities to be purchased. Notwithstanding the foregoing, the Company shall not be required to offer or sell such Equity Securities to any Eligible Investor who would cause the Company to be in violation of applicable federal securities laws by virtue of such offer or sale.

4.3 Issuance of Equity Securities to Other Persons. The Company shall have one hundred eighty (180) days thereafter to sell the Equity Securities in respect of which the Eligible Investor's rights were not exercised, at a price and upon general terms and conditions not materially more favorable to the purchasers thereof than specified in the Company's notice to the Eligible Investors pursuant to Section 4.2 hereof. If the Company has not sold such Equity Securities within one hundred eighty (180) days of the notice provided pursuant to Section 4.2, the Company shall not thereafter issue or sell any Equity Securities, without first offering such securities to the Eligible Investors in the manner provided above.

4.4 Sale Without Notice. In lieu of giving notice to the Eligible Investors prior to the issuance of Equity Securities as provided in Section 4.2, the Company may elect to give notice to the Eligible Investors within thirty (30) days after the issuance of Equity Securities. Such notice shall describe the type, price and terms of the Equity Securities. Each Eligible Investor shall have twenty (20) days from the date of receipt of such notice to elect to purchase up to the number of shares that would, if purchased by such Eligible Investor, maintain such Eligible Investor's *pro rata* share (as set forth in Section 4.1) of the Company's equity securities. The closing of such sale shall occur within sixty (60) days of the date of notice to the Eligible Investors.

4.5 Termination and Waiver of Rights of First Refusal. The rights of first refusal established by this Section 4 shall not apply to, and shall terminate upon the earlier of (i) the effective date of the registration statement pertaining to the Company's Initial Offering or (ii) an Acquisition in which (A) the consideration received by the Investors, if any, is in the form of cash and/or marketable securities or (B) the acquiring entity in such Acquisition provides the Investors with rights similar to those contained in Section 4 hereof to the extent such acquirer provides such rights to its own similarly-situated investors. Notwithstanding Section 5.5 hereof, the rights of first refusal established by this Section 4 may be amended, or any provision waived with and only with the written consent of the Company and the Eligible Investors holding a majority of the Registrable Securities held by all Eligible Investors (the " ***Waiving Holders*** "), or as permitted by Section 5.5, *provided* that any amendment, modification or waiver of this Section 4 by the Waiving Holders shall not be effective as to an Eligible Investor who has not consented unless (x) no Waiving Holder purchases any Equity Securities in such issuance or (y) if any Waiving Holder purchases Equity Securities in such issuance, each Eligible Investor shall have been provided the opportunity to purchase up to such Eligible Investor's *pro rata* share (as described in Section 4.1). Notwithstanding anything herein to the contrary, if any Investor does not purchase the total amount of shares that such Investor has a right to purchase under Section 4.2 related to any offering of Equity Securities by the Company, such Investor shall cease to be an Eligible Investor for all purposes and shall not have any rights under this Section 4 with respect to offerings of Equity Securities by the Company that occur after such offering; provided, however, that such Investor's failure to purchase such shares shall not cause the Investor to cease to be an Eligible Investor to the extent that such failure to purchase such shares was specifically at the written request of the Company. Exhibit A hereto may be amended by the Company without the consent of the Investors to indicate which Investors remain Eligible Investors pursuant to the terms of this Section 4.

4.6 Assignment of Rights of First Refusal. The rights of first refusal of each Eligible Investor under this Section 4 may be assigned to the same parties, subject to the same restrictions as any transfer of registration rights pursuant to Section 2.9.

4.7 Excluded Securities. The rights of first refusal established by this Section 4 shall have no application to any of the following Equity Securities:

(a) any Equity Securities issued upon conversion of the Investor Preferred or the Company's Series FP Preferred Stock;

(b) any Equity Securities issued to employees, officers or directors of, or consultants or advisors to the Company or any subsidiary for the primary purpose of soliciting, retaining or rewarding their services pursuant to stock purchase or stock option plans or other arrangements that are approved by the Board of Directors;

(c) any Equity Securities issued pursuant to the exercise or conversion of Common Stock or Preferred Stock or other stock, options, warrants, purchase rights or other securities exercisable for or convertible into Common Stock outstanding as of the date of this Agreement;

(d) any Equity Securities issued for consideration other than cash pursuant to a merger, consolidation, acquisition, strategic alliance or similar business combination, in each case approved by the Board of Directors;

(e) any Equity Securities issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement or debt financing from a bank or similar financial or lending institution approved by the Board of Directors;

(f) any Equity Securities issued to third-party service providers in exchange for or as partial consideration for services rendered to the Company as approved by the Board of Directors;

(g) any Equity Securities issued in connection with strategic transactions involving the Company and other entities approved by the Board of Directors, including without limitation joint ventures, manufacturing, marketing, distribution, technology transfer or development arrangements;

(h) any Equity Securities that the holders of a majority of the outstanding shares of Investor Preferred (voting together as a single class and on an as-converted basis) elect in writing to exclude from the rights of first refusal granted in this Section 4;

(i) any Equity Securities issued by the Company pursuant to the Purchase Agreement;

(j) any Equity Securities issued in connection with any stock split, stock dividend or recapitalization by the Company that is effected in compliance with the Company's certificate of incorporation; or

(k) any Equity Securities that are issued by the Company pursuant to a registration statement filed under the Securities Act.

SECTION 5. MISCELLANEOUS.

5.1 Governing Law. This Agreement shall be governed by and construed under the laws of the State of California in all respects as such laws are applied to agreements among California residents entered into and to be performed entirely within California, without reference to conflicts of laws or principles thereof. Subject to Section 5.15, the parties agree that any action brought by either party under or in relation to this Agreement, including without limitation to interpret or enforce any provision of this Agreement, shall be brought in, and each party agrees to and does hereby submit to the jurisdiction and venue of, any state or federal court located in the County of Los Angeles, California

5.2 Successors and Assigns. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the parties hereto and their respective successors, assigns, heirs, executors, and administrators and shall inure to the benefit of and be enforceable by each person who shall be a holder of Registrable Securities from time to time; *provided, however* , that prior to the receipt by the Company of adequate written notice of the transfer of any Registrable Securities specifying the full name and address of the transferee, the Company may deem and treat the person listed as the holder of such shares in its records as the absolute owner and holder of such shares for all purposes, including the payment of dividends or any redemption price.

5.3 Entire Agreement. This Agreement, the Exhibits and Schedules hereto, the Purchase Agreements and the other documents delivered pursuant thereto constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other in any manner by any oral or written representations, warranties, covenants and agreements except as specifically set forth herein and therein. Each party expressly represents and warrants that it is not relying on any oral or written representations, warranties, covenants or agreements outside of this Agreement.

5.4 Severability. In the event one or more of the provisions of this Agreement should, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

5.5 Amendment and Waiver.

(a) Except as otherwise expressly provided, this Agreement may be amended or modified, and the obligations of the Company and the rights of the Holders under this Agreement may be waived, only upon the written consent of the Company and the holders of at least a majority of the then-outstanding Registrable Securities (voting together as a single class and on an as-converted basis); provided, however that any amendment that changes any of the rights or obligations of the Founders under this Agreement so as to affect them adversely and differently than the Investors shall require the consent of the holders of a majority of the Equity Securities then held by Founders; and provided, further, that any amendment, modification or waiver that affects any of the rights or obligations of a Major Investor and/or an Eligible Investor adversely and differently than any other Major Investor and/or Eligible Investor, as applicable, (which shall be deemed to include, without limitation, a reduction in the number of shares required to maintain Major Investor and/or Eligible Investor, as applicable, status) shall require the consent of such Investor.

(b) For the purposes of determining the number of Holders or Investors entitled to vote or exercise any rights hereunder, the Company shall be entitled to rely solely on the list of record holders of its stock as maintained by or on behalf of the Company.

5.6 Delays or Omissions. It is agreed that no delay or omission to exercise any right, power, or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Agreement shall impair any such right, power, or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence therein, or of any similar breach, default or noncompliance thereafter occurring. It is further agreed that any waiver, permit, consent, or approval of any kind or character on any party's part of any breach, default or noncompliance under the Agreement or any waiver on such party's part of any provisions or conditions of this Agreement must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement, by law, or otherwise afforded to any party, shall be cumulative and not alternative.

5.7 Notices. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the party to be notified at the address as set forth on the signature pages hereof or Exhibit A hereto or at such other address or electronic mail address as such party may designate by ten (10) days advance written notice to the other parties hereto.

5.8 Attorneys' Fees. Subject to Section 5.15, in the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

5.9 Titles and Subtitles. The titles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

5.10 Additional Investors. Notwithstanding anything to the contrary contained herein, any purchaser of additional shares of the Company's Preferred Stock pursuant to the Purchase Agreements shall become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and shall be deemed an "Investor," a "Holder" and a party hereunder. Notwithstanding anything to the contrary contained herein, if the Company shall issue Equity Securities in accordance with Sections 4.7(d), (e) or (g) of this Agreement, any purchaser of such Equity Securities may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and shall be deemed an "Investor," a "Holder" and a party hereunder and such Equity Securities shall be deemed "Registrable Securities" hereunder; provided, however, that if such Equity Securities are issued in accordance with Section 4.7(e) of this Agreement, such purchaser shall not be deemed to be an Investor for purposes of Section 4 hereof; provided further, however, that if such Equity Securities are issued in accordance with Sections 4.7(d) or (g) of this Agreement, such purchaser shall not be deemed an Investor or Holder for purposes of Sections 2.2, 2.4, 4 and 5.5 hereof and such Equity Securities shall not be deemed Registrable Securities for purposes of Section 2.2, 2.4, 4 and 5.5 hereof.

5.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

5.12 Aggregation of Stock. All shares of Registrable Securities held or acquired by affiliated entities or persons or persons or entities under common management or control shall be aggregated together for the purpose of determining the availability of any rights under this Agreement.

5.13 Pronouns. All pronouns contained herein, and any variations thereof, shall be deemed to refer to the masculine, feminine or neutral, singular or plural, as to the identity of the parties hereto may require.

5.14 Termination. This Agreement shall terminate and be of no further force or effect upon the earlier of (i) an Acquisition in which (A) the consideration received by the Investors, if any, is in the form of cash and/or marketable securities or (B) the acquiring entity in such Acquisition provides the Investors with rights similar to those contained in Sections 2, 3 and 4 hereof to the extent such acquirer provides such rights to its own similarly-situated investors; or (ii) the date five (5) years following the Closing of the Initial Offering.

5.15 Dispute Resolution. Any unresolved controversy or claim arising out of or relating to this Agreement, except as (i) otherwise provided in this Agreement, or (ii) any such controversies or claims arising out of either party's intellectual property rights for which a provisional remedy or equitable relief is sought, shall be submitted to arbitration by one arbitrator mutually agreed upon by the parties, and if no agreement can be reached within thirty (30) days after names of potential arbitrators have been proposed by the American Arbitration Association (the "***AAA***"), then by one arbitrator having reasonable experience in corporate finance transactions of the type provided for in this Agreement and who is chosen by the AAA. The arbitration shall take place in the State of California, County of Los Angeles, in accordance with the AAA rules then in effect, and judgment upon any award rendered in such arbitration will be binding and may be entered in any court having jurisdiction thereof. There shall be limited discovery prior to the arbitration hearing as follows: (a) exchange of witness lists and copies of documentary evidence and documents relating to or arising out of the issues to be arbitrated, (b) depositions of all party witnesses and (c) such other depositions as may be allowed by the arbitrators upon a showing of good cause. Depositions shall be conducted in accordance with Section 5.1 hereof, the arbitrator shall be required to provide in writing to the parties the basis for the award or order of such arbitrator, and a court reporter shall record all hearings, with such record constituting the official transcript of such proceedings. The prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

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SNAP INC.

AMENDED AND RESTATED
2012 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: MAY 24, 2012
APPROVED BY THE STOCKHOLDERS: AUGUST 8, 2012
AMENDED BY THE BOARD OF DIRECTORS: DECEMBER 3, 2012
AMENDMENT APPROVED BY THE STOCKHOLDERS: DECEMBER 3, 2012
AMENDED BY THE BOARD OF DIRECTORS: MAY 31, 2013
AMENDMENT APPROVED BY THE STOCKHOLDERS: JUNE 4, 2013
AMENDED BY THE BOARD OF DIRECTORS: AUGUST 26, 2013
AMENDMENT APPROVED BY THE STOCKHOLDERS: AUGUST 26, 2013
AMENDED BY THE BOARD OF DIRECTORS: SEPTEMBER 4, 2014
AMENDED BY THE BOARD OF DIRECTORS: APRIL 13, 2015
AMENDMENT APPROVED BY THE STOCKHOLDERS: AUGUST 12, 2015
AMENDED BY THE BOARD OF DIRECTORS: OCTOBER 26, 2016
AMENDMENT APPROVED BY THE STOCKHOLDERS: OCTOBER 26, 2016
TERMINATION DATE: MAY 23, 2022

1. GENERAL.

(a) Eligible Stock Award Recipients. The persons eligible to receive Stock Awards are Employees, Directors and Consultants.

(b) Available Stock Awards. The Plan provides for the grant of the following Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, and (v) Restricted Stock Unit Awards.

(c) Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive Stock Awards as set forth in Section 1(a), to provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in value of the Common Stock through the granting of Stock Awards.

2. ADMINISTRATION.

(a) Administration by Board. The Board shall administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of Board. The Board shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine from time to time (A) which of the persons eligible under the Plan shall be granted Stock Awards; (B) when and how each Stock Award shall be granted; (C) what type or combination of types of Stock Award shall be granted; (D) the provisions of each Stock Award granted (which need not be identical), including the time or times when a person shall be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the number of shares of Common Stock with respect to which a Stock Award shall be granted to each such person; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award Agreement, in a manner and to the extent it shall deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate the time at which a Stock Award may first be exercised or the time during which a Stock Award or any part thereof will vest in accordance with the Plan, notwithstanding the provisions in the Stock Award stating the time at which it may first be exercised or the time during which it will vest.

(v) To suspend or terminate the Plan at any time. Suspension or termination of the Plan shall not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bring the Plan or Stock Awards granted under the Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to Capitalization Adjustments, to the extent required by applicable law, stockholder approval shall be required for any amendment of the Plan that either (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (D) materially extends the term of the Plan, or (E) expands the types of Stock Awards available for issuance under the Plan. Except as provided above, rights under any Stock Award granted before amendment of the Plan shall not be impaired by any amendment of the Plan unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however,* that, the rights under any Stock Award shall not be impaired by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such Participant consents in writing. Notwithstanding the foregoing, subject to the limitations of applicable law, if any, and without the affected Participant's consent, the Board may amend the terms of any one or more Stock Awards if necessary to maintain the qualified status of the Stock Award as an Incentive Stock Option or to bring the Stock Award into compliance with Section 409A of the Code.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States.

(xi) To effect, at any time and from time to time, with the consent of any adversely affected Participant, (A) the reduction of the exercise price (or strike price) of any outstanding Option or SAR under the Plan, (B) the cancellation of any outstanding Option or SAR under the Plan and the grant in substitution therefore of (1) a new Option or SAR under the Plan or another equity plan of the Company covering the same or a different number of shares of Common Stock, (2) a Restricted Stock Award, (3) a Restricted Stock Unit Award, (4) cash and/or (5) other valuable consideration (as determined by the Board, in its sole discretion), or (C) any other action that is treated as a repricing under generally accepted accounting principles; *provided, however* , that no such reduction or cancellation may be effected if it is determined, in the Company's sole discretion, that such reduction or cancellation would result in any such outstanding Option becoming subject to the requirements of Section 409A of the Code.

(c) Delegation to Committee. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee shall have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board shall thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(d) Delegation to an Officer. The Board may delegate to one or more Officers of the Company the authority to do one or both of the following: (i) designate Officers and Employees of the Company or any of its Subsidiaries to be recipients of Options and Stock Appreciation Rights (and, to the extent permitted by applicable law, other Stock Awards) and the terms

thereof, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Officers and Employees; *provided, however,* that the Board resolutions regarding such delegation shall specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Notwithstanding the foregoing, the Board may not delegate authority to an Officer to determine the Fair Market Value pursuant to Section 13(t) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith shall not be subject to review by any person and shall be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve . Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards beginning on the Effective Date shall not exceed Ninety One Million Two Hundred Ninety-Two Thousand One Hundred Forty (91,292,140) shares (the ***"Share Reserve"***). In addition to the Share Reserve, subject to the provisions of Section 9(a) relating to Capitalization Adjustments, 50,022,362 shares of Class A Common Stock shall be reserved under the Plan, one share of which shall be issued if and when a share from the Share Reserve is issued in connection with the settlement or exercise of a Stock Award that was outstanding as of October 31, 2016. Notwithstanding the foregoing, the Share Reserve shall be reduced by the number of shares of the Company's Class A Common Stock issued after September 4, 2014 under the Company's 2014 Equity Incentive Plan. Furthermore, if a Stock Award (i) expires or otherwise terminates without having been exercised in full or (ii) is settled in cash (*i.e.* , the holder of the Stock Award receives cash rather than stock), such expiration, termination or settlement shall not reduce (or otherwise offset) the number of shares of Common Stock that may be issued pursuant to the Plan. For clarity, the limitation in this Section 3(a) is a limitation in the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve . If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares which are forfeited shall revert to and again become available for issuance under the Plan. Also, any shares reacquired by the Company pursuant to Section 8(g) or as consideration for the exercise of an Option shall again become available for issuance under the Plan. Notwithstanding the provisions of this Section 3(b), any such shares shall not be subsequently issued pursuant to the exercise of Incentive Stock Options.

(c) Incentive Stock Option Limit. Notwithstanding anything to the contrary in this Section 3(c), subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options shall be equal to the aggregate number of shares of Common Stock of the Company that may be issued pursuant to Stock Awards under this Plan as set forth in Section 3(a).

(d) Source of Shares. The stock issuable under the Plan shall be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY.

(a) Eligibility for Specific Stock Awards . Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and (f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however* , Nonstatutory Stock Options and SARs may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405, unless the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code because the Stock Awards are granted pursuant to a corporate transaction (such as a spin off transaction) or unless such Stock Awards comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders . A Ten Percent Stockholder shall not be granted an Incentive Stock Option unless the exercise price of such Option is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five (5) years from the date of grant.

(c) Consultants. A Consultant shall not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or the sale of the Company's securities to such Consultant is not exempt under Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions **.**

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option or SAR shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. All Options shall be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates shall be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, then the Option shall be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however* , that each Option Agreement or Stock Appreciation Right Agreement shall conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR shall be exercisable after the expiration of ten (10) years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Incentive Stock Options granted to Ten Percent Stockholders, the exercise price (or strike price) of each Option or SAR shall be not less than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Option or SAR is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise price (or strike price) lower than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Option or SAR if such Option or SAR is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Sections 409A and 424(a) of the Code (whether or not such Stock Awards are Incentive Stock Options). Each SAR will be denominated in shares of Common Stock equivalents.

(c) Consideration for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option shall be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board shall have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to utilize a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided, however,* that the Company shall accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued; *provided, further,* that shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are reduced to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder; *provided, however* , that interest shall compound at least annually and shall be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board.

(d) Exercise and Payment of a SAR. To exercise any outstanding Stock Appreciation Right, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such Stock Appreciation Right. The appreciation distribution payable on the exercise of a Stock Appreciation Right will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the Stock Appreciation Right) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such Stock Appreciation Right, and with respect to which the Participant is exercising the Stock Appreciation Right on such date, over (B) the strike price that will be determined by the Board at the time of grant of the Stock Appreciation Right. The appreciation distribution in respect to a Stock Appreciation Right may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Appreciation Right Agreement evidencing such Stock Appreciation Right.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board shall determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs shall apply:

(i) Restrictions on Transfer. An Option or SAR shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Participant only by the Participant; *provided, however* , that the Board may, in its sole discretion, permit transfer of the Option or SAR to such extent as permitted by Rule 701 and in a manner consistent with applicable tax and securities laws upon the Participant's request.

(ii) Domestic Relations Orders. Notwithstanding the foregoing, an Option or SAR may be transferred pursuant to a domestic relations order; *provided, however,* that if an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Notwithstanding the foregoing, the Participant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company and any broker designated by the Company to effect Option exercises, designate a third party who, in the event of the death of the Participant, shall thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, the executor or administrator of the Participant's estate shall be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of

performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, in the event that a Participant's Continuous Service terminates (other than for Cause or upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date three (3) months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period shall not be less than thirty (30) days if necessary to comply with applicable state laws unless such termination is for Cause) or (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the Stock Award Agreement (as applicable), the Option or SAR shall terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause or upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR shall terminate on the earlier of (i) the expiration of a period of three (3) months after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, or (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. In addition, unless otherwise provided in a Participant's Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR shall terminate on the earlier of (i) the expiration of a period equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, in the event that a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date twelve (12) months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period shall not be less than six (6) months if necessary to comply with applicable state laws), or (ii) the expiration of the term of the Option or SAR as set forth in the

Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the Stock Award Agreement (as applicable), the Option or SAR shall terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, in the event that (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement after the termination of the Participant's Continuous Service for a reason other than death, then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date eighteen (18) months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period shall not be less than six (6) months if necessary to comply with applicable state laws), or (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the time specified herein or in the Stock Award Agreement (as applicable), the Option or SAR shall terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement, if a Participant's Continuous Service is terminated for Cause, the Option or SAR shall terminate upon the termination date of such Participant's Continuous Service, and the Participant shall be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) Non-Exempt Employees . No Option or SAR granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR. Notwithstanding the foregoing, consistent with the provisions of the Worker Economic Opportunity Act, in the event of the Participant's death or Disability, upon a Corporate Transaction or a Change in Control in which the vesting of such Options or SARs accelerates, or upon the Participant's retirement (as such term may be defined in the Participant's Stock Award Agreement or in another applicable agreement or in accordance with the Company's then current employment policies and guidelines) any such vested Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(l), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in Section 8(l) is not violated, the Company shall not be required to exercise its repurchase right until at least six (6) months (or such longer or shorter

period of time required to avoid classification of the Option as a liability for financial accounting purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase . Subject to the "Repurchase Limitation" in Section 8(l), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal . The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal shall be subject to the "Repurchase Limitation" in Section 8(l). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal shall otherwise comply with any applicable provisions of the Bylaws of the Company.

6. P ROVISIONS OF R ESTRICTED S TOCK A WARDS AND R ESTRICTED S TOCK U NITS .

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. To the extent consistent with the Company's Bylaws, at the Board's election, shares of Common Stock may be (x) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (y) evidenced by a certificate, which certificate shall be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical; *provided, however* , that each Restricted Stock Award Agreement shall conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration . A Restricted Stock Award may be awarded in consideration for (A) cash or cash equivalents, (B) past or future services actually or to be rendered to the Company or an Affiliate, or (C) any other form of legal consideration that may be acceptable to the Board in its sole discretion and permissible under applicable law.

(ii) Vesting . Subject to the "Repurchase Limitation" in Section 8(l), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service . If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability . Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement shall be transferable by the Participant only upon such terms

and conditions as are set forth in the Restricted Stock Award Agreement, as the Board shall determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, *provided, however,* that each Restricted Stock Unit Award Agreement shall conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board in its sole discretion and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment . A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all the terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the

Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code shall contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, shall be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

7. C OVENANTS OF THE C OMPANY .

(a) Availability of Shares. During the terms of the Stock Awards, the Company shall keep available at all times the number of shares of Common Stock reasonably required to satisfy such Stock Awards.

(b) Securities Law Compliance. The Company shall seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however,* that this undertaking shall not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company shall be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant shall not be eligible for the grant of a Stock Award or the subsequent issuance of Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify. The Company shall have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company shall have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. M ISCELLANEOUS .

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards shall constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of a Stock Award to any Participant shall be deemed

completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant.

(c) Stockholder Rights. No Participant shall be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to such Stock Award unless and until (i) such Participant has satisfied all requirements for exercise of the Stock Award pursuant to its terms, if applicable, and (ii) the issuance of the Common Stock subject to such Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto shall confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or shall affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Incentive Stock Option $100,000 Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds one hundred thousand dollars ($100,000), the Options or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(f) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, shall be inoperative if (x) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective registration statement under the Securities Act, or (y) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(g) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however* , that no shares of Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding payment from any amounts otherwise payable to the Participant; (iv) withholding cash from a Stock Award settled in cash; or (v) by such other method as may be set forth in the Stock Award Agreement.

(h) Electronic Delivery . Any reference herein to a "written" agreement or document shall include any agreement or document delivered electronically or posted on the Company's intranet.

(i) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(j) Compliance with Section 409A. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award shall incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements shall be interpreted in accordance with Section 409A of the Code.

(k) Compliance with Exemption Provided by Rule 12h-1(f) . If: (i) the aggregate of the number of Optionholders and the number of holders of all other outstanding compensatory employee stock options to purchase shares of Common Stock equals or exceeds five hundred (500), and (ii) the assets of the Company at the end of the Company's most recently completed fiscal year exceed $10 million, then the following restrictions shall apply during any period during which the Company does not have a class of its securities registered under Section 12 of the Exchange Act and is not required to file reports under Section 15(d) of the Exchange Act: (A) the Options and, prior to exercise, the shares of Common Stock acquired upon exercise of the Options may not be transferred until the Company is no longer relying on the exemption provided by Rule 12h-1(f) promulgated under the Exchange Act (" ***Rule 12h-1(f)*** "), except: (1) as permitted by Rule 701(c) promulgated under the Securities Act, (2) to a guardian upon the disability of the Optionholder, or (3) to an executor upon the

death of the Optionholder (collectively, the " ***Permitted Transferees*** "); *provided, however* , the following transfers are permitted: (i) transfers by the Optionholder to the Company, and (ii) transfers in connection with a change of control or other acquisition involving the Company, if following such transaction, the Options no longer remain outstanding and the Company is no longer relying on the exemption provided by Rule 12h-1(f); *provided further* , that any Permitted Transferees may not further transfer the Options; (B) except as otherwise provided in (A) above, the Options and shares of Common Stock acquired upon exercise of the Options are restricted as to any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" as defined by Rule 16a-1(h) promulgated under the Exchange Act, or any "call equivalent position" as defined by Rule 16a-1(b) promulgated under the Exchange Act by the Optionholder prior to exercise of an Option until the Company is no longer relying on the exemption provided by Rule 12h-1(f); and (C) at any time that the Company is relying on the exemption provided by Rule 12h-1(f), the Company shall deliver to Optionholders (whether by physical or electronic delivery or written notice of the availability of the information on an internet site) the information required by Rule 701(e)(3), (4), and (5) promulgated under the Securities Act every six (6) months, including financial statements that are not more than one hundred eighty (180) days old; *provided, however* , that the Company may condition the delivery of such information upon the Optionholder's agreement to maintain its confidentiality.

(l) Repurchase Limitation . The terms of any repurchase right shall be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock shall be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock shall be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company shall not exercise its repurchase right until at least six (6) months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. A DJUSTMENTS UPON C HANGES IN C OMMON S TOCK ; O THER C ORPORATE E VENTS .

(a) Capitalization Adjustments . In the event of a Capitalization Adjustment, the Board shall appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board shall make such adjustments, and its determination shall be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) shall terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided* , *however* , that the Board may, in

its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions shall apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the holder of the Stock Award or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board shall take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board shall determine (or, if the Board shall not determine such a date, to the date that is five (5) days prior to the effective date of the Corporate Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction;

(iv) arrange for the lapse of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the holder of the Stock Award would have received upon the exercise of the Stock Award, over (B) any exercise price payable by such holder in connection with such exercise.

The Board need not take the same action with respect to all Stock Awards or with respect to all Participants.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration shall occur.

10. TERMINATION OR SUSPENSION OF THE PLAN.

(a) Plan Term. The Board may suspend or terminate the Plan at any time. Unless sooner terminated by the Board pursuant to Section 2, the Plan shall automatically terminate on the day before the tenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) No Impairment of Rights. Suspension or termination of the Plan shall not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant.

11. EFFECTIVE DATE OF PLAN.

This Plan shall become effective on the Effective Date.

12. CHOICE OF LAW.

The law of the State of California shall govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions shall apply to the capitalized terms indicated below:

(a) " ***Affiliate*** " means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405 of the Securities Act. The Board shall have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) " ***Board*** " means the Board of Directors of the Company.

(c) " ***Capitalization Adjustment*** " means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards No. 123 (revised). Notwithstanding the foregoing, the conversion of any convertible securities of the Company shall not be treated as a Capitalization Adjustment.

(d) " ***Cause*** " shall have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause shall be made by the Company in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant shall have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) " ***Change in Control*** " means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control shall not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the " ***Subject Person*** ") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control shall be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than fifty percent (50%) of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than fifty percent (50%) of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their

Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) the stockholders of the Company approve or the Board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company shall otherwise occur, except for a liquidation into a parent corporation;

(iv) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or

(v) individuals who, on the date this Plan is adopted by the Board, are members of the Board (the " ***Incumbent Board*** ") cease for any reason to constitute at least a majority of the members of the Board; *provided, however,* that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of this Plan, be considered as a member of the Incumbent Board.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant shall supersede the foregoing definition with respect to Stock Awards subject to such agreement; *provided, however,* that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition shall apply.

(f) " ***Class A Common Stock*** " means the Class A common stock of the Company.

(g) " ***Code*** " means the Internal Revenue Code of 1986, as amended, as well as any applicable regulations and guidance thereunder.

(h) " ***Committee*** " means a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(i) " ***Common Stock*** " means the Class B common stock of the Company.

(j) " ***Company*** " means Snap Inc., a Delaware corporation.

(k) " ***Consultant*** " means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, shall not cause a Director to be considered a "Consultant" for purposes of the Plan.

(l) " ***Continuous Service*** " means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director, or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, shall not terminate a Participant's Continuous Service; *provided, however* , if the Entity for which a Participant is rendering service ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service shall be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an employee of the Company to a consultant of an Affiliate or to a Director shall not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service shall be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence shall be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(m) " ***Corporate Transaction*** " means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) the consummation of a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) the consummation of a sale or other disposition of at least ninety percent (90%) of the outstanding securities of the Company;

(iii) the consummation of a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) the consummation of a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(n) " ***Director*** " means a member of the Board.

(o) " ***Disability*** " means the inability of a Participant to engage in any substantially gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code and shall be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(p) " ***Effective Date*** " means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company's stockholders, or (ii) the date this Plan is adopted by the Board.

(q) " ***Employee*** " means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, shall not cause a Director to be considered an "Employee" for purposes of the Plan.

(r) " ***Entity*** " means a corporation, partnership, limited liability company or other entity.

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

(t) " ***Exchange Act Person*** " means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" shall not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities.

(u) " ***Fair Market Value*** " means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(v) " ***Incentive Stock Option*** " means an option that qualifies as an "incentive stock option" within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(w) " ***Nonstatutory Stock Option*** " means an Option that does not qualify as an Incentive Stock Option.

(x) " ***Officer*** " means any person designated by the Company as an officer.

(y) " ***Option*** " means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(z) " ***Option Agreement*** " means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement shall be subject to the terms and conditions of the Plan.

(aa) " ***Optionholder*** " means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(bb) " ***Own*** ," " ***Owned*** ," " ***Owner*** ," " ***Ownership*** " A person or Entity shall be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(cc) " ***Participant*** " means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(dd) " ***Plan*** " means this Snap Inc. Amended and Restated 2012 Equity Incentive Plan.

(ee) " ***Restricted Stock Award*** " means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(ff) " ***Restricted Stock Award Agreement*** " means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award. Each Restricted Stock Award Agreement shall be subject to the terms and conditions of the Plan.

(gg) " ***Restricted Stock Unit Award*** " means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(hh) " ***Restricted Stock Unit Award Agreement*** " means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement shall be subject to the terms and conditions of the Plan.

(ii) " ***Rule 405*** " means Rule 405 promulgated under the Securities Act.

(jj) " ***Rule 701*** " means Rule 701 promulgated under the Securities Act.

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

(ll) " ***Stock Appreciation Right*** " or " ***SAR*** " means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(mm) " ***Stock Appreciation Right Agreement*** " means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement shall be subject to the terms and conditions of the Plan.

(nn) " ***Stock Award*** " means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, or a Stock Appreciation Right.

(oo) " ***Stock Award Agreement*** " means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement shall be subject to the terms and conditions of the Plan.

(pp) " ***Subsidiary*** " means, with respect to the Company, (i) any corporation of which more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%) .

(qq) " ***Ten Percent Stockholder*** " means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Affiliate.

Exhibit 10.3

SNAP INC.

STOCK OPTION GRANT NOTICE
(AMENDED AND RESTATED 2012 EQUITY INCENTIVE PLAN)

Snap Inc. (the " ***Company*** "), pursuant to its Amended and Restated 2012 Equity Incentive Plan (the "Plan"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan, and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant: ☐ Incentive Stock Option [1] ☐ Nonstatutory Stock Option

Exercise Schedule: ☐ Same as Vesting Schedule ☐ Early Exercise Permitted

Vesting Schedule: [1/4 th of the shares vest one year after the Vesting Commencement Date; the balance of the shares vest in a series of thirty-six (36) successive equal monthly installments measured from the first anniversary of the Vesting Commencement Date.]

Payment: By one or a combination of the following items (described in the Option Agreement):

☒ By cash or check

☒ Pursuant to a Regulation T Program if the Shares are publicly traded

☒ By delivery of already-owned shares if the Shares are publicly traded

☐ By deferred payment

☐ By net exercise [2]

Additional Terms/Acknowledgements: The undersigned Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except in a writing signed by Optionholder and a duly authorized officer of the Company. Optionholder further acknowledges that as of the

1 If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first exercisable for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

2 An Incentive Stock Option may not be exercised by a net exercise arrangement.

Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder under the Plan, and (ii) the following agreements only:

OTHER AGREEMENTS: _____

_____

SNAP INC.

By: _____
Signature

Title: _____

Date: _____

OPTIONHOLDER:

By: _____
Signature

Date: _____

ATTACHMENTS: Option Agreement, Snap Inc. Amended and Restated 2012 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

SNAP INC.
AMENDED AND RESTATED
2012 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice (" ***Grant Notice*** ") and this Option Agreement, Snap Inc. (the " ***Company*** ") has granted you an option under its Amended and Restated 2012 Equity Incentive Plan (the " ***Plan*** ") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. Defined terms not explicitly defined in this Option Agreement but defined in the Plan shall have the same definitions as in the Plan.

The details of your option are as follows:

1. VESTING. Subject to the limitations contained herein, your option will vest as provided in your Grant Notice, provided that vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share referenced in your Grant Notice may be adjusted from time to time for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. In the event that you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (*i.e.* , a " ***Non-Exempt Employee*** "), you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant specified in your Grant Notice, notwithstanding any other provision of your option.

4. EXERCISE PRIOR TO VESTING ("EARLY EXERCISE"). If permitted in your Grant Notice (*i.e.* , the "Exercise Schedule" indicates "Early Exercise Permitted") and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided, however* , that:

(a) a partial exercise of your option shall be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;

(b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise shall be subject to the purchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement;

(c) you shall enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

(d) if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the time of grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds one hundred thousand dollars ($100,000), your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Nonstatutory Stock Options.

5. METHOD OF PAYMENT. Payment of the exercise price is due in full upon exercise of all or any part of your option. You may elect to make payment of the exercise price in cash or by check or in any other manner ***permitted by your Grant Notice*** , which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded and quoted regularly in The Wall Street Journal, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds.

(b) Provided that at the time of exercise the Common Stock is publicly traded and quoted regularly in The Wall Street Journal, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. Notwithstanding the foregoing, you may not exercise your option by tender to the Company of Common Stock to the extent such tender would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

6. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

7. SECURITIES LAW COMPLIANCE. Notwithstanding anything to the contrary contained herein, you may not exercise your option unless the shares of Common Stock issuable upon such exercise are then registered under the Securities Act or, if such shares of Common Stock are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations.

8. TERM. You may not exercise your option before the commencement or after the expiration of its term. The term of your option commences on the Date of Grant and expires upon the earliest of the following:

(a) three (3) months after the termination of your Continuous Service for any reason other than your Disability or death, provided that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option shall not expire until the earlier of the Expiration Date or until it shall have been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service;

(b) twelve (12) months after the termination of your Continuous Service due to your Disability;

(c) eighteen (18) months after your death if you die during your Continuous Service;

(d) the Expiration Date indicated in your Grant Notice; or

(e) the day before the tenth (10th) anniversary of the Date of Grant.

Notwithstanding the foregoing, if you die during the period provided in Section 8(a) or 8(b) above, the term of your option shall not expire until the earlier of eighteen (18) months after your death, the Expiration Date indicated in your Grant Notice, or the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the date of grant of your option and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. E XERCISE .

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by delivering a Notice of Exercise (in a form designated by the Company) together with the exercise price to the Secretary of the Company, or to such other person as the Company may designate, during regular business hours, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (1) the exercise of your option, (2) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (3) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the date of your option grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option you agree that you shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as necessary to permit compliance with NASD Rule 2711 or NYSE Member Rule 472 and similar rules and regulations (the " ***Lock-Up Period*** "); *provided* , *however* , that nothing contained in this section shall prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company and/or the underwriter(s) that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. T RANSFERABILITY . Your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, shall thereafter be entitled to exercise your option. In addition, if permitted by the Company you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust, provided that you and the trustee enter into a transfer and other agreements required by the Company.

11. R IGHT OF F IRST R EFUSAL . Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided, however* , that if your option is an Incentive Stock Option and the right of first refusal described in the Company's bylaws in effect at the time the Company elects to exercise its right is more beneficial to you than the right of first refusal described in the Company's bylaws on the Date of Grant, then the right of first refusal described in the Company's bylaws on the Date of Grant shall apply. The Company's right of first refusal shall expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

12. R IGHT OF R EPURCHASE . To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company shall have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

13. OPTION NOT A SERVICE CONTRACT . Your option is not an employment or service contract, and nothing in your option shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option shall obligate the Company or an Affiliate, their respective stockholders, Boards of Directors, Officers or Employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

14. WITHHOLDING OBLIGATIONS .

(a) At the time you exercise your option, in whole or in part, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) Upon your request and subject to approval by the Company, in its sole discretion, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company shall have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein unless such obligations are satisfied.

15. TAX CONSEQUENCES . You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of

the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the "fair market value" as subsequently determined by the Internal Revenue Service.

16. N OTICES . Any notices provided for in your option or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

17. G OVERNING P LAN D OCUMENT . Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of your option and those of the Plan, the provisions of the Plan shall control.

ATTACHMENT II

SNAP INC. AMENDED AND RESTATED 2012 EQUITY INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

NOTICE OF EXERCISE

S NAP I NC .
63 M ARKET S TREET
V ENICE , C ALIFORNIA 90291
A TTN : C HIEF F INANCIAL O FFICER

Date of Exercise: _____

Ladies and Gentlemen:

This constitutes notice under my stock option that I elect to purchase the number of shares for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	
Number of shares as to which option is exercised:	_____	
Certificates to be issued in name of:	_____	
Total exercise price:	$_____	
Cash payment delivered herewith:	$_____	

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the 2012 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the shares of Common Stock issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such shares of Common Stock are issued upon exercise of this option.

I hereby make the following certifications and representations with respect to the number of shares of Common Stock of the Company listed above (the " ***Shares*** "), which are being acquired by me for my own account upon exercise of the Option as set forth above:

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the " ***Securities Act*** "), and are deemed to constitute "restricted securities" under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge that I will not be able to resell the Shares for at least ninety days (90) after the stock of the Company becomes publicly traded (*i.e.,* subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the Option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company's Articles of Incorporation, Bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as necessary to permit compliance with NASD Rule 2711 or NYSE Member Rule 472 and similar rules and regulations (the " ***Lock-Up Period*** "). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company and/or the underwriter(s) that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

In the event that (a) the Company's Board of Directors and (b) the Company's stockholders (the " ***Requisite Stockholders*** ") approve a sale of the Company or all or substantially all of the Company's assets (an " ***Approved Sale*** ") whether by means of a merger, consolidation or sale of stock or assets, or otherwise (each, a " ***Sale of the Company*** "), (i) if the Approved Sale is structured as a merger or consolidation of the Company, or a sale of all or substantially all of the Company's assets, I hereby agree to be present, in person or by proxy, at all meetings for the vote thereon, to vote all shares of the Company's capital stock held by me for and raise no objections to such Approved Sale, and waive and refrain from exercising any dissenters rights, appraisal rights or similar rights in connection with such merger, consolidation or asset sale, or (ii) if the Approved Sale is structured as a sale of the stock of the Company, I hereby agree to sell all capital stock then held by me on the terms and conditions approved by the Requisite Stockholders. I agree that I shall take all necessary and desirable actions approved by the Company's Board of Directors in connection with the consummation of the Approved Sale, including the execution of such agreements and such instruments and other actions reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Approved Sale and effectuate the allocation and distribution of the aggregate consideration upon the Approved Sale. To secure my obligations to vote the Company's capital stock held by me in accordance with this Agreement, I hereby appoint the Chief Executive Officer or Chief Financial Officer of the Company, or either of them from time to time, or their designees, as my true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to vote all of the Company's capital stock then held by me as set forth hereby and to execute all appropriate instruments consistent with this provision on my behalf if, and only if, I fail to vote

all of the Company's capital stock then held by me or execute such other instruments in accordance with the provisions hereby within five (5) days of the Company's or any other party's written request for my written consent or signature. The proxy and power granted by me hereby are coupled with an interest and are given to secure the performance of my duties hereunder. The proxy and power will be irrevocable for the term as set forth below. The proxy and power, so long as I hold shares of the Company's capital stock as an individual, will survive my death, incompetency and disability, as the case may be, and, so long as I hold shares of the Company's capital stock as an entity, will survive the merger or reorganization of such entity. The obligations and proxy under this paragraph will continue in full force and effect from the date hereof through the earliest of the following dates, on which date it shall terminate in its entirety: (i) the date of the closing of a firmly underwritten public offering of the Company's Common Stock pursuant to a registration statement filed with the Securities and Exchange Commission, and declared effective under the Securities Act; (ii) twenty (20) years from the date hereof; (iii) the date of the closing of an Acquisition, as defined in the Company's Amended and Restated Certificate of Incorporation as in effect as of the date hereof; or (iv) the date as of which the Company and I mutually agree in writing to terminate the obligations and proxy provided hereunder. This paragraph shall be governed by and construed in accordance with the laws of the State of Delaware. Furthermore, the I hereby declare that it is impossible to measure in money the damages which will accrue to the Company by reason of a failure by me to perform any of the obligations hereunder and agree that the terms of this Agreement shall be specifically enforceable by the Company. If the Company institutes any action or proceeding to specifically enforce the provisions hereof, I hereby waive the claim or defense therein that I have an adequate remedy at law, and I shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

Very truly yours,

_____

Address: _____

_____

SNAP INC.
RESTRICTED STOCK UNIT GRANT NOTICE
(AMENDED AND RESTATED 2012 EQUITY INCENTIVE PLAN)

Snap Inc. (the "***Company***"), pursuant to its Amended and Restated 2012 Equity Incentive Plan (the "***Plan***"), hereby awards to Participant (as of the date indicated below) a Restricted Stock Unit Award for the number of shares of the Company's Common Stock set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth herein and in the Plan and the Restricted Stock Unit Award Agreement, both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not otherwise defined herein will have the meanings set forth in the Plan or the Restricted Stock Unit Award Agreement. In the event of any conflict between the terms in the Award and the Plan, the terms of the Plan will control.

Participant:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Liquidity Event Deadline:	_____
Number of Units ("***RSUs***") Subject to Award:	_____

Expiration Date: The Expiration Date for an RSU depends on whether the Service-Based Requirement has been satisfied with respect to that particular RSU. Where the Service-Based Requirement for a particular RSU has not been satisfied, the Expiration Date is the earlier of: (i) Liquidity Event Deadline or (ii) the date of termination of Participant's Continuous Service. Where the Service-Based Requirement for a particular RSU has been satisfied in whole or in part, the Expiration Date is the Liquidity Event Deadline.

Vesting: Participant will receive a benefit with respect to an RSU only if it vests. Except as explicitly set forth below, two vesting requirements must be satisfied on or before the applicable Expiration Date specified above in order for an RSU to vest — a time and service-based requirement (the "***Service-Based Requirement***") and the "***Liquidity Event Requirement***" (described below). An RSU shall actually vest (and therefore becomes a "***Vested RSU***") on the first date upon which both the Service-Based Requirement and the Liquidity Event Requirement are satisfied with respect to that particular RSU (the "***Vesting Date***"). All RSUs that do not become Vested RSUs on or before the applicable Expiration Date will be immediately forfeited to the Company upon expiration at no cost to the Company.

Liquidity Event Requirement: The Liquidity Event Requirement will be satisfied as to any then-outstanding RSUs on the first to occur of: (1) a Change in Control; or (2) the effective date of a registration statement of the Company filed under the Securities Act for the sale of the Company's Common Stock. Section 2 of the Restricted Stock Unit Agreement contains additional details on the definition of Change in Control.

Service-Based Requirement:

The Service-Based Requirement will be satisfied in installments as follows: 10% of the RSUs will have the Service-Based Requirement satisfied once the Participant completes twelve months of Continuous Service from the Vesting Commencement Date; 20% of the RSUs will have the Service-Based Requirement satisfied in equal quarterly installments during the second 12-month period of Participant's Continuous Service; 30% of the RSUs will have the Service-Based Requirement satisfied in equal quarterly installments during the third 12-month period of Participant's Continuous Service; and 40% of the RSUs will have the Service-Based Requirement satisfied in equal quarterly installments during the fourth twelve-month period of Participant's Continuous Service. If the Participant dies while in Continuous Service, the Service-Based Requirement will be satisfied as to 100% of the RSUs for which the Service-Based Requirement otherwise already was not satisfied. For the avoidance of doubt and except as provided in the preceding sentence, once a Participant's Continuous Service ends, no additional RSUs will be deemed to have the Service-Based Requirement satisfied with respect to such RSUs.

Notwithstanding the foregoing, if within 12 months following a Change in Control, (i) Participant's employment with the Company is involuntarily terminated by the Company without Cause, or (ii) Participant resigns Participant's employment with the Company for Good Reason (as defined below), and in either case other than as a result of Participant's disability, the Service-Based Requirement of the RSUs will be deemed satisfied so that the total number of the RSUs issued to Participant as of Participant's last day of employment equals 1/16 th of the RSUs for each completed quarter of Participant's Continuous Service. This accelerated vesting is contingent upon (a) Participant's continuing to comply with his/her obligations under any agreement between Participant and the Company, including without limitation Participant's Confidential Information and Inventions Assignment Agreement and (b) Participant's signing, delivering to the Company and not revoking an effective separation agreement and general release of claims in favor of the Company in a form acceptable to the Company within 60 days following Participant's termination date. Any shares that become vested under this paragraph will be delivered on the day following the end of the 60 day period. For the avoidance of doubt, if a Participant becomes entitled to accelerated vesting in accordance with this paragraph due to a qualifying termination of employment but the Participant's Continuous Service does not end upon the termination of employment because the Participant immediately transitions to service as a Consultant or Director, the Participant will continue to be eligible to satisfy the Service-Based Requirement with respect to any remaining RSUs in accordance with the immediately preceding paragraph.

For purposes of the RSUs, "Good Reason" shall mean any of the following actions taken without Cause by the Company or a successor corporation or entity without Participant's consent: (w) material reduction of Participant's base compensation; (x) material reduction of Participant's authority, duties or responsibilities, provided, however, that a change in job position (including a change in title) shall not be deemed a "material reduction" unless Participant's new authority, duties or responsibilities are materially reduced from Participant's prior authority, duties or responsibilities; (y) failure or refusal of a successor to the Company to materially assume the Company's obligations under Participant's offer letter from the Company in the event of a Change in Control; or (z) relocation of Participant's principal place of employment that results in an increase in Participant's one-way driving distance

by more than fifty (50) miles from Participant's then current principal residence. In order to resign for Good Reason, Participant must provide written notice of the event giving rise to Good Reason to the Board within ninety (90) days after the condition arises, allow the Company thirty (30) days to cure such condition, and if the Company fails to cure the condition within such period, then Participant's resignation from all positions Participant then holds with the Company must be effective not later than ninety (90) days after the end of the Company's cure period.

Settlement: If an RSU vests as provided for above, the Company will deliver one share of Common Stock for each Vested RSU. The shares will be issued in accordance with the issuance schedule set forth in Section 5 of the Restricted Stock Unit Award Agreement.

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding this Award and supersede all prior oral and written agreements, offer letters, promises and/or representations on that subject with the exception of (i) equity awards previously granted and delivered to Participant, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this award upon the terms and conditions set forth therein (provided that if there is any conflict in the vesting and/or acceleration terms, those contained in this Restricted Stock Unit Grant Notice and Restricted Stock Unit Award Agreement shall control).

By accepting the Award, Participant acknowledges having received and read the Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan (the " ***Grant Documents*** ") and agrees to all of the terms and conditions set forth in these documents. Furthermore, by accepting the Award, Participant consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

Notwithstanding the above, if Participant has not actively accepted the Award within 90 days of the Date of Grant set forth in this Restricted Stock Unit Grant Notice, Participant is deemed to have accepted the Award, subject to all of the terms and conditions of the Grant Documents.

S NAP I NC .

By: _____

Signature

Name & Title: Chris Handman, General Counsel

Date: _____

P ARTICIPANT :

By: _____

Signature

Date: _____

A TTACHMENTS : Restricted Stock Unit Award Agreement, Amended and Restated 2012 Equity Incentive Plan

ATTACHMENT I

SNAP INC.
RESTRICTED STOCK UNIT AWARD AGREEMENT
(AMENDED AND RESTATED 2012 EQUITY INCENTIVE PLAN)

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Award Agreement (the "***Agreement***") and in consideration of your services, Snap Inc. (the "***Company***") has awarded you a Restricted Stock Unit Award (the "***Award***") under its Amended and Restated 2012 Equity Incentive Plan (the "***Plan***"). The Award is granted to you effective as of the Date of Grant set forth in the Grant Notice for this Award. Capitalized terms not explicitly defined in this Agreement will have the same meanings given to them in the Plan and Grant Notice. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control. The details of the Award, in addition to those set forth in the Grant Notice and the Plan, are as follows.

1. GRANT OF THE AWARD. The Award represents the right to be issued on a future date the number of shares of the Company's Common Stock as indicated in the Grant Notice upon the satisfaction of the terms set forth in this Agreement. Except as otherwise provided herein, you will not be required to make any payment to the Company with respect to your receipt of the Award, the vesting of the shares or the delivery of the underlying Common Stock.

2. VESTING. Subject to the limitations contained herein, the Award will vest in accordance with the vesting schedule provided in the Grant Notice. Upon termination of your Continuous Service, any units or shares that have yet to satisfy any time and service-based requirement, including the Service-Based Requirement, will be forfeited at no cost to the Company and you will have no further right, title or interest in or to such underlying shares of Common Stock. For purposes of determining whether the Liquidity Event Requirement has been satisfied, Change in Control has the same meaning as in the Plan except as follows in this Section 2. A transaction in which stockholders of the Company receive consideration in exchange for their shares of Common Stock will not constitute a Change in Control unless at least 50% of the consideration received by a majority of the stockholders of the Company consists of cash and/or securities that are listed on the New York Stock Exchange, the Nasdaq Stock Market or any other exchange or market of similar stature. Also, a transaction or event will not constitute a Change in Control unless the transaction or event qualifies as a change in control event within the meaning of Code Section 409A.

3. NUMBER OF SHARES.

(a) The number of units/shares subject to the Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any units, shares, cash or other property that become subject to the Award pursuant to this Section 3 if any, will be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other shares covered by the Award.

(c) Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Common Stock will be created pursuant to this Section 3. The Board will, in its discretion, determine an equivalent benefit for any fractional shares or fractional shares that might be created by the adjustments referred to in this Section 3.

4. S ECURITIES L AW AND O THER C OMPLIANCE . You may not be issued any shares under the Award unless either (a) the shares are registered under the Securities Act; or (b) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. The Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. D ATE OF I SSUANCE . Subject to the satisfaction of the withholding obligations set forth in Section 14 of this Agreement, the Company will deliver to you a number of shares of the Company's Common Stock equal to the number of Vested RSUs subject to the Award, including any additional shares received pursuant to Section 3 above that relate to those Vested Restricted Stock Units on the applicable vesting date(s) as provided in the Grant Notice. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date will instead fall on the next following business day. The form of such delivery (e.g., a stock certificate or electronic entry evidencing such shares) will be determined by the Company. In all cases, the delivery of shares under this Award is intended to comply with Treasury Regulation Section 1.409A-1(b)(4) and will be construed and administered in such a manner.

6. D IVIDENDS . You will receive no benefit or adjustment to your Restricted Stock Units with respect to any cash dividend, stock dividend or other distribution except as provided in the Plan with respect to a Capitalization Adjustment.

7. M ARKET S TAND -O FF A GREEMENT . By acquiring shares of Common Stock under your Award, you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company request or as necessary to permit compliance with FINRA Rule 2711 or NYSE Member Rule 472 and similar or successor regulatory rules and regulations (the " ***Lock-Up Period*** "); *provided, however* , that nothing contained in this Section 7 will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company and the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. You also agree that any transferee of any shares of Common Stock (or other securities of the Company held by you will be bound by this Section 7. To enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 7 and will have the right, power and authority to enforce the provisions of this Section 7 as though they were a party to this Agreement.

8. V OTING A GREEMENT . By accepting this Award, you agree that in the event that (a) the Board and (b) the Company's stockholders (the " ***Requisite Stockholders*** ") approve a sale of the Company or all or substantially all of the Company's assets (an " ***Approved Sale*** ") whether by means of a merger, consolidation or sale of stock or assets, or otherwise (each, a " ***Sale of the Company*** "), (i) if the Approved Sale is structured as a merger or consolidation of the Company, or a sale of all or substantially all of the Company's assets, you agree to be present, in person or by proxy, at all meetings for the vote thereon, to vote all shares of the Company's capital stock held by you for and raise no objections to such Approved Sale, and waive and refrain from exercising any dissenters rights, appraisal rights or similar rights in connection with such merger, consolidation or asset sale, or (ii) if the Approved Sale is structured as a sale of the stock of the Company, you agree to sell all capital stock then held by you on the terms and conditions approved by the Requisite Stockholders. You agree that you will take all necessary and desirable actions approved by the Board in connection with the consummation of the Approved Sale, including the execution of such agreements and such instruments and other actions reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Approved Sale and effectuate the allocation and distribution of the aggregate consideration upon the Approved Sale. To secure your obligations to vote the Company's capital stock held by you in accordance with this Agreement, you appoint the Chief Executive Officer or Chief Financial Officer of the Company, or either of them from time to time, or their designees, as your true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to vote all of the Company's capital stock then held by you as set forth hereby and to execute all appropriate instruments consistent with this provision on your behalf if, and only if, you fail to vote all of the Company's capital stock then held by you or execute such other instruments in accordance with the provisions hereby within five (5) days of the Company's or any other party's written request for your written consent or signature. The proxy and power granted by you hereby are coupled with an interest and are given to secure the performance of your duties hereunder. The proxy and power will be irrevocable for the term as set forth below. The proxy and power, so long as you hold shares of the Company's capital stock as an individual, will survive your death, incompetency and disability, as the case may be, and, so long as you hold shares of the Company's capital stock as an entity, will survive the merger or reorganization of such entity. The obligations and proxy under this Section 8 will continue in full force and effect from the date of grant of your Award through the earliest of the following dates, on which date it shall terminate in its entirety: (i) the date of the closing of a firmly underwritten public offering of the Company's Common Stock pursuant to a registration statement filed with the Securities and Exchange Commission, and declared effective under the Securities Act; (ii) the date of the closing of an Acquisition, as defined in the Company's Amended and Restated Certificate of Incorporation as in effect as of the date hereof; or (iii) the date as of which the Company and you mutually agree in writing to terminate the obligations and proxy provided hereunder. This Section 8 will be governed by and construed in accordance with the laws of the State of Delaware. Furthermore, you declare that it is impossible to measure in money the damages which will accrue to the Company by reason of a failure by you to perform any of the obligations hereunder and agree that the terms of this Agreement shall be specifically enforceable by the Company. If the Company institutes any action or proceeding to specifically enforce the provisions hereof, you hereby waive the claim or defense therein that you have an adequate

remedy at law, and you will not offer in any such action or proceeding the claim or defense that such remedy at law exists.

9. T RANSFER R ESTRICTIONS . In addition to any other limitation on transfer created by applicable securities laws and the restrictions in Section 12, as applicable, you will not sell, assign, hypothecate, donate, encumber or otherwise dispose of all or any part of the shares subject to your Award or any interest in such shares except in compliance with this Agreement (including without limitation Sections 10 and 11), the Company's bylaws and applicable securities laws.

10. R IGHT OF F IRST R EFUSAL . The shares of Common Stock issued to you pursuant to your Award are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right. The Company's right of first refusal shall expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

11. R IGHT OF R EPURCHASE . To the extent provided in the Company's bylaws in effect at such time as the Company elects to exercise its right, the Company shall have the right to repurchase all or any part of the shares of Common Stock issued to you pursuant to your Award.

12. R ESTRICTIVE L EGENDS . All certificates representing the Common Stock issued under this Agreement will be endorsed with legends in substantially the following forms (in addition to any other legend that may be required by other agreements between you and the Company):

(a) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS AND CONDITIONS SET FORTH IN A RESTRICTED STOCK UNIT AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES IN VIOLATION OF SUCH RESTRICTIONS IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

(b) "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

(c) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RIGHTS OF REFUSAL GRANTED TO THE COMPANY AND ACCORDINGLY MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF EXCEPT IN CONFORMITY WITH THE TERMS OF

THE BYLAWS OF THE COMPANY AND/OR A RESTRICTED STOCK UNIT AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES."

(d) Any legend required by appropriate blue sky officials.

13. AWARD NOT AN EMPLOYMENT OR SERVICE CONTRACT.

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of the Award pursuant to Section 2 or the issuance of the shares subject to the Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award pursuant to Section 2 and the schedule set forth in the Grant Notice is earned only by continuing as an employee, director or consultant at the will of the Company or an Affiliate (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a " ***reorganization*** "). You further acknowledge and agree that such reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth in the Grant Notice or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant with the Company or an Affiliate for the term of this Agreement, for any period, or at all, and will not interfere in any way with your right or the right of the Company or an Affiliate to terminate your Continuous Service at any time, with or without cause and with or without notice.

14. RESPONSIBILITY FOR TAXES.

(a) You acknowledge that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable to you or deemed by the Company in its discretion to be an appropriate charge to you

even if legally applicable to the Company (" ***Tax-Related Items*** ") is and remains your responsibility and may exceed the amount actually withheld by the Company.

(b) Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company or its agent to satisfy their withholding obligations with regard to all Tax-Related Items, if any, by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company or the Employer; (ii) causing you to tender a cash payment; (iii) entering on your behalf (pursuant to this authorization without further consent) into a "same day sale" commitment with a broker dealer that is a member of the Financial Industry Regulatory Authority (a " ***FINRA Dealer*** ") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Award to satisfy the Tax-Related Items and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Tax-Related Items directly to the Company and/or its Affiliates; or (iv) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued to you or, if and as determined by the Company, the date on which the Tax-Related Items are required to be calculated) equal to the amount of such Tax-Related Items. The Company will use commercially reasonable efforts (as determined by the Company) to facilitate the satisfaction of Tax-Related Items by you using one of the methods described in clauses (iii) and (iv) of the preceding sentence or by permitting you to sell shares of Common Stock in any initial public offering by the Company. However, the Company does not guarantee that you will be able to satisfy any Tax-Related Items through any of the methods described in the preceding sentence and in all circumstances you remain responsible for timely and fully satisfying the Tax-Related Items. Depending on the withholding method employed, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, you are deemed to have been issued the full number of shares of Common Stock subject to the vested portion of the Award, notwithstanding that a number of the shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

(c) Finally, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by any of the means previously described. Notwithstanding any contrary provision of the Plan, the Notice of Grant or of this Agreement, if you fail to make satisfactory arrangements for the payment of any Tax-Related Items when due, you permanently will forfeit the Restricted Stock Units on which the Tax-Related Items were not satisfied and will also permanently forfeit any right to receive shares of Common Stock thereunder. In that case, the Restricted Stock Units will be returned to the Company at no cost to the Company.

15. I NVESTMENT R EPRESENTATIONS . In connection with your acquisition of the Common Stock under your Award, you represent to the Company the following:

(a) You are aware of the Company's business affairs and financial condition and have acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Common Stock. You are acquiring the Common Stock for investment for your own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act.

(b) You understand that the Common Stock has not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of your investment intent as expressed in this Agreement.

(c) You further acknowledge and understand that the Common Stock must be held indefinitely unless the Common Stock is subsequently registered under the Securities Act or an exemption from such registration is available. You further acknowledge and understand that the Company is under no obligation to register the Common Stock. You understand that the certificate evidencing the Common Stock will be imprinted with a legend that prohibits the transfer of the Common Stock unless the Common Stock is registered or such registration is not required in the opinion of counsel for the Company.

(d) You are familiar with the provisions of Rules 144 and 701 under the Securities Act, as in effect from time to time, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of issuance of the securities, such issuance will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the securities exempt under Rule 701 may be sold by you 90 days thereafter, subject to the satisfaction of certain of the conditions specified by Rule 144 and the market stand-off agreement described in Section 7.

(e) In the event that the sale of the Common Stock does not qualify under Rule 701 at the time of issuance, then the Common Stock may be resold by you in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company; and (ii) the resale occurring following the required holding period under Rule 144 after you have purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

(f) You further understand that at the time you wish to sell the Common Stock there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public current information requirements of Rule 144 or 701, and that, in such event, you would be precluded from selling the Common Stock under Rule 144 or 701 even if the minimum holding period requirement had been satisfied.

16. NO OBLIGATION TO MINIMIZE TAXES. You acknowledge that the Company is not making representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including, but not limited to, the grant, vesting or

settlement of the Award, the subsequent sale of shares of Common Stock acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalent payments. Further, you acknowledge that the Company does not have any duty or obligation to minimize your liability for Tax-Related Items arising from the Award and will not be liable to you for any Tax-Related Items arising in connection with the Award.

17. NO ADVICE REGARDING GRANT . The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying shares of Common Stock. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the Tax-Related Items arising in connection with the Award and by accepting the Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

18. UNSECURED OBLIGATION . The Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you pursuant to Section 6 of this Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

19. NOTICES . Any notices provided for in the Grant Notice, this Agreement or the Plan will be given in writing and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

20. MISCELLANEOUS .

(a) As a condition to the grant of your Award or to the Company's issuance of any shares of Common Stock under this Agreement, the Company may require you to execute certain customary agreements entered into with the holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement and a stockholders agreement.

(b) The rights and obligations of the Company under the Award will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under the Award may only be assigned with the prior written consent of the Company.

(c) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of the Award.

(d) You acknowledge and agree that you have reviewed the documents provided to you in relation to the Award in their entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting the Award, and fully understand all provisions of such documents.

(e) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(f) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

21. GOVERNING PLAN DOCUMENT. The Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of the Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Except as expressly provided herein, in the event of any conflict between the provisions of the Award and those of the Plan, the provisions of the Plan will control. For purposes of the Award, a transaction or event will not constitute a Change in Control unless the transaction or event qualifies as a change of control event within the meaning of Code Section 409A.

22. SEVERABILITY. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

23. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating the Employee's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

24. AMENDMENT. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that, except as otherwise expressly provided in the Plan, no such amendment adversely affecting your rights hereunder may be made without

your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

25. COMPLIANCE WITH SECTION 409A OF THE CODE. This Award is intended to comply with the "short-term deferral" rule set forth in Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise deferred compensation subject to Section 409A, and if you are a "Specified Employee" (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of your separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any shares that would otherwise be made upon the date of the separation from service or within the first six months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six months and one day after the date of the separation from service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of taxation on you in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2). Notwithstanding any contrary provision of the Plan, the Notice of Grant, or of this Agreement, under no circumstances will the Company reimburse you for any taxes or other costs under Section 409A or any other tax law or rule. All such taxes and costs are solely your responsibility.

* * *

This Agreement will be deemed to be signed by you upon the signing by you of the Restricted Stock Unit Grant Notice to which it is attached.

SNAP INC.

AMENDED AND RESTATED
2014 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: SEPTEMBER 4, 2014
APPROVED BY THE STOCKHOLDERS: SEPTEMBER 4, 2014
AMENDED BY THE BOARD OF DIRECTORS: APRIL 13, 2015
APPROVED BY THE STOCKHOLDERS: AUGUST 12, 2015
AMENDED BY THE BOARD OF DIRECTORS: JULY 11, 2016
APPROVED BY THE STOCKHOLDERS: JULY 15, 2016
AMENDED BY THE BOARD OF DIRECTORS: OCTOBER 26, 2016
APPROVED BY THE STOCKHOLDERS: OCTOBER 26, 2016
TERMINATION DATE: SEPTEMBER 3, 2024

1. GENERAL.

(a) Eligible Stock Award Recipients. The persons eligible to receive Stock Awards are Employees, Directors and Consultants.

(b) Available Stock Awards. The Plan provides for the grant of the following Stock Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights, (iv) Restricted Stock Awards, and (v) Restricted Stock Unit Awards.

(c) Purpose. The Company, by means of the Plan, seeks to secure and retain the services of the group of persons eligible to receive Stock Awards as set forth in Section 1(a), to provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate, and to provide a means by which such eligible recipients may be given an opportunity to benefit from increases in value of the Common Stock through the granting of Stock Awards.

2. ADMINISTRATION.

(a) Administration by the Board. The Board shall administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of the Board. The Board shall have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine from time to time (A) which of the persons eligible under the Plan shall be granted Stock Awards; (B) when and how each Stock Award shall be granted; (C) what type or combination of types of Stock Award shall be granted; (D) the provisions of each Stock Award granted (which need not be identical), including the time or times when a person shall be permitted to receive cash or Common Stock pursuant to a Stock Award; (E) the

number of shares of Common Stock with respect to which a Stock Award shall be granted to each such person; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Stock Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Stock Award Agreement, in a manner and to the extent it shall deem necessary or expedient to make the Plan or Stock Award fully effective.

(iii) To settle all controversies regarding the Plan and Stock Awards granted under it.

(iv) To accelerate the time at which a Stock Award may first be exercised or the time during which a Stock Award or any part thereof will vest in accordance with the Plan, notwithstanding the provisions in the Stock Award stating the time at which it may first be exercised or the time during which it will vest.

(v) To suspend or terminate the Plan at any time. Suspension or termination of the Plan shall not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or to bring the Plan or Stock Awards granted under the Plan into compliance therewith, subject to the limitations, if any, of applicable law. However, except as provided in Section 9(a) relating to Capitalization Adjustments, to the extent required by applicable law, stockholder approval shall be required for any amendment of the Plan that either (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Stock Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (D) materially extends the term of the Plan, or (E) expands the types of Stock Awards available for issuance under the Plan. Except as provided above, rights under any Stock Award granted before amendment of the Plan shall not be impaired by any amendment of the Plan unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of Section 422 of the Code regarding Incentive Stock Options.

(viii) To approve forms of Stock Award Agreements for use under the Plan and to amend the terms of any one or more Stock Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Stock Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however* , that, the rights under any Stock Award shall not be impaired by any such amendment unless (i) the Company requests the consent of the affected Participant, and (ii) such

Participant consents in writing. Notwithstanding the foregoing, subject to the limitations of applicable law, if any, and without the affected Participant's consent, the Board may amend the terms of any one or more Stock Awards if necessary to maintain the qualified status of the Stock Award as an Incentive Stock Option or to bring the Stock Award into compliance with Section 409A of the Code.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Stock Awards.

(x) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States.

(xi) To effect, at any time and from time to time, with the consent of any adversely affected Participant, (A) the reduction of the exercise price (or strike price) of any outstanding Option or SAR under the Plan, (B) the cancellation of any outstanding Option or SAR under the Plan and the grant in substitution therefore of (1) a new Option or SAR under the Plan or another equity plan of the Company covering the same or a different number of shares of Common Stock, (2) a Restricted Stock Award, (3) a Restricted Stock Unit Award, (4) cash and/or (5) other valuable consideration (as determined by the Board, in its sole discretion), or (C) any other action that is treated as a repricing under generally accepted accounting principles; *provided, however* , that no such reduction or cancellation may be effected if it is determined, in the Company's sole discretion, that such reduction or cancellation would result in any such outstanding Option becoming subject to the requirements of Section 409A of the Code.

(c) Delegation to Committee. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee shall have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board shall thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(d) Delegation to an Officer. The Board may delegate to one or more Officers of the Company the authority to do one or both of the following: (i) designate Officers and Employees of the Company or any of its Subsidiaries to be recipients of Options and Stock Appreciation Rights (and, to the extent permitted by applicable law, other Stock Awards) and the terms thereof, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Officers and Employees; *provided, however,* that the Board resolutions regarding such delegation shall specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Notwithstanding the foregoing, the Board may not delegate authority to an Officer to determine the Fair Market Value pursuant to Section 13(t) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith shall not be subject to review by any person and shall be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve . Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards beginning on the Effective Date shall not exceed 166,164,100 shares (the ***"Share Reserve"***), which number is the sum of (i) 11,174,940 shares, (ii) 120,500,000 shares, *plus* (iii) the number of shares that are Returning Shares, as such shares become available from time to time. In addition to the Share Reserve, subject to the provisions of Section 9(a) relating to Capitalization Adjustments, an additional 53,357,397 shares of Common Stock shall be reserved under the Plan, one share of which shall be issued if and when a share from the Share Reserve is issued in connection with the settlement or exercise of a Stock Award that was outstanding as of October 31, 2016. Notwithstanding the foregoing, the Share Reserve shall be reduced by the number of shares of the Company's Class B Common Stock issued after the Effective Date under the Company's 2012 Equity Incentive Plan. Furthermore, if a Stock Award (i) expires or otherwise terminates without having been exercised in full or (ii) is settled in cash (*i.e.* , the holder of the Stock Award receives cash rather than stock), such expiration, termination or settlement shall not reduce (or otherwise offset) the number of shares of Common Stock that may be issued pursuant to the Plan. For clarity, the limitation in this Section 3(a) is a limitation in the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a).

(b) Reversion of Shares to the Share Reserve . If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares which are forfeited shall revert to and again become available for issuance under the Plan. Also, any shares reacquired by the Company pursuant to Section 8(g) or as consideration for the exercise of an Option shall again become available for issuance under the Plan. Notwithstanding the provisions of this Section 3(b), any such shares shall not be subsequently issued pursuant to the exercise of Incentive Stock Options.

(c) Incentive Stock Option Limit. Notwithstanding anything to the contrary in this Section 3(c), subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options shall be equal to three (3) times the aggregate number of shares of Common Stock of the Company that may be issued pursuant to Stock Awards under this Plan as set forth in Section 3(a).

(d) Source of Shares. The stock issuable under the Plan shall be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. E LIGIBILITY .

(a) Eligibility for Specific Stock Awards . Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and (f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however* , Nonstatutory Stock Options and SARs may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405, unless the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code because the Stock Awards are granted pursuant to a corporate transaction (such as a spin off transaction) or unless such Stock Awards comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders . A Ten Percent Stockholder shall not be granted an Incentive Stock Option unless the exercise price of such Option is at least one hundred ten percent (110%) of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five (5) years from the date of grant.

(c) Consultants. A Consultant shall not be eligible for the grant of a Stock Award if, at the time of grant, either the offer or the sale of the Company's securities to such Consultant is not exempt under Rule 701 because of the nature of the services that the Consultant is providing to the Company, because the Consultant is not a natural person, or because of any other provision of Rule 701, unless the Company determines that such grant need not comply with the requirements of Rule 701 and will satisfy another exemption under the Securities Act as well as comply with the securities laws of all other relevant jurisdictions **.**

5. P ROVISIONS R ELATING TO O PTIONS AND S TOCK A PPRECIATION R IGHTS .

Each Option or SAR shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. All Options shall be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates shall be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, then the Option shall be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however* , that each Option Agreement or Stock Appreciation Right Agreement shall conform to (through incorporation of provisions hereof by reference in the applicable Stock Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR shall be exercisable after the expiration of ten (10) years from the date of its grant or such shorter period specified in the Stock Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Incentive Stock Options granted to Ten Percent Stockholders, the exercise price (or strike price) of each Option or SAR shall be not less than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Option or SAR is granted.

Notwithstanding the foregoing, an Option or SAR may be granted with an exercise price (or strike price) lower than one hundred percent (100%) of the Fair Market Value of the Common Stock subject to the Option or SAR if such Option or SAR is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Sections 409A and 424(a) of the Code (whether or not such Stock Awards are Incentive Stock Options). Each SAR will be denominated in shares of Common Stock equivalents.

(c) Consideration for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option shall be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board shall have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to utilize a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided, however* , that the Company shall accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued; *provided, further* , that shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are reduced to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations;

(v) according to a deferred payment or similar arrangement with the Optionholder; *provided, however* , that interest shall compound at least annually and shall be charged at the minimum rate of interest necessary to avoid (A) the imputation of interest income to the Company and compensation income to the Optionholder under any applicable provisions of the Code, and (B) the classification of the Option as a liability for financial accounting purposes; or

(vi) in any other form of legal consideration that may be acceptable to the Board.

(d) Exercise and Payment of a SAR. To exercise any outstanding Stock Appreciation Right, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such Stock Appreciation Right. The appreciation distribution payable on the exercise of a Stock Appreciation Right will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the Stock Appreciation Right) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such Stock Appreciation Right, and with respect to which the Participant is exercising the Stock Appreciation Right on such date, over (B) the strike price that will be determined by the Board at the time of grant of the Stock Appreciation Right. The appreciation distribution in respect to a Stock Appreciation Right may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Stock Appreciation Right Agreement evidencing such Stock Appreciation Right.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board shall determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs shall apply:

(i) Restrictions on Transfer. An Option or SAR shall not be transferable except by will or by the laws of descent and distribution and shall be exercisable during the lifetime of the Participant only by the Participant; *provided, however* , that the Board may, in its sole discretion, permit transfer of the Option or SAR to such extent as permitted by Rule 701 and in a manner consistent with applicable tax and securities laws upon the Participant's request.

(ii) Domestic Relations Orders. Notwithstanding the foregoing, an Option or SAR may be transferred pursuant to a domestic relations order; *provided, however,* that if an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Notwithstanding the foregoing, the Participant may, by delivering written notice to the Company, in a form provided by or otherwise satisfactory to the Company and any broker designated by the Company to effect Option exercises, designate a third party who, in the event of the death of the Participant, shall thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, the executor or administrator of the Participant's estate shall be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and therefore become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of performance goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any

Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, in the event that a Participant's Continuous Service terminates (other than for Cause or upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Stock Award as of the date of termination of Continuous Service) but only within such period of time ending on the earlier of (i) the date three (3) months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period shall not be less than thirty (30) days if necessary to comply with applicable state laws unless such termination is for Cause) or (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the time specified herein or in the Stock Award Agreement (as applicable), the Option or SAR shall terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, if the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause or upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR shall terminate on the earlier of (i) the expiration of a period of three (3) months after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, or (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. In addition, unless otherwise provided in a Participant's Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR shall terminate on the earlier of (i) the expiration of a period equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Stock Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, in the event that a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date twelve (12) months following such termination of Continuous Service (or such longer or shorter period specified in the Stock Award Agreement, which period shall not be less than six (6) months if necessary to comply with applicable state laws), or (ii) the expiration of the term of the Option or SAR as set forth in the Stock Award Agreement. If, after termination of Continuous Service, the Participant does not

exercise his or her Option or SAR within the time specified herein or in the Stock Award Agreement (as applicable), the Option or SAR shall terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Stock Award Agreement or other agreement between the Participant and the Company, in the event that (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Stock Award Agreement after the termination of the Participant's Continuous Service for a reason other than death, then the Option or SAR may be exercised (to the extent the Participant was entitled to exercise such Option or SAR as of the date of death) by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date eighteen (18) months following the date of death (or such longer or shorter period specified in the Stock Award Agreement, which period shall not be less than six (6) months if necessary to comply with applicable state laws), or (ii) the expiration of the term of such Option or SAR as set forth in the Stock Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the time specified herein or in the Stock Award Agreement (as applicable), the Option or SAR shall terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Stock Award Agreement, if a Participant's Continuous Service is terminated for Cause, the Option or SAR shall terminate upon the termination date of such Participant's Continuous Service, and the Participant shall be prohibited from exercising his or her Option or SAR from and after the time of such termination of Continuous Service.

(l) Non-Exempt Employees . No Option or SAR granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR. Notwithstanding the foregoing, consistent with the provisions of the Worker Economic Opportunity Act, in the event of the Participant's death or Disability, upon a Corporate Transaction or a Change in Control in which the vesting of such Options or SARs accelerates, or upon the Participant's retirement (as such term may be defined in the Participant's Stock Award Agreement or in another applicable agreement or in accordance with the Company's then current employment policies and guidelines) any such vested Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay.

(m) Early Exercise of Options. An Option may, but need not, include a provision whereby the Optionholder may elect at any time before the Optionholder's Continuous Service terminates to exercise the Option as to any part or all of the shares of Common Stock subject to the Option prior to the full vesting of the Option. Subject to the "Repurchase Limitation" in Section 8(k), any unvested shares of Common Stock so purchased may be subject to a repurchase right in favor of the Company or to any other restriction the Board determines to be appropriate. Provided that the "Repurchase Limitation" in Section 8(k) is not violated, the Company shall not be required to exercise its repurchase right until at least six (6) months (or such longer or shorter period of time required to avoid classification of the Option as a liability for financial accounting

purposes) have elapsed following exercise of the Option unless the Board otherwise specifically provides in the Option Agreement.

(n) Right of Repurchase . Subject to the "Repurchase Limitation" in Section 8(k), the Option or SAR may include a provision whereby the Company may elect to repurchase all or any part of the vested shares of Common Stock acquired by the Participant pursuant to the exercise of the Option or SAR.

(o) Right of First Refusal . The Option or SAR may include a provision whereby the Company may elect to exercise a right of first refusal following receipt of notice from the Participant of the intent to transfer all or any part of the shares of Common Stock received upon the exercise of the Option or SAR. Such right of first refusal shall be subject to the "Repurchase Limitation" in Section 8(k). Except as expressly provided in this Section 5(o) or in the Stock Award Agreement, such right of first refusal shall otherwise comply with any applicable provisions of the Bylaws of the Company.

6. P ROVISIONS OF R ESTRICTED S TOCK A WARDS AND R ESTRICTED S TOCK U NITS .

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. To the extent consistent with the Company's Bylaws, at the Board's election, shares of Common Stock may be (x) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (y) evidenced by a certificate, which certificate shall be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical; *provided, however* , that each Restricted Stock Award Agreement shall conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration . A Restricted Stock Award may be awarded in consideration for (A) cash or cash equivalents, (B) past or future services actually or to be rendered to the Company or an Affiliate, or (C) any other form of legal consideration that may be acceptable to the Board in its sole discretion and permissible under applicable law.

(ii) Vesting . Subject to the "Repurchase Limitation" in Section 8(k), shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service . If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right, any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability . Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement shall be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board shall

determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement shall be in such form and shall contain such terms and conditions as the Board shall deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Unit Award Agreements need not be identical, *provided, however,* that each Restricted Stock Unit Award Agreement shall conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board in its sole discretion and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate, including but not limited to the imposition of service and event-based vesting conditions to the vesting of the Restricted Stock Unit Award.

(iii) Payment . A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all the terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the

Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(vii) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Restricted Stock Unit Award granted under the Plan that is not exempt from the requirements of Section 409A of the Code shall contain such provisions so that such Restricted Stock Unit Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, shall be determined by the Board and contained in the Restricted Stock Unit Award Agreement evidencing such Restricted Stock Unit Award. For example, such restrictions may include, without limitation, a requirement that any Common Stock that is to be issued in a year following the year in which the Restricted Stock Unit Award vests must be issued in accordance with a fixed pre-determined schedule.

7. C OVENANTS OF THE C OMPANY .

(a) Availability of Shares. During the terms of the Stock Awards, the Company shall keep available at all times the number of shares of Common Stock reasonably required to satisfy such Stock Awards.

(b) Securities Law Compliance. The Company shall seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise of the Stock Awards; *provided, however,* that this undertaking shall not require the Company to register under the Securities Act the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Company shall be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Stock Awards unless and until such authority is obtained. A Participant shall not be eligible for the grant of a Stock Award or the subsequent issuance of Common Stock pursuant to the Stock Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify. The Company shall have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Stock Award. Furthermore, the Company shall have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of a Stock Award or a possible period in which the Stock Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of a Stock Award to the holder of such Stock Award.

8. M ISCELLANEOUS .

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Stock Awards shall constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Stock Awards. Corporate action constituting a grant by the Company of a Stock Award to any Participant shall be deemed

completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Stock Award is communicated to, or actually received or accepted by, the Participant.

(c) Stockholder Rights. No Participant shall be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to such Stock Award unless and until (i) such Participant has satisfied all requirements for exercise of the Stock Award pursuant to its terms, if applicable, and (ii) the issuance of the Common Stock subject to such Stock Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Stock Award Agreement or any other instrument executed thereunder or in connection with any Stock Award granted pursuant thereto shall confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Stock Award was granted or shall affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state in which the Company or the Affiliate is incorporated, as the case may be.

(e) Incentive Stock Option $100,000 Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds one hundred thousand dollars ($100,000), the Options or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(f) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Stock Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that he or she is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Stock Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Stock Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, shall be inoperative if (x) the issuance of the shares upon the exercise or acquisition of Common Stock under the Stock Award has been registered under a then currently effective registration statement under the Securities Act, or (y) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(g) Withholding Obligations. Unless prohibited by the terms of a Stock Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to a Stock Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Stock Award; *provided, however* , that no shares of Common Stock are withheld with a value exceeding the minimum amount of tax required to be withheld by law (or such lesser amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding payment from any amounts otherwise payable to the Participant; (iv) withholding cash from a Stock Award settled in cash; or (v) by such other method as may be set forth in the Stock Award Agreement.

(h) Electronic Delivery . Any reference herein to a "written" agreement or document shall include any agreement or document delivered electronically or posted on the Company's intranet.

(i) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Stock Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Stock Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(j) Compliance with Section 409A. To the extent that the Board determines that any Stock Award granted hereunder is subject to Section 409A of the Code, the Stock Award Agreement evidencing such Stock Award shall incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Stock Award Agreements shall be interpreted in accordance with Section 409A of the Code.

(k) Repurchase Limitation . The terms of any repurchase right shall be specified in the Stock Award Agreement. The repurchase price for vested shares of Common Stock shall be the Fair Market Value of the shares of Common Stock on the date of repurchase. The repurchase price for unvested shares of Common Stock shall be the lower of (i) the Fair Market Value of the shares of Common Stock on the date of repurchase or (ii) their original purchase price. However, the Company shall not exercise its repurchase right until at least six (6) months (or such longer or shorter period of time necessary to avoid classification of the Stock Award as a liability for financial accounting purposes) have elapsed following delivery of shares of Common Stock subject to the Stock Award, unless otherwise specifically provided by the Board.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board shall appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), and (iii) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board shall make such adjustments, and its determination shall be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) shall terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service, *provided, however,* that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions shall apply to Stock Awards in the event of a Corporate Transaction unless otherwise provided in the instrument evidencing the Stock Award or any other written agreement between the Company or any Affiliate and the holder of the Stock Award or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. Except as otherwise stated in the Stock Award Agreement, in the event of a Corporate Transaction, then, notwithstanding any other provision of the Plan, the Board shall take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Corporate Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board shall determine (or, if the Board shall not determine such a date, to the date that is five (5) days prior to the effective date of the Corporate

Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction;

(iv) arrange for the lapse of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for such cash consideration, if any, as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the holder of the Stock Award would have received upon the exercise of the Stock Award, over (B) any exercise price payable by such holder in connection with such exercise.

The Board need not take the same action with respect to all Stock Awards or with respect to all Participants.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration shall occur.

10. TERMINATION OR SUSPENSION OF THE PLAN.

(a) Plan Term. The Board may suspend or terminate the Plan at any time. Unless sooner terminated by the Board pursuant to Section 2, the Plan shall automatically terminate on the day before the tenth (10th) anniversary of the earlier of (i) the date the Plan is adopted by the Board, or (ii) the date the Plan is approved by the stockholders of the Company. No Stock Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

(b) No Impairment of Rights. Suspension or termination of the Plan shall not impair rights and obligations under any Stock Award granted while the Plan is in effect except with the written consent of the affected Participant.

11. EFFECTIVE DATE OF PLAN.

This Plan shall become effective on the Effective Date.

12. CHOICE OF LAW.

The law of the State of California shall govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. DEFINITIONS. As used in the Plan, the following definitions shall apply to the capitalized terms indicated below:

(a) " ***Affiliate*** " means, at the time of determination, any "parent" or "majority-owned subsidiary" of the Company, as such terms are defined in Rule 405 of the Securities Act. The Board shall have the authority to determine the time or times at which "parent" or "majority-owned subsidiary" status is determined within the foregoing definition.

(b) " ***Board*** " means the Board of Directors of the Company.

(c) " ***Capitalization Adjustment*** " means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Effective Date without the receipt of consideration by the Company (through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards No. 123 (revised). Notwithstanding the foregoing, the conversion of any convertible securities other than a conversion of the Common Stock into any other class of stock of the Company shall not be treated as a Capitalization Adjustment.

(d) " ***Cause*** " shall have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or of any statutory duty owed to the Company; (iv) such Participant's unauthorized use or disclosure of the Company's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause shall be made by the Company in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Stock Awards held by such Participant shall have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(e) " ***Change in Control*** " means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control shall not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities or (C) solely because the level of Ownership held by any Exchange Act Person (the " ***Subject Person*** ") exceeds the

designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control shall be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than fifty percent (50%) of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than fifty percent (50%) of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) the stockholders of the Company approve or the Board approves a plan of complete dissolution or liquidation of the Company, or a complete dissolution or liquidation of the Company shall otherwise occur, except for a liquidation into a parent corporation; or

(iv) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than fifty percent (50%) of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition.

Notwithstanding the foregoing definition or any other provision of this Plan, (A) the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, and (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant shall supersede the foregoing definition with respect to Stock Awards subject to such agreement; *provided, however,* that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition shall apply.

(f) " ***Class B Common Stock*** " means the Class B common stock of the Company.

(g) " ***Code*** " means the Internal Revenue Code of 1986, as amended, as well as any applicable regulations and guidance thereunder.

(h) " ***Committee*** " means a committee of one (1) or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(i) " ***Common Stock*** " means the Class A common stock of the Company.

(j) " ***Company*** " means Snap Inc., a Delaware corporation.

(k) " ***Consultant*** " means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, shall not cause a Director to be considered a "Consultant" for purposes of the Plan.

(l) " ***Continuous Service*** " means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director, or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, shall not terminate a Participant's Continuous Service; *provided, however* , if the Entity for which a Participant is rendering service ceases to qualify as an Affiliate, as determined by the Board in its sole discretion, such Participant's Continuous Service shall be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an employee of the Company to a consultant of an Affiliate or to a Director shall not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service shall be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence shall be treated as Continuous Service for purposes of vesting in a Stock Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

(m) " ***Corporate Transaction*** " means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) the consummation of a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) the consummation of a sale or other disposition of at least ninety percent (90%) of the outstanding securities of the Company;

(iii) the consummation of a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) the consummation of a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock and

Class B Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(n) " ***Director*** " means a member of the Board.

(o) " ***Disability*** " means the inability of a Participant to engage in any substantially gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code and shall be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(p) " ***Effective Date*** " means the effective date of this Plan, which is the earlier of (i) the date that this Plan is first approved by the Company's stockholders, or (ii) the date this Plan is adopted by the Board.

(q) " ***Employee*** " means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, shall not cause a Director to be considered an "Employee" for purposes of the Plan.

(r) " ***Entity*** " means a corporation, partnership, limited liability company or other entity.

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

(t) " ***Exchange Act Person*** " means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" shall not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities.

(u) " ***Fair Market Value*** " means, as of any date, the value of the Common Stock determined by the Board in compliance with Section 409A of the Code or, in the case of an Incentive Stock Option, in compliance with Section 422 of the Code.

(v) " ***Good Reason*** " means any of the following actions taken without Cause by the Company or a successor corporation or entity without a Participant's consent: (a) material reduction of the Participant's base compensation; (b) material reduction of the Participant's authority, duties or responsibilities, provided, however, that a change in job position (including a

change in title) shall not be deemed a "material reduction" unless the Participant's new authority, duties or responsibilities are materially reduced from the Participant's prior authority, duties or responsibilities; (c) failure or refusal of a successor to the Company to materially assume the Company's obligations under the Participant's offer letter with the Company in the event of a Change in Control; or (d) relocation of the Participant's principal place of employment that results in an increase in the Participant's one-way driving distance by more than fifty (50) miles from the Participant's then current principal residence. In order to resign for Good Reason, the Participant's must provide written notice of the event giving rise to Good Reason to the Board within ninety (90) days after the condition arises, allow the Company thirty (30) days to cure such condition, and if the Company fails to cure the condition within such period, then the Participant's resignation from all positions the Participant's then holds with the Company must be effective not later than ninety (90) days after the end of the Company's cure period.

(w) " ***Incentive Stock Option*** " means an option that qualifies as an "incentive stock option" within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

(x) " ***Nonstatutory Stock Option*** " means an Option that does not qualify as an Incentive Stock Option.

(y) " ***Officer*** " means any person designated by the Company as an officer.

(z) " ***Option*** " means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(aa) " ***Option Agreement*** " means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement shall be subject to the terms and conditions of the Plan.

(bb) " ***Optionholder*** " means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(cc) " ***Own*** ," " ***Owned*** ," " ***Owner*** ," " ***Ownership*** " A person or Entity shall be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(dd) " ***Participant*** " means a person to whom a Stock Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(ee) " ***Plan*** " means this Snap Inc. 2014 Equity Incentive Plan.

(ff) " ***Restricted Stock Award*** " means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(gg) " ***Restricted Stock Award Agreement*** " means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a

Restricted Stock Award. Each Restricted Stock Award Agreement shall be subject to the terms and conditions of the Plan.

(hh) " ***Restricted Stock Unit Award*** " means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(ii) " ***Restricted Stock Unit Award Agreement*** " means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement shall be subject to the terms and conditions of the Plan.

(jj) " ***Returning Shares*** " means the aggregate number of shares subject, at such time, to outstanding stock awards granted under the Snap Inc. Amended and Restated 2012 Equity Incentive Plan that (1) expire or terminate for any reason prior to exercise or settlement; (2) are forfeited because of the failure to meet a contingency or condition required to vest such shares or otherwise return to the Company; or (3) are reacquired, withheld (or not issued) to satisfy a tax withholding obligation in connection with an award or to satisfy the purchase price or exercise price of a stock award. The Returning Shares shall be issued under the Plan as shares of Common Stock.

(kk) " ***Rule 405*** " means Rule 405 promulgated under the Securities Act.

(ll) " ***Rule 701*** " means Rule 701 promulgated under the Securities Act.

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

(nn) " ***Stock Appreciation Right*** " or " ***SAR*** " means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(oo) " ***Stock Appreciation Right Agreement*** " means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement shall be subject to the terms and conditions of the Plan.

(pp) " ***Stock Award*** " means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, or a Stock Appreciation Right.

(qq) " ***Stock Award Agreement*** " means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement shall be subject to the terms and conditions of the Plan.

(rr) " ***Subsidiary*** " means, with respect to the Company, (i) any corporation of which more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the

Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%).

(ss) " ***Ten Percent Stockholder*** " means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Affiliate.

Exhibit 10.6

SNAP INC.

STOCK OPTION GRANT NOTICE
(AMENDED AND RESTATED 2014 EQUITY INCENTIVE PLAN)

Snap Inc. (the "***Company***"), pursuant to its Amended and Restated 2014 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth herein and in the Option Agreement, the Plan, and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Total Exercise Price:	_____
Expiration Date:	_____

Type of Grant: ☐ Incentive Stock Option [1] ☐ Nonstatutory Stock Option

Exercise Schedule: ☐ Same as Vesting Schedule ☐ Early Exercise Permitted

Vesting Schedule: [1/4 th of the shares vest one year after the Vesting Commencement Date; the balance of the shares vest in a series of thirty-six (36) successive equal monthly installments measured from the first anniversary of the Vesting Commencement Date.]

Payment: By one or a combination of the following items (described in the Option Agreement):

☒ By cash or check

☒ Pursuant to a Regulation T Program if the Shares are publicly traded

☒ By delivery of already-owned shares if the Shares are publicly traded

☐ By deferred payment

☐ By net exercise [2]

Additional Terms/Acknowledgements: The undersigned Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except in a writing signed by Optionholder and a duly authorized officer of the Company. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding the acquisition of stock in the Company and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder under the Plan, and (ii) the following agreements only:

OTHER AGREEMENTS: _____

_____

1 If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first *exercisable* for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

2 An Incentive Stock Option may not be exercised by a net exercise arrangement.

SNAP INC.	**OPTIONHOLDER:**
By: _____	_____
Signature	Signature
Title: _____	Date: _____
Date: _____	

ATTACHMENTS: Stock Option Agreement, Snap Inc. Amended and Restated 2014 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

SNAP INC.
AMENDED AND RESTATED
2014 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice (" ***Grant Notice*** ") and this Option Agreement, Snap Inc. (the " ***Company*** ") has granted you an option under its Amended and Restated 2014 Equity Incentive Plan (the " ***Plan*** ") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. Defined terms not explicitly defined in this Option Agreement but defined in the Plan shall have the same definitions as in the Plan.

The details of your option are as follows:

1. VESTING. Subject to the limitations contained herein, your option will vest as provided in your Grant Notice, provided that vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share referenced in your Grant Notice may be adjusted from time to time for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. In the event that you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (*i.e.* , a " ***Non-Exempt Employee*** "), you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant specified in your Grant Notice, notwithstanding any other provision of your option.

4. EXERCISE PRIOR TO VESTING ("EARLY EXERCISE"). If permitted in your grant Notice (*i.e.* , the "Exercise Schedule" indicates "Early Exercise Permitted") and subject to the provisions of your option, you may elect at any time that is both (i) during the period of your Continuous Service and (ii) during the term of your option, to exercise all or part of your option, including the unvested portion of your option; *provided* , *however* , that:

(a) a partial exercise of your option shall be deemed to cover first vested shares of Common Stock and then the earliest vesting installment of unvested shares of Common Stock;

(b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise shall be subject to the purchase option in favor of the Company as described in the Company's form of Early Exercise Stock Purchase Agreement;

(c) you shall enter into the Company's form of Early Exercise Stock Purchase Agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

(d) if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the time of grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds one hundred thousand dollars ($100,000), your option(s) or portions thereof that exceed such limit (according to the order in which they were granted) shall be treated as Nonstatutory Stock Options.

5. M ETHOD O F P AYMENT . Payment of the exercise price is due in full upon exercise of all or any part of your option. You may elect to make payment of the exercise price in cash or by check or in any other manner ***permitted by your Grant Notice*** , which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded and quoted regularly in *The Wall Street Journal* , pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds.

(b) Provided that at the time of exercise the Common Stock is publicly traded and quoted regularly in *The Wall Street Journal* , by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. Notwithstanding the foregoing, you may not exercise your option by tender to the Company of Common Stock to the extent such tender would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

6. W HOLE S HARES . You may exercise your option only for whole shares of Common Stock.

7. S ECURITIES L AW C OMPLIANCE . Notwithstanding anything to the contrary contained herein, you may not exercise your option unless the shares of Common Stock issuable upon such exercise are then registered under the Securities Act or, if such shares of Common Stock are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations.

8. T ERM . You may not exercise your option before the commencement or after the expiration of its term. The term of your option commences on the Date of Grant and expires upon the earliest of the following:

(a) three (3) months after the termination of your Continuous Service for any reason other than your Disability or death, provided that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to " ***Securities Law Compliance,*** " your option shall not expire until the earlier of the Expiration Date or until it shall have been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service;

(b) twelve (12) months after the termination of your Continuous Service due to your Disability;

(c) eighteen (18) months after your death if you die during your Continuous Service;

(d) the Expiration Date indicated in your Grant Notice; or

(e) the day before the tenth (10th) anniversary of the Date of Grant.

Notwithstanding the foregoing, if you die during the period provided in Section 8(a) or 8(b) above, the term of your option shall not expire until the earlier of eighteen (18) months after your death, the Expiration Date indicated in your Grant Notice, or the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the date of grant of your option and ending on the day three (3) months before the date of your optionÕs exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. E XERCISE .

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by delivering a Notice of Exercise (in a form designated by the Company) together with the exercise price to the Secretary of the Company, or to such other person as the Company may designate, during regular business hours, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (1) the exercise of your option, (2) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (3) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the date of your option grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option you agree that you shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as necessary to permit compliance with NASD Rule 2711 or NYSE Member Rule 472 and similar rules and regulations (the " ***Lock-Up Period*** "); *provided* , *however* , that nothing contained in this section shall prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company and/or the underwriter(s) that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. T RANSFERABILITY . Your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, shall thereafter be entitled to exercise your option. In addition, if permitted by the Company you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust, provided that you and the trustee enter into a transfer and other agreements required by the Company.

11. R IGHT O F F IRST R EFUSAL . Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided* , *however* , that if your option is an Incentive Stock Option and the right of first refusal described in the Company's bylaws in effect at the time the Company elects to exercise its right is more beneficial to you than the right of first refusal described in the Company's bylaws on the Date of Grant, then the right of first refusal described in the Company's bylaws on the Date of Grant shall apply. The Company's right of first refusal shall expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

12. R IGHT O F R EPURCHASE . To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company shall have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

13. OPTION NOT A SERVICE CONTRACT . Your option is not an employment or service contract, and nothing in your option shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option shall obligate the Company or an Affiliate, their respective stockholders, Boards of Directors, Officers or Employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

14. WITHHOLDING OBLIGATIONS .

(a) At the time you exercise your option, in whole or in part, or at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) Upon your request and subject to approval by the Company, in its sole discretion, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). If the date of determination of any tax withholding obligation is deferred to a date later than the date of exercise of your option, share withholding pursuant to the preceding sentence shall not be permitted unless you make a proper and timely election under Section 83(b) of the Code, covering the aggregate number of shares of Common Stock acquired upon such exercise with respect to which such determination is otherwise deferred, to accelerate the determination of such tax withholding obligation to the date of exercise of your option. Notwithstanding the filing of such election, shares of Common Stock shall be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure shall be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and/or any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company shall have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein unless such obligations are satisfied.

15. TAX CONSEQUENCES . You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of

the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option. Because the Common Stock is not traded on an established securities market, the Fair Market Value is determined by the Board, perhaps in consultation with an independent valuation firm retained by the Company. You acknowledge that there is no guarantee that the Internal Revenue Service will agree with the valuation as determined by the Board, and you shall not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that the valuation determined by the Board is less than the "fair market value" as subsequently determined by the Internal Revenue Service.

16. NOTICES. Any notices provided for in your option or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

17. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. In the event of any conflict between the provisions of your option and those of the Plan, the provisions of the Plan shall control.

ATTACHMENT II

SNAP INC. AMENDED AND RESTATED 2014 EQUITY INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

NOTICE OF EXERCISE

S NAP I NC .
63 M ARKET S TREET
V ENICE , C ALIFORNIA 90291
A TTN : C HIEF F INANCIAL O FFICER

Date of Exercise: _____

Ladies and Gentlemen:

This constitutes notice under my stock option that I elect to purchase the number of shares for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	
Number of shares as to which option is exercised:	_____	
Certificates to be issued in name of:	_____	
Total exercise price:	$_____	
Cash payment delivered herewith:	$_____	

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the 2014 Amended and Restated Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an incentive stock option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the shares of Common Stock issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such shares of Common Stock are issued upon exercise of this option.

I hereby make the following certifications and representations with respect to the number of shares of Common Stock of the Company listed above (the " ***Shares*** "), which are being acquired by me for my own account upon exercise of the Option as set forth above:

I acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the " ***Securities Act*** "), and are deemed to constitute "restricted securities" under Rule 701 and Rule 144 promulgated under the Securities Act. I warrant and represent to the Company that I have no present intention of distributing or selling said Shares, except as permitted under the Securities Act and any applicable state securities laws.

I further acknowledge that I will not be able to resell the Shares for at least ninety days (90) after the stock of the Company becomes publicly traded (*i.e.,* subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934) under Rule 701 and that more restrictive conditions apply to affiliates of the Company under Rule 144.

I further acknowledge that all certificates representing any of the Shares subject to the provisions of the Option shall have endorsed thereon appropriate legends reflecting the foregoing limitations, as well as any legends reflecting restrictions pursuant to the Company's Articles of Incorporation, Bylaws and/or applicable securities laws.

I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as necessary to permit compliance with NASD Rule 2711 or NYSE Member Rule 472 and similar rules and regulations (the " ***Lock-Up Period*** "). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company and/or the underwriter(s) that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.

In the event that (a) the Company's Board of Directors and (b) the Company's stockholders (the " ***Requisite Stockholders*** ") approve a sale of the Company or all or substantially all of the Company's assets (an " ***Approved Sale*** ") whether by means of a merger, consolidation or sale of stock or assets, or otherwise (each, a " ***Sale of the Company*** "), (i) if the Approved Sale is structured as a merger or consolidation of the Company, or a sale of all or substantially all of the Company's assets, I hereby agree to be present, in person or by proxy, at all meetings for the vote thereon, to vote all shares of the Company's capital stock held by me for and raise no objections to such Approved Sale, and waive and refrain from exercising any dissenters rights, appraisal rights or similar rights in connection with such merger, consolidation or asset sale, or (ii) if the Approved Sale is structured as a sale of the stock of the Company, I hereby agree to sell all capital stock then held by me on the terms and conditions approved by the Requisite Stockholders. I agree that I shall take all necessary and desirable actions approved by the Company's Board of Directors in connection with the consummation of the Approved Sale, including the execution of such agreements and such instruments and other actions reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Approved Sale and effectuate the allocation and distribution of the aggregate consideration upon the Approved Sale. To secure my obligations to vote the Company's capital stock held by me in accordance with this Agreement, I hereby appoint the Chief Executive Officer or Chief Financial Officer of the Company, or either of them from time to time, or their designees, as my true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to vote all of the Company's capital stock then held by me as set forth hereby and to execute all appropriate instruments consistent with this provision on my behalf if, and only if, I fail to vote

all of the Company's capital stock then held by me or execute such other instruments in accordance with the provisions hereby within five (5) days of the Company's or any other party's written request for my written consent or signature. The proxy and power granted by me hereby are coupled with an interest and are given to secure the performance of my duties hereunder. The proxy and power will be irrevocable for the term as set forth below. The proxy and power, so long as I hold shares of the Company's capital stock as an individual, will survive my death, incompetency and disability, as the case may be, and, so long as I hold shares of the Company's capital stock as an entity, will survive the merger or reorganization of such entity. The obligations and proxy under this paragraph will continue in full force and effect from the date hereof through the earliest of the following dates, on which date it shall terminate in its entirety: (i) the date of the closing of a firmly underwritten public offering of the Company's Common Stock pursuant to a registration statement filed with the Securities and Exchange Commission, and declared effective under the Securities Act; (ii) twenty (20) years from the date hereof; (iii) the date of the closing of an Acquisition, as defined in the Company's Amended and Restated Certificate of Incorporation as in effect as of the date hereof; or (iv) the date as of which the Company and I mutually agree in writing to terminate the obligations and proxy provided hereunder. This paragraph shall be governed by and construed in accordance with the laws of the State of Delaware. Furthermore, the I hereby declare that it is impossible to measure in money the damages which will accrue to the Company by reason of a failure by me to perform any of the obligations hereunder and agree that the terms of this Agreement shall be specifically enforceable by the Company. If the Company institutes any action or proceeding to specifically enforce the provisions hereof, I hereby waive the claim or defense therein that I have an adequate remedy at law, and I shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

Very truly yours,

_____

Address: _____

_____

Exhibit 10.7

SNAP INC.
RESTRICTED STOCK UNIT GRANT NOTICE
(AMENDED AND RESTATED 2014 EQUITY INCENTIVE PLAN)

Snap, Inc. (the "***Company***"), pursuant to its Amended and Restated 2014 Equity Incentive Plan (the "***Plan***"), hereby awards to Participant (as of the date indicated below) a Restricted Stock Unit Award for the number of shares of the Company's Common Stock set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth herein and in the Plan and the Restricted Stock Unit Award Agreement, both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not otherwise defined herein will have the meanings set forth in the Plan or the Restricted Stock Unit Award Agreement. In the event of any conflict between the terms in the Award and the Plan, the terms of the Plan will control.

Participant:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Liquidity Event Deadline:	_____
Number of Units ("***RSUs***") Subject to Award:	_____

Expiration Date: The Expiration Date for an RSU depends on whether the Service-Based Requirement has been satisfied with respect to that particular RSU. Where the Service-Based Requirement for a particular RSU has not been satisfied, the Expiration Date is the earlier of: (i) Liquidity Event Deadline or (ii) the date of termination of Participant's Continuous Service. Where the Service-Based Requirement for a particular RSU has been satisfied in whole or in part, the Expiration Date is the Liquidity Event Deadline.

Vesting: Participant will receive a benefit with respect to an RSU only if it vests. Except as explicitly set forth below, two vesting requirements must be satisfied on or before the applicable Expiration Date specified above in order for an RSU to vest — a time and service-based requirement (the "***Service-Based Requirement***") and the "***Liquidity Event Requirement***" (described below). An RSU shall actually vest (and therefore becomes a "***Vested RSU***") on the first date upon which both the Service-Based Requirement and the Liquidity Event Requirement are satisfied with respect to that particular RSU (the "***Vesting Date***"). All RSUs that do not become Vested RSUs on or before the applicable Expiration Date will be immediately forfeited to the Company upon expiration at no cost to the Company.

Liquidity Event Requirement: The Liquidity Event Requirement will be satisfied as to any then-outstanding RSUs on the first to occur of: (1) a Change in Control; or (2) the effective date of a registration statement of the Company filed under the Securities Act for the sale of the Company's Common Stock. Section 2 of the Restricted Stock Unit Agreement contains additional details on the definition of Change in Control.

Service-Based Requirement:

The Service-Based Requirement will be satisfied in installments as follows: 10% of the RSUs will have the Service-Based Requirement satisfied once the Participant completes twelve months of Continuous Service from the Vesting Commencement Date; 20% of the RSUs will have the Service-Based Requirement satisfied in equal quarterly installments during the second 12-month period of Participant's Continuous Service; 30% of the RSUs will have the Service-Based Requirement satisfied in equal quarterly installments during the third 12-month period of Participant's Continuous Service; and 40% of the RSUs will have the Service-Based Requirement satisfied in equal quarterly installments during the fourth twelve-month period of Participant's Continuous Service. If the Participant dies while in Continuous Service, the Service-Based Requirement will be satisfied as to 100% of the RSUs for which the Service-Based Requirement otherwise already was not satisfied. For the avoidance of doubt and except as provided in the preceding sentence, once a Participant's Continuous Service ends, no additional RSUs will be deemed to have the Service-Based Requirement satisfied with respect to such RSUs.

Notwithstanding the foregoing, if within 12 months following a Change in Control, (i) Participant's employment with the Company is involuntarily terminated by the Company without Cause, or (ii) Participant resigns Participant's employment with the Company for Good Reason (as defined below), and in either case other than as a result of Participant's disability, the Service-Based Requirement of the RSUs will be deemed satisfied so that the total number of the RSUs issued to Participant as of Participant's last day of employment equals 1/16 th of the RSUs for each completed quarter of Participant's Continuous Service. This accelerated vesting is contingent upon (a) Participant's continuing to comply with his/her obligations under any agreement between Participant and the Company, including without limitation Participant's Confidential Information and Inventions Assignment Agreement and (b) Participant's signing, delivering to the Company and not revoking an effective separation agreement and general release of claims in favor of the Company in a form acceptable to the Company within 60 days following Participant's termination date. Any shares that become vested under this paragraph will be delivered on the day following the end of the 60 day period. For the avoidance of doubt, if a Participant becomes entitled to accelerated vesting in accordance with this paragraph due to a qualifying termination of employment but the Participant's Continuous Service does not end upon the termination of employment because the Participant immediately transitions to service as a Consultant or Director, the Participant will continue to be eligible to satisfy the Service-Based Requirement with respect to any remaining RSUs in accordance with the immediately preceding paragraph.

For purposes of the RSUs, "Good Reason" shall mean any of the following actions taken without Cause by the Company or a successor corporation or entity without Participant's consent: (w) material reduction of Participant's base compensation; (x) material reduction of Participant's authority, duties or responsibilities, provided, however, that a change in job position (including a change in title) shall not be deemed a "material reduction" unless Participant's new authority, duties or responsibilities are materially reduced from Participant's prior authority, duties or responsibilities; (y) failure or refusal of a successor to the Company to materially assume the Company's obligations under Participant's offer letter from the Company in the event of a Change in Control; or (z) relocation of Participant's principal place of employment that results in an increase in Participant's one-way driving distance

by more than fifty (50) miles from Participant's then current principal residence. In order to resign for Good Reason, Participant must provide written notice of the event giving rise to Good Reason to the Board within ninety (90) days after the condition arises, allow the Company thirty (30) days to cure such condition, and if the Company fails to cure the condition within such period, then Participant's resignation from all positions Participant then holds with the Company must be effective not later than ninety (90) days after the end of the Company's cure period.

Settlement: If an RSU vests as provided for above, the Company will deliver one share of Common Stock for each Vested RSU. The shares will be issued in accordance with the issuance schedule set forth in Section 5 of the Restricted Stock Unit Award Agreement.

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding this Award and supersede all prior oral and written agreements, offer letters, promises and/or representations on that subject with the exception of (i) equity awards previously granted and delivered to Participant, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this award upon the terms and conditions set forth therein (provided that if there is any conflict in the vesting and/or acceleration terms, those contained in this Restricted Stock Unit Grant Notice and Restricted Stock Unit Award Agreement shall control).

By accepting the Award, Participant acknowledges having received and read the Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Plan (the " ***Grant Documents*** ") and agrees to all of the terms and conditions set forth in these documents. Furthermore, by accepting the Award, Participant consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

Notwithstanding the above, if Participant has not actively accepted the Award within 90 days of the Date of Grant set forth in this Restricted Stock Unit Grant Notice, Participant is deemed to have accepted the Award, subject to all of the terms and conditions of the Grant Documents.

S NAP I NC .

By: _____

Signature

Name & Title: Chris Handman, General Counsel

Date: _____

P ARTICIPANT :

_____

Signature

Date: _____

A TTACHMENTS : Restricted Stock Unit Award Agreement, Amended and Restated 2014 Equity Incentive Plan

ATTACHMENT I

SNAP INC.
RESTRICTED STOCK UNIT AWARD AGREEMENT
(AMENDED AND RESTATED 2014 EQUITY INCENTIVE PLAN)

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Award Agreement (the "***Agreement***") and in consideration of your services, Snap Inc. (the "***Company***") has awarded you a Restricted Stock Unit Award (the "***Award***") under its Amended and Restated 2014 Equity Incentive Plan (the "***Plan***"). The Award is granted to you effective as of the Date of Grant set forth in the Grant Notice for this Award. Capitalized terms not explicitly defined in this Agreement will have the same meanings given to them in the Plan and Grant Notice. In the event of any conflict between the terms in this Agreement and the Plan, the terms of the Plan will control. The details of the Award, in addition to those set forth in the Grant Notice and the Plan, are as follows.

1. GRANT OF THE AWARD. The Award represents the right to be issued on a future date the number of shares of the Company's Common Stock as indicated in the Grant Notice upon the satisfaction of the terms set forth in this Agreement. Except as otherwise provided herein, you will not be required to make any payment to the Company with respect to your receipt of the Award, the vesting of the shares or the delivery of the underlying Common Stock.

2. VESTING. Subject to the limitations contained herein, the Award will vest in accordance with the vesting schedule provided in the Grant Notice. Upon termination of your Continuous Service, any units or shares that have yet to satisfy any time and service-based requirement, including the Service-Based Requirement, will be forfeited at no cost to the Company and you will have no further right, title or interest in or to such underlying shares of Common Stock. For purposes of determining whether the Liquidity Event Requirement has been satisfied, Change in Control has the same meaning as in the Plan except as follows in this Section 2. A transaction in which stockholders of the Company receive consideration in exchange for their shares of Common Stock will not constitute a Change in Control unless at least 50% of the consideration received by a majority of the stockholders of the Company consists of cash and/or securities that are listed on the New York Stock Exchange, the Nasdaq Stock Market or any other exchange or market of similar stature. Also, a transaction or event will not constitute a Change in Control unless the transaction or event qualifies as a change in control event within the meaning of Code Section 409A.

3. NUMBER OF SHARES.

(a) The number of units/shares subject to the Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan.

(b) Any units, shares, cash or other property that become subject to the Award pursuant to this Section 3 if any, will be subject, in a manner determined by the Board, to the

same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other shares covered by the Award.

(c) Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Common Stock will be created pursuant to this Section 3. The Board will, in its discretion, determine an equivalent benefit for any fractional shares or fractional shares that might be created by the adjustments referred to in this Section 3.

4. SECURITIES LAW AND OTHER COMPLIANCE . You may not be issued any shares under the Award unless either (a) the shares are registered under the Securities Act; or (b) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. The Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. DATE OF ISSUANCE . Subject to the satisfaction of the withholding obligations set forth in Section 14 of this Agreement, the Company will deliver to you a number of shares of the Company's Common Stock equal to the number of Vested RSUs subject to the Award, including any additional shares received pursuant to Section 3 above that relate to those Vested Restricted Stock Units on the applicable vesting date(s) as provided in the Grant Notice. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date will instead fall on the next following business day. The form of such delivery (*e.g.* , a stock certificate or electronic entry evidencing such shares) will be determined by the Company. In all cases, the delivery of shares under this Award is intended to comply with Treasury Regulation Section 1.409A-1(b)(4) and will be construed and administered in such a manner.

6. DIVIDENDS . You will receive no benefit or adjustment to your Restricted Stock Units with respect to any cash dividend, stock dividend or other distribution except as provided in the Plan with respect to a Capitalization Adjustment.

7. MARKET STAND -OFF AGREEMENT . By acquiring shares of Common Stock under your Award, you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or other securities of the Company held by you, for a period of 180 days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company request or as necessary to permit compliance with FINRA Rule 2711 or NYSE Member Rule 472 and similar or successor regulatory rules and regulations (the " ***Lock-Up Period*** "); *provided, however* , that nothing contained in this Section 7 will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company and the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. You also agree that any transferee of any shares of Common Stock (or other securities of the Company held by you will be bound by this Section 7. To enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 7 and will have the right, power and

authority to enforce the provisions of this Section 7 as though they were a party to this Agreement.

8. V OTING A GREEMENT . By accepting this Award, you agree that in the event that (a) the Board and (b) the Company's stockholders (the " ***Requisite Stockholders*** ") approve a sale of the Company or all or substantially all of the Company's assets (an " ***Approved Sale*** ") whether by means of a merger, consolidation or sale of stock or assets, or otherwise (each, a " ***Sale of the Company*** "), (i) if the Approved Sale is structured as a merger or consolidation of the Company, or a sale of all or substantially all of the Company's assets, you agree to be present, in person or by proxy, at all meetings for the vote thereon, to vote all shares of the Company's capital stock held by you for and raise no objections to such Approved Sale, and waive and refrain from exercising any dissenters rights, appraisal rights or similar rights in connection with such merger, consolidation or asset sale, or (ii) if the Approved Sale is structured as a sale of the stock of the Company, you agree to sell all capital stock then held by you on the terms and conditions approved by the Requisite Stockholders. You agree that you will take all necessary and desirable actions approved by the Board in connection with the consummation of the Approved Sale, including the execution of such agreements and such instruments and other actions reasonably necessary to provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Approved Sale and effectuate the allocation and distribution of the aggregate consideration upon the Approved Sale. To secure your obligations to vote the Company's capital stock held by you in accordance with this Agreement, you appoint the Chief Executive Officer or Chief Financial Officer of the Company, or either of them from time to time, or their designees, as your true and lawful proxy and attorney, with the power to act alone and with full power of substitution, to vote all of the Company's capital stock then held by you as set forth hereby and to execute all appropriate instruments consistent with this provision on your behalf if, and only if, you fail to vote all of the Company's capital stock then held by you or execute such other instruments in accordance with the provisions hereby within five (5) days of the Company's or any other party's written request for your written consent or signature. The proxy and power granted by you hereby are coupled with an interest and are given to secure the performance of your duties hereunder. The proxy and power will be irrevocable for the term as set forth below. The proxy and power, so long as you hold shares of the Company's capital stock as an individual, will survive your death, incompetency and disability, as the case may be, and, so long as you hold shares of the Company's capital stock as an entity, will survive the merger or reorganization of such entity. The obligations and proxy under this Section 8 will continue in full force and effect from the date of grant of your Award through the earliest of the following dates, on which date it shall terminate in its entirety: (i) the date of the closing of a firmly underwritten public offering of the Company's Common Stock pursuant to a registration statement filed with the Securities and Exchange Commission, and declared effective under the Securities Act; (ii) the date of the closing of an Acquisition, as defined in the Company's Amended and Restated Certificate of Incorporation as in effect as of the date hereof; or (iii) the date as of which the Company and you mutually agree in writing to terminate the obligations and proxy provided hereunder. This Section 8 will be governed by and construed in accordance with the laws of the State of Delaware. Furthermore, you declare that it is impossible to measure in money the damages which will accrue to the Company by reason of a failure by you to perform any of the obligations hereunder and agree that the terms of this Agreement shall be specifically enforceable by the Company. If the Company institutes any action or proceeding to specifically enforce the

provisions hereof, you hereby waive the claim or defense therein that you have an adequate remedy at law, and you will not offer in any such action or proceeding the claim or defense that such remedy at law exists.

9. TRANSFER RESTRICTIONS. In addition to any other limitation on transfer created by applicable securities laws and the restrictions in Section 12, as applicable, you will not sell, assign, hypothecate, donate, encumber or otherwise dispose of all or any part of the shares subject to your Award or any interest in such shares except in compliance with this Agreement (including without limitation Sections 10 and 11), the Company's bylaws and applicable securities laws.

10. RIGHT OF FIRST REFUSAL. The shares of Common Stock issued to you pursuant to your Award are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right. The Company's right of first refusal shall expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

11. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time as the Company elects to exercise its right, the Company shall have the right to repurchase all or any part of the shares of Common Stock issued to you pursuant to your Award.

12. RESTRICTIVE LEGENDS. All certificates representing the Common Stock issued under this Agreement will be endorsed with legends in substantially the following forms (in addition to any other legend that may be required by other agreements between you and the Company):

(a) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS AND CONDITIONS SET FORTH IN A RESTRICTED STOCK UNIT AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES. ANY TRANSFER OR ATTEMPTED TRANSFER OF ANY SHARES IN VIOLATION OF SUCH RESTRICTIONS IS VOID WITHOUT THE PRIOR EXPRESS WRITTEN CONSENT OF THE COMPANY."

(b) "THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER SAID ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

(c) "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RIGHTS OF REFUSAL GRANTED TO THE COMPANY AND ACCORDINGLY MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR

IN ANY MANNER DISPOSED OF EXCEPT IN CONFORMITY WITH THE TERMS OF THE BYLAWS OF THE COMPANY AND/OR A RESTRICTED STOCK UNIT AWARD AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE COMPANY'S PRINCIPAL CORPORATE OFFICES."

(d) Any legend required by appropriate blue sky officials.

13. AWARD NOT AN EMPLOYMENT OR SERVICE CONTRACT.

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement (including, but not limited to, the vesting of the Award pursuant to Section 2 or the issuance of the shares subject to the Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Agreement or Plan; or (iv) deprive the Company or an Affiliate of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award pursuant to Section 2 and the schedule set forth in the Grant Notice is earned only by continuing as an employee, director or consultant at the will of the Company or an Affiliate (not through the act of being hired, being granted this Award or any other award or benefit) and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems appropriate (a " ***reorganization*** "). You further acknowledge and agree that such reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth in the Grant Notice or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant with the Company or an Affiliate for the term of this Agreement, for any period, or at all, and will not interfere in any way with your right or the right of the Company or an Affiliate to terminate your Continuous Service at any time, with or without cause and with or without notice.

14. RESPONSIBILITY FOR TAXES.

(a) You acknowledge that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to your participation in the Plan and legally applicable

to you or deemed by the Company in its discretion to be an appropriate charge to you even if legally applicable to the Company (" ***Tax-Related Items*** ") is and remains your responsibility and may exceed the amount actually withheld by the Company.

(b) Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, you authorize the Company or its agent to satisfy their withholding obligations with regard to all Tax-Related Items, if any, by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company or the Employer; (ii) causing you to tender a cash payment; (iii) entering on your behalf (pursuant to this authorization without further consent) into a "same day sale" commitment with a broker dealer that is a member of the Financial Industry Regulatory Authority (a " ***FINRA Dealer*** ") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Award to satisfy the Tax-Related Items and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Tax-Related Items directly to the Company and/or its Affiliates; or (iv) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued to you or, if and as determined by the Company, the date on which the Tax-Related Items are required to be calculated) equal to the amount of such Tax-Related Items. The Company will use commercially reasonable efforts (as determined by the Company) to facilitate the satisfaction of Tax-Related Items by you using one of the methods described in clauses (iii) and (iv) of the preceding sentence or by permitting you to sell shares of Common Stock in any initial public offering by the Company. However, the Company does not guarantee that you will be able to satisfy any Tax-Related Items through any of the methods described in the preceding sentence and in all circumstances you remain responsible for timely and fully satisfying the Tax-Related Items. Depending on the withholding method employed, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, you are deemed to have been issued the full number of shares of Common Stock subject to the vested portion of the Award, notwithstanding that a number of the shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items.

(c) Finally, you agree to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of your participation in the Plan that cannot be satisfied by any of the means previously described. Notwithstanding any contrary provision of the Plan, the Notice of Grant or of this Agreement, if you fail to make satisfactory arrangements for the payment of any Tax-Related Items when due, you permanently will forfeit the Restricted Stock Units on which the Tax-Related Items were not satisfied and will also permanently forfeit any right to receive shares of Common Stock thereunder. In that case, the Restricted Stock Units will be returned to the Company at no cost to the Company.

15. INVESTMENT REPRESENTATIONS . In connection with your acquisition of the Common Stock under your Award, you represent to the Company the following:

(a) You are aware of the Company's business affairs and financial condition and have acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Common Stock. You are acquiring the Common Stock for investment for your own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act.

(b) You understand that the Common Stock has not been registered under the Securities Act by reason of a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of your investment intent as expressed in this Agreement.

(c) You further acknowledge and understand that the Common Stock must be held indefinitely unless the Common Stock is subsequently registered under the Securities Act or an exemption from such registration is available. You further acknowledge and understand that the Company is under no obligation to register the Common Stock. You understand that the certificate evidencing the Common Stock will be imprinted with a legend that prohibits the transfer of the Common Stock unless the Common Stock is registered or such registration is not required in the opinion of counsel for the Company.

(d) You are familiar with the provisions of Rules 144 and 701 under the Securities Act, as in effect from time to time, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of issuance of the securities, such issuance will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the securities exempt under Rule 701 may be sold by you 90 days thereafter, subject to the satisfaction of certain of the conditions specified by Rule 144 and the market stand-off agreement described in Section 7.

(e) In the event that the sale of the Common Stock does not qualify under Rule 701 at the time of issuance, then the Common Stock may be resold by you in certain limited circumstances subject to the provisions of Rule 144, which requires, among other things: (i) the availability of certain public information about the Company; and (ii) the resale occurring following the required holding period under Rule 144 after you have purchased, and made full payment of (within the meaning of Rule 144), the securities to be sold.

(f) You further understand that at the time you wish to sell the Common Stock there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public current information requirements of Rule 144 or 701, and that, in such event, you would be precluded from selling the Common Stock under Rule 144 or 701 even if the minimum holding period requirement had been satisfied.

16. NO OBLIGATION TO MINIMIZE TAXES . You acknowledge that the Company is not making representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including, but not limited to, the grant, vesting or settlement of the Award, the subsequent sale of shares of Common Stock acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalent payments. Further, you acknowledge that the Company does not have any duty or obligation to minimize your liability for Tax-Related Items arising from the Award and will not be liable to you for any Tax-Related Items arising in connection with the Award.

17. NO ADVICE REGARDING GRANT . The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your participation in the Plan, or your acquisition or sale of the underlying shares of Common Stock. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the Tax-Related Items arising in connection with the Award and by accepting the Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

18. UNSECURED OBLIGATION . The Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you pursuant to Section 6 of this Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

19. NOTICES . Any notices provided for in the Grant Notice, this Agreement or the Plan will be given in writing and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this Award by electronic means or to request your consent to participate in the Plan by electronic means. You hereby consent to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

20. MISCELLANEOUS .

(a) As a condition to the grant of your Award or to the Company's issuance of any shares of Common Stock under this Agreement, the Company may require you to execute certain customary agreements entered into with the holders of capital stock of the Company, including without limitation a right of first refusal and co-sale agreement and a stockholders agreement.

(b) The rights and obligations of the Company under the Award will be transferable to any one or more persons or entities, and all covenants and agreements hereunder

will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under the Award may only be assigned with the prior written consent of the Company.

(c) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of the Award.

(d) You acknowledge and agree that you have reviewed the documents provided to you in relation to the Award in their entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting the Award, and fully understand all provisions of such documents.

(e) This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(f) All obligations of the Company under the Plan and this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

21. GOVERNING PLAN DOCUMENT. The Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of the Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Except as expressly provided herein, in the event of any conflict between the provisions of the Award and those of the Plan, the provisions of the Plan will control. For purposes of the Award, a transaction or event will not constitute a Change in Control unless the transaction or event qualifies as a change of control event within the meaning of Code Section 409A.

22. SEVERABILITY. If all or any part of this Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

23. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS. The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating the Employee's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

24. AMENDMENT. This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Agreement may be amended solely by the Board

by a writing which specifically states that it is amending this Agreement, so long as a copy of such amendment is delivered to you, and provided that, except as otherwise expressly provided in the Plan, no such amendment adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Agreement in any way it may deem necessary or advisable to carry out the purpose of the grant as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

25. C OMPLIANCE WITH S ECTION 409A OF THE C ODE . This Award is intended to comply with the "short-term deferral" rule set forth in Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise deferred compensation subject to Section 409A, and if you are a "Specified Employee" (within the meaning set forth Section 409A(a)(2)(B)(i) of the Code) as of the date of your separation from service (within the meaning of Treasury Regulation Section 1.409A-1(h)), then the issuance of any shares that would otherwise be made upon the date of the separation from service or within the first six months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the date that is six months and one day after the date of the separation from service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of taxation on you in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2). Notwithstanding any contrary provision of the Plan, the Notice of Grant, or of this Agreement, under no circumstances will the Company reimburse you for any taxes or other costs under Section 409A or any other tax law or rule. All such taxes and costs are solely your responsibility.

* * *

This Agreement will be deemed to be signed by you upon the signing by you of the Restricted Stock Unit Grant Notice to which it is attached.

SNAP INC.

2017 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: January 27, 2017
APPROVED BY THE STOCKHOLDERS: February 2, 2017
IPO DATE: _____, 2017

1. GENERAL.

(a) Purpose. The Plan, through the grant of Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate, and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

(b) Eligible Award Recipients. Employees, Directors and Consultants are eligible to receive Awards.

(c) Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options, (ii) Nonstatutory Stock Options, (iii) Stock Appreciation Rights (iv) Restricted Stock Awards, (v) Restricted Stock Unit Awards, (vi) Performance Stock Awards, (vii) Performance Cash Awards, and (viii) Other Stock Awards.

(d) Successor to and Continuation of Prior Plans. The Plan is intended as the successor to and continuation of the Company's 2012 Equity Incentive Plan and 2014 Equity Incentive Plan, each as amended (the "***Prior Plans***"). From and after 12:01 a.m. Pacific Time on the IPO Date, no additional awards may be granted under the Prior Plans other than awards for up to 2,500,000 shares of Class A common stock to employees and consultants of the Company in France (the "***French Sub-Plan Shares***"). All Awards granted on or after 12:01 a.m. Pacific Time on the IPO Date will be granted under this Plan other than the French Sub-Plan Shares. All awards granted under the Prior Plans will remain subject to the terms of the Prior Plans.

(i) Other than the French Sub-Plan Shares any shares in the share reserve of each of the Prior Plans that would otherwise remain available for future grants under the Prior Plans as of 12:01 a.m. Pacific Time on the IPO Date (the "***Prior Plans' Available Reserve***") will cease to be available under the Prior Plans at such time. Instead, a number of shares equal to the Prior Plans' Available Reserve will be added to the Share Reserve (as further described in Section 3(a) below) and will then be immediately available for grants and issuance pursuant to Stock Awards hereunder, up to the maximum number set forth in Section 3(a) below; *provided, however,* that any such shares that are shares of Class B Common Stock shall instead be added to the Share Reserve as shares of Class A Common Stock as described in Section 3(a) below.

(ii) In addition, from and after 12:01 a.m. Pacific Time on the IPO Date, any shares subject to outstanding stock awards granted under the Prior Plans (not including any shares of Common Stock subject to outstanding stock awards as a result of the Common Stock dividend issued by the Company on October 31, 2016) that would, but for the operation of this sentence, subsequently return to the share reserves of the Prior Plans under their terms (the "***Returning Shares***") will not return to the reserves of the Prior Plans, and instead that number of shares equal to the Returning Shares will be added to the Share Reserve (as further described in Section 3(a) below) as and when the share becomes a Returning Share, up to the maximum number set forth in Section 3(a) below; *provided, however,* that any such shares that are shares of Class B Common Stock shall instead be added to the Share Reserve as shares of Class A Common Stock as described in Section 3(a) below.

2. ADMINISTRATION .

(a) Administration by Board. The Board will administer the Plan. The Board may delegate administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine: (A) who will be granted Awards; (B) when and how each Award will be granted; (C) what type of Award will be granted; (D) the provisions of each Award (which need not be identical), including when a person will be permitted to exercise or otherwise receive cash or Common Stock under the Award; (E) the number of shares of Common Stock subject to, or the cash value of, an Award; and (F) the Fair Market Value applicable to a Stock Award.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement or in the written terms of a Performance Cash Award, in a manner and to the extent it will deem necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which an Award may be exercised or vest (or the time at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To suspend or terminate the Plan at any time. Except as otherwise provided in the Plan or an Award Agreement, suspension or termination of the Plan will not materially impair a Participant's rights under the Participant's then-outstanding Award without the Participant's written consent, except as provided in subsection (viii) below.

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or bringing the Plan or Awards granted under the Plan into compliance with the requirements for Incentive Stock Options or ensuring that they are exempt from, or compliant with, the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. If required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially reduces the price at which shares of Common Stock may be issued or purchased under the Plan, (E) materially extends the term of the Plan, or (F) materially expands the types of Awards available for issuance under the Plan. Except as otherwise provided in the Plan or an Award Agreement, no amendment of the Plan will materially impair a Participant's rights under an outstanding Award without the Participant's written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of (A) Section 162(m) of the Code regarding the exclusion of performance-based compensation from the limit on corporate deductibility of compensation paid to Covered Employees, (B) Section 422 of the Code regarding "incentive stock options" or (C) Rule 16b-3.

(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided, however,* that a Participant's rights under any Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Awards without the affected Participant's consent (A) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws or listing requirements.

(ix) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(x) To adopt such rules, procedures and sub-plans related to the operation and administration of the Plan as are necessary or appropriate under local laws and regulations to permit participation in the Plan by Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Award Agreement that are made to ensure or facilitate compliance with the laws or regulations of the relevant foreign jurisdiction).

(xi) To effect, with the consent of any adversely affected Participant, (A) the reduction of the exercise, purchase or strike price of any outstanding Stock Award; (B) the cancellation of any outstanding Stock Award and the grant in substitution therefor of a new (1) Option or SAR, (2) Restricted Stock Award, (3) Restricted Stock Unit Award, (4) Other Stock Award, (5) cash and/or (6) other valuable consideration determined by the Board, in its sole discretion, with any such substituted award (x) covering the same or a different number of shares of Common Stock as the cancelled Stock Award and (y) granted under the Plan or another equity or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee.

(i) General. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee, as applicable). Any delegation of administrative powers will be reflected in resolutions, not inconsistent with the provisions of the Plan, adopted from time to time by the Board or Committee (as applicable). The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in accordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3.

(d) Delegation to an Officer. The Board may delegate to one (1) or more Officers the authority to do one or both of the following (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; *provided, however* , that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value pursuant to Section 13(w)(iii) below.

(e) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. S HARES S UBJECT TO THE P LAN .

(a) Share Reserve. Subject to Section 9(a) relating to Capitalization Adjustments, and the following paragraph regarding the annual increase, the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards will not exceed [_____] shares (the " ***Share Reserve*** "), which number is the sum of (i) 87,270,108 new shares of Common Stock, *plus* (ii) the number of shares of Common Stock subject to the Prior Plans' Available Reserve, in an amount not to exceed [_____] shares, *plus* (iii) a number of shares of Common Stock equal to the number of shares of Class B Common Stock subject to the Prior Plans' Available Reserve, in an amount not to exceed [_____] shares, *plus* (iv) the number of shares of Common Stock that are Returning Shares, as such shares become available from time to time, in an amount not to exceed [_____] shares, *plus* (v) a number of shares of Common Stock equal to the number of shares of Class B Common Stock that are Returning Shares, as such shares become available from time to time, in an amount not to exceed [_____] shares, plus (vi) a maximum of [_____] shares that are added pursuant to the following sentence. With respect to each Returning Share that returns to the Plan pursuant to clauses (iv) and (v) of the prior sentence that was associated with an award that was outstanding under the Prior Plans as of October 31, 2016, an additional share of Common Stock will be added to the Share Reserve, up to a maximum of [_____] shares.

In addition, the Share Reserve will automatically increase on the first day of each fiscal year, for a period of not more than ten years from the date the Plan is approved by the stockholders of the Company, commencing on January 1 in the calendar year following the calendar year in which the IPO Date occurs and ending on (and including) January 1, 2027, in an amount equal to 5% of the total number of shares of Capital Stock outstanding on the last day of the calendar month prior to the date of such automatic increase. Notwithstanding the foregoing, the Board may act prior to the first day of a given fiscal year to provide that there will be no increase in the Share Reserve for such fiscal year or that the increase in the Share Reserve for such year will be a lesser number of shares of Common Stock than

would otherwise occur pursuant to the preceding sentence. For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of shares of Common Stock that may be issued pursuant to the Plan. Accordingly, this Section 3(a) does not limit the granting of Stock Awards except as provided in Section 7(a). Shares may be issued in connection with a merger or acquisition as permitted by NASDAQ Listing Rule 5635(c) or, if applicable, NYSE Listed Company Manual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares available for issuance under the Plan.

(b) Reversion of Shares to the Share Reserve. If a Stock Award or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such Stock Award having been issued or (ii) is settled in cash (*i.e.* , the Participant receives cash rather than stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of shares of Common Stock that may be available for issuance under the Plan. If any shares of Common Stock issued pursuant to a Stock Award are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the Participant, then the shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. Any shares reacquired by the Company in satisfaction of tax withholding obligations on a Stock Award or as consideration for the exercise or purchase price of a Stock Award will again become available for issuance under the Plan.

(c) Incentive Stock Option Limit. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be three times the Share Reserve.

(d) Section 162(m) Limitations . Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, at such time as the Company may be subject to the applicable provisions of Section 162(m) of the Code, the following limitations shall apply.

(i) A maximum of 20,000,000 shares of Common Stock subject to Options, SARs and Other Stock Awards whose value is determined by reference to an increase over an exercise or strike price of at least 100% of the Fair Market Value on the date the Stock Award is granted may be granted to any one Participant during any one calendar year. Notwithstanding the foregoing, if any additional Options, SARs or Other Stock Awards whose value is determined by reference to an increase over an exercise or strike price of at least 100% of the Fair Market Value on the date the Stock Award are granted to any Participant during any calendar year, compensation attributable to the exercise of such additional Stock Awards will not satisfy the requirements to be considered "qualified performance-based compensation" under Section 162(m) of the Code unless such additional Stock Award is approved by the Company's stockholders.

(ii) A maximum of 20,000,000 shares of Common Stock subject to Performance Stock Awards may be granted to any one Participant during any one calendar year (whether the grant, vesting or exercise is contingent upon the attainment during the Performance Period of the Performance Goals).

(iii) A maximum of US$20,000,000 may be granted as a Performance Cash Award to any one Participant during any one calendar year.

(e) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

4. ELIGIBILITY .

(a) Eligibility for Specific Stock Awards . Incentive Stock Options may be granted only to employees of the Company or a "parent corporation" or a "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and 424(f) of the Code). Stock Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants; *provided, however* , that Stock Awards may not be granted to Employees, Directors and Consultants who are providing Continuous Service only to any "parent" of the Company, as such term is defined in Rule 405 of the Securities Act, unless (i) the stock underlying such Stock Awards is treated as "service recipient stock" under Section 409A of the Code (for example, because the Stock Awards are granted pursuant to a corporate transaction such as a spin off transaction), (ii) the Company, in consultation with its legal counsel, has determined that such Stock Awards are otherwise exempt from Section 409A of the Code, or (iii) the Company, in consultation with its legal counsel, has determined that such Stock Awards comply with the distribution requirements of Section 409A of the Code.

(b) Ten Percent Stockholders. A Ten Percent Stockholder will not be granted an Incentive Stock Option unless the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant and the Option is not exercisable after the expiration of five years from the date of grant.

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS .

Each Option or SAR will be in such form and will contain such terms and conditions as the Board deems appropriate. All Options will be separately designated Incentive Stock Options or Nonstatutory Stock Options at the time of grant, and, if certificates are issued, a separate certificate or certificates will be issued for shares of Common Stock purchased on exercise of each type of Option. If an Option is not specifically designated as an Incentive Stock Option, or if an Option is designated as an Incentive Stock Option but some portion or all of the Option fails to qualify as an Incentive Stock Option under the applicable rules, then the Option (or portion thereof) will be a Nonstatutory Stock Option. The provisions of separate Options or SARs need not be identical; *provided, however* , that each Award Agreement will conform to (through incorporation of provisions hereof by reference in the applicable Award Agreement or otherwise) the substance of each of the following provisions:

(a) Term. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten years from the date of its grant or such shorter period specified in the Award Agreement.

(b) Exercise Price. Subject to the provisions of Section 4(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will be not less than 100% of the Fair Market Value of the Common Stock subject to the Option or SAR on the date the Award is granted. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value of the Common Stock subject to the Award if such Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Section 409A and, if applicable, Section 424(a) of the Code. Each SAR will be denominated in shares of Common Stock equivalents.

(c) Purchase Price for Options. The purchase price of Common Stock acquired pursuant to the exercise of an Option may be paid, to the extent permitted by applicable law and as determined by the Board in its sole discretion, by any combination of the methods of payment set forth below. The Board will have the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to use a particular method of payment. The permitted methods of payment are as follows:

(i) by cash, check, bank draft or money order payable to the Company;

(ii) pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock;

(iv) if an Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided, however* , that the Company will accept a cash or other payment from the Participant to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. Shares of Common Stock will no longer be subject to an Option and will not be exercisable thereafter to the extent that (A) shares issuable upon exercise are used to pay the exercise price pursuant to the "net exercise," (B) shares are delivered to the Participant as a result of such exercise, and (C) shares are withheld to satisfy tax withholding obligations; or

(v) in any other form of legal consideration that may be acceptable to the Board and specified in the applicable Award Agreement.

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the provisions of the Stock Appreciation Right Agreement evidencing such SAR. The appreciation distribution payable on the exercise of a SAR will be not greater than an amount equal to the excess of (A) the aggregate Fair Market Value (on the date of the exercise of the SAR) of a number of shares of Common Stock equal to the number of Common Stock equivalents in which the Participant is vested under such SAR, and with respect to which the Participant is exercising the SAR on such date, over (B) the aggregate strike price of the number of Common Stock equivalents with respect to which the Participant is exercising the SAR on such date. The appreciation distribution may be paid in Common Stock, in cash, in any combination of the two or in any other form of consideration, as determined by the Board and contained in the Award Agreement evidencing such SAR.

(e) Transferability of Options and SARs. The Board may, in its sole discretion, impose such limitations on the transferability of Options and SARs as the Board will determine. In the absence of such a determination by the Board to the contrary, the following restrictions on the transferability of Options and SARs will apply:

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

(ii) Domestic Relations Orders. Subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulations Section 1.421-1(b)(2) or comparable local law. If an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(iii) Beneficiary Designation. Subject to the approval of the Board or a duly authorized Officer, a Participant may, by delivering written notice to the Company (or a third party designated by the Company, each a " ***Company Designee*** "), in a form approved by the Company (or a Company Designee), designate a third party who, on the death of the Participant, will thereafter be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, upon the death of the Participant, the executor or administrator of the Participant's estate or the Participant's legal heirs will be entitled to exercise the Option or SAR and receive the Common Stock or other consideration resulting from such exercise. However, the Company may prohibit designation of a beneficiary at any time, including due to any conclusion by the Company that such designation would be inconsistent with the provisions of applicable laws.

(f) Vesting Generally. The total number of shares of Common Stock subject to an Option or SAR may vest and become exercisable in periodic installments that may or may not be equal. The Option or SAR may be subject to such other terms and conditions on the time or times when it may or may not be exercised (which may be based on the satisfaction of Performance Goals or other criteria) as the Board may deem appropriate. The vesting provisions of individual Options or SARs may vary. The provisions of this Section 5(f) are subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date 3 months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time frame, the Option or SAR will terminate.

(h) Extension of Termination Date. If the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of time (that need not be

consecutive) equal to the applicable post termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement. In addition, unless otherwise provided in a Participant's Award Agreement, if the sale of any Common Stock received on exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of a period of months (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date 12 months following such termination of Continuous Service (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

(j) Death of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if (i) a Participant's Continuous Service terminates as a result of the Participant's death, or (ii) the Participant dies within the period (if any) specified in the Award Agreement for exercisability after the termination of the Participant's Continuous Service for a reason other than death, then the Option or SAR may be exercised (x) in its entirety including shares that the Participant was not otherwise entitled to exercise as of the date of termination of Continuous Service in the event of a termination under (i) above, or (y) to the extent the Participant was entitled to exercise such Option or SAR as of the date of death in the event of a termination under (ii) above by the Participant's estate, by a person who acquired the right to exercise the Option or SAR by bequest or inheritance or by a person designated to exercise the Option or SAR upon the Participant's death, but only within the period ending on the earlier of (i) the date 18 months following the date of death (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of such Option or SAR as set forth in the Award Agreement. If, after the Participant's death, the Option or SAR is not exercised within the applicable time frame, the Option or SAR (as applicable) will terminate.

(k) Termination for Cause. Except as explicitly provided otherwise in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon such Participant's termination of Continuous Service, and the Participant will be prohibited from exercising his or her Option or SAR from and after the date of such termination of Continuous Service.

(l) Non-Exempt Employees . If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the U.S. Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Award may vest prior to such date). Consistent with the provisions of the U.S. Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such

term may be defined in the Participant's Award Agreement in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the U.S. Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

6. PROVISIONS OF STOCK AWARDS OTHER THAN OPTIONS AND SARS.

(a) Restricted Stock Awards. Each Restricted Stock Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. To the extent consistent with the Company's bylaws, at the Board's election, shares of Common Stock may be (x) held in book entry form subject to the Company's instructions until any restrictions relating to the Restricted Stock Award lapse; or (y) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. The terms and conditions of Restricted Stock Award Agreements may change from time to time, and the terms and conditions of separate Restricted Stock Award Agreements need not be identical. Each Restricted Stock Award Agreement will conform to (through incorporation of the provisions hereof by reference in the agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. A Restricted Stock Award may be awarded in consideration for (A) cash, check, bank draft or money order payable to the Company, (B) past services to the Company or an Affiliate, or (C) any other form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. Shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

(iii) Termination of Participant's Continuous Service. If a Participant's Continuous Service terminates, the Company may receive through a forfeiture condition or a repurchase right any or all of the shares of Common Stock held by the Participant that have not vested as of the date of termination of Continuous Service under the terms of the Restricted Stock Award Agreement.

(iv) Transferability. Rights to acquire shares of Common Stock under the Restricted Stock Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Restricted Stock Award Agreement, as the Board will determine in its sole discretion, so long as Common Stock awarded under the Restricted Stock Award Agreement remains subject to the terms of the Restricted Stock Award Agreement.

(v) Dividends. A Restricted Stock Award Agreement may provide that any dividends paid on Restricted Stock will be subject to the same vesting and forfeiture restrictions as apply to the shares subject to the Restricted Stock Award to which they relate.

(b) Restricted Stock Unit Awards. Each Restricted Stock Unit Award Agreement will be in such form and will contain such terms and conditions as the Board will deem appropriate. The terms and conditions of Restricted Stock Unit Award Agreements may change from time to time, and the terms

and conditions of separate Restricted Stock Unit Award Agreements need not be identical. Each Restricted Stock Unit Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Agreement or otherwise) the substance of each of the following provisions:

(i) Consideration. At the time of grant of a Restricted Stock Unit Award, the Board will determine the consideration, if any, to be paid by the Participant upon delivery of each share of Common Stock subject to the Restricted Stock Unit Award. The consideration to be paid (if any) by the Participant for each share of Common Stock subject to a Restricted Stock Unit Award may be paid in any form of legal consideration that may be acceptable to the Board, in its sole discretion, and permissible under applicable law.

(ii) Vesting. At the time of the grant of a Restricted Stock Unit Award, the Board may impose such restrictions on or conditions to the vesting of the Restricted Stock Unit Award as it, in its sole discretion, deems appropriate.

(iii) Payment . A Restricted Stock Unit Award may be settled by the delivery of shares of Common Stock, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Board and contained in the Restricted Stock Unit Award Agreement.

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

(v) Dividend Equivalents. Dividend equivalents may be credited in respect of shares of Common Stock covered by a Restricted Stock Unit Award, as determined by the Board and contained in the Restricted Stock Unit Award Agreement. At the sole discretion of the Board, such dividend equivalents may be converted into additional shares of Common Stock covered by the Restricted Stock Unit Award in such manner as determined by the Board. Any additional shares covered by the Restricted Stock Unit Award credited by reason of such dividend equivalents will be subject to all of the same terms and conditions of the underlying Restricted Stock Unit Award Agreement to which they relate.

(vi) Termination of Participant's Continuous Service. Except as otherwise provided in the applicable Restricted Stock Unit Award Agreement, such portion of the Restricted Stock Unit Award that has not vested will be forfeited upon the Participant's termination of Continuous Service.

(c) Performance Awards.

(i) Performance Stock Awards . A Performance Stock Award is a Stock Award (covering a number of shares not in excess of that set forth in Section 3(d) above) that is payable (including that may be granted, may vest or may be exercised) contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Stock Award may, but need not, require the Participant's completion of a specified period of Continuous Service. The length of any Performance Period, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, if not required for compliance with Section 162(m) of the Code, the Board), in its sole discretion. In addition, to the extent permitted by applicable law and the applicable Award Agreement, the Board may determine that cash may be used in payment of Performance Stock Awards.

(ii) Performance Cash Awards . A Performance Cash Award is a cash award (for a dollar value not in excess of that set forth in Section 3(d) above) that is payable contingent upon the attainment during a Performance Period of certain Performance Goals. A Performance Cash Award may also require the completion of a specified period of Continuous Service. At the time of grant of a Performance Cash Award, the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, and the measure of whether and to what degree such Performance Goals have been attained will be conclusively determined by the Committee (or, if not required for compliance with Section 162(m) of the Code, the Board), in its sole discretion. The Board may specify the form of payment of Performance Cash Awards, which may be cash or other property, or may provide for a Participant to have the option for his or her Performance Cash Award, or such portion thereof as the Board may specify, to be paid in whole or in part in cash or other property.

(iii) Board Discretion . The Board retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for a Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Stock Award Agreement or the written terms of a Performance Cash Award.

(iv) Section 162(m) Compliance . Unless otherwise permitted in compliance with the requirements of Section 162(m) of the Code with respect to an Award intended to qualify as "performance-based compensation" thereunder, the Committee will establish the Performance Goals applicable to, and the formula for calculating the amount payable under, the Award no later than the earlier of (a) the date 90 days after the commencement of the applicable Performance Period, and (b) the date on which 25% of the Performance Period has elapsed, and in any event at a time when the achievement of the applicable Performance Goals remains substantially uncertain. Prior to the payment of any compensation under an Award intended to qualify as "performance-based compensation" under Section 162(m) of the Code, the Committee will certify the extent to which any Performance Goals and any other material terms under such Award have been satisfied (other than in cases where such Performance Goals relate solely to the increase in the value of the Common Stock). Notwithstanding satisfaction of, or completion of any Performance Goals, the number of shares of Common Stock, Options, cash or other benefits granted, issued, retainable and/or vested under an Award on account of satisfaction of such Performance Goals may be reduced by the Committee on the basis of such further considerations as the Committee, in its sole discretion, will determine.

(d) Other Stock Awards . Other forms of Stock Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value of the Common Stock at the time of grant) may be granted either alone or in addition to Stock Awards provided for under Section 5 and the preceding provisions of this Section 6. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock Awards and all other terms and conditions of such Other Stock Awards.

7. C OVENANTS OF THE C OMPANY .

(a) Availability of Shares. The Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy then-outstanding Awards.

(b) Compliance with Law. The Company will seek to obtain from each regulatory commission or agency, as necessary, such authority as may be required to grant Stock Awards and to issue and sell shares of Common Stock upon exercise or vesting of the Stock Awards; *provided, however* , that this undertaking will not require the Company to register under the Securities Act or other securities or applicable laws, the Plan, any Stock Award or any Common Stock issued or issuable pursuant to any such Stock Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary or advisable for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise or vesting of such Stock Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent issuance of cash or Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable law.

(c) No Obligation to Notify or Minimize Taxes. The Company will have no duty or obligation to any Participant to advise such holder as to the tax treatment of such Stock Award. Furthermore, the Company will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award.

8. M ISCELLANEOUS .

(a) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Awards will constitute general funds of the Company.

(b) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the papering of the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(c) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to an Award unless and until (i) such Participant has satisfied all requirements for exercise of, or the issuance of shares of Common Stock under, the Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to such Award has been entered into the books and records of the Company.

(d) No Employment or Other Service Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or will affect the right of the Company or an Affiliate to terminate (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state or foreign jurisdiction in which the Company or the Affiliate is domiciled or incorporated, as the case may be.

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(f) Incentive Stock Option Limitations. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds US$100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that such Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(h) Withholding Obligations. Unless prohibited by the terms of an Award Agreement, the Company may, in its sole discretion, satisfy any federal, state or local tax withholding obligation relating to an Award by any of the following means or by a combination of such means through the Company or a Company Designee: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Award; *provided, however,* that no shares of Common Stock are withheld with a value exceeding such amount as may be necessary to avoid classification of the Stock Award as a liability for financial accounting purposes); (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; or (v) by such other method as may be set forth in the Award Agreement.

(i) Electronic Delivery . Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

(j) Deferrals. To the extent permitted by applicable law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may establish programs and procedures for deferral elections to be made by Participants. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Board may provide for distributions while a Participant is still an employee or otherwise providing services to the Company. The Board is authorized to make deferrals of Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's termination of Continuous Service, and implement such other terms and conditions consistent with the provisions of the Plan and in accordance with applicable law.

(k) Compliance with Section 409A of the Code. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(l) Clawback/Recovery . All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of an event constituting Cause. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Company.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments . In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 3(c), (iii) the class(es) and maximum number of securities that may be awarded to any person pursuant to Sections 3(d), and (iv) the class(es) and number of securities and price per share of stock subject to outstanding Stock Awards. The Board will make such adjustments, and its determination will be final, binding and conclusive.

(b) Dissolution or Liquidation . Except as otherwise provided in the Stock Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Stock Awards (other than Stock Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Stock Award is providing Continuous Service; *provided, however* , that the Board may, in its sole discretion, cause some or all Stock Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Stock Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Transaction. The following provisions will apply to Stock Awards in the event of a Transaction unless otherwise provided in the Stock Award Agreement or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of a Stock Award. In the event of a Transaction, then, notwithstanding any other provision of the Plan, the Board may take one or more of the following actions with respect to Stock Awards, contingent upon the closing or completion of the Transaction:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) to assume or continue the Stock Award or to substitute a similar stock award for the Stock Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Company pursuant to the Transaction);

(ii) arrange for the assignment of any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to the Stock Award to the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company);

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five (5) days prior to the effective date of the Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Transaction; *provided, however* , that the Board may require Participants to complete and deliver to the Company a notice of exercise before the effective date of a Transaction, which exercise is contingent upon the effectiveness of such Transaction;

(iv) arrange for the lapse, in whole or in part, of any reacquisition or repurchase rights held by the Company with respect to the Stock Award;

(v) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Transaction, in exchange for such cash consideration or no consideration as the Board, in its sole discretion, may consider appropriate; and

(vi) make a payment, in such form as may be determined by the Board equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Transaction, over (B) any exercise price payable by such holder in connection with such exercise. For clarity, this payment may be zero (US$0) if

the value of the property is equal to or less than the exercise price. Payments under this provision may be delayed to the same extent that payment of consideration to the holders of Common Stock in connection with the Transaction is delayed as a result of escrows, earn outs, holdbacks or any other contingencies.

The Board need not take the same action or actions with respect to all Stock Awards or portions thereof or with respect to all Participants. The Board may take different actions with respect to the vested and unvested portions of a Stock Award.

(d) Change in Control. A Stock Award may be subject to additional acceleration of vesting and exercisability upon or after a Change in Control as may be provided in the Stock Award Agreement for such Stock Award or as may be provided in any other written agreement between the Company or any Affiliate and the Participant, but in the absence of such provision, no such acceleration will occur.

10. P LAN T ERM ; E ARLIER T ERMINATION OR S USPENSION OF THE P LAN .

The Board may suspend or terminate the Plan at any time. No Incentive Stock Options may be granted after the tenth anniversary of the earlier of (i) the date the Plan is adopted by the Board (the " ***Adoption Date*** "), or (ii) the date the Plan is approved by the stockholders of the Company. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

11. E XISTENCE OF THE P LAN ; T IMING OF F IRST G RANT OR E XERCISE .

The Plan will come into existence on the Adoption Date; *provided, however* , that no Award may be granted prior to the IPO Date. In addition, no Stock Award will be exercised (or, in the case of a Restricted Stock Award, Restricted Stock Unit Award, Performance Stock Award, or Other Stock Award, no Stock Award will be granted) and no Performance Cash Award will be settled unless and until the Plan has been approved by the stockholders of the Company, which approval will be within 12 months after the date the Plan is adopted by the Board.

12. C HOICE OF L AW .

The law of the State of Delaware will govern all questions concerning the construction, validity and interpretation of this Plan, without regard to that state's conflict of laws rules.

13. D EFINITIONS . As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) " ***Affiliate*** " means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 of the Securities Act. The Board will have the authority to determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(b) " ***Award*** " means a Stock Award or a Performance Cash Award.

(c) " ***Award Agreement*** " means a written agreement between the Company and a Participant evidencing the terms and conditions of an Award.

(d) " ***Board*** " means the Board of Directors of the Company.

(e) " ***Capital Stock*** " means each and every class of common stock of the Company, regardless of the number of votes per share.

(f) " ***Capitalization Adjustment*** " means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Stock Award after the Adoption Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(g) " ***Cause*** " will have the meaning ascribed to such term in any written agreement between the Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) such Participant's commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States, any state thereof, or any applicable foreign jurisdiction; (ii) such Participant's attempted commission of, or participation in, a fraud or act of dishonesty against the Company or any Affiliate; (iii) such Participant's intentional, material violation of any contract or agreement between the Participant and the Company or any Affiliate or of any statutory duty owed to the Company or any Affiliate; (iv) such Participant's unauthorized use or disclosure of the Company's or any Affiliate's confidential information or trade secrets; or (v) such Participant's gross misconduct. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Company, in its sole discretion. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(h) " ***Change in Control*** " means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control will not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, (C) on account of the acquisition of securities of the Company by any individual who is, on the IPO Date, either an executive officer or a Director (either, an " ***IPO Investor*** ") and/or any entity in which an IPO Investor has a direct or indirect interest (whether in the form of voting rights or participation in profits or capital contributions) of more than 50% (collectively with an IPO Investor, the " ***IPO Entities*** ") or on account of the IPO Entities continuing to hold shares that come to represent more than 50% of the combined voting power of the Company's then outstanding securities as a result of the conversion of any class of the Company's securities into another class of the Company's securities having a different number of votes per share pursuant to the conversion provisions set forth in the Company's Amended and Restated Certificate of Incorporation; or (D) solely because the level of Ownership held by any Exchange Act Person (the " ***Subject Person*** ") exceeds the designated percentage threshold of the outstanding voting securities as a result of the conversion of another stockholder's voting securities or a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the

Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control will be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction; *provided, however* , that a merger, consolidation or similar transaction will not constitute a Change in Control under this prong of the definition if the outstanding voting securities representing more than 50% of the combined voting power of the surviving Entity or its parent are owned by the IPO Entities;

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; *provided, however* , that a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries will not constitute a Change in Control under this prong of the definition if the outstanding voting securities representing more than 50% of the combined voting power of the acquiring Entity or its parent are owned by the IPO Entities; or

(iv) individuals who, on the date the Plan is adopted by the Board, are members of the Board (the " ***Incumbent Board*** ") cease for any reason to constitute at least a majority of the members of the Board; *provided, however* , that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board.

Notwithstanding the foregoing definition or any other provision of the Plan, the term Change in Control will not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company and the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant will supersede the foregoing definition with respect to Awards subject to such agreement; *provided, however* , that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition will apply. To the extent required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder). The Board may, in its sole discretion and without a Participant's consent, amend the definition of "Change in Control" to conform to the definition of "Change in Control" under Section 409A of the Code, and the regulations thereunder.

(i) ***"Class A Common Stock"*** means the Class A common stock of the Company.

(j) ***"Class B Common Stock"*** means the Class B common stock of the Company.

(k) " ***Code*** " means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(l) " ***Committee*** " means a committee of one or more Directors to whom authority has been delegated by the Board in accordance with Section 2(c).

(m) " ***Common Stock*** " means, as of the IPO Date, the Class A Common Stock.

(n) " ***Company*** " means Snap Inc., a Delaware corporation.

(o) " ***Consultant*** " means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

(p) " ***Continuous Service*** " means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however* , that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law. In addition, to the extent required for exemption from or compliance with Section 409A of the Code, the determination of whether there has been a termination of Continuous Service will be made, and such term will be construed, in a manner that is consistent with the definition of "separation from service" as defined under Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder).

(q) " ***Corporate Transaction*** " means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board, in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

If required for compliance with Section 409A of the Code, in no event will a Corporate Transaction be deemed to have occurred if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(r) " ***Covered Employee*** " will have the meaning provided in Section 162(m)(3) of the Code.

(s) " ***Director*** " means a member of the Board.

(t) " ***Disability*** " means, with respect to a Participant, the inability of such Participant to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months, as provided in Sections 22(e)(3) and 409A(a)(2)(c)(i) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(u) " ***Employee*** " means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(v) " ***Entity*** " means a corporation, partnership, limited liability company or other entity.

(w) " ***Exchange Act*** " means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(x) " ***Exchange Act Person*** " means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the IPO Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

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

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be, unless otherwise determined by the Board, the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

(z) " ***Incentive Stock Option*** " means an option granted pursuant to Section 5 of the Plan that is intended to be, and qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(aa) " ***IPO Date*** " means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(bb) " ***Non-Employee Director*** " means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act (" ***Regulation S-K*** ")), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K; or (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

(cc) " ***Nonstatutory Stock Option*** " means any Option granted pursuant to Section 5 of the Plan that does not qualify as an Incentive Stock Option.

(dd) " ***Officer*** " means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(ee) " ***Option*** " means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(ff) " ***Option Agreement*** " means a written agreement between the Company and an Optionholder evidencing the terms and conditions of an Option grant. Each Option Agreement will be subject to the terms and conditions of the Plan.

(gg) " ***Optionholder*** " means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(hh) " ***Other Stock Award*** " means an award based in whole or in part by reference to the Common Stock which is granted pursuant to the terms and conditions of Section 6(d).

(ii) " ***Other Stock Award Agreement*** " means a written agreement between the Company and a holder of an Other Stock Award evidencing the terms and conditions of an Other Stock Award grant. Each Other Stock Award Agreement will be subject to the terms and conditions of the Plan.

(jj) " ***Outside Director*** " means a Director who either (i) is not a current employee of the Company or an "affiliated corporation" (within the meaning of Treasury Regulations promulgated under Section 162(m) of the Code), is not a former employee of the Company or an "affiliated corporation" who receives compensation for prior services (other than benefits under a tax-qualified retirement plan) during the taxable year, has not been an officer of the Company or an "affiliated corporation," and does not receive remuneration from the Company or an "affiliated corporation," either directly or indirectly, in any capacity other than as a Director, or (ii) is otherwise considered an "outside director" for purposes of Section 162(m) of the Code.

(kk) " ***Own,*** " " ***Owned,*** " " ***Owner,*** " " ***Ownership*** " means a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(ll) " ***Participant*** " means a person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Stock Award.

(mm) " ***Performance Cash Award*** " means an award of cash granted pursuant to the terms and conditions of Section 6(c)(ii).

(nn) " ***Performance Criteria*** " means the one or more criteria that the Board or Committee (as applicable) will select for purposes of establishing the Performance Goals for a Performance Period. The Performance Criteria that will be used to establish such Performance Goals may be based on any one of, or combination of, the following as determined by the Board or Committee (as applicable): (i) earnings (including earnings per share and net earnings); (ii) earnings before interest, taxes and depreciation; (iii) earnings before interest, taxes, depreciation and amortization; (iv) earnings before interest, taxes, depreciation, amortization and legal settlements; (v) earnings before interest, taxes, depreciation, amortization, legal settlements and other income (expense); (vi) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense) and stock-based compensation; (vii) earnings before interest, taxes, depreciation, amortization, legal settlements, other income (expense), stock-based compensation and changes in deferred revenue; (viii) total stockholder return; (ix) return on equity or average stockholder's equity; (x) return on assets, investment, or capital employed; (xi) stock price; (xii) margin (including gross margin); (xiii) income (before or after taxes); (xiv) operating income; (xv) operating income after taxes; (xvi) pre-tax profit; (xvii) operating cash flow; (xviii) sales or revenue targets; (xix) increases in revenue or product revenue; (xx) expenses and cost reduction goals; (xxi) improvement in or attainment of working capital levels; (xxii) economic value added (or an equivalent metric); (xxiii) market share; (xxiv) cash flow; (xxv) cash flow per share; (xxvi) share price performance; (xxvii) debt reduction; (xxviii) implementation or completion of projects or processes; (xxix) stockholders' equity; (xxx) capital expenditures; (xxxi) debt levels; (xxxii) operating profit or net operating profit; (xxxiii) workforce diversity; (xxxiv) growth of net income or operating income; (xxxv) billings; (xxxvi) bookings; (xxxvii) employee retention; (xxxviii) user satisfaction; (xxxix) the number of users, including but not limited to unique users; (xl) budget management; (xli) partner satisfaction; (xlii) entry into or completion of strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property); and (xliii) to the extent that an Award is not intended to comply with Section 162(m) of the Code, other measures of performance selected by the Board.

(oo) " ***Performance Goals*** " means, for a Performance Period, the one or more goals established by the Board or Committee (as applicable) for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the Board or Committee (as applicable) (i) in the Award Agreement at the time the Award is granted or (ii) in such other document setting forth the Performance Goals at the time the Performance Goals are established, the Board or Committee (as applicable) will appropriately make adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by the Company achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of common stock of the Company by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under the Company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, the Board or Committee (as applicable) retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Stock Award Agreement or the written terms of a Performance Cash Award.

(pp) " ***Performance Period*** " means the period of time selected by the Board or Committee (as applicable) over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to and the payment of a Stock Award or a Performance Cash Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Board or Committee (as applicable).

(qq) " ***Performance Stock Award*** " means a Stock Award granted under the terms and conditions of Section 6(c)(i).

(rr) " ***Plan*** " means this Snap Inc. 2017 Equity Incentive Plan, as it may be amended.

(ss) " ***Restricted Stock Award*** " means an award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(a).

(tt) " ***Restricted Stock Award Agreement*** " means a written agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(uu) " ***Restricted Stock Unit Award*** " means a right to receive shares of Common Stock which is granted pursuant to the terms and conditions of Section 6(b).

(vv) " ***Restricted Stock Unit Award Agreement*** " means a written agreement between the Company and a holder of a Restricted Stock Unit Award evidencing the terms and conditions of a Restricted Stock Unit Award grant. Each Restricted Stock Unit Award Agreement will be subject to the terms and conditions of the Plan.

(ww) " ***Rule 16b-3*** " means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(xx) " ***Securities Act*** " means the U.S. Securities Act of 1933, as amended.

(yy) " ***Stock Appreciation Right*** " or " ***SAR*** " means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 5.

(zz) " ***Stock Appreciation Right Agreement*** " means a written agreement between the Company and a holder of a Stock Appreciation Right evidencing the terms and conditions of a Stock Appreciation Right grant. Each Stock Appreciation Right Agreement will be subject to the terms and conditions of the Plan.

(aaa) " ***Stock Award*** " means any right to receive Common Stock granted under the Plan, including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, a Restricted Stock Unit Award, a Stock Appreciation Right, a Performance Stock Award or any Other Stock Award.

(bbb) " ***Stock Award Agreement*** " means a written agreement between the Company and a Participant evidencing the terms and conditions of a Stock Award grant. Each Stock Award Agreement will be subject to the terms and conditions of the Plan.

(ccc) " ***Subsidiary*** " means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(ddd) " ***Ten Percent Stockholder*** " means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

(eee) " ***Transaction*** " means a Corporate Transaction or a Change in Control.

Exhibit 10.9

SNAP INC.
STOCK OPTION GRANT NOTICE
(2017 EQUITY INCENTIVE PLAN)

Snap Inc. (the "***Company***"), pursuant to its 2017 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below (the "***Award***"). This Award is subject to all of the terms and conditions as set forth in this notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in the Award and the Plan, the terms of the Plan will control.

Optionholder:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Shares Subject to Option:	_____
Exercise Price (Per Share):	_____
Expiration Date:	_____

Type of Grant: ☐ Incentive Stock Option ☐ Nonstatutory Stock Option

Exercise Schedule: Same as Vesting Schedule

Vesting Schedule: [_____]

Payment: By one or a combination of the following items (described in the Option Agreement):

☐ By cash, check, bank draft or money order payable to the Company

☐ Pursuant to a Regulation T Program if the shares are publicly traded

☐ By delivery of already-owned shares if the shares are publicly traded

☐ If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this Award and supersede all prior oral and written agreements, promises and representations on that subject with the exception, if applicable, of (i) equity awards previously granted and delivered to Optionholder, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law, and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

By accepting this Award, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

S NAP I NC .

By: _____
Signature

Title: _____

Date: _____

O PTIONHOLDER :

_____
Signature

Date: _____

A TTACHMENTS : Option Agreement, 2017 Equity Incentive Plan and Notice of Exercise

SNAP INC.
2017 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Snap Inc. (the "***Company***") has granted you an option under its 2017 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan. The details of your option, in addition to those set forth in the Grant Notice and the Plan, are as follows:

1. VESTING. Subject to the provisions contained herein, your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share in your Grant Notice will be adjusted for Capitalization Adjustments.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

4. METHOD OF PAYMENT. You must pay the full amount of the exercise price for the shares you wish to exercise. You may pay the exercise price in cash or by check, bank draft or money order payable to the Company or in any other manner ***permitted by your Grant Notice,*** which may include one or more of the following:

(a) Provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds. This manner of payment is also known as a "broker-assisted exercise", "same day sale", or "sell to cover".

(b) Provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise. "Delivery" for these purposes, in the sole discretion

of the Company at the time you exercise your option, will include delivery to the Company of your attestation of ownership of such shares of Common Stock in a form approved by the Company. You may not exercise your option by delivery to the Company of Common Stock if doing so would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock.

(c) If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price. You must pay any remaining balance of the aggregate exercise price not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

5. WHOLE SHARES. You may exercise your option only for whole shares of Common Stock.

6. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

7. TERM. You may not exercise your option before the Date of Grant or after the expiration of the option's term. The term of your option expires, subject to the provisions of Sections 5(h) and 9(c) of the Plan, upon the earliest of the following:

(a) immediately upon the termination of your Continuous Service for Cause;

(b) three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 7(d) below); *provided, however,* that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further,* that if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

(c) twelve (12) months after the termination of your Continuous Service due to your Disability (except as otherwise provided in Section 7(d)) below;

(d) eighteen (18) months after your death if you die either during your Continuous Service or within three (3) months after your Continuous Service terminates for any reason other than Cause;

(e) the Expiration Date indicated in your Grant Notice; or

(f) the day before the tenth (10th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

8. E XERCISE .

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (i) the exercise of your option, (ii) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (iii) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the Date of Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

(d) [By exercising your option you agree that you will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2241 or any successor or similar rules or regulation (the " ***Lock-Up Period*** "); *provided* , *however* , that nothing contained in this Section will prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. You also agree that any transferee of any shares of Common Stock (or other securities) of the Company held by you will be bound by this Section 8(d). The underwriters of the Company's stock are intended third party beneficiaries of this Section 8(d) and will have the right, power and authority to enforce the provisions hereof as though they were a party hereto.] [1]

1 For inclusion only in any grants made during lock-up period.

9. TRANSFERABILITY. Except as otherwise provided in this Section 9, your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you.

(a) Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

(b) Domestic Relations Orders. Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your option pursuant to the terms of a domestic relations order, official marital settlement agreement or other divorce or separation instrument as permitted by Treasury Regulation 1.421-1(b)(2) that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this option with the Company prior to finalizing the domestic relations order or marital settlement agreement to help ensure the required information is contained within the domestic relations order or marital settlement agreement. If this option is an Incentive Stock Option, this option may be deemed to be a Nonstatutory Stock Option as a result of such transfer.

(c) Beneficiary Designation. Upon receiving written permission from the Board or its duly authorized designee, you may , by delivering written notice to the Company, in a form approved by the Company and any broker designated by the Company to handle option exercises, designate a third party who, on your death, will thereafter be entitled to exercise this option and receive the Common Stock or other consideration resulting from such exercise. In the absence of such a designation, your executor or administrator of your estate will be entitled to exercise this option and receive, on behalf of your estate, the Common Stock or other consideration resulting from such exercise.

10. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective shareholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

11. WITHHOLDING OBLIGATIONS.

(a) At the time you exercise your option, in whole or in part, and at any time thereafter as requested by the Company, you hereby authorize withholding from payroll and any other amounts payable to you, and otherwise agree to make adequate provision for (including by means of a "same day sale" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board to the extent permitted by the Company), any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise of your option.

(b) If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock having a Fair Market Value, determined by the Company as of the date of exercise, not in excess of the minimum amount of tax required to be withheld by law (or such lower amount as may be necessary to avoid classification of your option as a liability for financial accounting purposes). Notwithstanding the filing of such election, shares of Common Stock will be withheld solely from fully vested shares of Common Stock determined as of the date of exercise of your option that are otherwise issuable to you upon such exercise. Any adverse consequences to you arising in connection with such share withholding procedure will be your sole responsibility.

(c) You may not exercise your option unless the tax withholding obligations of the Company and any Affiliate are satisfied. Accordingly, you may not be able to exercise your option when desired even though your option is vested, and the Company will have no obligation to issue a certificate for such shares of Common Stock or release such shares of Common Stock from any escrow provided for herein, if applicable, unless such obligations are satisfied.

12. T AX C ONSEQUENCES . You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option.

13. N OTICES . Any notices provided for in your option or the Plan will be given in writing (including electronically) and will be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. The Company may, in its sole discretion, decide to deliver any documents related to participation in the Plan and this option by electronic means or to request your consent to participate in the Plan by electronic means. By accepting this option, you consent to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

14. G OVERNING P LAN D OCUMENT . Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control. In addition, your option (and any compensation paid or shares issued under your option) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to voluntarily terminate employment upon a resignation for "good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

15. O THER D OCUMENTS . You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

16. E FFECT ON O THER E MPLOYEE B ENEFIT P LANS . The value of this option will not be included as compensation, earnings, salaries, or other similar terms used when calculating your benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

17. V OTING R IGHTS . You will not have voting or any other rights as a shareholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a shareholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

18. S EVERABILITY . If all or any part of this Option Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Option Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Option Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

19. M ISCELLANEOUS .

(a) The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

(b) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your option.

(c) You acknowledge and agree that you have reviewed your option in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your option, and fully understand all provisions of your option.

(d) This Option Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(e) All obligations of the Company under the Plan and this Option Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and assets of the Company.

* * *

This Option Agreement will be deemed to be signed by you upon the signing by you of the Grant Notice to which it is attached.

NOTICE OF EXERCISE

Snap Inc.
Attention: Stock Plan Administrator

Date of Exercise: _____

This constitutes notice to Snap Inc. (the " ***Company*** ") under my stock option that I elect to purchase the below number of shares of Common Stock of the Company (the " ***Shares*** ") for the price set forth below.

Type of option (check one):	Incentive ☐	Nonstatutory ☐
Stock option dated:	_____	_____
Number of Shares as to which option is exercised:	_____	_____
Certificates to be issued in name of:	_____	_____
Total exercise price:	$_____	$_____
Cash payment delivered herewith:	$_____	$_____
[Value of _____Shares delivered herewith [1] :	$_____	$_____]
[Value of _____Shares pursuant to net exercise [2] :	$_____	$_____]
[Regulation T Program (cashless exercise):	$_____	$_____] [3]

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Snap Inc. 2017 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an Incentive Stock Option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

---

1 Shares must meet the public trading requirements set forth in the option. Shares must be valued in accordance with the terms of the option being exercised, and must be owned free and clear of any liens, claims, encumbrances or security interests. Certificates must be endorsed or accompanied by an executed assignment separate from certificate.

2 The option must be a Nonstatutory Stock Option, and the Company must have established net exercise procedures at the time of exercise, in order to utilize this payment method.

3 Delete bracketed methods of payment that are not provided for in the grant notice.

[I further agree that, if required by the Company (or a representative of the underwriters) in connection with the first underwritten registration of the offering of any securities of the Company under the Securities Act, I will not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale with respect to any shares of Common Stock or other securities of the Company for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act (or such longer period as the underwriters or the Company will request to facilitate compliance with FINRA Rule 2241 or any successor or similar rule or regulation) (the "***Lock-Up Period***"). I further agree to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop transfer instructions with respect to securities subject to the foregoing restrictions until the end of such period.] [4]

Very truly yours,

_____

Name: _____

4 For inclusion only in any grants made during lock-up period.

Exhibit 10.10

SNAP INC.
RESTRICTED STOCK UNIT GRANT NOTICE
(2017 EQUITY INCENTIVE PLAN)

Snap Inc. (the "***Company***"), pursuant to its 2017 Equity Incentive Plan (the "***Plan***"), hereby awards to Participant a Restricted Stock Unit Award for the number of shares of the Company's Common Stock ("***Restricted Stock Units***") set forth below (the "***Award***"). The Award is subject to all of the terms and conditions as set forth in this notice of grant (this "***Restricted Stock Unit Grant Notice***") and in the Plan and the Restricted Stock Unit Agreement (the "***Award Agreement***"), both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not otherwise defined herein will have the meanings set forth in the Plan or the Award Agreement. In the event of any conflict between the terms in the Award and the Plan, the terms of the Plan will control.

Participant:	_____
Date of Grant:	_____
Vesting Commencement Date:	_____
Number of Restricted Stock Units/Shares:	_____

Vesting Schedule: [_____]

Issuance Schedule: [_____]

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan. Participant acknowledges and agrees that this Restricted Stock Unit Grant Notice and the Award Agreement may not be modified, amended or revised except as provided in the Plan. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Award Agreement and the Plan set forth the entire understanding between Participant and the Company regarding the acquisition of Common Stock pursuant to the Award and supersede all prior oral and written agreements on that subject with the exception, if applicable, of (i) equity awards previously granted and delivered to Participant, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law, and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this Award upon the terms and conditions set forth therein.

By accepting this Award, Participant consents to receive such documents by electronic delivery and to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

SNAP INC.

By: _____
Signature

Title: _____

Date: _____

ATTACHMENTS: Award Agreement, 2017 Equity Incentive Plan

PARTICIPANT

_____
Signature

Date: _____

SNAP INC.
2017 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AGREEMENT

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Agreement (the "***Award Agreement***") and in consideration of your services, Snap Inc. (the "***Company***") has awarded you ("***Participant***") a Restricted Stock Unit Award (the "***Award***") pursuant to Section 11 of the Company's 2017 Equity Incentive Plan (the "***Plan***") for the number of Restricted Stock Units/shares indicated in the Grant Notice. Capitalized terms not explicitly defined in this Award Agreement or the Grant Notice will have the same meanings given to them in the Plan. The terms of your Award, in addition to those set forth in the Grant Notice and the Plan, are as follows.

1. GRANT OF THE AWARD. This Award represents the right to be issued on a future date one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 below) as indicated in the Grant Notice. As of the Date of Grant, the Company will credit to a bookkeeping account maintained by the Company for your benefit (the "***Account***") the number of Restricted Stock Units/shares of Common Stock subject to the Award. This Award was granted in consideration of your services to the Company. Except as otherwise provided herein, you will not be required to make any payment to the Company or an Affiliate (other than services to the Company or an Affiliate) with respect to your receipt of the Award, the vesting of the Stock Units or the delivery of the Company's Common Stock to be issued in respect of the Award. Notwithstanding the foregoing, the Company reserves the right to issue you the cash equivalent of Common Stock, in part or in full satisfaction of the delivery of Common Stock upon vesting of your Stock Units, and, to the extent applicable, references in this Award Agreement and the Grant Notice to Common Stock issuable in connection with your Stock Units will include the potential issuance of its cash equivalent pursuant to such right.

2. VESTING. Subject to the limitations contained herein, your Award will vest, if at all, in accordance with the vesting schedule provided in the Grant Notice, provided that vesting will cease upon the termination of your Continuous Service. Upon such termination of your Continuous Service, the Restricted Stock Units/shares of Common Stock credited to the Account that were not vested on the date of such termination will be forfeited at no cost to the Company and you will have no further right, title or interest in or to such underlying shares of Common Stock.

3. NUMBER OF SHARES. The number of Restricted Stock Units/shares subject to your Award may be adjusted from time to time for Capitalization Adjustments, as provided in the Plan. Any additional Restricted Stock Units, shares, cash or other property that becomes subject to the Award pursuant to this Section 3, if any, will be subject, in a manner determined by the Board, to the same forfeiture restrictions, restrictions on transferability, and time and manner of delivery as applicable to the other Restricted Stock Units and shares covered by your Award. Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Common Stock will be created pursuant to this Section 3. Any fraction of a share will be rounded down to the nearest whole share.

4. SECURITIES LAW COMPLIANCE. You may not be issued any Common Stock under your Award unless the shares of Common Stock underlying the Restricted Stock Units are either (i) then registered under the Securities Act, or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Your Award must also comply with other applicable laws and regulations governing the Award, and you will not receive such Common Stock if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. T RANSFER R ESTRICTIONS . Prior to the time that shares of Common Stock have been delivered to you, you may not transfer, pledge, sell or otherwise dispose of this Award or the shares issuable in respect of your Award, except as expressly provided in this Section 5. For example, you may not use shares that may be issued in respect of your Restricted Stock Units as security for a loan. The restrictions on transfer set forth herein will lapse upon delivery to you of shares in respect of your vested Restricted Stock Units. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, will thereafter be entitled to receive any distribution of Common Stock to which you were entitled at the time of your death pursuant to this Award Agreement. In the absence of such a designation, your legal representative will be entitled to receive, on behalf of your estate, such Common Stock or other consideration.

(a) **Death** . Your Award is transferable by will and by the laws of descent and distribution. At your death, vesting of your Award will cease and your executor or administrator of your estate will be entitled to receive, on behalf of your estate, any Common Stock or other consideration that vested but was not issued before your death.

(b) **Domestic Relations Orders.** Upon receiving written permission from the Board or its duly authorized designee, and provided that you and the designated transferee enter into transfer and other agreements required by the Company, you may transfer your right to receive the distribution of Common Stock or other consideration hereunder, pursuant to a domestic relations order, official marital settlement agreement or other divorce or separation instrument that contains the information required by the Company to effectuate the transfer. You are encouraged to discuss the proposed terms of any division of this Award with the Company General Counsel prior to finalizing the domestic relations order or marital settlement agreement to verify that you may make such transfer, and if so, to help ensure the required information is contained within the domestic relations order or marital settlement agreement.

6. D ATE OF I SSUANCE .

(a) The issuance of shares in respect of the Restricted Stock Units is intended to comply with Treasury Regulations Section 1.409A-1(b)(4) and will be construed and administered in such a manner. Subject to the satisfaction of the withholding obligations set forth in this Award Agreement, in the event one or more Restricted Stock Units vests, the Company will issue to you one (1) share of Common Stock for each Restricted Stock Unit that vests on the applicable vesting date(s) (subject to any adjustment under Section 3 above, and subject to any different provisions in the Grant Notice). The issuance date determined by this paragraph is referred to as the " ***Original Issuance Date*** ".

(b) If the Original Issuance Date falls on a date that is not a business day, delivery will instead occur on the next following business day. In addition, if:

(i) the Original Issuance Date does not occur (1) during an "open window period" applicable to you, as determined by the Company in accordance with the Company's then-effective policy on trading in Company securities, or (2) on a date when you are otherwise permitted to sell shares of Common Stock on an established stock exchange or stock market (including but not limited to under a previously established written trading plan that meets the requirements of Rule 10b5-1 under the Exchange Act and was entered into in compliance with the Company's policies (a " ***10b5-1 Plan*** ")), *and*

(ii) either (1) Withholding Taxes do not apply, or (2) the Company decides, prior to the Original Issuance Date, (A) not to satisfy the Withholding Taxes by withholding shares of Common Stock from the shares otherwise due, on the Original Issuance Date, to you under this Award,

and (B) not to permit you to enter into a "same day sale" commitment with a broker-dealer pursuant to Section 11 of this Agreement (including but not limited to a commitment under a 10b5-1 Plan) and (C) not to permit you to pay the Withholding Taxes in cash or from other compensation otherwise payable to you by the Company,

then the shares that would otherwise be issued to you on the Original Issuance Date will not be delivered on such Original Issuance Date and will instead be delivered on the first business day when you are not prohibited from selling shares of the Company's Common Stock in the open public market, but in no event later than December 31 of the calendar year in which the Original Issuance Date occurs (that is, the last day of your taxable year in which the Original Issuance Date occurs), or, if and only if permitted in a manner that complies with Treasury Regulations Section 1.409A-1(b)(4), no later than the date that is the 15th day of the third calendar month of the applicable year following the year in which the shares of Common Stock under this Award are no longer subject to a "substantial risk of forfeiture" within the meaning of Treasury Regulations Section 1.409A-1(d).

(c) The form of delivery of the shares of Common Stock in respect of your Award (*e.g.* , a stock certificate or electronic entry evidencing such shares) will be determined by the Company.

7. D IVIDENDS . You will receive no benefit or adjustment to your Award with respect to any cash dividend, stock dividend or other distribution that does not result from a Capitalization Adjustment; provided, however, that this sentence will not apply with respect to any shares of Common Stock that are delivered to you in connection with your Award after such shares have been delivered to you.

8. R ESTRICTIVE L EGENDS . The shares of Common Stock issued under your Award will be endorsed with appropriate legends as determined by the Company.

9. E XECUTION OF D OCUMENTS . You hereby acknowledge and agree that the manner selected by the Company by which you indicate your consent to your Grant Notice is also deemed to be your execution of your Grant Notice and of this Award Agreement. You further agree that such manner of indicating consent may be relied upon as your signature for establishing your execution of any documents to be executed in the future in connection with your Award.

10. A WARD NOT A S ERVICE C ONTRACT .

(a) Your Continuous Service with the Company or an Affiliate is not for any specified term and may be terminated by you or by the Company or an Affiliate at any time, for any reason, with or without cause and with or without notice. Nothing in this Award Agreement (including, but not limited to, the vesting of your Award or the issuance of the shares subject to your Award), the Plan or any covenant of good faith and fair dealing that may be found implicit in this Award Agreement or the Plan will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company or an Affiliate; (ii) constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Award Agreement or the Plan unless such right or benefit has specifically accrued under the terms of this Award Agreement or Plan; or (iv) deprive the Company of the right to terminate you at will and without regard to any future vesting opportunity that you may have.

(b) By accepting this Award, you acknowledge and agree that the right to continue vesting in the Award is earned only by continuing as an employee, director or consultant at the will of the Company or an Affiliate and that the Company has the right to reorganize, sell, spin-out or otherwise restructure one or more of its businesses or Affiliates at any time or from time to time, as it deems

appropriate (a " ***reorganization*** "). You further acknowledge and agree that such a reorganization could result in the termination of your Continuous Service, or the termination of Affiliate status of your employer and the loss of benefits available to you under this Award Agreement, including but not limited to, the termination of the right to continue vesting in the Award. You further acknowledge and agree that this Award Agreement, the Plan, the transactions contemplated hereunder and the vesting schedule set forth herein or any covenant of good faith and fair dealing that may be found implicit in any of them do not constitute an express or implied promise of continued engagement as an employee or consultant for the term of this Award Agreement, for any period, or at all, and will not interfere in any way with your right or the right of the Company or an Affiliate to terminate your Continuous Service at any time, with or without cause and with or without notice, and will not interfere in any way with the Company's right to conduct a reorganization.

11. W ITHHOLDING O BLIGATIONS .

(a) On each vesting date, and on or before the time you receive a distribution of the shares underlying your Restricted Stock Units, and at any other time as reasonably requested by the Company in accordance with applicable tax laws, you hereby authorize any required withholding from the Common Stock issuable to you and otherwise agree to make adequate provision in cash for any sums required to satisfy the federal, state, local and foreign tax withholding obligations of the Company or any Affiliate that arise in connection with your Award (the " ***Withholding Taxes*** "). Additionally, the Company or any Affiliate may, in its sole discretion, satisfy all or any portion of the Withholding Taxes obligation relating to your Award by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company or an Affiliate; (ii) causing you to tender a cash payment; (iii) permitting or requiring you to enter into a "same day sale" commitment, if applicable, with a broker-dealer that is a member of the Financial Industry Regulatory Authority (a " ***FINRA Dealer*** ") (pursuant to this authorization and without further consent) whereby you irrevocably elect to sell a portion of the shares to be delivered in connection with your Restricted Stock Units to satisfy the Withholding Taxes and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Withholding Taxes directly to the Company and its Affiliates; or (iv) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to you in connection with the Award with a Fair Market Value (measured as of the date shares of Common Stock are issued to you pursuant to Section 6) equal to the amount of such Withholding Taxes; *provided* , *however* , that the number of such shares of Common Stock so withheld will not exceed the amount necessary to satisfy the Company's required tax withholding obligations using the minimum statutory withholding rates for federal, state, local and, if applicable, foreign tax purposes, including payroll taxes, that are applicable to supplemental taxable income; and *provided further* , that to the extent necessary to qualify for an exemption from application of Section 16(b) of the Exchange Act, if applicable, such share withholding procedure will be subject to the express prior approval of the Company's Compensation Committee. However, the Company does not guarantee that you will be able to satisfy the Withholding Taxes through any of the methods described in the preceding provisions and in all circumstances you remain responsible for timely and fully satisfying the Withholding Taxes.

(b) Unless the tax withholding obligations of the Company and any Affiliate are satisfied, the Company will have no obligation to deliver to you any Common Stock or other consideration pursuant to this Award.

(c) In the event the Company's obligation to withhold arises prior to the delivery to you of Common Stock or it is determined after the delivery of Common Stock to you that the amount of the Company's withholding obligation was greater than the amount withheld by the Company, you agree to indemnify and hold the Company harmless from any failure by the Company to withhold the proper amount.

12. TAX CONSEQUENCES . The Company has no duty or obligation to minimize the tax consequences to you of this Award and will not be liable to you for any adverse tax consequences to you arising in connection with this Award. You are hereby advised to consult with your own personal tax, financial and legal advisors regarding the tax consequences of this Award and by signing the Grant Notice, you have agreed that you have done so or knowingly and voluntarily declined to do so. You understand that you (and not the Company) will be responsible for your own tax liability that may arise as a result of this investment or the transactions contemplated by this Award Agreement.

13. UNSECURED OBLIGATION . Your Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares or other property pursuant to this Award Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Award Agreement until such shares are issued to you pursuant to Section 6 of this Award Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Award Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

14. NOTICES . Any notice or request required or permitted hereunder will be given in writing to each of the other parties hereto and will be deemed effectively given on the earlier of (i) the date of personal delivery, including delivery by express courier, or delivery via electronic means, or (ii) the date that is five (5) days after deposit in the United States Post Office (whether or not actually received by the addressee), by registered or certified mail with postage and fees prepaid, addressed to the Company at its primary executive offices, attention: Stock Plan Administrator, and addressed to you at your address as on file with the Company at the time notice is given.

15. HEADINGS . The headings of the Sections in this Award Agreement are inserted for convenience only and will not be deemed to constitute a part of this Award Agreement or to affect the meaning of this Award Agreement.

16. ADDITIONAL ACKNOWLEDGEMENTS . You hereby consent and acknowledge that:

(a) Participation in the Plan is voluntary and therefore you must accept the terms and conditions of the Plan and this Award Agreement and Grant Notice as a condition to participating in the Plan and receipt of this Award. This Award and any other awards under the Plan are voluntary and occasional and do not create any contractual or other right to receive future awards or other benefits in lieu of future awards, even if similar awards have been granted repeatedly in the past. All determinations with respect to any such future awards, including, but not limited to, the time or times when such awards are made, the size of such awards and performance and other conditions applied to the awards, will be at the sole discretion of the Company.

(b) The future value of your Award is unknown and cannot be predicted with certainty. You do not have, and will not assert, any claim or entitlement to compensation, indemnity or damages arising from the termination of this Award or diminution in value of this Award and you irrevocably release the Company, its Affiliates and, if applicable, your employer, if different from the Company, from any such claim that may arise.

(c) The rights and obligations of the Company under your Award will be transferable by the Company to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by, the Company's successors and assigns.

(d) You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of your Award.

(e) You acknowledge and agree that you have reviewed your Award in its entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting your Award and fully understand all provisions of your Award.

(f) This Award Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(g) All obligations of the Company under the Plan and this Award Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and assets of the Company.

17. GOVERNING PLAN DOCUMENT . Your Award is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your Award, and is further subject to all interpretations, amendments, rules and regulations which may from time to time be promulgated and adopted pursuant to the Plan. Your Award (and any compensation paid or shares issued under your Award) is subject to recoupment in accordance with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law. No recovery of compensation under such a clawback policy will be an event giving rise to a right to voluntarily terminate employment upon a resignation for "good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

18. EFFECT ON OTHER EMPLOYEE BENEFIT PLANS . The value of the Award subject to this Award Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating benefits under any employee benefit plan (other than the Plan) sponsored by the Company or any Affiliate except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any or all of the employee benefit plans of the Company or any Affiliate.

19. CHOICE OF LAW . The interpretation, performance and enforcement of this Award Agreement will be governed by the law of the State of Delaware without regard to that state's conflicts of laws rules.

20. SEVERABILITY . If all or any part of this Award Agreement or the Plan is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Award Agreement or the Plan not declared to be unlawful or invalid. Any Section of this Award Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

21. OTHER DOCUMENTS . You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

22. AMENDMENT. This Award Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company. Notwithstanding the foregoing, this Award Agreement may be amended solely by the Board by a writing which specifically states that it is amending this Award Agreement, so long as a copy of such amendment is delivered to you, and provided that, except as otherwise expressly provided in the Plan, no such amendment materially adversely affecting your rights hereunder may be made without your written consent. Without limiting the foregoing, the Board reserves the right to change, by written notice to you, the provisions of this Award Agreement in any way it may deem necessary or advisable to carry out the purpose of the Award as a result of any change in applicable laws or regulations or any future law, regulation, ruling, or judicial decision, provided that any such change will be applicable only to rights relating to that portion of the Award which is then subject to restrictions as provided herein.

23. COMPLIANCE WITH SECTION 409A OF THE CODE. This Award is intended to comply with the "short-term deferral" rule set forth in Treasury Regulation Section 1.409A-1(b)(4). Notwithstanding the foregoing, if it is determined that the Award fails to satisfy the requirements of the short-term deferral rule and is otherwise deferred compensation subject to Section 409A, and if you are a "Specified Employee" (within the meaning set forth in Section 409A(a)(2)(B)(i) of the Code) as of the date of your "separation from service" (within the meaning of Treasury Regulation Section 1.409A-1(h) and without regard to any alternative definition thereunder), then the issuance of any shares that would otherwise be made upon the date of the separation from service or within the first six (6) months thereafter will not be made on the originally scheduled date(s) and will instead be issued in a lump sum on the earlier of: (i) the fifth business day following your death, or (ii) the date that is six (6) months and one day after the date of the separation from service, with the balance of the shares issued thereafter in accordance with the original vesting and issuance schedule set forth above, but if and only if such delay in the issuance of the shares is necessary to avoid the imposition of adverse taxation on you in respect of the shares under Section 409A of the Code. Each installment of shares that vests is intended to constitute a "separate payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2).

* * * * *

This Award Agreement will be deemed to be signed by the Company and the Participant upon the signing or electronic acceptance by the Participant of the Restricted Stock Unit Grant Notice to which it is attached.

Exhibit 10.11

SNAP INC.

2017 EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: JANUARY 27, 2017
APPROVED BY THE STOCKHOLDERS: February 2, 2017

1. GENERAL; PURPOSE.

(a) The Plan provides a means by which Eligible Employees of the Company and certain Designated Companies may be given an opportunity to purchase shares of Common Stock. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees under an Employee Stock Purchase Plan.

(b) The Company, by means of the Plan, seeks to retain the services of such Employees, to secure and retain the services of new Employees and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Related Corporations and Affiliates.

(c) The Plan includes two components: a 423 Component and a Non-423 Component. The Company intends (but makes no undertaking or representation to maintain) the 423 Component to qualify as an Employee Stock Purchase Plan. The provisions of the 423 Component, accordingly, will be construed in a manner that is consistent with the requirements of Section 423 of the Code. In addition, this Plan authorizes grants of Purchase Rights under the Non-423 Component that do not meet the requirements of an Employee Stock Purchase Plan. Except as otherwise provided in the Plan or determined by the Board, the Non-423 Component will operate and be administered in the same manner as the 423 Component. In addition, the Company may make separate Offerings which vary in terms (provided that such terms are not inconsistent with the provisions of the Plan or the requirements of an Employee Stock Purchase Plan), and the Company will designate which Designated Company is participating in each separate Offering.

2. ADMINISTRATION.

(a) The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine how and when Purchase Rights will be granted and the provisions of each Offering (which need not be identical).

(ii) To designate from time to time which Related Corporations of the Company will be eligible to participate in the Plan as Designated 423 Corporations or as Designated Non-423 Corporations, which Affiliates may be excluded from participation in the Plan, and which Designated Companies will participate in each separate Offering (to the extent that the Company makes separate Offerings).

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may

correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights granted under the Plan.

(v) To suspend or terminate the Plan at any time as provided in Section 12.

(vi) To amend the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company, its Related Corporations, and Affiliates and to carry out the intent that the 423 Component be treated as an Employee Stock Purchase Plan.

(viii) To adopt such rules, procedures and sub-plans relating to the operation and administration of the Plan as are necessary or appropriate under applicable local laws, regulations and procedures to permit or facilitate participation in the Plan by Employees who are foreign nationals or employed or located outside the United States. Without limiting the generality of, but consistent with, the foregoing, the Board specifically is authorized to adopt rules, procedures, and sub-plans, which, for purposes of the Non-423 Component, may be beyond the scope of Section 423 of the Code, regarding, without limitation, eligibility to participate in the Plan, handling and making of Contributions, establishment of bank or trust accounts to hold Contributions, payment of interest, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of share issuances, any of which may vary according to applicable requirements.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee, the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

(d) All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES OF COMMON STOCK SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 11(a) relating to Capitalization Adjustments, the maximum number of shares of Common Stock that may be issued under the Plan will not exceed 16,484,690 shares of Common Stock, plus the number of shares of Common Stock that are automatically added commencing on January 1 of each year for a period of up to ten years, commencing on January 1 in the calendar year following the calendar year in which the IPO Date occurs and ending on (and including) January 1, 2027, in an amount equal to the lesser of (i) 1% of the total number of shares of Common Stock outstanding on the last day of the calendar month prior to the date of such automatic increase, and

(ii) 15,000,000 shares of Common Stock. Notwithstanding the foregoing, the Board may act prior to the first day of any fiscal year to provide that there will be no January 1st increase in the share reserve for such fiscal year or that the increase in the share reserve for such fiscal year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence.

(b) If any Purchase Right granted under the Plan terminates without having been exercised in full, the shares of Common Stock not purchased under such Purchase Right will again become available for issuance under the Plan.

(c) The stock purchasable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market.

4. GRANT OF PURCHASE RIGHTS; OFFERING.

(a) The Board may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering (consisting of one or more Purchase Periods) on an Offering Date or Offering Dates selected by the Board. Each Offering will be in such form and will contain such terms and conditions as the Board will deem appropriate, and, with respect to the 423 Component, will comply with the requirement of Section 423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges. The terms and conditions of an Offering will be incorporated by reference into the Plan and treated as part of the Plan. The provisions of separate Offerings need not be identical, but each Offering will include (through incorporation of the provisions of this Plan by reference in the Offering Document or otherwise) the period during which the Offering will be effective, which period will not exceed 27 months beginning with the Offering Date, and the substance of the provisions contained in Sections 5 through 8, inclusive.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless he or she otherwise indicates in forms delivered to the Company: (i) each form will apply to all of his or her Purchase Rights under the Plan, and (ii) a Purchase Right with a lower exercise price (or an earlier-granted Purchase Right, if different Purchase Rights have identical exercise prices) will be exercised to the fullest possible extent before a Purchase Right with a higher exercise price (or a later-granted Purchase Right if different Purchase Rights have identical exercise prices) will be exercised.

(c) The Board will have the discretion to structure an Offering so that if the Fair Market Value of a share of Common Stock on the first Trading Day of a new Purchase Period within that Offering is less than or equal to the Fair Market Value of a share of Common Stock on the Offering Date for that Offering, then (i) that Offering will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering will be automatically enrolled in a new Offering beginning on the first Trading Day of such new Purchase Period.

5. ELIGIBILITY.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation or an Affiliate. Except as provided in Section 5(b), an Employee will not be eligible to be granted Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company, a Related Corporation, or an Affiliate, as the case may be, for such continuous period preceding such Offering Date as the Board may require, but in no event will the required period of continuous employment be equal to or greater than two years. In addition, the Board may provide that no Employee will be eligible to be granted Purchase Rights under the Plan unless, on the Offering Date, such Employee's customary employment with the Company, the Related Corporation, or the Affiliate, as applicable, is more than 20 hours per week and more than five months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code.

(b) The Board may provide that each person who, during the course of an Offering, first becomes an Eligible Employee will, on a date or dates specified in the Offering which coincides with the day on which such person becomes an Eligible Employee or which occurs thereafter, receive a Purchase Right under that Offering, which Purchase Right will thereafter be deemed to be a part of that Offering. Such Purchase Right will have the same characteristics as any Purchase Rights originally granted under that Offering, as described herein, except that:

(i) the date on which such Purchase Right is granted will be the "Offering Date" of such Purchase Right for all purposes, including determination of the exercise price of such Purchase Right;

(ii) the period of the Offering with respect to such Purchase Right will begin on its Offering Date and end coincident with the end of such Offering; and

(iii) the Board may provide that if such person first becomes an Eligible Employee within a specified period of time before the end of the Offering, he or she will not receive any Purchase Right under that Offering.

(c) No Employee will be eligible for the grant of any Purchase Rights if, immediately after any such Purchase Rights are granted, such Employee owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company or of any Related Corporation. For purposes of this Section 5(c), the rules of Section 424(d) of the Code will apply in determining the stock ownership of any Employee, and stock which such Employee may purchase under all outstanding Purchase Rights and options will be treated as stock owned by such Employee.

(d) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights only if such Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations or Affiliates, do not permit such Eligible Employee's rights to purchase stock of the Company or any Related Corporation or Affiliates to accrue at a rate which, when aggregated, exceeds U.S. $25,000 of Fair Market Value of such stock (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(e) Officers of the Company and any Designated Company, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code will not be eligible to participate.

6. PURCHASE RIGHTS; PURCHASE PRICE.

(a) On each Offering Date, each Eligible Employee, pursuant to an Offering made under the Plan, will be granted a Purchase Right to purchase up to that number of shares of Common Stock (rounded down to the nearest whole share) purchasable either with a percentage or with a maximum dollar amount, as designated by the Board, but in either case not exceeding 30% of such Employee's earnings (as defined by the Board in each Offering) during the period that begins on the Offering Date (or such later date as the Board determines for a particular Offering) and ends on the date stated in the Offering, which date will be no later than the end of the Offering.

(b) The Board will establish one or more Purchase Dates during an Offering on which Purchase Rights granted for that Offering will be exercised and shares of Common Stock will be purchased in accordance with such Offering.

(c) In connection with each Offering made under the Plan, the Board may specify (i) a maximum number of shares of Common Stock that may be purchased by any Participant on any Purchase Date during such Offering, (ii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants pursuant to such Offering, and (iii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants on any Purchase Date under the Offering. If the aggregate purchase of shares of Common Stock issuable on exercise of Purchase Rights granted under the Offering would exceed any such maximum aggregate number, then, in the absence of any Board action otherwise, a pro rata (based on each Participant's accumulated Contributions) allocation of the shares of Common Stock (rounded down to the nearest whole share) available will be made in as nearly a uniform manner as will be practicable and equitable.

(d) The purchase price of shares of Common Stock acquired pursuant to Purchase Rights will be not less than the lesser of:

(i) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the Offering Date; or

(ii) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the applicable Purchase Date.

7. P ARTICIPATION ; W ITHDRAWAL ; T ERMINATION .

(a) An Eligible Employee may elect to authorize payroll deductions as the means of making Contributions by completing and delivering to the Company, within the time specified in the Offering, an enrollment form provided by the Company or any third party designated by the Company (each, a " ***Company Designee*** "). The enrollment form will specify the amount of Contributions not to exceed the maximum amount specified by the Board. Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where applicable laws or regulations require that Contributions be deposited with a Company Designee or otherwise be segregated. If permitted in the Offering, a Participant may begin such Contributions with the first payroll occurring on or after the Offering Date (or, in the case of a payroll date that occurs after the end of the prior Offering but before the Offering Date of the next new Offering, Contributions from such payroll will be included in the new Offering). If permitted in the Offering, a Participant may thereafter reduce (including to zero) or increase his or her Contributions. If required under applicable laws or regulations or if specifically provided in the Offering, in addition to or instead of making Contributions by payroll deductions, a Participant may make Contributions through a payment by cash, check, or wire transfer prior to a Purchase Date, in a manner directed by the Company or a Company Designee.

(b) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company or a Company Designee a withdrawal form provided by the Company. The Company may impose a deadline before a Purchase Date for withdrawing. On such withdrawal, such Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute as soon as practicable to such Participant all of his or her accumulated but unused Contributions and such Participant's Purchase Right in that Offering will then terminate. A Participant's withdrawal from that Offering will have no effect on his or her eligibility to participate in any other Offerings under the Plan, but such Participant will be required to deliver a new enrollment form to participate in subsequent Offerings.

(c) Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason, or (ii) is otherwise no longer eligible to participate. As soon as practicable, the Company will distribute to such individual all of his or her accumulated but unused Contributions.

(d) During a Participant's lifetime, Purchase Rights will be exercisable only by such Participant. Purchase Rights are not transferable by a Participant, except by will, by the laws of descent and distribution, or, if permitted by the Company, by a beneficiary designation as described in Section 10.

(e) Unless otherwise specified in the Offering, the Company will have no obligation to pay interest on Contributions.

8. EXERCISE OF PURCHASE RIGHTS.

(a) On each Purchase Date, each Participant's accumulated Contributions will be applied to the purchase of shares of Common Stock (rounded down to the nearest whole share), up to the maximum number of shares of Common Stock permitted by the Plan and the applicable Offering, at the purchase price specified in the Offering. No fractional shares will be issued unless specifically provided for in the Offering.

(b) Unless otherwise provided in the Offering, if any amount of accumulated Contributions remains in a Participant's account after the purchase of shares of Common Stock on a Purchase Date in an Offering, then such remaining amount will be distributed to such Participant as soon as practicable after the applicable Purchase Date, without interest.

(c) No Purchase Rights may be exercised to any extent unless the shares of Common Stock to be issued on such exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable U.S. federal and state, foreign and other securities, exchange control, and other laws applicable to the Plan. If on a Purchase Date the shares of Common Stock are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on such Purchase Date, and the Purchase Date will be delayed until the shares of Common Stock are subject to such an effective registration statement and the Plan is in material compliance, except that the Purchase Date will in no event be more than 6 months from the Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the shares of Common Stock are not registered and the Plan is not in material compliance with all applicable laws or regulations, as determined by the Company in its sole discretion, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed as soon as practicable to the Participants without interest.

9. COVENANTS OF THE COMPANY.

The Company will seek to obtain from each U.S. federal or state, foreign or other regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell shares of Common Stock thereunder unless the Company determines, in its sole discretion, that doing so would cause the Company to incur costs that are unreasonable. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Common Stock under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights or to issue and sell Common Stock on exercise of such Purchase Rights.

10. DESIGNATION OF BENEFICIARY.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any shares of Common Stock or Contributions from the Participant's account under the Plan if the Participant dies before such shares or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change such designation of beneficiary. Any such designation or change must be on a form approved by the Company or as approved by the Company for use by a Company Designee.

(b) If a Participant dies, in the absence of a valid beneficiary designation, the Company will deliver any shares of Common Stock and Contributions to the executor or administrator of the estate of the Participant. If no executor or administrator has been appointed (to the knowledge of the Company), the Company, in its sole discretion, may deliver such shares of Common Stock and Contributions, without interest, to the Participant's spouse, dependents or relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. ADJUSTMENTS ON CHANGES IN COMMON STOCK; CORPORATE TRANSACTIONS.

(a) In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights, and (iv) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding, and conclusive.

(b) In the event of a Corporate Transaction, then: (i) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue outstanding Purchase Rights or may substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue such Purchase Rights or does not substitute similar rights for such Purchase Rights, then the Participants' accumulated Contributions will be used to purchase shares of Common Stock (rounded down to the nearest whole share) within ten business days prior to the Corporate Transaction under the outstanding Purchase Rights, and the Purchase Rights will terminate immediately after such purchase.

12. AMENDMENT, TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, stockholder approval will be required for any amendment of the Plan for which stockholder approval is required by applicable laws, regulations or listing requirements, including any amendment that either (i) materially increases the number of shares of Common Stock available for issuance under the Plan, (ii) materially expands the class of individuals eligible to become Participants and receive Purchase Rights, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at which shares of Common Stock may be purchased under the Plan, (iv) materially extends the term of the Plan, or (v) expands the types of awards available for issuance under the Plan, but in each of (i) through (v) above only to the extent stockholder approval is required by applicable laws, regulations, or listing requirements.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements, and obligations under any outstanding Purchase Rights granted before an amendment, suspension, or termination of the Plan will not be materially impaired by any such amendment, suspension, or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to comply with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including without limitation any such regulations or other guidance that may be issued or amended after the date the Plan is adopted by the Board, or (iii) as necessary to obtain or maintain any special tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right or the 423 Component complies with the requirements of Section 423 of the Code.

13. SECTION 409A OF THE CODE; TAX QUALIFICATION.

(a) Purchase Rights granted under the 423 Component are intended to be exempt from the application of Section 409A of the Code under U.S. Treasury Regulation Section 1.409A-1(b)(5)(ii). Purchase Rights granted under the Non-423 Component to U.S. taxpayers are intended to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities will be construed and interpreted in accordance with such intent. Subject to Section 13(b) below, Purchase Rights granted to U.S. taxpayers under the Non-423 Component will be subject to such terms and conditions that will permit such Purchase Rights to satisfy the requirements of the short-term deferral exception available under Section 409A of the Code, including the requirement that the shares subject to a Purchase Right be delivered within the short-term deferral period. Subject to Section 13(b) below, in the case of a Participant who would otherwise be subject to Section 409A of the Code, to the extent the Board determines that a Purchase Right or the exercise, payment, settlement, or deferral thereof is subject to Section 409A of the Code, the Purchase Right will be granted, exercised, paid, settled, or deferred in a manner that will comply with Section 409A of the Code, including U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including, without limitation, any such regulations or other guidance that may be issued after the adoption of the Plan. Notwithstanding the foregoing, the Company will have no liability to a Participant or any other party if the Purchase Right that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Board with respect thereto.

(b) Although the Company may endeavor to (i) qualify a Purchase Right for special tax treatment under the laws of the United States or jurisdictions outside of the United States, or (ii) avoid adverse tax treatment (*e.g.* , under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain special or to avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan, including Section 13(a) above. The Company will be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants under the Plan.

14. EFFECTIVE DATE OF PLAN.

The Plan will become effective immediately prior to and contingent on the IPO Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a) above, materially amended) by the Board.

15. MISCELLANEOUS PROVISIONS.

(a) Proceeds from the sale of shares of Common Stock pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, shares of Common Stock subject to Purchase Rights unless and until the Participant's shares of Common Stock acquired on exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at-will nature of a Participant's employment, if applicable, or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ of the Company, a Related Corporation, or an Affiliate, or on the part of the Company, a Related Corporation, or an Affiliate to continue the employment of a Participant.

(d) The provisions of the Plan will be governed by the laws of the State of Delaware without resort to that state's conflicts of laws rules.

(e) If any particular provision of the Plan is found to be invalid or otherwise unenforceable, such provision will not affect the other provisions of the Plan, but the Plan will be construed in all respects as if such invalid provision were omitted.

(f) If any provision of the Plan does not comply with applicable law or regulations, such provision will be construed in such a manner as to comply with applicable law or regulations.

16. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***423 Component***" means the part of the Plan, which excludes the Non-423 Component, pursuant to which Purchase Rights that satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.

(b) "***Affiliate***" means any entity, other than a Related Corporation, in which the Company has an equity or other ownership interest or that is directly or indirectly controlled by, controls, or is under common control with the Company, in all cases, as determined by the Board, whether now or hereafter existing.

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

(d) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or other similar equity restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(e) " ***Code*** " means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder .

(f) " ***Committee*** " means a committee of one or more members of the Board to whom authority has been delegated by the Board in accordance with Section 2(c).

(g) " ***Common Stock*** " means, as of the IPO Date, the Class A common stock of the Company.

(h) " ***Company*** " means Snap Inc., a Delaware corporation.

(i) ***"Contributions*** " means the payroll deductions or other payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already contributed the maximum permitted amount of payroll deductions and other payments during the Offering.

(j) " ***Corporate Transaction*** " means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least 90% of the outstanding securities of the Company;

(iii) a merger, consolidation, or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(k) " ***Designated 423 Corporation*** " means any Related Corporation selected by the Board as participating in the 423 Component.

(l) " ***Designated Company*** " means any Designated Non-423 Corporation or Designated 423 Corporation, provided, however, that at any given time, a Related Corporation participating in the 423 Component will not be a Related Corporation participating in the Non-423 Component.

(m) " ***Designated Non-423 Corporation*** " means any Related Corporation or Affiliate selected by the Board as participating in the Non-423 Component.

(n) " ***Director*** " means a member of the Board.

(o) " ***Eligible Employee*** " means an Employee who meets the requirements set forth in the document(s) governing the Offering for eligibility to participate in the Offering, provided that such Employee also meets the requirements for eligibility to participate set forth in the Plan.

(p) " ***Employee*** " means any person, including an Officer or Director, who is treated as an employee in the records of the Company or a Related Corporation (including an Affiliate). However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(q) " ***Employee Stock Purchase Plan*** " means a plan that grants Purchase Rights intended to be options issued under an "employee stock purchase plan," as that term is defined in Section 423(b) of the Code.

(r) " ***Exchange Act*** " means the U.S. Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder.

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

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in such source as the Board deems reliable. Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(ii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith in compliance with applicable laws and regulations and in a manner that complies with Sections 409A of the Code.

(iii) Notwithstanding the foregoing, for any Offering that commences on the IPO Date, the Fair Market Value of the shares of Common Stock on the Offering Date will be the price per share at which shares are first sold to the public in the Company's initial public offering as specified in the final prospectus for that initial public offering.

(t) " ***IPO Date*** " means the date of the underwriting agreement between the Company and the underwriters managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(u) " ***Non-423 Component*** " means the part of the Plan, which excludes the 423 Component, pursuant to which Purchase Rights that are not intended to satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.

(v) " ***Offering*** " means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods. The terms and conditions of an Offering will generally be set forth in the " ***Offering Document*** " approved by the Board for that Offering.

(w) " ***Offering Date*** " means a date selected by the Board for an Offering to commence.

(x) " ***Officer*** " means a person who is an officer of the Company or a Related Corporation or Affiliate within the meaning of Section 16 of the Exchange Act.

(y) " ***Participant*** " means an Eligible Employee who holds an outstanding Purchase Right.

(z) " ***Plan*** " means this Snap Inc. 2017 Employee Stock Purchase Plan, including both the 423 Component and the Non-423 Component, as amended from time to time.

(aa) " ***Purchase Date*** " means one or more dates during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with such Offering.

(bb) " ***Purchase Period*** " means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date, and ending on a Purchase Date. An Offering may consist of one or more Purchase Periods.

(cc) " ***Purchase Right*** " means an option to purchase shares of Common Stock granted pursuant to the Plan.

(dd) " ***Related Corporation*** " means any "parent corporation" or "subsidiary corporation" of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(ee) " ***Securities Act*** " means the U.S. Securities Act of 1933, as amended.

(ff) " ***Trading Day*** " means any day on which the exchange or market on which shares of Common Stock are listed, including but not limited to the NYSE, Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market, or any successors thereto, is open for trading.

Exhibit 10.12

SNAP INC.
INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT (the "***Agreement***") is made and entered into as of _____, between Snap Inc., a Delaware corporation (the "***Company***"), and _____("***Indemnitee***").

RECITALS

A. Highly competent persons have become more reluctant to serve corporations as directors or officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

B. Although furnishing of insurance to protect persons serving a corporation and its subsidiaries from certain liabilities has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers, and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself. The Bylaws and Certificate of Incorporation of the Company require indemnification of the officers and directors of the Company. Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware ("***DGCL***"). The Bylaws, Certificate of Incorporation, and the DGCL expressly provide that their respective indemnification provisions are not exclusive, and contemplate that contracts may be entered into between the Company and members of the Board, officers, and other persons with respect to indemnification;

C. The uncertainties relating to such liability insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

D. The Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company's stockholders, and that the Company should act to assure such persons that there will be increased certainty of protection in the future;

E. It is reasonable, prudent, and necessary for the Company to contractually obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

F. This Agreement is a supplement to and in furtherance of the Company's Bylaws and Certificate of Incorporation and any resolutions adopted pursuant to such indemnification, and will not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee;

G. Indemnitee does not regard the protection available under the Company's Bylaws and Certificate of Incorporation and insurance as adequate in the present circumstances, and may not be willing to serve as an officer or director without adequate protection, and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve, and to take on additional service for or on behalf of the Company on the condition that he or she be so indemnified; and

H. Indemnitee may have certain rights to indemnification and insurance provided by other entities or organizations which Indemnitee and such other entities and organizations intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided in this Agreement, with the Company's acknowledgement and agreement to the foregoing being a material condition to Indemnitee's willingness to serve on the Board.

I. This Agreement supersedes and replaces in its entirety any previous indemnification agreement entered into between the Company and the Indemnitee.

N OW , T HEREFORE , in consideration of Indemnitee's agreement to serve as an officer or a director from and after the date first written above, the parties agree as follows:

1. Indemnity of Indemnitee . The Company agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time in accordance with the terms of this Agreement. In furtherance of the this indemnification, and without limiting the generality of such indemnification:

(a) Proceedings Other Than Proceedings by or in the Right of the Company . Indemnitee will be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of his or her Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), Indemnitee will be indemnified against all Expenses, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her, or on his or her behalf, in connection with such Proceeding or any claim, issue, or matter. This indemnification is provided if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful.

(b) Proceedings by or in the Right of the Company . Indemnitee will be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of his or her Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee will be indemnified against all Expenses actually and reasonably incurred by the Indemnitee, or on the Indemnitee's behalf, in connection with such Proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Company. Indemnification will not be provided against such Expenses if made in respect of any claim, issue, or matter in such Proceeding as to which Indemnitee will have been adjudged to be liable to the Company unless and to the extent that the Court of Chancery of the State of Delaware will determine that such indemnification may be made.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful . Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he or she will be indemnified to the maximum extent permitted by law against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection with each successfully resolved claim, issue, or matter. For purposes of this Section, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, will be deemed to be a successful result as to such claim, issue, or matter.

2. Additional Indemnity . In addition to, and without regard to any limitations on, the indemnification provided for in Section 1, the Company indemnifies and hold Indemnitee harmless against all Expenses, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by him or her or on his or her behalf if, by reason of his or her Corporate Status, he or she is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, any and all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. The only limitation that will exist on the Company's obligations pursuant to this Agreement will be that the Company will not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, in Sections 6 and 7) to be unlawful.

3. Contribution .

(a) Whether or not the indemnification provided in Sections 1 and 2 is available, in respect of any threatened, pending, or completed action, suit, or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit, or proceeding), the Company will pay, in the first instance, the entire amount of any judgment or settlement of such action, suit, or proceeding without requiring Indemnitee to contribute to such payment, and the Company waives and relinquishes any right of contribution it may have against Indemnitee. The Company will not enter into any settlement of any action, suit, or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit, or proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee. The Company will not settle any action or claim in a manner that would impose any penalty or admission of guilt or liability on Indemnitee without Indemnitee's written consent.

(b) Without diminishing or impairing the obligations of the Company in the preceding subparagraph, if Indemnitee elects or is required to pay all or any portion of any judgment or settlement in any threatened, pending, or completed action, suit, or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit, or proceeding), the Company will contribute to the amount of Expenses, judgments, fines, and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors, or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit, or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such action, suit or proceeding arose. To the extent necessary to conform to law, the proportion determined on the basis of relative benefit may be further adjusted by reference to the relative fault of the Company and all officers, directors, or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such expenses, judgments, fines, or settlement amounts, as well as any other equitable considerations which the applicable law may require to be considered. The relative fault of the Company and all officers, directors, or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, will be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary, and the degree to which their respective conduct is active or passive.

(c) The Company agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by the Company's officers, directors, or employees, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, will contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding to reflect: (i) the relative benefits received by the Company and Indemnitee as a result of the events and transactions giving cause to such Proceeding; and (ii) the relative fault of the Company (and its directors, officers, employees, and agents) and Indemnitee in connection with such events and transactions.

4. Indemnification for Expenses of a Witness . Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his or her Corporate Status, a witness, or is made (or asked) to respond to discovery requests, in any Proceeding to which Indemnitee is not a party, he or she will be indemnified against all Expenses actually and reasonably incurred by him or her or on his or her behalf in connection therewith.

5. Advancement of Expenses . Notwithstanding any other provision of this Agreement, the Company will advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within 30 days after the receipt by the Company of a statement from Indemnitee requesting such advance or advances, whether prior to or after final disposition of such Proceeding. Such statement will reasonably evidence the Expenses incurred by Indemnitee and will include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it is ultimately determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 5 will be unsecured and interest free.

6. Procedures and Presumptions for Determination of Entitlement to Indemnification . It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the DGCL and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions will apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee will submit to the Company a written request with such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company will, promptly on receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such request to the Company, or to provide such a request in a timely fashion, will not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) On written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a), determining Indemnitee's entitlement will be made in the specific case by one of the following four methods, which will be at the election of the Board:

(i) by a majority vote of the Disinterested Directors, even though less than quorum;

(ii) by a committee of Disinterested Directors designated by a majority of the Disinterested Directors, even though less than quorum;

(iii) if there are no Disinterested Directors or if the Disinterested Directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which will be delivered to the Indemnitee; or

(iv) if so directed by the Board, by the stockholders of the Company.

Disinterested Directors are those members of the Board who are not parties to the action, suit, or proceeding that indemnification is sought by Indemnitee.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(b), the Independent Counsel will be selected as provided in this Section 6(c). The Independent Counsel will be selected by the Board and notify the Indemnitee by written notice. Within 10 days after such notice has been given, Indemnitee may deliver the Company a written objection to such selection. But, that objection may only be asserted on the ground that the Independent Counsel does not meet the requirements of " ***Independent Counsel*** " as defined in Section 13, and the objection will include with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected will act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If no Independent Counsel will have been selected and not objected to within 20 days after

submission by Indemnitee of a written request for indemnification pursuant to Section 6(a), either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which made by the Indemnitee to the Company's selection of Independent Counsel or for the appointment of a person selected by the court or by such other person as the court designates to serve as Independent Counsel. The person with respect to whom all objections are so resolved or the person so appointed will act as Independent Counsel under Section 6(b). The Company will pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b), and the Company will pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed. In no event will Indemnitee be liable for fees and expenses incurred by such Independent Counsel, subject to the limitations on indemnification set forth herein.

(d) In making a determination with respect to entitlement to indemnification under this Agreement, the person or persons or entity making such determination will presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including by its Board or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its Board or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, will be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee will be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and actions, or failure to act, of any director, officer, agent, or employee of the Enterprise will not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it will in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Company. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the person, persons, or entity empowered or selected under Section 6 to determine whether Indemnitee is entitled to indemnification has not have made a determination within 60 days after receipt by the Company of the request, the requisite determination of entitlement to indemnification will be deemed to have been made, and Indemnitee will be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact or an omission of a material fact necessary to make Indemnitee's statement not materially misleading in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law. Such 60-day period may be extended for a reasonable time, not to exceed an additional 30 days, if the person, persons, or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation or information relating thereto. The provisions of this Section 6(f) will not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) and if (A) within 15 days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting to be held within 75 days after such receipt, and such determination is made at that annual meeting, or (B) a special meeting of stockholders is called within 15 days after such receipt for the purpose of making such determination, such meeting is held for such purpose within 60 days after having been so called and such determination is made at that annual meeting.

(g) Indemnitee will cooperate with the person, persons. or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing such person, persons, or entity on 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. Any Independent Counsel, member of the Board, or stockholder of the Company will act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons, or entity making such determination will be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification), and the Company indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption, and uncertainty. In the event that any action, claim, or proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration) it will be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit, or proceeding. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue, or matter in any Proceeding, by judgment, order, settlement or conviction, or on a plea of nolo contendere or its equivalent, will not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

7. Remedies of Indemnitee .

(a) In the event that (i) a determination is made pursuant to Section 6 that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) within 90 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to this Agreement within 10 days after receipt by the Company of a written request for such payment, or (v) payment of indemnification is not made within 10 days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6, Indemnitee will be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification. Indemnitee will commence such proceeding seeking an adjudication within 1 year following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a). The Company will not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination has been made pursuant to Section 6(b) that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 will be conducted in all respects as a de novo trial on the merits, and Indemnitee will not be prejudiced by reason of the adverse determination under Section 6(b).

(c) If a determination has been made pursuant to Section 6(b) that Indemnitee is entitled to indemnification, the Company will be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of his or her rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company will pay on his or her behalf, in advance, any and all expenses (of the types described in the definition of Expenses) actually and reasonably incurred by him or her in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses, or insurance recovery.

(e) The Company will be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding, and enforceable, and will stipulate in any such court that the Company is bound by all the provisions of this Agreement. The Company will indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, will (within 10 days after receipt by the Company of a written request therefore) advance, to the extent not prohibited by law, such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses, or insurance recovery, as the case may be.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement will be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; Insurance; Primacy of Indemnification; Subrogation .

(a) The rights of indemnification as provided by this Agreement will not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the Bylaws, any agreement, a vote of stockholders, a resolution of Board, or otherwise. No amendment, alteration, or repeal of this Agreement or of any provision of this Agreement will limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration, or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Certificate of Incorporation, Bylaws, and this Agreement, it is the intent of the parties of this Agreement that Indemnitee will enjoy all greater benefits so afforded by such change. No right or remedy in this Agreement conferred is intended to be exclusive of any other right or remedy, and every other right and remedy will be cumulative and in addition to every other right and remedy given under this Agreement or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy under this Agreement, or otherwise, will not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents, or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise that such person serves at the request of the Company, the Company will procure such insurance policy or policies under which the Indemnitee will be covered in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent, or fiduciary under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms of this Agreement, the Company has director and officer liability insurance in effect, the Company will give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures in the respective policies. The Company will thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) The Company acknowledges that Indemnitee has or may have in the future certain rights to indemnification, advancement of expenses, or insurance provided by other entities or

organizations (collectively, the " ***Secondary Indemnitors*** "). The Company agrees that (i) it is the indemnitor of first resort (i.e., its obligations to Indemnitee are primary and any obligation of the Secondary Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) it will be required to advance the full amount of expenses incurred by Indemnitee and will 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 terms of this Agreement, the Company's Certificate of Incorporation or Bylaws (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Secondary Indemnitors, and (iii) it irrevocably waives, relinquishes, and releases the Secondary Indemnitors from any and all claims against the Secondary Indemnitors for contribution, subrogation, or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Secondary Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company will affect the foregoing and the Secondary Indemnitors will have a right of contribution and be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Secondary Indemnitors are express third party beneficiaries of the terms of this Section 8(c).

(d) Except as provided in Section 8(c), in the event of any payment under this Agreement, the Company will be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee (other than against the Secondary Indemnitors), who will execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) Except as provided in Section 8(c), the Company will not be liable under this Agreement to make any payment of amounts otherwise indemnifiable under this Agreement if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement, or otherwise.

(f) Except as provided in Section 8(c), the Company's obligation to indemnify or advance Expenses under this Agreement to Indemnitee who is or was serving at the request of the Company as a director, officer, employee, or agent of any other corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise will be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise.

9. Exceptions to Right of Indemnification . Notwithstanding any provision in this Agreement, the Company will not be obligated under this Agreement to make any indemnity in connection with any claim made against 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 beyond the amount paid under any insurance policy or other indemnity provision, provided, that the foregoing will not affect the rights of Indemnitee or the Secondary Indemnitors in Section 8(c);

(b) for 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;

(c) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees, or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) 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;

(d) with respect to remuneration paid to Indemnitee if it is determined by final judgment or other final adjudication that such remuneration was in violation of law (and, in this respect, both the Company and Indemnitee have been advised that the Securities and Exchange Commission believes that indemnification for liabilities arising under the federal securities laws is against public policy and is, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication, as indicated in the last paragraph of this Section 9);

(e) a final judgment or other final adjudication is made that Indemnitee's conduct was in bad faith, knowingly fraudulent or deliberately dishonest or constituted willful misconduct (but only to the extent of such specific determination);

(f) in connection with any claim for 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, 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), if Indemnitee is held liable therefor (including pursuant to any settlement); or

(g) on account of conduct that is established by a final judgment as constituting a breach of Indemnitee's duty of loyalty to the Company or resulting in any personal profit or advantage to which Indemnitee is not legally entitled.

For purposes of this Section 9, a final judgment or other adjudication may be reached in either the underlying proceeding or action in connection with which indemnification is sought or a separate proceeding or action to establish rights and liabilities under this Agreement.

Any provision herein to the contrary notwithstanding, the Company will not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee or otherwise act in violation of any undertaking appearing in and required by the rules and regulations promulgated under the Securities Act, or in any registration statement filed with the SEC under the Securities Act. Indemnitee acknowledges that paragraph (h) of Item 512 of Regulation S-K promulgated under the Securities Act currently generally requires the Company to undertake, in connection with any registration statement filed under the Securities Act, to submit the issue of the enforceability of Indemnitee's rights under this Agreement in connection with any liability under the Securities Act on public policy grounds to a court of appropriate jurisdiction and to be governed by any final adjudication of such issue. Indemnitee specifically agrees that any such undertaking will supersede the provisions of this Agreement and to be bound by any such undertaking.

10. Duration of Agreement . All agreements and obligations of the Company contained herein will continue during the period Indemnitee is an officer or director of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) and will continue thereafter so long as Indemnitee will be subject to any Proceeding (or any proceeding commenced under Section 7) by reason of his or her Corporate Status, whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement will be binding on and inure to the benefit of and be enforceable by the parties of this Agreement and their respective successors (including any direct or indirect successor by purchase, merger, consolidation, or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors, and personal and legal representatives.

11. Security . To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations under this Agreement through an irrevocable bank line of credit, funded trust, or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

12. Enforcement .

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying on this Agreement in serving as an officer or director of the Company.

(b) Other than as provided in this Agreement, this Agreement constitutes the entire agreement between the parties with respect to this subject matter and supersedes all prior agreements and understandings, oral, written and implied, between the parties with respect to this subject matter.

13. Definitions . For purposes of this Agreement:

(a) " ***Beneficial Owner*** " has the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner will exclude any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(b) " ***Board*** " means the Board of Directors of the Company.

(i) Liquidation . The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

(ii) Other Events . There occurs 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) promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement.

(c) " ***Corporate Status*** " describes the status of a person who is or was a director, officer, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Company.

(d) " ***Disinterested Director*** " means a non-executive director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) " ***Enterprise*** " means the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Company as a director, officer, employee, agent or fiduciary.

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

(g) " ***Expenses*** " includes all documented and reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also will include Expenses incurred in connection with any appeal resulting from any Proceeding and any federal, state, local, or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, including without limitation the premium, security for, and other costs relating to any cost bond, supersede as bond, or other appeal bond or its equivalent. Expenses will not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(h) " ***Independent Counsel*** " means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification under this Agreement. Notwithstanding the foregoing, the term "Independent Counsel" will 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. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) " ***Person*** " for purposes of the definition of Beneficial Owner set forth above, will have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person will exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(j) " ***Proceeding*** " includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of the fact that Indemnitee is or was an officer or director of the Company, by reason of any action taken by him or her or of any inaction on his or her part while acting as an officer or director of the Company, or by reason of the fact that he or she is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary of another corporation, partnership, joint venture, trust or other Enterprise; in each case whether or not he or she is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce his or her rights under this Agreement.

(k) " ***Sarbanes-Oxley Act*** " will mean the Sarbanes-Oxley Act of 2002, as amended.

(l) " ***SEC*** " will mean the Securities and Exchange Commission.

(m) " ***Securities Act*** " will mean the Securities Act of 1933, as amended.

14. Severability . The invalidity or unenforceability of any provision hereof will in no way affect the validity or enforceability of any other provision. Further, the invalidity or unenforceability of any provision hereof as to the Indemnitee will in no way affect the validity or enforceability of any provision hereof as to the other. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable laws. In the event any provision hereof conflicts with any applicable law, such provision will be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. Modification and Waiver . No supplement, modification, termination or amendment of this Agreement will be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement will be deemed or will constitute a waiver of any other provisions hereof (whether or not similar) nor will such waiver constitute a continuing waiver.

16. Notice By Indemnitee . Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to

indemnification covered under this Agreement. The failure to so notify the Company will not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. Notices . All notices and other communications given or made pursuant to this Agreement will be in writing and will be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (c) 5 days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications will be sent:

(a) To Indemnitee at the address on the books and records of the Company.

(b) To the Company at:

Snap Inc.
63 Market Street
Venice, CA 90291
Attention: General Counsel

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. Counterparts . This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature, electronic mail (including .pdf or any electronic signature complying with the U.S. Federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument and be deemed to have been duly and validly delivered and be valid and effective for all purposes.

19. Headings . The headings of the paragraphs of this Agreement are inserted for convenience only and will not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties will be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement will be brought only in the Chancery Court of the State of Delaware (the " ***Delaware Court*** "), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) appoint, to the extent such party is not otherwise subject to service of process in the State of Delaware, irrevocably Corporation Service Company as its agent in the State of Delaware for acceptance of legal process in connection with any such action or proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

[SIGNATURE PAGE TO FOLLOW]

The parties have executed this Agreement on and as of the day and year first above written.

SNAP INC.

By: _____
Name:
Title:

INDEMNITEE

_____
Name:

Snap Inc.

October 27, 2016

Evan Spiegel

Dear Evan,

Snap Inc. (the "Company") is pleased to confirm the terms of your full-time exempt employment as President and Chief Executive Officer of the Company on the following terms:

You will receive an annual salary of $500,000, which will be paid bi-weekly, less applicable payroll deductions and tax withholdings. Following the closing of an underwritten public offering of the Company's common stock pursuant to an effective registration statement, your annual salary will be reduced to $1.

Subject to your continued employment with the Company, you will be eligible to receive annual cash bonuses (each, an "Annual Bonus"). The target bonus opportunity for Annual Bonuses for each performance period beginning July 1 and ending the following June 30 will be $1,000,000 and will be awarded based on attainment of performance criteria to be mutually agreed upon by you and the Board of Directors (or a committee thereof) within 60 days after the start of the applicable performance period. Any Annual Bonuses will be payable within 10 business days following the end of the applicable performance period, less applicable deductions and withholdings. Notwithstanding the foregoing, if you are employed by the Company as of the IPO, you will be paid a pro rata portion of the $1,000,000 Annual Bonus based on the number of days elapsed from the first day of the performance period during which the IPO occurred through the date of the IPO (any performance criteria for such performance period will be deemed to be satisfied by the occurrence of the IPO). Such Annual Bonus will be payable within 10 business days following the date of the IPO. Following an IPO, you will not be entitled to any bonus except as may be determined by the Board of Directors (or a committee thereof).

In addition, employees qualify for a range of benefits. The Company may change benefit plans and programs at its discretion. You will be eligible for vacation, sick leave, and holidays in accordance with the Company's policies as such policies are in effect from time to time; provided you will be entitled to accrue no less than four weeks' vacation per calendar year, provided further the maximum amount of vacation you may accrue is 320 hours. The Company will also pay or reimburse you for reasonable travel, entertainment or other expenses incurred by you in the furtherance of or in connection with the performance of your duties hereunder in accordance with the Company's established policies.

Pursuant to the July 17, 2015 amendments to your original offer letter, the Company agreed to grant you a restricted stock unit as follows. Subject to your continued employment with the Company, upon the closing of a Qualified IPO (as hereinafter defined), you will be granted (which grant will be made effective immediately prior to the conversion of all shares of Series FP Preferred Stock to Class C common stock) a restricted stock unit award covering that number of shares of Series FP Preferred Stock representing 3% of the Outstanding Capital Stock of the Company on an as-converted basis as of the closing date of a Qualified IPO (the "IPO RSU"). The IPO RSU will be fully vested as of the date of grant and will otherwise be subject to the terms and conditions of an award agreement substantially in the form attached hereto as Exhibit A. "Outstanding Capital Stock" means all outstanding shares of common stock and preferred stock, including (i) all shares of common stock issued in the Qualified IPO, and (ii) all shares subject to outstanding stock options and restricted stock units awards to the extent that, on the closing of the Qualified IPO, the "Liquidity Event Requirement" and any portion of the "Service-Based Requirement" of an award have been satisfied such that the shares subject to such award are fully vested. If the underwriters in the Qualified IPO exercise their overallotment option to purchase additional shares (such additional shares purchased, the "Overallotment Shares") following the initial closing of the Qualified IPO, then the IPO RSU will also cover an additional number of shares of Class C common stock as though the Overallotment Shares were issued at the initial closing. The parties acknowledge and agree that the shares issued under the IPO RSU are entitled to demand and piggyback registration rights under the terms of the Amended and Restated Investor Rights Agreement, by and among you, the Company, and the investors listed

on Exhibit A thereto. “Qualified IPO” is defined to mean an IPO that results in aggregate cash proceeds to the Company of at least U.S. $25,000,000 (prior to underwriting discounts and commissions) that occurs within six-and-one-half years after July 17, 2015.

As an employee of the Company, you may learn about confidential, proprietary, or trade-secret information related to the Company and its clients. Other than in your work for the Company, we do not want you to use or disclose any such confidential, proprietary, or trade-secret information.

As a Snap Inc. employee, you will be expected to follow Company policies and acknowledge in writing that you have read our Employee Handbook. With the exception of the “employment at-will” policy discussed below, the Company may modify or eliminate its policies at its discretion.

Your employment with the Company is at-will. This means you may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying us. Likewise, the Company may terminate your employment at any time, with or without cause or advance notice. Your employment at-will status can be modified only in a written agreement signed by you and by the Snap Inc. Board of Directors.

By signing this letter, you reaffirm the terms and conditions of the Confidential Information and Inventions Assignment Agreement, which you signed when you joined the Company.

You and the Company agree that, to the fullest extent permitted by law, any dispute, claim or controversy between you and the Company relating in any manner to your employment with the Company, including but not limited to the IPO RSU set forth in this letter, as well as any future equity-based awards that may be granted to you as an employee or director of the Company or the breach, termination (whether voluntary or involuntary), enforcement, interpretation or validity of this letter, including without limitation the determination of the existence, scope, validity or applicability of this agreement to arbitrate, will be determined by arbitration in Los Angeles, California. The arbitration will be administered by JAMS pursuant to its Employment Arbitration Rules and Procedures (“Rules”), unless otherwise agreed to by the parties. A copy of the Rules may be obtained online at www.jamsadr.com/rules- employment-arbitration. You acknowledge that you have read and reviewed the Rules to the extent so desired before signing this letter agreement. The arbitration will be determined before one neutral arbitrator selected in accordance with Rule 15 of the Employment Arbitration Rules and Procedures. In arbitration, both you and the Company may conduct discovery to the same extent as would be permitted in a court of law, and both parties may be represented by an attorney. The arbitrator will issue a reasoned, written award that explains the legal and factual basis for the arbitrator’s decision on all claims and defenses presented to the arbitrator. The arbitrator will have the full authority to award all relief and remedies which would otherwise be available in a court of law, including, but not limited to, legal and equitable relief, monetary damages, attorneys’ fees, costs, and exemplary damages when authorized by applicable law. The award issued by the arbitrator will be final and binding upon the parties. Judgment on the award may be entered in any court having jurisdiction. This clause will not preclude you or the Company from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. BY AGREEING TO BINDING AND MUTUAL ARBITRATION OF OUR CLAIMS UNDER THIS AGREEMENT, BOTH YOU AND THE COMPANY GIVE UP ALL RIGHTS TO TRIAL BY JURY.

You and the Company further agree that each party will pay its own costs and attorneys’ fees, if any; provided, however, that the Company will pay any costs and expenses that you would not otherwise have incurred if the dispute had been adjudicated in a court of law, rather than through arbitration, including but not limited to the arbitrator’s fee, any administrative fee, and any filing fee in excess of the maximum court filing fee in the jurisdiction in which the arbitration is commenced.

You and the Company agree that each party will maintain the confidential nature of the arbitration proceeding and the award, including but not limited to the hearing, except as may be necessary to prepare for or conduct the arbitration hearing on the merits, or except as may be necessary in connection with a court application for a preliminary remedy, a judicial challenge to an award or its enforcement, or unless otherwise required by law or judicial decision.

This letter (together with the agreements referenced herein) is the complete and exclusive statement of all of the terms and conditions of your employment with the Company, and supersedes and replaces any and all prior agreements or representations with regard to the subject matter hereof, whether written or oral, including without limitation the original offer letter, dated April 19, 2012, and the amendment to the offer letter dated July 17, 2015. It is entered into without reliance on any promise or representation other than those expressly contained herein, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, heirs, executors and legal representatives, and (except for changes reserved to the Company's discretion) cannot be modified or amended except in a writing signed by you and a duly authorized officer of the Company. This letter is governed by the laws of California without regard to its conflict of laws provisions.

Sincerely,

/s/ Chris Handman
Chris Handman, General Counsel

Accepted and agreed:

/s/ Evan Spiegel
Evan Spiegel

October 27, 2016
Date

Exhibit A

Restricted Stock Unit Grant Notice and Agreement

EXHIBIT A

SNAP INC. RESTRICTED

STOCK UNIT GRANT NOTICE

Snap Inc. (the " ***Company*** ") hereby awards to Participant (as of the Date of Grant indicated below) a Restricted Stock Unit Award for the number of shares of the Company's Series FP Preferred Stock set forth below (the " ***Award*** ") in satisfaction of its obligations to grant the IPO RSU pursuant to the terms of that certain Amended and Restated Offer Letter, dated as of October 27, 2016, by and between the Company and Participant (the " ***Employment Agreement*** "). The Award is subject to all of the terms and conditions as set forth herein and in the Employment Agreement and the Restricted Stock Unit Award Agreement, both of which are attached hereto and incorporated herein in their entirety. Capitalized terms not otherwise defined herein will have the meanings set forth in the Employment Agreement or the Restricted Stock Unit Award Agreement. In the event of any conflict between the terms in the Award and the Employment Agreement, the terms of the Employment Agreement will control.

Participant: _____

Date of Grant: _____

Number of Units (" ***RSUs*** ") Subject to the Award: _____

Vesting: The Award shall be fully vested as of the Date of Grant.

Settlement: The Company will deliver one share of Series FP Preferred Stock for each RSU subject to the Award. The shares will be issued in accordance with the issuance schedule set forth in Section 5 of the Restricted Stock Unit Award Agreement.

Additional Terms/Acknowledgements: Participant acknowledges receipt of, and understands and agrees to, this Restricted Stock Unit Grant Notice and the Restricted Stock Unit Award Agreement. Participant further acknowledges that as of the Date of Grant, this Restricted Stock Unit Grant Notice, the Restricted Stock Unit Award Agreement and the Employment Agreement set forth the entire understanding between Participant and the Company regarding this Award and supersede all prior oral and written agreements, offer letters, promises and/or representations on that subject with the exception of (i) equity awards previously granted and delivered to Participant, and (ii) any compensation recovery policy that is adopted by the Company which is required by applicable law.

By accepting the Award, Participant acknowledges having received and read the Restricted Stock Unit Grant Notice and the Restricted Stock Unit Award Agreement (the " ***Grant Documents*** ") and agrees to all of the terms and conditions set forth in these documents.

Notwithstanding the above, if Participant has not actively accepted the Award within 90 days of the Date of Grant set forth in this Restricted Stock Unit Grant Notice, Participant is deemed to have accepted the Award, subject to all of the terms and conditions of the Grant Documents.

SNAP INC.

By: _____
Signature

Title: _____

Date: _____

PARTICIPANT:

_____
Signature

Date: _____

ATTACHMENTS: Restricted Stock Unit Award Agreement

ATTACHMENT I

SNAP INC.
RESTRICTED STOCK UNIT AWARD AGREEMENT

Pursuant to the Restricted Stock Unit Grant Notice (the "***Grant Notice***") and this Restricted Stock Unit Award Agreement (the "***Agreement***") and in consideration of your services, Snap Inc. (the "***Company***") has awarded you a Restricted Stock Unit Award (the "***Award***"). The Award is granted to you effective as of the Date of Grant set forth in the Grant Notice for this Award. The details of the Award, in addition to those set forth in the Grant Notice are as follows.

1. GRANT OF THE AWARD. The Award represents the right to be issued on a future date the number of shares of the Company's Series FP Preferred Stock as indicated in the Grant Notice as set forth in this Agreement. Except as otherwise provided herein, you will not be required to make any payment to the Company with respect to your receipt of the Award, the vesting of the shares or the delivery of the underlying Series FP Preferred Stock.

2. VESTING. The Award shall be one hundred percent (100%) vested as of the Date of Grant set forth in the Grant Notice.

3. NUMBER OF SHARES.

a. In the event of any change that is made in, or other events that occur with respect to, the Series FP Preferred Stock after the Date of Grant without the receipt of consideration by the Company (whether through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards No. 123 (revised) (each, a "***Capitalization Adjustment***"), the number of shares of Series FP Preferred Stock subject to this Award shall be appropriately and proportionately adjusted in good faith by the Board of Directors of the Company (the "***Board***"). Notwithstanding the foregoing, the conversion of any convertible securities shall not be treated as a Capitalization Adjustment. Following the conversion of all shares of Series FP Preferred Stock to Class C common stock on the Company's Qualified IPO (as defined in the Company's Amended and Restated Certificate of Incorporation), this Award shall be exercisable for Class C common stock and all references to "Series FP Preferred Stock" shall be to "Class C common stock".

b. Any units, shares, cash or other property that become subject to the Award pursuant to this Section 3, if any, will be subject, in a manner determined by the Board, to the same restrictions on transferability and time and manner of delivery as applicable to the other shares covered by the Award.

c. Notwithstanding the provisions of this Section 3, no fractional shares or rights for fractional shares of Series FP Preferred Stock will be created pursuant to this Section 3.

The Board will, in its discretion, determine an equivalent benefit for any fractional shares or fractional shares that might be created by the adjustments referred to in this Section 3.

4. SECURITIES LAW AND OTHER COMPLIANCE . You may not be issued any shares under the Award unless either (a) the shares are registered under the Securities Act or (b) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. The Award also must comply with other applicable laws and regulations governing the Award, and you will not receive such shares if the Company determines that such receipt would not be in material compliance with such laws and regulations.

5. DATE OF ISSUANCE . Subject to the satisfaction of the withholding obligations set forth in Section 9 of this Agreement, beginning with the third full calendar quarter following the Date of Grant, the Company will deliver to you a number of shares of the Company's Series FP Preferred Stock equal to one-twelfth of the RSUs subject to the Award (rounded down to the nearest whole share), including any additional shares received pursuant to Section 3 above that relate to the shares being delivered, on each of February 28, May 31, August 31 and November 30; provided that in the event of a Change in Control (as such term is defined in the Company's 2014 Equity Incentive Plan as of the Amendment Effective Date (as defined in the Employment Agreement) that also constitutes a change in control event pursuant to Treasury Regulations section 1.409A-3(i)(5)(v), (vi) or (vii), any RSUs subject to the Award that have not then been delivered shall be immediately deliverable in full. However, if a scheduled delivery date falls on a date that is not a business day, such delivery date will instead fall on the next following business day. The form of such delivery (e.g., a stock certificate or electronic entry evidencing such shares) will be determined by the Company.

6. DIVIDENDS . You will receive no benefit or adjustment to your Restricted Stock Units with respect to any cash dividend, stock dividend or other distribution except as provided with respect to a Capitalization Adjustment.

7. TRANSFER RESTRICTIONS . In addition to any other limitation on transfer created by applicable securities laws, you will not sell, assign, hypothecate, donate, encumber or otherwise dispose of all or any part of the shares subject to your Award or any interest in such shares except in compliance with this Agreement, the Company's bylaws and applicable securities laws.

8. AWARD NOT AN EMPLOYMENT OR SERVICE CONTRACT . Your continuous service with the Company is not for any specified term and may be terminated by you or by the Company at any time, for any reason, with or without cause and with or without notice. Nothing in this Agreement or any covenant of good faith and fair dealing that may be found implicit in this Agreement will: (i) confer upon you any right to continue in the employ of, or affiliation with, the Company; (ii) constitute any promise or commitment by the Company regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or affiliation; (iii) confer any right or benefit under this Agreement unless such right or benefit has specifically accrued under the terms of this Agreement; or (iv) deprive the Company of the right to terminate you at will.

9. RESPONSIBILITY FOR TAXES .

a. You acknowledge that, regardless of any action taken by the Company, the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Award and legally applicable to you (" ***Tax-Related Items*** ") is and remains your responsibility and may exceed the amount actually withheld by the Company. Prior to any relevant taxable or tax withholding event, as applicable, you agree to make adequate arrangements satisfactory to the Company to satisfy all Tax-Related Items.

b. The Company agrees you shall be permitted to satisfy your employment tax obligation, which shall be calculated by reference to the initial IPO price in the Qualified IPO, by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) tendering a cash payment; (iii) surrendering previously owned shares of the Company or withholding shares of Series FP Preferred Stock from the shares of Series FP Preferred Stock otherwise issuable to you in connection with the Award, in each case with a fair market value calculated by reference to the IPO price in the Qualified IPO equal to the amount of such Tax-Related Items.

c. With respect to Tax-Related Items other than your employment tax obligations, you shall be permitted to satisfy such obligations, if any, by any of the following means or by a combination of such means: (i) withholding from any compensation otherwise payable to you by the Company; (ii) tendering a cash payment; (iii) entering into a "same day sale" commitment with a broker dealer that is a member of the Financial Industry Regulatory Authority (a " ***FINRA Dealer*** ") whereby you irrevocably elect to sell a portion of the shares to be delivered under the Award to satisfy the Tax-Related Items and whereby the FINRA Dealer irrevocably commits to forward the proceeds necessary to satisfy the Tax-Related Items directly to the Company; or (iv) with the consent of the Company, surrendering previously owned shares of the Company or withholding shares of Series FP Preferred Stock from the shares of Series FP Preferred Stock issued or otherwise issuable to you in connection with the Award with a fair market value (measured as of the date shares of Series FP Preferred Stock are issued to you or, if and as determined by the Company, the date on which the Tax-Related Items are required to be calculated) equal to the amount of such Tax-Related Items. The Company will use commercially reasonable efforts (as determined by the Company) to facilitate the satisfaction of Tax-Related Items by you using one of the methods described in clauses (iii) and (iv) of the preceding sentence or by permitting you to sell shares of the Company in any initial public offering by the Company.

d. Finally, you agree to pay to the Company any amount of Tax-Related Items that the Company may be required to withhold or account for as a result the Award that cannot be satisfied by any of the means previously described.

10. N O O BLIGATION TO M INIMIZE T AXES . You acknowledge that the Company is not making representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including, but not limited to, the grant, vesting or settlement of the Award, the subsequent conversion and sale of shares acquired pursuant to such settlement and the receipt of any dividends and/or any dividend equivalent payments. Further, you acknowledge that the Company does not have any duty or obligation to minimize your liability for Tax-Related Items arising from the Award and will not be liable to you for any Tax- Related Items arising in connection with the Award.

11. NO ADVICE REGARDING GRANT . The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding your Award, or your acquisition or sale of the underlying shares of Series FP Preferred Stock. You are hereby advised to consult with your own personal tax, financial and/or legal advisors regarding the Tax- Related Items arising in connection with the Award and by accepting the Award, you have agreed that you have done so or knowingly and voluntarily declined to do so.

12. UNSECURED OBLIGATION . The Award is unfunded, and as a holder of a vested Award, you will be considered an unsecured creditor of the Company with respect to the Company's obligation, if any, to issue shares pursuant to this Agreement. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this Agreement until such shares are issued to you pursuant to Section 5 of this Agreement. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

13. NOTICES . Any notices provided for in the Grant Notice or this Agreement will be given in writing and will be deemed effectively given upon receipt or, in the case of notices delivered by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company. Notwithstanding the foregoing, the Company may, in its sole discretion, decide to deliver any documents related to this Award by electronic means. You hereby consent to receive such documents by electronic delivery.

14. MISCELLANEOUS .

a. The rights and obligations of the Company under the Award will be transferable to any one or more persons or entities only with your prior written consent, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns. Your rights and obligations under the Award may only be assigned with the prior written consent of the Company.

b. You agree upon request to execute any further documents or instruments necessary or desirable in the sole determination of the Company to carry out the purposes or intent of the Award.

c. You acknowledge and agree that you have reviewed the documents provided to you in relation to the Award in their entirety, have had an opportunity to obtain the advice of counsel prior to executing and accepting the Award, and fully understand all provisions of such documents.

d. This Agreement will be subject to all applicable laws, rules, and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

e. All obligations of the Company under this Agreement will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or

indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

15. A RBITRATION . Any dispute, claim or controversy arising out of or relating to the Award, or the breach, termination, enforcement, interpretation or validity thereof, shall be determined pursuant to the governing law and arbitration provisions set forth in the Employment Agreement.

16. S EVERABILITY . If all or any part of this Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity will not invalidate any portion of this Agreement not declared to be unlawful or invalid. Any Section of this Agreement (or part of such a Section) so declared to be unlawful or invalid will, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

17. E FFECT ON O THER E MPLOYEE B ENEFIT P LANS . The value of the Award subject to this Agreement will not be included as compensation, earnings, salaries, or other similar terms used when calculating the Employee's benefits under any employee benefit plan sponsored by the Company, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's employee benefit plans.

18. A MENDMENT . This Agreement may not be modified, amended or terminated except by an instrument in writing, signed by you and by a duly authorized representative of the Company.

19. C OMPLIANCE WITH S ECTION 409 A OF THE C ODE . It is intended that the Award comply with section 409A of the Internal Revenue Code of 1986, as may be amended from time to time (the " ***Code*** "), and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements of section 409A of the Code. No changes shall be made to the Award and this Agreement, including but not limited to the issuance dates set forth in Section 5, unless such changes comply with section 409A of the Code and the regulations thereunder. Notwithstanding any contrary provision of the Notice of Grant or of this Agreement, under no circumstances will the Company reimburse you for any taxes or other costs under Section 409A or any other tax law or rule. All such taxes and costs are solely your responsibility.

* * *

This Agreement will be deemed to be signed by you upon the signing by you of the Restricted Stock Unit Grant Notice to which it is attached.

Exhibit 10.14

Snap Inc.

October 27, 2016

Robert Murphy

Dear Robert,

Snap Inc. (the "Company") is pleased to confirm the terms of your full-time exempt employment as Chief Technology Officer on the following terms:

You will receive an annual salary of $250,000, which will be paid bi-weekly, less applicable payroll deductions and tax withholdings.

In addition, employees qualify for a range of benefits. The Company may change compensation and benefits at its discretion.

In your work for the Company, we do not want you to use or disclose any confidential, proprietary, or trade-secret information of any former employer or other person to whom you owe an obligation of confidentiality. Likewise, as an employee of the Company, you may learn about confidential, proprietary, or trade-secret information related to the Company and its clients that you must not share with anyone outside the Company.

As a Snap Inc. employee, you will be expected to follow Company policies and acknowledge in writing that you have read our Employee Handbook. With the exception of the "employment at-will" policy discussed below, the Company may modify or eliminate its policies at its discretion.

Your employment with the Company is at-will. This means that you may terminate your employment with the Company at any time and for any reason simply by notifying us. Likewise, the Company may terminate your employment at any time and for any reason with no advance notice. Your employment at-will status can be modified only in a written agreement signed by you and the Chief Executive Officer.

By signing this letter, you reaffirm the terms and conditions of the Confidential Information and Inventions Assignment Agreement, which you signed when you joined the Company.

This letter (together with the agreements referenced) is the complete and exclusive statement of all the terms and conditions of your employment with the Company, and supersedes any prior agreements or representations with regard to your employment. It is entered into without reliance on any promise or representation other than those expressly contained in this letter, and (except for changes reserved to the Company's discretion) cannot be modified or amended except in a writing signed by you and a duly authorized member of the Board. This letter is governed by the laws of California without regard to its conflict-of-laws provisions.

Sincerely,

/s/ Evan Spiegel
Evan Spiegel, Chief Executive Officer

Accepted and agreed:

/s/ Robert Murphy
Robert Murphy

October 27, 2016
Date

Exhibit 10.15

Snap Inc.

October 27, 2016

Andrew Vollero

Dear Andrew,

Snap Inc. (the "Company") is pleased to confirm the terms of your full-time exempt employment as Chief Financial Officer on the following terms:

You will receive an annual salary of $300,000, which will be paid bi-weekly, less applicable payroll deductions and tax withholdings. So long as you remain employed by the Company, you will receive an annual supplemental payment of $200,000 during the first two years of your employment, less applicable payroll deductions and withholdings, paid out on a quarterly basis following your employment start date.

In addition, employees qualify for a range of benefits. The Company may change compensation and benefits at its discretion.

The Company acknowledges that it has previously issued equity awards to you under the Amended and Restated 2014 Equity Incentive Plan. Nothing in this letter will amend or affect the terms of those previously granted awards.

In your work for the Company, we do not want you to use or disclose any confidential, proprietary, or trade-secret information of any former employer or other person to whom you owe an obligation of confidentiality. Likewise, as an employee of the Company, you may learn about confidential, proprietary, or trade-secret information related to the Company and its clients that you must not share with anyone outside the Company.

As a Snap Inc. employee, you will be expected to follow Company policies and acknowledge in writing that you have read our Employee Handbook. With the exception of the "employment at-will" policy discussed below, the Company may modify or eliminate its policies at its discretion.

Your employment with the Company is at-will. This means that you may terminate your employment with the Company at any time and for any reason simply by notifying us. Likewise, the Company may terminate your employment at any time and for any reason with no advance notice. Your employment at-will status can be modified only in a written agreement signed by you and the Chief Executive Officer.

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Sincerely,

/s/ Evan Spiegel

Evan Spiegel, Chief Executive Officer

Accepted and agreed:

/s/ Andrew Vollero

Andrew Vollero

October 27, 2016

Date

Exhibit 10.16

Snap Inc.

October 27, 2016

Imran Khan

Dear Imran,

Snap Inc. (the "Company") is pleased to confirm the terms of your full-time exempt employment as Chief Strategy Officer on the following terms:

You will receive an annual salary of $240,000, which will be paid bi-weekly, less applicable payroll deductions and tax withholdings.

In addition, employees qualify for a range of benefits. The Company may change compensation and benefits at its discretion.

The Company acknowledges that it has previously issued equity awards to you under the Amended and Restated 2012 Equity Incentive Plan. Nothing in this letter will amend or affect the terms of those previously granted awards.

In your work for the Company, we do not want you to use or disclose any confidential, proprietary, or trade-secret information of any former employer or other person to whom you owe an obligation of confidentiality. Likewise, as an employee of the Company, you may learn about confidential, proprietary, or trade-secret information related to the Company and its clients that you must not share with anyone outside the Company.

As a Snap Inc. employee, you will be expected to follow Company policies and acknowledge in writing that you have read our Employee Handbook. With the exception of the "employment at-will" policy discussed below, the Company may modify or eliminate its policies at its discretion.

Your employment with the Company is at-will. This means that you may terminate your employment with the Company at any time and for any reason simply by notifying us. Likewise, the Company may terminate your employment at any time and for any reason with no advance notice. Your employment at-will status can be modified only in a written agreement signed by you and the Chief Executive Officer.

By signing this letter, you reaffirm the terms and conditions of the Confidential Information and Inventions Assignment Agreement, which you signed when you joined the Company.

This letter (together with the agreements referenced) is the complete and exclusive statement of all the terms and conditions of your employment with the Company, and supersedes any prior agreements or representations with regard to your employment. It is entered into without reliance on any promise or representation other than those expressly contained in this letter, and (except for changes reserved to the Company's discretion) cannot be modified or amended except in a writing signed by you and a duly authorized member of the Board. This letter is governed by the laws of California without regard to its conflict-of-laws provisions.

Sincerely,

/s/ Evan Spiegel
Evan Spiegel, Chief Executive Officer

Accepted and agreed:

/s/ Imran Khan
Imran Khan
October 27, 2016
Date

Exhibit 10.17

Snap Inc.

October 27, 2016

Chris Handman

Dear Chris,

Snap Inc. (the "Company") is pleased to confirm the terms of your full-time exempt employment as General Counsel on the following terms:

You will receive an annual salary of $475,000, which will be paid bi-weekly, less applicable payroll deductions and tax withholdings.

In addition, employees qualify for a range of benefits. The Company may change compensation and benefits at its discretion.

The Company acknowledges that it has previously issued equity awards to you under the Amended and Restated 2012 Equity Incentive Plan. Nothing in this letter will amend or affect the terms of those previously granted awards.

In your work for the Company, we do not want you to use or disclose any confidential, proprietary, or trade-secret information of any former employer or other person to whom you owe an obligation of confidentiality. Likewise, as an employee of the Company, you may learn about confidential, proprietary, or trade-secret information related to the Company and its clients that you must not share with anyone outside the Company.

As a Snap Inc. employee, you will be expected to follow Company policies and acknowledge in writing that you have read our Employee Handbook. With the exception of the "employment at-will" policy discussed below, the Company may modify or eliminate its policies at its discretion.

Your employment with the Company is at-will. This means that you may terminate your employment with the Company at any time and for any reason simply by notifying us. Likewise, the Company may terminate your employment at any time and for any reason with no advance notice. Your employment at-will status can be modified only in a written agreement signed by you and the Chief Executive Officer.

By signing this letter, you reaffirm the terms and conditions of the Confidential Information and Inventions Assignment Agreement, which you signed when you joined the Company.

This letter (together with the agreements referenced) is the complete and exclusive statement of all the terms and conditions of your employment with the Company, and supersedes any prior agreements or representations with regard to your employment. It is entered into without reliance on any promise or representation other than those expressly contained in this letter, and (except for changes reserved to the Company's discretion) cannot be modified or amended except in a writing signed by you and a duly authorized member of the Board. This letter is governed by the laws of California without regard to its conflict-of-laws provisions.

Sincerely,

/s/ Evan Spiegel

Evan Spiegel, Chief Executive Officer

Accepted and agreed:

/s/ Chris Handman

Chris Handman

October 27, 2016

Date

Exhibit 10.18

Snap Inc.

October 27, 2016

Timothy Sehn

Dear Timothy,

Snap Inc. (the "Company") is pleased to confirm the terms of your full-time exempt employment as Senior Vice President of Engineering on the following terms:

You will receive an annual salary of $500,000, which will be paid bi-weekly, less applicable payroll deductions and tax withholdings.

In addition, employees qualify for a range of benefits. The Company may change compensation and benefits at its discretion.

The Company acknowledges that it has previously issued equity awards to you under the Amended and Restated 2012 Equity Incentive Plan. Nothing in this letter will amend or affect the terms of those previously granted awards.

In your work for the Company, we do not want you to use or disclose any confidential, proprietary, or trade-secret information of any former employer or other person to whom you owe an obligation of confidentiality. Likewise, as an employee of the Company, you may learn about confidential, proprietary, or trade-secret information related to the Company and its clients that you must not share with anyone outside the Company.

As a Snap Inc. employee, you will be expected to follow Company policies and acknowledge in writing that you have read our Employee Handbook. With the exception of the "employment at-will" policy discussed below, the Company may modify or eliminate its policies at its discretion.

Your employment with the Company is at-will. This means that you may terminate your employment with the Company at any time and for any reason simply by notifying us. Likewise, the Company may terminate your employment at any time and for any reason with no advance notice. Your employment at-will status can be modified only in a written agreement signed by you and the Chief Executive Officer.

By signing this letter, you reaffirm the terms and conditions of the Confidential Information and Inventions Assignment Agreement, which you signed when you joined the Company.

This letter (together with the agreements referenced) is the complete and exclusive statement of all the terms and conditions of your employment with the Company, and supersedes any prior agreements or representations with regard to your employment. It is entered into without reliance on any promise or representation other than those expressly contained in this letter, and (except for changes reserved to the Company's discretion) cannot be modified or amended except in a writing signed by you and a duly authorized member of the Board. This letter is governed by the laws of California without regard to its conflict-of-laws provisions.

Sincerely,

/s/ Evan Spiegel

Evan Spiegel, Chief Executive Officer

Accepted and agreed:

Timothy Sehn

Timothy Sehn

October 27, 2016

Date

Exhibit 10.19

Snap Inc.

October 27, 2016

Steven Horowitz

Dear Steven,

Snap Inc. (the "Company") is pleased to confirm the terms of your full-time exempt employment as Vice President of Engineering on the following terms:

You will receive an annual salary of $300,000, which will be paid bi-weekly, less applicable payroll deductions and tax withholdings.

In addition, employees qualify for a range of benefits. The Company may change compensation and benefits at its discretion.

The Company acknowledges that it has previously issued equity awards to you under the Amended and Restated 2012 Equity Incentive Plan. Nothing in this letter will amend or affect the terms of those previously granted awards.

In your work for the Company, we do not want you to use or disclose any confidential, proprietary, or trade-secret information of any former employer or other person to whom you owe an obligation of confidentiality. Likewise, as an employee of the Company, you may learn about confidential, proprietary, or trade-secret information related to the Company and its clients that you must not share with anyone outside the Company.

As a Snap Inc. employee, you will be expected to follow Company policies and acknowledge in writing that you have read our Employee Handbook. With the exception of the "employment at-will" policy discussed below, the Company may modify or eliminate its policies at its discretion.

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By signing this letter, you reaffirm the terms and conditions of the Confidential Information and Inventions Assignment Agreement, which you signed when you joined the Company.

This letter (together with the agreements referenced) is the complete and exclusive statement of all the terms and conditions of your employment with the Company, and supersedes any prior agreements or representations with regard to your employment. It is entered into without reliance on any promise or representation other than those expressly contained in this letter, and (except for changes reserved to the Company's discretion) cannot be modified or amended except in a writing signed by you and a duly authorized member of the Board. This letter is governed by the laws of California without regard to its conflict-of-laws provisions.

Sincerely,

/s/ Evan Spiegel

Evan Spiegel, Chief Executive Officer

Accepted and agreed:

/s/ Steven Horowitz

Steven Horowitz

October 27, 2016

Date

Exhibit 10.21

EXECUTION VERSION

REVOLVING CREDIT AGREEMENT

dated as of

July 29, 2016

among

SNAPCHAT, INC.,

as the Borrower,

the Lenders party hereto,

the Issuing Banks party hereto,

and

MORGAN STANLEY SENIOR FUNDING, INC.,
as the Administrative Agent

MORGAN STANLEY SENIOR FUNDING, INC.,
DEUTSCHE BANK SECURITIES INC.,
GOLDMAN SACHS BANK USA, and
J.P. MORGAN SECURITIES LLC,
as Joint Lead Arrangers and Joint Bookrunners,

MORGAN STANLEY SENIOR FUNDING, INC.,
DEUTSCHE BANK SECURITIES INC.,
GOLDMAN SACHS BANK USA,
J.P. MORGAN SECURITIES LLC,
BARCLAYS BANK PLC, and
CREDIT SUISSE AG,
as Co-Syndication Agents

and

BARCLAYS BANK PLC, and
CREDIT SUISSE AG,
as Co-Documentation Agents

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REVOLVING CREDIT AGREEMENT dated as of July 29, 2016 among SNAPCHAT, INC., as the Borrower, the LENDERS party hereto and MORGAN STANLEY SENIOR FUNDING, INC., as the Administrative Agent.

The Borrower (such term and each other capitalized term used and not otherwise defined in these recitals having the meaning assigned to it in Article 1), has requested the Lenders to make Loans to the Borrower and the Issuing Banks to issue Letters of Credit at the request of the Applicable Account Parties, in each case on a revolving credit basis on and after the date hereof and at any time and from time to time prior to the Maturity Date.

The proceeds of borrowings hereunder, together with the issuance of any letter of credit, are to be used for the purposes described in Section 5.09 . The Lenders are willing to establish the credit facility referred to in the preceding paragraph upon the terms and subject to the conditions set forth herein. Accordingly, for valuable consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01 Defined Terms . As used in this Agreement, the following terms have the meanings specified below:

" **ABR** ", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

" **Adjusted EURIBO Rate** " means, for any Interest Rate Determination Date with respect to an Interest Period for a EURIBOR Borrowing, the rate *per annum* equal to the EURIBO Rate for such Interest Period; *provided* that in no event shall the Adjusted EURIBO Rate be less than 0.00%.

" **Adjusted LIBO Rate** " means, for any Interest Rate Determination Date with respect to an Interest Period (or, solely for purposes of clause (iii) in the defined term "Alternate Base Rate," for purposes of determining the Alternate Base Rate as of any date) for a Eurodollar Borrowing, (a) for Borrowings denominated in dollars, the rate *per annum* obtained by dividing (i) the LIBO Rate for dollars for such Interest Period (or such date, as applicable) by (ii) an amount equal to (x) one *minus* (y) the Applicable Reserve Requirement or (b) for Borrowings denominated in a Permitted Foreign Currency (other than Euros, Australian Dollars or Canadian Dollars), the rate *per annum* equal to the LIBO Rate for such currency for such Interest Period; *provided* that in no event shall the Adjusted LIBO Rate be less than 0.00%.

" **Administrative Agent** " means Morgan Stanley Senior Funding, Inc., in its capacity as administrative agent for the Lenders hereunder, or any successor administrative agent.

" **Administrative Questionnaire** " means an Administrative Questionnaire in a form supplied by the Administrative Agent from time to time.

" **Affiliate** " means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the

Person specified. As used in the definition of "Change of Control", the term "Affiliate" shall be deemed to include any Permitted Transferee.

" **Agent Parties** " has the meaning set forth in Section 9.01(d) .

" **Agents** " means, collectively, the Administrative Agent and the Arrangers.

" **Aggregate Total Exposure** " means, as at any date of determination, the sum of (i) the Dollar Equivalent of the aggregate principal amount of all outstanding Loans (excluding Loans made for the purpose of reimbursing the Issuing Banks for any amount drawn under any Letter of Credit, but not yet so applied) and (ii) the Letter of Credit Usage.

" **Agreed L/C Cash Collateral Amount** " means 102% of the total outstanding Letter of Credit Usage.

" **Agreement** " means this Revolving Credit Agreement, as the same may hereafter be modified, supplemented, extended, amended, restated or amended and restated from time to time.

" **Alternate Base Rate** " means, for any day, a rate *per annum* equal to the greatest of (i) the Prime Rate in effect on such day, (ii) the Federal Funds Effective Rate in effect on such day *plus* $1/2$ of 1% and (iii) the sum of (a) the Adjusted LIBO Rate that would be payable on such day for a Eurodollar Borrowing with a one-month interest period *plus* (b) 1.00%. If the Administrative Agent shall have determined (which determination shall be conclusive absent manifest error) that it is unable to ascertain the Federal Funds Effective Rate for any reason, including the inability or failure of the Administrative Agent to obtain sufficient quotations in accordance with the terms of the definition thereof, the Alternate Base Rate shall be determined without regard to clause (ii) of the preceding sentence until the circumstances giving rise to such inability no longer exist. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate shall be effective on the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or the Adjusted LIBO Rate, respectively.

" **Anti-Corruption Laws** " means the FCPA, the U.K. Bribery Act 2010 to the extent applicable, all other applicable anti-corruption laws, the Bank Secrecy Act to the extent applicable, the USA Patriot Act, and the applicable anti-money laundering statutes of jurisdictions where the Borrower and its Subsidiaries conduct business, and the rules and regulations (if any) thereunder enforced by any governmental agency.

" **Anti-Terrorism Laws** " has the meaning set forth in Section 3.15(a) .

" **Applicable Account Party** " has the meaning set forth in Section 2.19(a) .

" **Applicable Percentage** " means, with respect to any Lender, the percentage of the total Revolving Commitments represented by such Lender's Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Percentages shall be determined based upon the Revolving Commitments most recently in effect, giving effect to any assignments.

" **Applicable Rate** " means, for any day, (i) 0.75% per annum with respect to any Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, and Canadian BA Rate Loan, (ii) 0.00% per annum with respect to any ABR Loan and (iii) 0.10% per annum with respect to the Commitment Fee.

" **Applicable Reserve Requirement** " means for any day as applied to a Eurodollar Borrowing, the aggregate (without duplication) of the maximum rates (expressed as a decimal fraction) of reserve requirements in effect on such day (including basic, supplemental, marginal and emergency reserves under any regulations of the Board or other Governmental Authority having jurisdiction with respect thereto) dealing with reserve requirements prescribed for eurocurrency funding (currently referred to as "Eurocurrency Liabilities" in Regulation D of the Board) maintained by a member bank of the Federal Reserve System.

" **Application** " means a Letter of Credit application or agreement in the form approved by the applicable Issuing Bank, executed and delivered by the Borrower to the Administrative Agent and the applicable Issuing Bank requesting such Issuing Bank to issue a Letter of Credit.

" **Approved Fund** " means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its activities and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

" **Arranger** " means each of MSSF, Deutsche Bank Securities Inc., Goldman Sachs Bank USA and J.P. Morgan Securities LLC, in its capacity as a joint lead arranger and a joint bookrunner.

" **Assignment and Assumption** " means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

" **Australian Dollars** " means the lawful currency of Australia.

" **Australian Bank Bill Rate** " means, with respect to each Interest Period for an Australian Bank Bill Rate Loan, the rate per annum equal to the following:

(a) the average bid rate (the " **BBR Screen Rate** ") displayed at or about 10:30 a.m. (Sydney, Australia time) on the first day of that Interest Period on the Reuters screen BBSY page for a term equivalent to such Interest Period; or

(b) to the extent:

(i) the BBR Screen Rate is not displayed for a term equivalent to such Interest Period; or

(ii) the basis on which the BBR Screen Rate is calculated or displayed is changed and the relevant Lenders' instruct the Administrative Agent (after consultation by the Administrative Agent with the Borrower) that in their opinion it ceases to reflect the relevant Lenders' cost of funding a new Australian Bank Bill Rate Loan to the same extent as at the date of this Agreement,

the Administrative Agent on instructions of the relevant Lenders may specify another comparable page or service displaying the appropriate rate after consultation by the Administrative Agent with the Borrower; or

(c) if there are no buying rates, the Australian Bank Bill Rate for each Lender will be the rate notified by that Lender to the Administrative Agent to be that Lender's cost of funding its participation in the relevant Australian Bank Bill Rate Loans for that period. Rates will be expressed as a percentage yield per annum to maturity being the arithmetic average (rounded upward to the nearest 1/100 th of 1%) and in no event shall the Australian Bank Bill Rate be less than 0.00%.

" **Australian Bank Bill Rate Borrowing** " refers to a Borrowing bearing interest at a rate determined by reference to the Australian Bank Bill Rate.

" **Australian Bank Bill Rate Loan** " refers to a Loan bearing interest at a rate determined by reference to the Australian Bank Bill Rate.

" **Availability Period** " means the period from and including the Effective Date to but excluding the earlier of the Maturity Date and the date of termination of the Revolving Commitments.

" **Bail-In Action** " means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

" **Bail-In Legislation** " means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

" **Bankruptcy Code** " means Chapter 11 of Title 11 of the United States Code, as amended from time to time and any successor statute and all rules and regulations promulgated thereunder.

" **Bankruptcy Event** " means an Event of Default of the type described in Section 7.01(h) , (i) or (j) .

" **Board** " means the Board of Governors of the Federal Reserve System of the United States of America (or any successor).

" **Borrower** " means Snapchat, Inc., a Delaware corporation.

" **Borrowing** " means Revolving Loans of the same Type, made, converted or continued on the same date and, in the case of Eurodollar Loans, EURIBOR Loans, Australian Bank Bill Rate Loans, and Canadian BA Rate Loans, as to which a single Interest Period is in effect.

" **Borrowing Minimum** " means (a) in the case of a Eurodollar Borrowing denominated in dollars, $5,000,000, (b) in the case of a Eurodollar Borrowing denominated in any Permitted Foreign Currency or a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing, or a Canadian BA Rate Borrowing, the smallest amount of such Permitted Foreign Currency that is an integral multiple of 100,000 units of such currency and that has a Dollar Equivalent in excess of $5,000,000 and (c) in the case of an ABR Borrowing, $5,000,000.

" **Borrowing Multiple** " means (a) in the case of a Eurodollar Borrowing denominated in dollars, $1,000,000, (b) in the case of a Eurodollar Borrowing denominated in any Permitted Foreign Currency or a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing, or a Canadian BA Rate Borrowing, the

smallest amount of such Permitted Foreign Currency that is an integral multiple of 100,000 units of such currency and that has a Dollar Equivalent in excess of $1,000,000 and (c) in the case of an ABR Borrowing, $1,000,000.

" **Borrowing Request** " means a request by the Borrower for a Borrowing in accordance with Section 2.03 .

" **Business Day** " means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; *provided* that, (a) when used in connection with a Eurodollar Loan, the term " **Business Day** " shall also exclude any day on which banks are not open for dealings in deposits in the applicable currency in the London interbank market, (b) when used in connection with any EURIBOR Loan, the term " **Business Day** " shall also exclude any day which is not a TARGET Day or any day on which banks in London are not open for general business, (c) when used in connection with any Australian Bank Bill Rate Loan, the term " **Business Day** " shall also exclude any day on which banks in Sydney, Australia are not open for general business, and (d) when used in connection with any Canadian BA Rate Loan, the term " **Business Day** " shall also exclude a day on which banks in Toronto, Ontario, Canada are not open for general business.

" **Calculation Date** " means (a) the last Business Day of each calendar quarter, (b) each date (with such date to be reasonably determined by the Administrative Agent) that is on or about the date of (i) a Borrowing Request or an Interest Election Request with respect to any Revolving Loan or (ii) the issuance, amendment (including, without limitation, the date of any amendment increasing the amount of any Letter of Credit), renewal or extension of a Letter of Credit, (c) solely with respect to Letters of Credit, the first Business Day of each calendar month, and (d) if an Event of Default has occurred and is continuing, any Business Day as determined by the Administrative Agent in its sole discretion.

" **Canadian BA Rate** " means, with respect to each Interest Period for a Canadian BA Rate Loan, the rate of interest per annum equal to the average rate applicable to Canadian Dollar Bankers' Acceptances having an identical or comparable term as the proposed Canadian BA Rate Loan displayed and identified as such on the display referred to as the "CDOR Page" (or any display substituted therefor) of Reuter Monitor Money Rates Service as at approximately 10:00 a.m. Toronto time on such day (or, if such day is not a Business Day, as of 10:00 a.m. Toronto time on the immediately preceding Business Day), *plus* five (5) basis points, *provided* that if such rate does not appear on the CDOR Page at such time on such date, the rate for such date will be the annual discount rate (rounded upward to the nearest whole multiple of 1/100 of 1%) as of 10:00 a.m. Eastern time on such day at which a Canadian chartered bank listed on Schedule 1 of the *Bank Act* (Canada) as selected by the Administrative Agent is then offering to purchase Canadian Dollar Bankers' Acceptances accepted by it having such specified term (or a term as closely as possible comparable to such specified term), *plus* five (5) basis points. In no event shall the Canadian BA Rate be less than 0.00%.

" **Canadian BA Rate Borrowing** " refers to a Borrowing bearing interest at a rate determined by reference to the Canadian BA Rate.

" **Canadian BA Rate Loan** " refers to a Loan bearing interest at a rate determined by reference to the Canadian BA Rate.

" **Canadian Dollars** " means the lawful currency of Canada.

" **Capital Lease Obligations** " of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP; *provided* that any obligations relating to a lease that was accounted for by such Person as an operating lease as of the Effective Date (or that would have been accounted for as an operating lease if such lease was in effect as of the Effective Date) shall be accounted for as obligations relating to an operating lease and not as Capital Lease Obligations.

" **Cash Collateralize** " means, in respect of an Obligation, to provide and pledge (as a first priority perfected security interest) cash collateral in the applicable currency in an amount not to exceed 102% of such Obligations (except as otherwise expressly provided herein), at a location and pursuant to documentation in form and substance satisfactory to the Administrative Agent and the applicable Issuing Bank (and " **Cash Collateralization** " has a corresponding meaning). " **Cash Collateral** " shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

" **Cash Equivalents** " means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of issuance thereof;

(b) investments in commercial paper maturing within 270 days from the date of issuance thereof and having, at such date of acquisition, a rating of at least "Prime 1" (or the then equivalent grade) by Moody's or "A-1" (or the then equivalent grade) by S&P;

(c) investments in certificates of deposit, banker's acceptances and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, the Administrative Agent or any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof that issues (or the parent of which issues) commercial paper rated at least "Prime 1" (or the then equivalent grade) by Moody's or "A-1" (or the then equivalent grade) by S&P;

(d) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria of clause (c) above;

(e) investments in "money market funds" substantially all of whose assets are invested in investments of the type described in clauses (a) through (d) above;

(f) in the case of any Foreign Subsidiary, other short-term investments that are analogous to the foregoing, are of comparable credit quality and are customarily used by companies in the jurisdiction of such Foreign Subsidiary for cash management purposes; and

(g) investments permitted pursuant to Borrower's investment policy as approved by the board of directors (or committee thereof) of the Borrower from time to time.

" **Change in Control** " means (a) prior to an IPO, (x) the failure by the stockholders of the Borrower as of the Effective Date (such stockholders together with their Affiliates, the " **Existing Holders** ") to beneficially own at least 50.1% of the aggregate voting interest in the Borrower on a fully diluted basis; *provided* that any such failure by the Existing Holders to beneficially own at least 50.1% of the aggregate voting interest in the Borrower on a fully diluted basis shall not constitute a Change in Control if such failure was due to a bona fide equity financing transaction for, or recapitalization of, the Borrower; or (b) after an IPO, the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group other than the Existing Holders (within the meaning of the Securities Exchange Act and the rules of the Securities and Exchange Commission thereunder), of Equity Interests in the Public Company representing more than 40% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests in the Public Company on a fully diluted basis. The consummation of an IPO shall not constitute a Change in Control.

" **Change in Law** " means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that, notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law," regardless of the date enacted, adopted or issued.

" **Charges** " has the meaning set forth in Section 9.13 .

" **Code** " means the U.S. Internal Revenue Code of 1986, as amended from time to time.

" **Commitment** " means the Revolving Commitment.

" **Commitment Fee** " has the meaning set forth in Section 2.09(a) .

" **Communications** " has the meaning set forth in Section 9.01(d) .

" **Connection Income Taxes** " means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

" **Consolidated Adjusted EBITDA** " means, for any period, Consolidated Net Income for such period *plus* , without duplication and to the extent reflected as a charge in the statement of such Consolidated Net Income for such period, the sum of (a) income tax expense and consolidated gross receipts tax expense for such period, including taxes based on income, profits or capital, including state, franchise and similar taxes and foreign withholding taxes, (b) interest expense, amortization or write-off of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness (including the Loans), plus expenses associated with the equity component of, and any mark-to-market losses with respect to, Convertible Notes, (c) depreciation and amortization

expense, (d) amortization of intangibles (including, but not limited to, goodwill), (e) unusual or non-recurring charges for such period and any extraordinary charges or losses determined in accordance with GAAP, (f) non-cash stock option, restricted stock units and other equity-based compensation expenses and payroll tax expense related to stock option and other equity-based compensation expenses, (g) any other non-cash charges, non-cash expenses or non-cash losses of the Borrower or any Restricted Subsidiaries for such period, including any write-down of intangibles, including, for the avoidance of doubt, non-cash foreign currency translation losses and any unrealized losses in respect of Swap Agreements (including non-cash losses related to currency remeasurement of Indebtedness); *provided* , *however* that cash payments made in such period or in any future period in respect of such non-cash charges, expenses or losses shall be subtracted from Consolidated Net Income in calculating Consolidated Adjusted EBITDA in the period when such payments are made, (h) restructuring charges or reserves including write-downs and write-offs, including any one-time costs incurred in connection with acquisitions or dispositions and costs related to the closure, consolidation and integration of facilities, information technology infrastructure and legal entities, and severance and retention bonuses; (i) the amount of cost savings, operating expense reductions and synergies projected by Borrower in good faith to be realized as a result of an acquisition not prohibited hereunder, in each case within the six consecutive fiscal quarters following the consummation of such acquisition (or following the consummation of the squeeze-out merger in the case of an acquisition structured as a two-step transaction), calculated as though such cost savings, operating expense reductions and synergies had been realized on the first day of such period and net of the amount of actual benefits received during such period from such acquisition; *provided* that (i) a duly completed certificate signed by a Responsible Officer shall be delivered to the Administrative Agent certifying that such cost savings and synergies are reasonably expected and factually supportable in the good faith judgment of Borrower and (ii) no cost savings or synergies shall be added pursuant to this clause (i) to the extent duplicative of any expenses or charges otherwise added to Consolidated EBITDA, whether through a pro forma adjustment or otherwise, for such period (*provided* that notwithstanding anything to the contrary, the amount that may be added back pursuant to clauses (i) and (k) may not in the aggregate for any four fiscal quarter period exceed the greater of (x) $50,000,000 and (y) 20% of Consolidated Adjusted EBITDA for such period (determined without giving effect to any such adjustment pursuant to such clauses (i) and (k))), (j) costs, expenses, settlements and charges related to, arising out of or made in connection with legal proceedings, investigations and regulatory matters (*provided* that the amount that may be added back pursuant to this clause (j) may not in the aggregate for any four fiscal quarter period exceed the greater of (x) $50,000,000 and (y) 20% of Consolidated Adjusted EBITDA for such period (determined without giving effect to any such adjustment pursuant to this clause (j)), (k) costs, fees, charges and losses in respect of discontinued operations, (l) adjustments relating to purchase price allocation accounting, and (m) fees and expenses directly related to the Transactions, the incurrence of any Specified Indebtedness permitted hereunder, the offering of any Equity Interests by Borrower, an IPO, any acquisition, Investment or disposition transactions whether or not completed, and any transfer or license of any intellectual property or intellectual property rights by the Borrower or any of its Restricted Subsidiaries to any Restricted Subsidiary of the Borrower, *minus* , to the extent included in the statement of such Consolidated Net Income for such period (and without duplication), the sum of (a) interest income, (b) any extraordinary income or gains determined in accordance with GAAP, and (c) any other non-cash income (excluding any items that represent the reversal of any accrual of, or cash reserve for, anticipated cash charges in any prior period that are described in the parenthetical to clause (g) above), including for the avoidance of doubt non-cash foreign currency translation gains (including non-cash gains related to currency remeasurement of Indebtedness), mark-to-market gains in respect of Convertible Notes and unrealized gains in respect of Swap Agreements, all as determined on a consolidated basis.

" **Consolidated Net Income** " means, for any period, the net income or loss of the Borrower and its Restricted Subsidiaries for such period, determined on a consolidated basis in conformity with GAAP; *provided* that there shall be excluded (a) the income of any Person that is not a consolidated Restricted Subsidiary except to the extent of the amount of cash dividends or similar cash distributions actually paid by such Person to the Borrower or, subject to clauses (b) and (c) below, any consolidated Restricted Subsidiary during such period, (b) the income of, and any amounts referred to in clause (a) above paid to, any consolidated Restricted Subsidiary of the Borrower to the extent that, on the date of determination, the declaration or payment of cash dividends or similar cash distributions by such Restricted Subsidiary is not permitted without any prior approval of any Governmental Authority that has not been obtained or is not permitted by the operation of the terms of the organizational documents of such Restricted Subsidiary, any agreement or other instrument binding upon such Restricted Subsidiary or any law applicable to such Restricted Subsidiary, unless such restrictions with respect to the payment of cash dividends and other similar cash distributions have been legally and effectively waived, and (c) the income or loss of, and any amounts referred to in clause (a) above paid to, any consolidated Restricted Subsidiary that is not wholly-owned by the Borrower to the extent such income or loss or such amounts are attributable to the noncontrolling interest in such consolidated Restricted Subsidiary.

" **Control** " means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. " **Controlling** " and " **Controlled** " have meanings correlative thereto.

" **Convertible Notes** " means debt securities that are convertible solely into, or exchangeable solely for, Equity Interests and/or cash; *provided* that such debt securities (i) do not have a scheduled maturity date any earlier than the date that is 91 days after the Maturity Date applicable at the time of issuance thereof, (ii) only require interest to be paid in kind; *provided* that after an IPO, cash interest will be permitted in an amount not to exceed 3.0% per annum and (iii) issued prior to an IPO shall be convertible solely into Equity Interests (and not for cash) and shall not require any cash payments to be made thereunder or contain any cash redemption features, except, in the case of clauses (i) and (ii), if as a result of a customary fundamental change or change of control event.

" **Credit Parties** " has the meaning set forth in Section 9.12 .

" **Debtor Relief Laws** " means the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

" **Declining Lender** " has the meaning set forth in Section 2.20 .

" **Default** " means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

" **Defaulting Lender** " means, subject to Section 2.17(b) , any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder, unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's good faith determination that one or more conditions precedent to such funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (ii) fund any portion of its participation in any Letter of Credit within two Business Days of the date required to be funded hereunder or (iii) pay to

the Administrative Agent, any Issuing Bank or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent or any Issuing Bank in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's good faith determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (*provided* that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (e) has become the subject of a Bail-In Action; *provided* that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.17(b)) upon delivery of written notice of such determination to the Borrower and each Lender.

" **Disclosure Letter** " means the disclosure letter, dated as of the date hereof, as amended or supplemented from time to time pursuant to the terms of this Agreement.

" **Disqualified Equity Interests** " means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (i) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise, (ii) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, or (iii) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 91 days after the Maturity Date applicable at the time of issuance thereof, except, in the case of clauses (i) and (ii), if as a result of a change of control, fundamental change or asset sale, so long as any rights of the holders thereof upon the occurrence of such a change of control, fundamental change or asset sale event are subject to the prior expiration or termination of the Commitments, the payment in full of the principal of and interest on each Loan and all fees payable hereunder and the cancellation or expiration or Cash Collateralization of all Letters of Credit.

" **Disqualified Institution** " means (a) any Person that has been identified in writing to the Administrative Agent prior to the Effective Date as a "Disqualified Institution", (b) any Person that is a competitor or potential competitor of the Borrower or any of its Subsidiaries or any investor in any such competitor or potential competitor (in each case as determined in good faith by the Borrower) that has

been identified in writing to the Administrative Agent from time to time as a "Disqualified Institution" by the Borrower, (c) any Person (other than (x) any Affiliates of Lenders as of the Effective Date or (y) any Affiliate of a Lender approved by the Borrower and the Administrative Agent (such approval, in each case, not to be unreasonably withheld, delayed or conditioned)) with a long term unsecured credit rating of less than BBB- by S&P or Fitch Ratings Ltd. (or any successor thereto) or less than Baa3 by Moody's, and (d) any Person (including an Affiliate or Approved Fund of a Lender) whose primary activity is the trading or acquisition of distressed debt; *provided* that (i) any Person that becomes a "Disqualified Institution" after the applicable Trade Date with respect to an assignment or participation shall not retroactively be deemed a "Disqualified Institution" for purposes of such assignment or participation or any previously acquired assignment or participation (but such Person shall not be able to increase its Commitments or participations hereunder), (ii) such assignment or participation and, in the case of an assignment, the execution by the Borrower of an Assignment and Assumption with respect to such assignee, will not by itself result in such assignee no longer being considered a "Disqualified Institution"; *provided* , *however* , that, in each case, the term "Disqualified Institution" shall not include any person that has been identified in writing to the Administrative Agent from time to time by the Borrower as no longer constituting a "Disqualified Institution" and (iii) clause (d) above shall not apply at any time that a Specified Event of Default has occurred and is continuing.

" **Dollar Equivalent** " means, at any time, (a) with respect to any amount denominated in dollars, such amount and (b) with respect to any amount denominated in any Permitted Foreign Currency, the equivalent amount thereof in dollars at such time as determined in accordance with Section 1.05(a) using the Exchange Rate with respect to such Permitted Foreign Currency at the time in effect under the provisions of such Section (except as otherwise expressly provided in Section 2.19(d)).

" **dollars** " or " **$** " refers to lawful money of the United States of America.

" **Domestic Subsidiary** " means any Subsidiary that is organized under the laws of any political subdivision of the United States, excluding (x) any such Subsidiary substantially all of the assets of which consist of Equity Interests in one or more Subsidiaries that are "controlled foreign corporations" within the meaning of Section 957 of the Code and (y) any such Subsidiary that is owned (directly or indirectly) by a Subsidiary that is a "controlled foreign corporation" within the meaning of Section 957 of the Code.

" **EEA Financial Institution** " means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent;

" **EEA Member Country** " means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

" **EEA Resolution Authority** " means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

" **Effective Date** " means the date on which the conditions specified in Section 4.01 are satisfied (or waived in accordance with Section 9.02).

“ **Engagement Letter** ” means that certain Engagement Letter, dated as of July 21, 2016, by and among the Borrower and MSSF.

“ **Environmental Laws** ” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the generation, use, handling, transportation, storage, treatment, disposal, management, release or threatened release of any Hazardous Material or to health and safety matters.

“ **Environmental Liability** ” means any liability, contingent or otherwise (including any liability for damages, costs of investigation, reclamation or remediation, fines, penalties or indemnities), of the Borrower or any Restricted Subsidiary directly or indirectly resulting from or based upon (a) any Environmental Law, including compliance or noncompliance therewith, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the presence, release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ **Equity Interests** ” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest; *provided* that Equity Interests shall not include any Convertible Notes.

“ **ERISA** ” means the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

“ **ERISA Affiliate** ” means any person that for purposes of Title I or Title IV of ERISA or Section 412 of the Code would be deemed at any relevant time to be a single employer or otherwise aggregated with the Borrower or a Restricted Subsidiary under Section 414(b), (c), (m) or (o) of the Code or Section 4001 of ERISA.

“ **ERISA Event** ” means any one or more of the following: (a) any reportable event, as defined in Section 4043 of ERISA, with respect to a Plan, as to which the PBGC has not waived under subsection .22, .23, .25, .26, .27, .28, .29, .30, .31, .32, .34 or .35 of PBGC Regulation Section 4043 the requirement of Section 4043(a) of ERISA that it be notified of such event; (b) the termination of any Plan under Section 4041(c) of ERISA; (c) the institution of proceedings by the PBGC under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan; (d) the failure to make a required contribution to any Plan that would result in the imposition of a lien or other encumbrance or the provision of security under Section 430 of the Code or Section 303 or 4068 of ERISA, or the arising of such a lien or encumbrance; (e) the failure to satisfy the minimum funding standard under Section 412 of the Code or Section 302 of ERISA, whether or not waived; or a determination that any Plan is, or is expected to be, considered an at-risk plan within the meaning of Section 430 of the Code or Section 303 of ERISA; (f) engaging in a non-exempt prohibited transaction within the meaning of Section 4975 of the Code or Section 406 of ERISA with respect to a Plan; (g) the complete or partial withdrawal of any Borrower, Restricted Subsidiary or any ERISA Affiliate from a Multiemployer Plan which results in the imposition of Withdrawal Liability or the reorganization or insolvency under Title IV of ERISA of any Multiemployer Plan or (h) a determination that any Multiemployer Plan is in endangered or critical status under Section 432 of the Code or Section 305 of ERISA.

" **EU Bail-In Legislation Schedule** " means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

" **EURIBO Rate** " means, for any Interest Rate Determination Date with respect to an Interest Period for a EURIBOR Borrowing, the rate *per annum* determined by the Administrative Agent on the basis of the rate for deposits in such currency for a period equal to such Interest Period commencing on the first day of such Interest Period as administered by the Banking Federation of the European Union (or any other Person that takes over the administration of such rate) appearing on Reuters Screen EURIBOR01 page (or any successor page) as of approximately 11:00 a.m., Brussels, Belgium time, on such Interest Rate Determination Date; *provided* that, in the event such rate does not appear on such page or service or if such page or service shall cease to be available, the EURIBO Rate shall be determined by the Administrative Agent by reference to such other comparable publicly available service for displaying EURIBO rates as may be selected by the Administrative Agent, or, in the absence of such availability, the arithmetic mean of the rates (rounded upward to the nearest 1/100th of 1%) as supplied to the Administrative Agent at its request and quoted by the reference banks appointed by the Administrative Agent in consultation with the Borrower to leading banks who consent to such appointment in the Euro interbank market for deposits in Euros of a duration equal to the duration of such Interest Period, on such Interest Rate Determination Date.

" **EURIBOR** ", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted EURIBO Rate.

" **Euro** " or " **€** " means the single currency of the European Union as constituted by the Treaty on European Union and as referred to in the EMU Legislation.

" **Eurodollar** ", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

" **Event of Default** " has the meaning set forth in Article 7 .

" **Exchange Rate** " means, on any day, with respect to the applicable Permitted Foreign Currency, the rate at which such currency may be exchanged into dollars, as set forth at approximately 11:00 a.m., London time, on such day on the Reuters World Currency Page "FX=" for such currency. In the event that such rate does not appear on any Reuters World Currency Page, then the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrower or, in the absence of such agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 10:00 a.m., London time, on such date for the purchase of dollars for delivery two Business Days later; *provided* that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent, after consultation with the Borrower, may use any reasonable and customary method it deems appropriate to determine such rate, and such determination shall be presumed correct absent manifest error.

" **Excluded Subsidiary** " means (a) any Unrestricted Subsidiary, (b) any Subsidiary that is prohibited by applicable law, rule or regulation or by any contractual obligation to which such Subsidiary is a party or by which it or any of its property or assets is bound from guaranteeing the Obligations;

provided that any such agreement, instrument or other undertaking (i) is in existence on the Effective Date (or, with respect to a Subsidiary acquired after the Effective Date, as of the date such acquisition) and (ii) in the case of a Subsidiary acquired after the Effective Date, was not entered into in connection with, or in contemplation of, such acquisition, (c) any Subsidiary with respect to which guaranteeing the Obligations would require consent, approval, license or authorization from any Governmental Authority, unless such consent, approval, license or authorization has been obtained and (d) any other Subsidiary with respect to which the Administrative Agent, in consultation with the Borrower, determines that the burden or cost or other consequences is excessive in view of the benefits to be obtained by the Lenders.

" **Excluded Taxes** " means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed by the jurisdiction (or any political subdivision thereof) under the laws of which such Recipient is organized or in which its principal office is located, or, in the case of any Lender, its applicable lending office is located or (ii) that otherwise are Other Connection Taxes, (b) in the case of a Lender or Issuing Bank, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender or Issuing Bank with respect to an applicable interest in a Loan or Revolving Commitment or obligations to reimburse amounts drawn under a Letter of Credit pursuant to a law in effect on the date on which (i) such Lender or Issuing Bank acquires such interest in the Loan, Revolving Commitment or Letter of Credit (other than pursuant to an assignment request by the Borrower under Section 2.16) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.14(b) , amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 2.14(g) and (d) any U.S. federal withholding Taxes imposed under FATCA.

" **Executive Order** " has the meaning set forth in Section 3.15(a) .

" **Extending Lender** " has the meaning set forth in Section 2.20 .

" **Extension Agreement** " means an extension agreement entered into pursuant to Section 2.20 in form and substance reasonably satisfactory to the Administrative Agent.

" **Extension Notice** " has the meaning set forth in Section 2.20 .

" **FATCA** " means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code or any published intergovernmental agreement and any fiscal or regulatory legislation, rules or official practices adopted pursuant to any published intergovernmental agreement entered into in connection with the implementation of such Sections of the Code.

" **FCPA** " means the Foreign Corrupt Practices Act of 1977, (15 U.S.C. §§ 78dd-1, et seq.) as amended.

" **Federal Funds Effective Rate** " means for any day, the rate *per annum* equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published by the Federal Reserve Bank of New York on the

Business Day next succeeding such day or, if no such rate is so published on any day that is a Business Day, the average of the quotations for the day of such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by it; *provided* that if the relevant screen rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

" **Financial Officer** " means any of the chief financial officer, principal accounting officer, vice president of finance or corporate controller or most senior financial officer of the Borrower.

" **Foreign Lender** " means any Lender whose interest in any Obligation is treated for U.S. federal income tax purposes as owned by a Person that is not a U.S. Person.

" **Foreign Subsidiary** " means any Subsidiary that is organized under the laws of any jurisdiction other than any Subsidiary organized under any political subdivision of the United States.

" **Fronting Exposure** " means, at any time there is a Defaulting Lender, with respect to any Issuing Bank, such Defaulting Lender's Applicable Percentage of the Letter of Credit Usage other than Letter of Credit Usage as to which such Defaulting Lender's participation obligation has been reallocated to other Non-Defaulting Lenders or Cash Collateralized in accordance with the terms hereof.

" **GAAP** " means generally accepted accounting principles in the United States of America.

" **Governmental Acts** " means any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

" **Governmental Authority** " means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

" **Guarantee** " of or by any Person (the "guarantor") means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness of any other Person (the " **primary obligor** ") in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation or (d) as an account party in respect of any letter of credit or letter of guaranty issued to support such Indebtedness; *provided* , that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business, or customary indemnification obligations entered into in connection with any acquisition or disposition of assets or of other entities (other than to the extent that the primary obligations that are the subject of such indemnification obligation would be considered Indebtedness hereunder).

" **Guarantor** " means any Material Domestic Subsidiary of the Borrower that has delivered a Guaranty or a joinder agreement to a Guaranty pursuant to Section 5.10 hereof.

" **Guaranty** " means a guaranty agreement in substantially the form of Exhibit E hereto.

" **Hazardous Materials** " means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

" **Immaterial Subsidiary** " means, at any date of determination, any Subsidiary of the Borrower that has been designated by Borrower by written notice to the Administrative Agent as an "Immaterial Subsidiary" from time to time (it being understood that as of the Effective Date, all of the Subsidiaries of the Borrower have been so designated) and (a) whose Total Assets (on an unconsolidated basis) as of the most recent available quarterly or year-end financial statements do not exceed 5% of the Total Assets of the Borrower and its Subsidiaries at such date and (b) whose revenues (on an unconsolidated basis) for the most recently ended four-quarter period for which financial statements are available do not exceed 5% of the consolidated revenues of the Borrower and its Subsidiaries for such period, in each case determined in accordance with GAAP; *provided* that (i) the Total Assets of all such Subsidiaries as of the most recent available quarterly or year-end financial statements shall not exceed 15% of the Total Assets of the Borrower and its Subsidiaries at such date and (ii) the revenues for the most recently ended four-quarter period for which financial statements are available shall not exceed 15% of the consolidated revenues of the Borrower and its Subsidiaries for such period, in each case determined in accordance with GAAP. For any determination made as of or prior to the time any Person becomes an indirect or direct Subsidiary of Borrower, such determination and designation shall be made based on financial statements provided by or on behalf of such Person in connection with the acquisition of such Person or such Person's assets. The Borrower may change the designation of any Subsidiary as an Immaterial Subsidiary (and, to the extent that existing designated Immaterial Subsidiaries do not meet the limits provided above, the Borrower shall change such designation) by providing notice to the Administrative Agent; *provided* that any Restricted Subsidiary of Borrower formed or acquired after the Effective Date, as applicable, that meets the requirements of an "Immaterial Subsidiary" set forth herein shall be deemed designated as an "Immaterial Subsidiary" (without any requirement for any further notice to the Administrative Agent) unless the Borrower otherwise notifies the Administrative Agent in writing.

" **Increased Amount Date** " has the meaning set forth in Section 2.18(a) .

" **Incremental Available Amount** " means, on any date of determination, (a) $500,000,000, plus , (b) any additional or other amount, so long as, solely in this case of this clause (b), the Borrower has provided the financial statements described in Section 5.01(a) or (b) , as applicable, and the Senior Net Leverage Ratio does not exceed 2.50 to 1.00, determined on a pro forma basis after giving effect to such New Commitments as of the most recently ended Measurement Period for which financial statements have been delivered and treating any New Commitments or Specified Indebtedness consisting of a revolving credit facility incurred on such date (or, in the case, of a Limited Conditionality Acquisition, to be incurred in connection with such acquisition) as fully drawn; *provided* that Senior Indebtedness shall be determined without taking into account any cash or cash equivalents constituting proceeds of any Loans made under any New Commitments or Specified Indebtedness to be provided on such date (or, in the case, of a Limited Conditionality Acquisition, to be incurred in connection with such acquisition) that may otherwise reduce the amount of Senior Indebtedness.

" **Indebtedness** " of any Person at any date means, without duplication, (a) all indebtedness of such Person for borrowed money, (b) all obligations of such Person for the deferred purchase price of property or services (other than current trade payables incurred in the ordinary course of such Person's business), (c) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (d) all indebtedness created or arising under any conditional sale or other title retention

agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), (e) all Capital Lease Obligations of such Person, (f) all obligations of such Person, contingent or otherwise, as an account party or applicant under or in respect of bankers' acceptances, letters of credit, surety bonds or similar arrangements, (g) all Guarantees of such Person in respect of obligations of the kind referred to in clauses (a) through (f) above, and (h) all obligations of the kind referred to in clauses (a) through (g) above secured by (or for which the holder of such obligation has an existing right, contingent or otherwise, to be secured by) any Lien on property (including accounts and contract rights) owned or acquired by such Person, whether or not such Person has assumed or become liable for the payment of such obligation. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness expressly provide that such Person is not liable therefor. For the avoidance of doubt, obligations pursuant to the settlement of claims prior to the date of this Agreement shall not be deemed to be "Indebtedness".

" **Indemnified Taxes** " means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

" **Indemnitee** " has the meaning set forth in Section 9.03(b) .

" **Information** " has the meaning set forth in Section 9.12(a) .

" **Interest Election Request** " has the meaning set forth in Section 2.05(b) .

" **Interest Payment Date** " means (a) with respect to any ABR Loan, the last day of each March, June, September and December and (b) with respect to any Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, or Canadian BA Rate Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period.

" **Interest Period** " means, with respect to any Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing or Canadian BA Rate Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months (or, with the consent of each Lender, twelve months or less than one month) thereafter, as the Borrower may elect; *provided* that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period pertaining to a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing or Canadian BA Rate Borrowing that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

" **Interest Rate Determination Date** " means, with respect to any Interest Period, the date that is two Business Days prior to the first day of such Interest Period.

" **Investment** " means any loan, advance, extension of credit (by way of Guarantee or otherwise) or capital contributions by the Borrower or any of its Restricted Subsidiaries to any other Person. For the avoidance of doubt, notwithstanding anything to the contrary herein, the value of any Investment shall be deemed to be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment; *provided* , that the value of such Investment shall be net of cash return received after the Effective Date as a result of any sale for cash, repayment, redemption, liquidation, distribution or other cash realization, not to exceed the original cost of such Investment.

" **IPO** " means a bona fide underwritten sale to the public of Qualified Equity Interests of the Public Company pursuant to a registration statement (other than on Form S-8 or any other form relating to securities issuable under any benefit plan of the Borrower or any of its Subsidiaries, as the case may be) that is declared effective by the Securities and Exchange Commission.

" **IRS** " means the United States Internal Revenue Service.

" **ISP 98** " means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be acceptable to the applicable Issuing Bank and in effect at the time of issuance of such Letter of Credit).

" **Issuing Bank** " means each Lender (or affiliate thereof) with a Letter of Credit Issuer Sublimit on Schedule 2.01 hereof, as Issuing Bank hereunder, and any other Lender (or affiliate thereof) that shall agree in writing, at the request of the Borrower and with the consent of the Administrative Agent, to become an "Issuing Bank", in each case together with its permitted successors and assigns in such capacity.

" **Joinder Agreement** " means a joinder agreement in form and substance reasonably satisfactory to the Administrative Agent.

" **Joint Venture** " means an Investment pursuant to which the Borrower or a Restricted Subsidiary acquires less than the total amount of Equity Interests or other ownership interests in any Person and, after giving effect such Investment, such Person is not a "Subsidiary" of the Borrower or such Restricted Subsidiary.

" **Lenders** " means the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption.

" **Letter of Credit** " means a standby letter of credit issued or to be issued by an Issuing Bank pursuant to this Agreement in such form and substance as may be approved from time to time by the applicable Issuing Bank. Letters of Credit will only be issued in dollars or any other Permitted Foreign Currency.

" **Letter of Credit Disbursement** " means a payment made by an Issuing Bank pursuant to a Letter of Credit.

" **Letter of Credit Fee** " has the meaning set forth in Section 2.09 .

" **Letter of Credit Issuer Sublimit** " means (i) with respect to each Issuing Bank as of the Effective Date, as set forth on Schedule 2.01 , and (ii) with respect to any other Issuing Bank, an amount as shall be agreed to by the Administrative Agent, such Issuing Bank and the Borrower.

" **Letter of Credit Sublimit** " means the lesser of (i) $200,000,000 and (ii) the aggregate unused amount of the Revolving Commitments then in effect.

" **Letter of Credit Usage** " means, as at any date of determination, the sum of (i) the Dollar Equivalent of the maximum aggregate amount which is, or at any time thereafter may become, available for drawing under all Letters of Credit then outstanding and (ii) the Dollar Equivalent of the aggregate amount of all drawings under Letters of Credit honored by an Issuing Bank and not theretofore reimbursed by or on behalf of the Borrower. The Letter of Credit Usage of any Lender at any time shall be such Lender's Applicable Percentage of the aggregate Letter of Credit Usage at such time.

" **LIBO Rate** " means, for any Interest Rate Determination Date with respect to an Interest Period (or, solely for purposes of clause (iii) in the defined term "Alternate Base Rate," for purposes of determining the Alternate Base Rate as of any date) for a Eurodollar Borrowing in any currency, the rate *per annum* determined by the Administrative Agent on the basis of the rate for deposits in such currency for a period equal to such Interest Period commencing on the first day of such Interest Period as administered by the ICE Benchmark Administration (or any other Person that takes over the administration of such rate for the relevant currency) appearing on Reuters Screen LIBOR01 page (or any successor page) as of approximately 11:00 a.m., London, England time, on such Interest Rate Determination Date; *provided* that, in the event such rate does not appear on such page or service or if such page or service shall cease to be available, the LIBO Rate shall be determined by the Administrative Agent by reference to such other comparable publicly available service for displaying LIBO rates as may be selected by the Administrative Agent, or, in the absence of such availability, the arithmetic mean of the rates (rounded upward to the nearest 1/100th of 1%) as supplied to Administrative Agent at its request and quoted by the reference banks appointed by the Administrative Agent in consultation with the Borrower to leading banks who consent to such appointment in the London interbank market for deposits in such currency of a duration equal to the duration of such Interest Period, on such Interest Rate Determination Date.

" **Lien** " means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, and (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

" **Limited Conditionality Acquisition** " means any acquisition not prohibited by this Agreement whose consummation is not conditioned on the availability of, or on obtaining, third party financing.

" **Liquidity** " means the amount of Unrestricted cash and Cash Equivalents of the Borrower and its Restricted Subsidiaries.

" **Loan Documents** " means this Agreement (including any amendment hereto or waiver hereunder), the Notes (if any), any Joinder Agreement, any Guaranty, any instrument of joinder to any Guaranty delivered pursuant to Section 5.10 hereof, any other agreement, instrument or document

executed after the date hereof and designated by its terms as a Loan Document, and any agreements, documents or certificates executed by the Borrower in favor of the applicable Issuing Bank relating to Letters of Credit.

" **Loan Parties** " means the Borrower and the Guarantors.

" **Loans** " means the Revolving Loans.

" **Local Time** " means (a) with respect to any Loan or Borrowing denominated in dollars or Canadian Dollars or any Letter of Credit denominated in dollars or Canadian Dollars, New York City time, and (b) with respect to any Loan or Borrowing denominated in a Permitted Foreign Currency or any Letter of Credit denominated in a Permitted Foreign Currency (in each case other than Canadian Dollars), London time.

" **Material Adverse Effect** " means a material adverse effect on (a) the business, property, financial condition or results of operations of the Borrower and the Restricted Subsidiaries taken as a whole, (b) the ability of the Borrower or any other Loan Party to perform its payment obligations under any Loan Document to which it is a party and (c) the rights of or remedies available to the Agents and the Lenders under the terms of this Agreement or any Guaranty.

" **Material Domestic Subsidiary** " means a wholly-owned Domestic Subsidiary that is not an Immaterial Subsidiary or an Excluded Subsidiary.

" **Material Indebtedness** " means Indebtedness (other than any Indebtedness under the Loan Documents and other than Indebtedness among the Borrower and its Subsidiaries), or obligations in respect of one or more Swap Agreements, of any one or more of the Borrower and its Restricted Subsidiaries in a principal amount exceeding $100,000,000. For purposes of determining Material Indebtedness, the "principal amount" of the obligations of the Borrower or any Restricted Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that the Borrower or such Restricted Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

" **Maturity Date** " means July 29, 2021, as such date may be extended pursuant to Section 2.20 .

" **Maximum Rate** " has the meaning set forth in Section 9.13 .

" **Measurement Period** " means, at any date of determination, the most recently completed four consecutive fiscal quarters of the Borrower ended on such date.

" **Moody's** " means Moody's Investors Service, Inc., or any successor thereto.

" **MSSF** " means Morgan Stanley Senior Funding, Inc.

" **Multiemployer Plan** " means any multiemployer plan as defined in Section 4001(a)(3) of ERISA, which is contributed to by (or to which there is or could be an obligation to contribute of) the Borrower or a Restricted Subsidiary or an ERISA Affiliate, and each such plan for the five- year period immediately following the latest date on which the Borrower, or a Restricted Subsidiary or an ERISA Affiliate contributed to or had an obligation to contribute to such plan.

" **New Commitments** " has the meaning set forth in Section 2.18(a) .

" **New Extending Lender** " has the meaning set forth in Section 2.20 .

" **New Lender** " has the meaning set forth in Section 2.18(a) .

" **New Loan** " has the meaning set forth in Section 2.18(b) .

" **Non-Consenting Lender** " means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 9.02 and (ii) has been approved by the Required Lenders.

" **Non-Defaulting Lender** " means, at any time, each Lender that is not a Defaulting Lender at such time.

" **Non-Public Information** " means information that has not been disseminated in a manner making it available to investors generally, within the meaning of Regulation FD.

" **Non-U.S. Plan** " means any plan, fund (including, without limitation, any superannuation fund) or other similar program established, contributed to (regardless of whether through direct contributions or through employee withholding) or maintained outside the United States by the Borrower or one or more Restricted Subsidiaries primarily for the benefit of employees of the Borrower or such Restricted Subsidiaries residing outside the United States, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and which plan is not subject to ERISA or the Code.

" **Note** " has the meaning set forth in Section 2.07(e) .

" **Obligations** " means all amounts owing by any Loan Party to the Administrative Agent, any Issuing Bank or any Lender pursuant to the terms of this Agreement or any other Loan Document (including all interest which accrues after the commencement of any case or proceeding in bankruptcy after the insolvency of, or for the reorganization of the Borrower or any of its Subsidiaries, whether or not allowed in such case or proceeding).

" **Other Connection Taxes** " means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising solely from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document). For the avoidance of doubt, Taxes described in clause (a) of the definition of Excluded Taxes constitute Other Connection Taxes.

" **Other Taxes** " means any and all present or future stamp, court or documentary taxes or any other excise, property, intangible, recording, filing or similar Taxes which arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, this Agreement and the other Loan Documents; excluding, however, such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than such taxes imposed with respect to an assignment that occurs as a result of the Borrower's request pursuant to Section 2.16(b)).

" **Participant** " has the meaning set forth in Section 9.04(c)(i) .

" **Participant Register** " has the meaning set forth in Section 9.04(c)(iii) .

" **PBGC** " means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

" **Pension Plan** " means any "employee pension benefit plan" within the meaning of Section 3(2) of ERISA, other than a Multiemployer Plan, that is subject to Title IV of ERISA, Section 412 of the Code or Section 302 of ERISA and is maintained in whole or in part by the Borrower, any Restricted Subsidiary or any ERISA Affiliate or with respect to which any of the Borrower, any Restricted Subsidiary or any ERISA Affiliate has actual or contingent liability.

" **Permitted Acquisition** " means any transaction or series of related transactions resulting in the acquisition by the Borrower or any of its Restricted Subsidiaries whether by purchase, merger or otherwise, of all or substantially all of the assets or Equity Interests of, or a business line or unit or a division of, any Person; *provided*

(a) immediately prior to, and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing or would result therefrom;

(b) the Borrower shall take, or shall cause to be taken, each of the actions set forth in Section 5.10 , if applicable, within the time period stated in Section 5.10 ; and

(c) any Person or assets or division as acquired in accordance herewith shall be engaged in or related to a business permitted under Section 6.03(b) .

" **Permitted Encumbrances** " means:

(a) Liens imposed by law for taxes, assessments or governmental charges or levies that are not yet delinquent or are being contested in compliance with Section 5.04 ;

(b) carriers', warehousemen's, mechanics', materialmen's, landlord's, supplier's, repairmen's and other like Liens imposed by law, arising in the ordinary course of business and securing obligations that are not overdue by more than 60 days or are being contested in good faith;

(c) pledges and deposits made (i) in the ordinary course of business in compliance with workers' compensation, unemployment insurance and other social security laws or regulations or employment laws or to secure other public, statutory or regulatory obligations and (ii) in respect of letters of credit, bank guarantees or similar instruments issued for the account of any Loan Party or any Restricted Subsidiary in the ordinary course of business supporting obligations of the type set forth in clause (c)(i) above;

(d) pledges and deposits to (i) secure the performance of bids, trade and commercial contracts, leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature, in each case incurred in the ordinary course of business and (ii) in respect of letters of credit, bank guarantees or similar instruments issued for the account of the

Borrower or any Subsidiary in the ordinary course of business supporting obligations of the type set forth in clause (d)(i) above;

(e) judgment liens in respect of judgments that do not constitute an Event of Default under Section 7.01(k) and Liens securing appeal or surety bonds related to such judgments;

(f) easements, zoning restrictions, rights-of-way, building ordinances, encroachments, title defects and other irregularities, governmental restrictions on the use of property or conduct of business and Liens in favor of Governmental Authorities and similar encumbrances on real property imposed by law or arising in the ordinary course of business that do not secure any monetary obligations and do not materially detract from the value of the affected property or interfere with the ordinary conduct of business of the Borrower or any Restricted Subsidiary; and

(g) Uniform Commercial Code financing statements filed (or similar filings under applicable law) solely as a precautionary measure in connection with operating leases.

" **Permitted Foreign Currency** " means, with respect to any Loans or Letter of Credit, Australian Dollars, British Pounds, Canadian Dollars, Euros, Japanese Yen and any other foreign currency reasonably requested by the Borrower from time to time and in which each Lender (in the case of Loans to be denominated in such other currency) and each applicable Issuing Bank (in the case of any Letters of Credit to be denominated in such other currency) has reasonably agreed, in accordance with its policies and procedures in effect at such time, to lend Loans or issue Letters of Credit as applicable.

" **Permitted Transferee** " means, with respect to any Person that is a natural person (and any Permitted Transferee of such Person), (a) such Person's estate, heirs, immediate family, including his or her spouse, ex-spouse, children, step-children and their respective descendants and (b) any trust or other legal entity the beneficiary of which is such Person's immediate estate, heirs, family, including his or her spouse, ex-spouse, children, step-children or their respective descendants and which is controlled by such Person.

" **Person** " means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

" **Plan** " means any "employee benefit plan" as defined in Section 3 of ERISA (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA maintained or contributed to by the Borrower, a Restricted Subsidiary or any ERISA Affiliate or to which the Borrower, a Restricted Subsidiary or an ERISA Affiliate has or could have an obligation to contribute, and each such plan subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA for the five-year period immediately following the latest date on which the Borrower, a Restricted Subsidiary or an ERISA Affiliate maintained, contributed to or had an obligation to contribute to (or is deemed under Section 4069 of ERISA to have maintained or contributed to or to have had an obligation to contribute to, or otherwise to have liability with respect to) such plan.

" **Platform** " has the meaning set forth in Section 9.01(d) .

" **Prime Rate** " means the rate of interest the rate of interest published by the Wall Street Journal, from time to time, as the prime rate. The Prime Rate is a reference rate and does not necessarily represent

the lowest or best rate actually charged to any customer. The Administrative Agent or any other Lender may make commercial loans or other loans at rates of interest at, above or below the Prime Rate.

" **Principal Office** " for each of the Administrative Agent and any Issuing Bank, means the office of the Administrative Agent and such Issuing Bank as set forth in Section 9.01(a) , or such other office or office of a third party or sub-agent, as appropriate, as such Person may from time to time designate to Borrower and each Lender upon two Business Days' written notice.

" **Public Company** " shall mean, after the IPO, the Person that shall have issued Equity Interests pursuant to such IPO (such person being either the Borrower or any direct parent company of the Borrower).

" **Public Lenders** " means Lenders that do not wish to receive material non-public information with respect to the Borrower, the Subsidiaries or its or their securities.

" **Purchase Money Indebtedness** " means Indebtedness incurred to finance the acquisition, construction or improvement of any fixed or capital asset to the extent incurred prior to or within 180 days following such acquisition, construction or improvement.

" **Qualified Equity Interests** " means Equity Interests other than Disqualified Equity Interests.

" **Qualifying IPO** " means an IPO in which the Borrower raises at least $200,000,000 of gross primary proceeds.

" **Recipient** " means (a) the Administrative Agent, (b) any Lender and (c) any Issuing Bank, as applicable.

" **Register** " has the meaning set forth in Section 9.04(b)(iv) .

" **Refinancing Indebtedness** " means refinancings, extensions, renewals, or replacements of Indebtedness so long as (i) such refinancings, renewals, or extensions do not result in an increase in the principal amount of the Indebtedness so refinanced, renewed, or extended, other than by the amount equal to premium or other amount paid, and fees and expenses incurred, in connection with such refinancing, extensions, renewals or replacements and by the amount of unfunded commitments with respect thereto, (ii) the final maturity date of the Refinancing Indebtedness is not earlier than the original Indebtedness being refinanced, (iii) the Refinancing Indebtedness is incurred by Persons who are the obligors of the original Indebtedness being refinanced and (iv) the terms of any such Refinancing Indebtedness that are not substantially identical to the original Indebtedness being refinanced are not materially more favorable (taken as a whole) to the investors providing such Refinancing Indebtedness than those applicable to the original Indebtedness being refinanced (except for covenants or other provisions applicable only to periods after the Maturity Date existing at the time of incurrence of such Refinancing Indebtedness), as determined by the Borrower in good faith.

" **Reimbursement Date** " has the meaning set forth in Section 2.19(d) .

" **Related Parties** " means, with respect to any specified Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors of such Person and such Person's Affiliates.

" **Removal Effective Date** " has the meaning set forth in Section 8.07(b) .

" **Representatives** " has the meaning set forth in Section 9.12 .

" **Required Lenders** " means, at any time, Lenders having more than 50% of the aggregate amount of the Revolving Commitments or, if the Revolving Commitments shall have been terminated, holding more than 50% of the aggregate outstanding principal amount of the Revolving Loans at such time. The Revolving Commitment and Loans of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

" **Responsible Officer** " means any of the President, Chief Executive Officer, Senior Vice President and the most senior financial officer from time to time of the applicable Loan Party, or any person designated by any such Loan Party in writing to the Administrative Agent from time to time, acting singly.

" **Restricted Payment** " means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Restricted Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in the Borrower. For the avoidance of doubt, the conversion of, or payment for (including, without limitation, payments of principal and payments upon redemption or repurchase), or paying any interest with respect to, any Convertible Notes shall not constitute a Restricted Payment.

" **Restricted Subsidiary** " means any Subsidiary of the Borrower that is not an Unrestricted Subsidiary.

" **Revolving Commitment** " means, with respect to each Lender, the commitment of such Lender to make Revolving Loans hereunder and acquire participations in Letters of Credit hereunder, expressed as an amount representing the maximum aggregate amount of such Lender's Loans hereunder, as such commitment may be (a) reduced from time to time pursuant to Section 2.06 , (b) increased from time to time pursuant to Section 2.18 , or (c) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04 . The initial amount of each Lender's Revolving Commitment as of the Effective Date is set forth on Schedule 2.01 . The initial aggregate amount of the Lenders' Revolving Commitments as of the Effective Date is $1,100,000,000.

" **Revolving Loans** " means the revolving loans made by the Lenders to the Borrower pursuant to this Agreement.

" **S&P** " means Standard & Poor's Ratings Services or any successor thereto.

" **Sanctions** " means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom.

" **Sanctioned Entity** " means, at any time, (a) a country, region or territory which is the subject or target of comprehensive Sanctions (including, without limitation, as of the date of this Agreement, Cuba, Iran, North Korea, Sudan, Syria and the Crimea Region of the Ukraine), (b) an agency of the government of a country, (c) an organization directly or indirectly controlled by a country or its government or (d) a person or entity organized in, resident in or determined to be resident in a country or territory, that is subject to or target of comprehensive Sanctions.

" **Sanctioned Person** " means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, by the U.S. Department of State or by the United Nations Security Council, the European Union or any European Union member state, (b) any Person operating an establishment, organized or resident in a country, region or territory which is the subject or target of comprehensive Sanctions, or (c) any Person owned 50% or more or controlled by any such Person or Persons described in the foregoing clauses (a) and (b).

" **Senior Indebtedness** " means (a) the aggregate principal amount of Specified Indebtedness of the Borrower and its Restricted Subsidiaries (other than any such Specified Indebtedness that is expressly subordinated in right of payment to the Obligations pursuant to a written agreement), as determined on a consolidated basis, minus (b) up to $250,000,000 of Unrestricted cash and Cash Equivalents on the balance sheet of the Borrower and its Restricted Subsidiaries as of such date.

" **Senior Net Leverage Ratio** " means, as of any date of determination, the ratio of (a) Senior Indebtedness on such date to (b) Consolidated Adjusted EBITDA for the period of four consecutive fiscal quarters of the Borrower ended on or prior to such time (taken as one accounting period) in which financial statements for each quarter or fiscal year in such period have been or were required to be delivered pursuant to Section 5.01(a) or (b) without giving effect to any grace period applicable thereto.

" **Solvent** " means, with respect to the Borrower and its Restricted Subsidiaries on a particular date, that on such date (a) the fair value of the present assets of the Borrower and its Restricted Subsidiaries, taken as a whole, is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of the Borrower and its Restricted Subsidiaries, taken as a whole, (b) the present fair saleable value of the assets of the Borrower and its Restricted Subsidiaries, taken as a whole, is not less than the amount that will be required to pay the probable liability of the Borrower and its Restricted Subsidiaries, taken as a whole, on their debts as they become absolute and matured, (c) the Borrower and its Restricted Subsidiaries, taken as a whole, do not intend to, and do not believe that they will, incur debts or liabilities (including current obligations and contingent liabilities) beyond their ability to pay such debts and liabilities as they mature in the ordinary course of business and (d) the Borrower and its Restricted Subsidiaries, taken as a whole, are not engaged in business or a transaction, and are not about to engage in business or a transaction, in relation to which their property would constitute an unreasonably small capital. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5 (ASC 450)).

" **Specified Event of Default** " means an Event of Default of the type described in Section 7.01 (a) or (b) or, with respect to the Borrower, a Bankruptcy Event.

" **Specified Indebtedness** " means (i) indebtedness for borrowed money (including, for the avoidance of doubt, outstanding Loans), (ii) obligations for the deferred purchase price of property or services (other than current trade payables incurred in the ordinary course of business and excluding payroll liabilities, deferred compensation obligations, purchase price adjustments, royalties and earn-outs and other contingent or deferred payments of a similar nature in connection with any strategic transaction), (iii) obligations evidenced by notes, bonds, debentures and similar instruments, (iv) all obligations, contingent or otherwise, as an account party or applicant under or in respect of bankers acceptances or letters of credit, (v) Capital Lease Obligations, (vi) Purchase Money Indebtedness and (vii)

Guarantees of indebtedness of the type referred to in clauses (i) through (vi); *provided* that (A) Specified Indebtedness shall exclude Indebtedness among the Borrower and its Restricted Subsidiaries, and (B) any Specified Indebtedness that is collateralized by a Letter of Credit, letter of credit, bankers acceptances or similar arrangement for which the Borrower or any Restricted Subsidiary is an account party or applicant shall be treated as only one item of Specified Indebtedness in an amount equal to the greater of the maximum aggregate principal amount of such Specified Indebtedness or the face amount of such back-to-back Letter of Credit, letter of credit, bankers' acceptance or similar arrangement.

" **Specified Representations** " means, in respect of any Limited Conditionality Acquisition, (a) the representations and warranties set forth in Sections 3.01 (with respect to the Loan Parties), 3.02, 3.03(c), 3.08, 3.09, 3.14, 3.15 and 3.16 and (b) the representations and warranties contained in the acquisition agreement related to such Limited Conditionality Acquisition as are material to the interests of the Lenders providing such New Commitments, but only to the extent that the Borrower or any of its Affiliates has the right to terminate its obligations under such acquisition agreement as a result of the failure of such representation or warranty to be accurate.

" **Standard Credit Information** " means (a) information concerning the financial position, results of operations and cash flows of the Borrower and its Subsidiaries (including, without limitation, historical financial statements and any financial statements delivered pursuant to Section 5.01(a) or (b), any information concerning contingent liabilities and any information concerning the creditworthiness of the Borrower and its Subsidiaries), (b) any notice, certificate or other document delivered by the Borrower pursuant to the terms of this Agreement or any other Loan Document and (c) any information concerning compliance by the Borrower with the terms of this Agreement and any other Loan Document (it being understood that the term "Standard Credit Documentation" does not include product designs, software and technology, inventions, trade secrets, know-how or other proprietary information of a like nature).

" **Subsidiary** " means any subsidiary of the Borrower.

" **subsidiary** " means, with respect to any Person (the " **parent** ") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent and which is required by GAAP to be consolidated in the consolidated financial statements of the parent.

" **Swap Agreement** " means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; *provided* that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or the Subsidiaries shall be a Swap Agreement.

" **Taxes** " means any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto

" **Total Assets** " means the total assets of the Borrower and its Restricted Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of the Borrower delivered pursuant to Section 5.01(a) or (b) .

" **Total Exposure** " means, for any Lender at any time, the sum of (i) the Dollar Equivalent of the aggregate principal amount of all outstanding Loans of such Lender *plus* (ii) such Lender's Applicable Percentage of the Letter of Credit Usage.

" **Trade Date** " has the meaning set forth in Section 9.04(b)(ii)(G) .

" **Transactions** " means the execution, delivery and performance by the Loan Parties of each Loan Document to which it is a party, the borrowing of Loans and the issuance, amendment, extension or increase of Letters of Credit.

" **Type** " means, when used in reference to any Revolving Loan or Borrowing, whether the rate of interest on such Revolving Loan, or on the Revolving Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate, the Adjusted EURIBO Rate, the Australian Bank Bill Rate, or the Canadian BA Rate.

" **Unfunded Pension Liability** " means the excess of a Pension Plan's benefit liabilities under Section 4001(a)(16) of ERISA, over the current value of that Pension Plan's assets, determined in accordance with the assumptions used for funding the Pension Plan pursuant to Section 412 of the Code for the applicable plan year.

" **Unreimbursed Amount** " has the meaning set forth in Section 2.19(d) .

" **Unrestricted** " means, when referring to cash or Cash Equivalents, that such cash or Cash Equivalents (a) do not appear (or would be required to appear) as "restricted" on the consolidated balance sheet of the Borrower, (b) are not subject to any Lien, other than non-consensual Liens arising by operation of law or Liens permitted under Section 6.02(k) hereof and (c) are otherwise generally available for use by the Borrower or any Restricted Subsidiary.

" **Unrestricted Subsidiaries** " means any Subsidiary of the Borrower that at the time of determination has previously been designated, and continues to be, an Unrestricted Subsidiary in accordance with Section 5.11 .

" **USA Patriot Act** " means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. No. 107-56 (signed into law October 26, 2001)), as amended from time to time.

" **U.S.** " and " **United States** " means the United States of America.

" **U.S. Person** " means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

" **Withdrawal Liability** " means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Title IV of ERISA.

" **Withholding Agent** " means any Loan Party and the Administrative Agent.

" **Write-Down and Conversion Powers** " means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

Section 1.02 Classification of Loans and Borrowings . For purposes of this Agreement, Loans may be classified and referred to by Type (e.g., a " **Eurodollar Loan** "). Borrowings also may be classified and referred to by Type (e.g., a " **Eurodollar Borrowing** ").

Section 1.03 Terms Generally . The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, amended and restated, supplemented or otherwise modified (subject to any restrictions on such amendments, amendments and restatements, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) except as otherwise specified with respect to the schedules to the Disclosure Letter, all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (f) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time.

Section 1.04 Accounting Terms; GAAP . Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; *provided* that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the date hereof in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision shall have been amended to account for any such change following good faith negotiations between the Borrower and the Administrative Agent. Notwithstanding the foregoing, all financial covenants contained herein shall be calculated (1) without giving effect to any election under the Statement of Financial Accounting Standards No. 159 (ASC 825) (or any similar accounting principle) permitting or requiring a Person to value its financial liabilities or Indebtedness at the fair value

thereof and (2) without giving effect to any treatment of Indebtedness in respect of convertible debt instruments under Accounting Standards Codification 470-20 (or any other Accounting Standards Codification or Financial Accounting Standard having a similar result or effect) to value any such Indebtedness in a reduced or bifurcated manner as described therein, and such Indebtedness shall at all times be valued at the full stated principal amount thereof.

Section 1.05 Exchange Rates; Currency Equivalents .

(a) Not later than 1:00 p.m., New York City time, on each Calculation Date, the Administrative Agent shall (i) determine the Exchange Rate as of such Calculation Date with respect to the applicable Permitted Foreign Currency and (ii) give notice thereof to the applicable Issuing Bank and the Borrower. The Exchange Rates so determined shall become effective in the case of each subsequent Calculation Date, on the first Business Day immediately following such Calculation Date (a " **Reset Date** "), shall remain effective until the next succeeding Reset Date and shall for all purposes of this Agreement (other than any provision expressly requiring the use of a current exchange rate) be the Exchange Rates employed in converting any amounts between dollars and any Permitted Foreign Currency.

(b) Solely for purposes of Article II and related definitional provisions to the extent used therein, the applicable amount of any currency (other than dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as determined by the Administrative Agent and notified to the applicable Issuing Bank and the Borrower in accordance with Section 1.05(a) . Amounts denominated in a Permitted Foreign Currency will be converted to dollars for the purposes of calculating the Senior Net Leverage Ratio at the Exchange Rate as of the date of calculation.

Section 1.06 Electronic Execution of Documents . The words "execution," "signed," "signature," and words of like import in any Loan Document or any agreement entered into in connection therewith, including any Assignment and Assumption, or any notice, certificate or other instrument delivered in connection therewith shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

ARTICLE 2
THE CREDITS

Section 2.01 Revolving Commitments . Subject to the terms and conditions set forth herein, each Lender severally agrees to make Revolving Loans in dollars or in any Permitted Foreign Currency to the Borrower from time to time during the Availability Period in an aggregate principal amount that will not result in (a) the aggregate outstanding principal amount of such Lender's Revolving Loans exceeding such Lender's Revolving Commitment, (b) the sum of the Aggregate Total Exposure exceeding the total Revolving Commitments or (c) any Lender's Total Exposure exceeding such Lender's Revolving Commitment; *provided* that the Borrower shall not request, and the Lenders shall not be required to fund, a Revolving Loan that is denominated in a Permitted Foreign Currency if, after the making of such Revolving Loan, the Dollar Equivalent of the aggregate principal amount of all Revolving Loans and Letters of Credit then outstanding that are denominated in a Permitted Foreign Currency (including such

requested Revolving Loan) would exceed $200,000,000. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Revolving Loans.

Section 2.02 Revolving Loans and Borrowings . (a) Each Loan shall be made as part of a Borrowing consisting of Revolving Loans made by the Lenders in accordance with their respective Applicable Percentages. The failure of any Lender to make any Revolving Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; *provided* that the Revolving Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Revolving Loans as required.

(b) Subject to Section 2.11 , (i) each Borrowing denominated in dollars shall be comprised entirely of ABR Loans or Eurodollar Loans as the Borrower may request in accordance herewith, (ii) each Borrowing denominated in Euro shall be comprised entirely of EURIBOR Loans, (iii) each Borrowing denominated in Australian Dollars shall be comprised entirely of Australian Bank Bill Rate Loans, (iv) each Borrowing denominated in Canadian Dollars shall be comprised entirely of Canadian BA Rate Loans, and (v) each Borrowing denominated in any Permitted Foreign Currency (other than Euros, Australian Dollars, or Canadian Dollars) shall be comprised entirely of Eurodollar Loans. Each Lender at its option may make any Revolving Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Revolving Loan; *provided* that any exercise of such option shall not affect the obligation of the Borrower to repay such Revolving Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of the Borrowing Multiple and not less than the Borrowing Minimum. At the time that each ABR Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of the Borrowing Multiple and not less than the Borrowing Minimum; *provided* that an ABR Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Revolving Commitments. Borrowings of more than one Type may be outstanding at the same time; *provided* that there shall not at any time be more than a total of ten Eurodollar Borrowings, EURIBOR Borrowings, Australian Bank Bill Rate Borrowings, or Canadian BA Rate Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Maturity Date.

Section 2.03 Requests for Borrowings . To request a Borrowing, the Borrower shall notify the Administrative Agent of such request by telephone, telecopy or other electronic transmission (other than a request for any Borrowing denominated in a Permitted Foreign Currency, which request shall be made in writing (including by electronic transmission)) (a) in the case of a Eurodollar Borrowing denominated in dollars, a EURIBOR Borrowing or a Canadian BA Rate Borrowing, not later than 1:00 p.m. Local Time three Business Days before the date of the proposed Borrowing, (b) in the case of a Eurodollar Borrowing denominated in any Permitted Foreign Currency or an Australian Bank Bill Rate Borrowing, not later than 1:00 p.m., Local Time, four Business Days before the date of the proposed Borrowing or (c) in the case of an ABR Borrowing, either (i) not later than 1:00 p.m. (New York City time), one Business Day prior to the date of the proposed Borrowing, or (ii) not later than 12:00 p.m. (New York City time) on the date of the proposed Borrowing; *provided* that the aggregate principal amount of Revolving Loans requested pursuant to this Section 2.03(c)(ii) on any one day shall not exceed $25,000,000. Each such telephonic Borrowing Request shall be confirmed promptly by delivery to the Administrative Agent of a

written Borrowing Request in substantially the form of Exhibit B attached hereto and signed by the Borrower. Each such telephonic and written Borrowing Request shall specify the following information in compliance with Section 2.02 :

(i) the aggregate amount and currency of the requested Borrowing;

(ii) the date of such Borrowing, which shall be a Business Day;

(iii) whether such Borrowing is to be an ABR Borrowing, a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing, or a Canadian BA Rate Borrowing;

(iv) in the case of a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing, or a Canadian BA Rate Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and

(v) the location and number of the account or accounts to which funds are to be disbursed, which shall comply with the requirements of Section 2.04 .

If no election as to the Type of Borrowing is specified other than Borrowings denominated in a Permitted Foreign Currency, then the requested Borrowing shall be an ABR Borrowing. If no Interest Period is specified with respect to any requested Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing or Canadian BA Rate Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. If no currency is specified with respect to any requested Loan, the Borrower shall be deemed to have selected dollars. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Revolving Loan to be made as part of the requested Borrowing. Except as otherwise provided herein, a Borrowing Request for a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing shall be irrevocable on and after the related Interest Rate Determination Date, and the Borrower shall be bound to make a borrowing in accordance therewith. As soon as practicable after 10:00 a.m., New York City time, on each Interest Rate Determination Date, the Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to Borrower and each Lender.

Section 2.04 Funding of Borrowings . (a) Each Lender shall make each Revolving Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 1:00 p.m. Local Time to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders. The Administrative Agent will make such Revolving Loans available to the Borrower by promptly crediting the amounts so received, in like funds, to an account or accounts designated by the Borrower in the applicable Borrowing Request.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's Applicable Percentage of such Borrowing, the Administrative Agent may assume that such

Lender has made such Applicable Percentage available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its Applicable Percentage of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, (x) in the case of Loans denominated in dollars, the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (y) in the case of Loans denominated in a Permitted Foreign Currency, the rate determined by the Administrative Agent to be the cost to it of funding such amount (which determination will be conclusive absent manifest error) or (ii) in the case of the Borrower, the interest rate applicable to (A) in the case of Loans denominated in dollars, ABR Loans and (B) in the case of Loans denominated in a Permitted Foreign Currency, the interest rate applicable to the subject Loan pursuant to Section 2.10 . If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Revolving Loan included in such Borrowing.

Section 2.05 Interest Elections . (a) Each Borrowing of Revolving Loans initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type (*provided* that Eurodollar Borrowings denominated in a Permitted Foreign Currency, EURIBOR Borrowings, Australian Bank Bill Rate Borrowings, and Canadian BA Rate Borrowings may not be converted to ABR Borrowings) or to continue such Borrowing and, in the case of a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing, may elect Interest Periods therefor, all as provided in this Section. Subject to the limitation set forth in Section 2.02(c) , the Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated among the Lenders holding the Revolving Loans comprising such Borrowing in accordance with their respective Applicable Percentages, and the Revolving Loans comprising each such portion shall be considered a separate Borrowing.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election by telephone (other than a request pursuant to this Section with respect to a Borrowing denominated in a Permitted Foreign Currency, which request shall be made in writing (including by electronic transmission)) by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such telephonic request shall be irrevocable and shall be confirmed promptly by hand delivery, telecopy or other electronic transmission to the Administrative Agent of a written request (an " **Interest Election Request** ") in substantially the form of Exhibit C attached hereto and signed by the Borrower.

(c) Each telephonic and written Interest Election Request shall specify the following information in compliance with Section 2.02 :

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing, a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing, or a Canadian BA Rate Borrowing; and

(iv) if the resulting Borrowing is a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing, or a Canadian BA Rate Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period."

If any such Interest Election Request requests a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing or a Canadian BA Rate Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing. Except as otherwise provided herein, an Interest Election Request for conversion to, or continuation of, any Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing shall be irrevocable on and after the related Interest Rate Determination Date, and the Borrower shall be bound to effect a conversion or continuation in accordance therewith.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing or a Canadian BA Rate Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be continued as a Eurodollar Borrowing, a EURIBOR Borrowing, an Australian Bank Bill Rate Borrowing or a Canadian BA Rate Borrowing, as applicable, with an Interest Period of one month's duration. Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing, (i) no outstanding Borrowing denominated in dollars may be converted to or continued as a Eurodollar Borrowing, (ii) unless repaid, each Eurodollar Borrowing denominated in dollars shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto, and (iii) unless repaid, each Eurodollar Borrowing denominated in a Permitted Foreign Currency or EURIBOR Borrowing, Australian Bank Bill Rate Borrowing or Canadian BA Rate Borrowing shall be continued as a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing or Canadian BA Rate Borrowing, as applicable, with an Interest Period of one month's duration.

Section 2.06 Termination and Reduction of Revolving Commitments . (a) Unless previously terminated, the Revolving Commitments shall terminate on the Maturity Date.

(b) The Borrower may at any time terminate, or from time to time reduce, the Revolving Commitments; *provided* that (i) each partial reduction of the Revolving Commitments shall be in an amount that is an integral multiple of $1,000,000 and not less than $5,000,000 and (ii) the Borrower shall not terminate or reduce the Revolving Commitments if, after giving effect to any concurrent prepayment of the Loans in accordance with Section 2.08 , the sum of the Aggregate Total Exposure would exceed the total Commitments.

(c) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Revolving Commitments under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; *provided* that a notice of termination of the Revolving Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities or another transaction, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Revolving Commitments shall be permanent. Each reduction of the Revolving Commitments shall be applied to the Lenders in accordance with their respective Applicable Percentages.

(d) If, after giving effect to any reduction of the Revolving Commitments, the Letter of Credit Sublimit exceeds the amount of the Revolving Commitments, such Letter of Credit Sublimit shall be automatically reduced by the amount of such excess.

Section 2.07 Repayment of Revolving Loans; Evidence of Debt . (a) The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of each Lender the then unpaid principal amount of each Revolving Loan on the Maturity Date.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Revolving Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Revolving Loan made hereunder, the Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be *prima facie* evidence of the existence and amounts of the obligations recorded therein (absent manifest error); *provided* that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Revolving Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Revolving Loans made by it be evidenced by a promissory note (each such promissory note being called a " **Note** " and all such promissory notes being collectively called the " **Notes** "). In such event, the Borrower shall prepare, execute and deliver to such Lender a Note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) in substantially the form of Exhibit D attached hereto. Thereafter, the Revolving Loans evidenced by such Note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

Section 2.08 Prepayment of Loans . (a) The Borrower shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, without premium or penalty (subject to the requirements of Section 2.13), subject to prior notice in accordance with paragraph (b) of this Section.

(b) The Borrower shall notify the Administrative Agent by telephone (confirmed by telecopy, other electronic transmission or delivery of written notice), telecopy or other electronic transmission of any prepayment hereunder (i) in the case of prepayment of a Eurodollar Borrowing denominated in dollars, a EURIBOR Borrowing or a Canadian BA Rate Borrowing, not later than 1:00 p.m., Local Time, three Business Days before the date of prepayment, (ii) in the case of a Eurodollar Borrowing denominated in any Permitted Foreign Currency or an Australian Bank Bill Rate Borrowing, not later than 1:00 p.m., Local Time, four Business Days before the date of prepayment or (iii) in the case of prepayment of an ABR Borrowing, not later than 1:00 p.m., New York City time, one Business Day before the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid; *provided* that, if a notice of prepayment is given in connection with a conditional notice of termination of the Revolving Commitments as contemplated by Section 2.06 , then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.06 . Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02 . Each prepayment of a Borrowing shall be applied ratably to the Revolving Loans of the Lenders in accordance with their respective Applicable Percentages. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.10 and any costs incurred as contemplated by Section 2.13 .

(c) If at any time (i) the Aggregate Total Exposure exceeds the total Commitments then in effect (other than as a result of any revaluation of the Dollar Equivalent of Loans or Letter of Credit Usage on any Calculation Date in accordance with Section 1.05) or (ii) the Aggregate Total Exposure exceeds 105% of the total Commitments solely as a result of any revaluation of the Dollar Equivalent of Loans or Letter of Credit Usage on any Calculation Date in accordance with Section 1.05 , the Borrower shall promptly prepay the Revolving Loans or Cash Collateralize the outstanding amount of Letter of Credit Usage at the Agreed L/C Cash Collateral Amount of all Letter of Credit Usage, as applicable, to the extent necessary so that the Aggregate Total Exposure shall not exceed (a) in the case of Section 2.08(c)(i), the Commitments; and (b) in the case of Section 2.08(c)(ii), 105% of the Commitments; in each case, then in effect (or, in the case of Letter of Credit Usage, such amounts are fully Cash Collateralized).

(d) Any prepayment of any Loan pursuant to this Section 2.08 shall be applied as specified by the Borrower in the applicable notice of prepayment.

Section 2.09 Fees . (a) The Borrower agrees to pay (or in the case of clause (ii), cause the Applicable Account Party to pay) to the Administrative Agent for the account of each Lender (other than any Defaulting Lender) in accordance with its Applicable Percentage (i) a commitment fee (the " **Commitment Fee** "), which shall accrue at the percentage set forth in the definition of "Applicable Rate" on the average daily difference between (x) the Revolving Commitments and (y) the aggregate principal amount of (1) all outstanding Revolving Loans *plus* (2) the Letter of Credit Usage during the period from and including the date hereof to but excluding the date on which such Revolving Commitment terminates and (ii) a Letter of Credit participation fee (the " **Letter of Credit Fee** ") equal to the Applicable Rate with respect to Eurodollar Borrowings, multiplied by the average daily undrawn amount of the Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close

of business on any date of determination). Accrued fees under this Section 2.09(a) shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which the Commitments terminate, commencing on September 30, 2016; *provided* that any commitment fees accruing after the date on which the Commitments terminate shall be payable on demand. All fees under this Section 2.09(a) shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Borrower agrees to pay (or cause the Applicable Account Party to pay) directly to each Issuing Bank, for its own account, the following fees:

(i) a fronting fee equal to 0.125%, per annum based on the average daily undrawn amount on such Letters of Credit issued by such Issuing Bank; and

(ii) such documentary and processing charges for any issuance, amendment, transfer or payment of a Letter of Credit as are in accordance with such Issuing Bank's standard schedule for such charges and as in effect at the time of such issuance, amendment, transfer or payment, as the case may be.

(iii) The fees in clause (b)(i) above shall be payable quarterly in arrears on March 31, June 30, September 30 and December 31 of each year during the Availability Period, commencing on the first such date to occur after the Effective Date, and on the Maturity Date.

(c) The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent.

(d) All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the parties specified herein. Fees paid shall not be refundable under any circumstances.

Section 2.10 Interest . (a) The Revolving Loans comprising each ABR Borrowing shall bear interest at the Alternate Base Rate *plus* the Applicable Rate.

(b) The Revolving Loans comprising each Eurodollar Borrowing shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing *plus* the Applicable Rate.

(c) The Revolving Loans comprising each EURIBOR Borrowing shall bear interest at the Adjusted EURIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(d) The Revolving Loans comprising each Australian Bank Bill Rate Borrowing shall bear interest at the Australian Bank Bill Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(e) The Revolving Loans comprising each Canadian BA Rate Borrowing shall bear interest at the Canadian BA Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate.

(f) Notwithstanding the foregoing, upon the occurrence and during the continuance of a Specified Event of Default and, at the request of Required Lenders, any other Event of Default, all overdue amounts outstanding hereunder shall bear interest, after as well as before judgment, at a rate *per annum* equal to (i) in the case of overdue principal of any Loan, 2% *plus* the rate otherwise applicable to

such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other overdue amount, 2% *plus* the rate applicable to ABR Loans as provided in paragraph (a) of this Section.

(g) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan and upon termination of the Commitments; *provided* that (i) interest accrued pursuant to paragraph (d) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of any Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, or Canadian BA Rate Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(h) The Borrower agrees to pay to the applicable Issuing Bank, with respect to drawings honored under any Letter of Credit, interest on the amount paid by such Issuing Bank in respect of each such honored drawing from the date such drawing is honored to but excluding the date such amount is reimbursed by or on behalf of the Borrower at a rate equal to (i) for the period from the date such drawing is honored to but excluding the applicable Reimbursement Date, the rate of interest otherwise payable hereunder with respect to Loans that are ABR Loans, and (ii) thereafter, a rate which is 2% per annum in excess of the rate of interest otherwise payable hereunder with respect to Loans that are ABR Loans, Eurodollar Loans, EURIBOR Loans, Australian Bank Bill Rate Loans, or Canadian BA Rate Loans (as applicable).

(i) All interest hereunder shall be computed on the basis of a year of 360 days, except that interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate, Adjusted LIBO Rate, Adjusted EURIBOR Rate, Australian Bank Bill Rate, or Canadian BA Rate shall be determined by the Administrative Agent or the applicable Issuing Bank, as the case may be, and such determination shall be conclusive absent manifest error.

Section 2.11 Alternate Rate of Interest; Illegality . (a) If prior to the commencement of any Interest Period for a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate, the Adjusted EURIBO Rate, the Australian Bank Bill Rate, or the Canadian BA Rate, as the case may be, for such Interest Period; or

(ii) the Administrative Agent is advised by the Required Lenders that the Adjusted LIBO Rate, the Adjusted EURIBO Rate, the Australian Bank Bill Rate, or the Canadian BA Rate, as the case may be, for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone, telecopy or other electronic transmission as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such

notice no longer exist, (x) any Interest Election Request that requests the conversion of any Borrowing to, or continuation of any Borrowing as, a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing, as the case may be, shall be ineffective, and (y) if any Borrowing Request requests a Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing, as the case may be, such Borrowing (x) if denominated in dollars, shall be made as an ABR Borrowing or (y) in all other cases, shall be ineffective (and no Lender shall be obligated to make a Loan on account thereof).

(b) If any Lender reasonably determines that any Change in Law has made it unlawful, or that any Governmental Authority has asserted after the Effective Date that it is unlawful, for such Lender or its applicable lending office to make or maintain any Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligations of such Lender to make or continue any Eurodollar Borrowing, EURIBOR Borrowing, Australian Bank Bill Rate Borrowing, or Canadian BA Rate Borrowing, as the case may be, or to convert ABR Borrowings to Eurodollar Borrowings (if applicable) shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall upon demand from such Lender (with a copy to the Administrative Agent) (i) with respect to Eurodollar Loans of such Lender denominated in dollars, convert all such Eurodollar Loans of such Lender to ABR Loans, on the last of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Loans (in which case the Borrower shall not be required to make payments pursuant to Section 2.13 in connection with such payment) and (ii) with respect to Eurodollar Loans of such Lender denominated in a Permitted Foreign Currency or EURIBOR Loans, Australian Bank Bill Rate Loans, and Canadian BA Rate Loans of such Lender, prepay all such Eurodollar Loans, EURIBOR Loans, Australian Bank Bill Rate Loans, and/or Canadian BA Rate Loans of such Lender, on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Loans, EURIBOR Loans, Australian Bank Bill Rate Loans, or Canadian BA Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Loans (in which case the Borrower shall not be required to make payments pursuant to Section 2.13 in connection with such payment), in each case, as applicable. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted. Each Lender agrees to designate a different lending office if such designation will avoid the need for such notice and will not, in the determination of such Lender, otherwise be disadvantageous to it.

Section 2.12 Increased Costs . (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender or any Issuing Bank (except any such reserve requirement reflected in the Adjusted LIBO Rate);

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender, any Issuing Bank or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Eurodollar Loans,

EURIBOR Loans, Australian Bank Bill Rate Loans, or Canadian BA Rate Loans made by such Lender or such Issuing Bank; and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, continuing, converting to or maintaining any Loan (or of maintaining its obligation to make any such Loan) or issuing, amending, extending, increasing or maintaining in place a Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit) or to reduce the amount of any sum received or receivable by such Lender, Issuing Bank or other Recipient hereunder (whether of principal, interest or otherwise), then upon the request of such Lender, Issuing Bank or other Recipient, the Borrower will pay to such Lender, Issuing Bank or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, Issuing Bank or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or any Issuing Bank determines that any Change in Law regarding capital adequacy or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or such Issuing Bank's capital or on the capital of such Lender's or such Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments hereunder or the Loans made by such Lender or the Letter of Credit issued by such Issuing Bank to a level below that which such Lender or such Lender's holding company or such Issuing Bank or such Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Bank's policies and the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy or liquidity requirements), then from time to time the Borrower will pay to such Lender or such Issuing Bank such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) A certificate of a Lender or an Issuing Bank setting forth in reasonable detail the amount or amounts necessary to compensate such Lender or its respective holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or such Issuing Bank the amount shown as due on any such certificate within 10 days after receipt thereof; *provided* that a Lender or Issuing Bank shall not be entitled to any compensation pursuant to this Section 2.12 to the extent such Lender or Issuing Bank is not generally imposing such charges or requesting such compensation from other similarly situated borrowers under similar circumstances.

(d) Failure or delay on the part of any Lender or any Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or such Issuing Bank's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or such Issuing Bank notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such Issuing Bank's intention to claim compensation therefore; *provided* , *further* , that, if the Change in Law giving rise to such increased costs or reductions is retroactive (or has retroactive effect), then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

Section 2.13 Break Funding Payments . In the event of (a) the payment or prepayment of any principal of any Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, or Canadian BA Rate Loan other than on the last day of an Interest Period applicable thereto (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise), (b) the conversion of any Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, or Canadian BA Rate Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any

Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, or Canadian BA Rate Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.08(b) and is revoked in accordance therewith), or (d) the assignment of any Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, or Canadian BA Rate Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.16 , then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Eurodollar Loan, EURIBOR Loan, Australian Bank Bill Rate Loan, or Canadian BA Rate Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate, the Adjusted EURIBO Rate, the Australian Bank Bill Rate, or the Canadian BA Rate, as the case may be, that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for dollar deposits of a comparable amount and period from other banks in the eurodollar market. A certificate of any Lender setting forth in reasonable detail any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

Section 2.14 Taxes . (a) For purposes of this Section 2.14, the term “Lender” includes any Issuing Bank and the term “applicable law” includes FATCA.

(b) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by law. If any applicable law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the applicable Loan Party shall be increased as necessary so that after such deduction or withholding of such Indemnified Taxes has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding for Indemnified Taxes been made.

(c) The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law or, at the option of the Administrative Agent, timely reimburse it for the payment of any Other Taxes.

(d) The Loan Parties shall jointly and severally indemnify each Recipient, within 10 days after demand therefore, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. No Loan Party shall be required to pay any amount under this

Section 2.14(d) with respect to Other Taxes paid or reimbursed by a Loan Party pursuant to Section 2.14(c) .

(e) Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Loan Parties have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 9.04(c) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section 2.14 , such Loan Party shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.14(g)(ii)(A) , (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, as long as the Borrower is a U.S. Person:

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender, if it is legally entitled to do so, shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be required by law or requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter as required by law or upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(a) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of IRS Form W-8BEN-E or IRS Form W-8BEN, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E or IRS Form W-8BEN, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(b) executed copies of IRS Form W-8ECI;

(c) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit G-1 to the effect that such Foreign Lender is not (A) a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (B) a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a " U.S. Tax Compliance Certificate ") and (y) executed copies of IRS Form W-8BEN-E or IRS Form W-8BEN, as applicable; or

(d) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W8BEN-E or IRS Form W-8BEN, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-2 or Exhibit G-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit G-4 on behalf of each such direct or indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA, to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(h) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.14 (including by the payment of additional amounts pursuant to this Section 2.14), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.14 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, as applicable, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h), the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph (h) shall not be construed to require any Lender or the Administrative Agent to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) For all purposes of this Section 2.14 , the term "Lender" includes and shall apply equally to the benefit of each Issuing Bank.

Each party's obligations under this Section 2.14 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Loan Document.

Section 2.15 Payments Generally; Pro Rata Treatment; Sharing of Set-Off . (a) The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest or fees, or of amounts payable under Sections 2.12 , 2.13 or 2.14 , or otherwise) prior to 1:00 p.m., New York City time, on the date when due, in immediately available funds, without set off or counterclaim. Any amounts

received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its Principal Office and except that payments pursuant to Sections 2.12 , 2.13 or 2.14 and Section 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment or performance hereunder shall be due on a day that is not a Business Day, the date for payment or performance shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder of principal or interest in respect of any Loan or Letter of Credit shall, except as otherwise expressly provided herein, be made in the currency of such Loan or Letter of Credit; all other payments hereunder and under each other Loan Document shall be made in dollars.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal then due to such parties.

(c) If any Lender shall, by exercising any right of set off or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of its Loans resulting in such Lender receiving payment of a greater proportion of the aggregate amount of its Loans and accrued interest thereon than the proportion received by any other Lender, then the Lender receiving such greater proportion shall purchase (for cash at face value) participations in the Loans of other Lenders to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans; *provided* that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant. The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

(e) If any Lender or any Issuing Bank shall fail to make any payment required to be made by it pursuant to Section 2.04(b) or paragraph (d) of this Section, then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender or such Issuing Bank, as the case may be, to satisfy such Lender's or such Issuing Bank's, as applicable, obligations under such Sections until all such unsatisfied obligations are fully paid.

Section 2.16 Mitigation Obligations; Replacement of Lenders . (a) If any Lender requests compensation under Section 2.12 , or if the Borrower is required to pay any Indemnified Tax or additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.14 , then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.12 or Section 2.14 , as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If (i) any Lender requests compensation under Section 2.12 , (ii) the Borrower is required to pay any Indemnified Tax or additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.14 or (iii) any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights (other than its existing rights to payments pursuant to Section 2.12 or Section 2.14) and obligations under this Agreement and the other Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); *provided* that (i) the Borrower shall have received the prior written consent of the Administrative Agent, which consent shall not unreasonably be withheld or delayed, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents, from the assignee (to the extent of such outstanding principal and accrued interest and fees so assigned) or the Borrower (in the case of all other amounts so assigned), (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.12 or payments required to be made pursuant to Section 2.14 , such assignment will result in a reduction in such compensation or payments, (iv) such assignment does not conflict with applicable law, and (v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, (x) the applicable assignee shall have consented to, or shall consent to, the applicable amendment, waiver or consent and (y) the Borrower exercises its rights pursuant to this clause (b) with respect to all Non-Consenting Lenders relating to the applicable amendment, waiver or consent. A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

(c) Each Lender hereby grants to the Administrative Agent an irrevocable power of attorney (which power is coupled with an interest) to execute and deliver, on behalf of such Lender, as assignor, any Assignment and Assumption necessary to effectuate any assignment of such Lender's interests hereunder in the circumstances contemplated by this Section 2.16.

Section 2.17 Defaulting Lenders . (a) Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders and in Section 9.02 .

(ii) Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article 7 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 9.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: *first* , to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; *second* , to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the Issuing Banks hereunder; *third* , to Cash Collateralize the Issuing Banks' Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.19(i) ; *fourth* , as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; *fifth* , if so determined by the Administrative Agent and the Borrower, to be held in a non-interest bearing deposit account and released pro rata in order to satisfy (x) such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the Issuing Banks' future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with the procedures set forth in Section 2.19(i) ; *sixth* , to the payment of any amounts owing to the Lenders or the Issuing Banks as a result of any judgment of a court of competent jurisdiction obtained by any Lender or any Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh* , so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth* , to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; *provided* that if (x) such payment is a payment of the principal amount of any Loans or Letter of Credit Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans, and funded and unfunded participations in Letters of Credit, were made when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans and Letter of Credit Disbursements to all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans or Letter of Credit Disbursements of such Defaulting Lender until such time as all Loans and funded and unfunded participations in Letter of Credit Obligations, without giving effect to Section 2.17(a)(iv) , are held by the Lenders pro rata in accordance with the Revolving Commitments without giving effect to Section 2.17(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) (A) No Defaulting Lender shall be entitled to receive any commitment fee pursuant to Section 2.09 for any period during which that Lender is a Defaulting Lender (and the

Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) With respect to any Commitment Fee or Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) above, the Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letters of Credit that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to each Issuing Bank the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Bank's Fronting Exposure to such Defaulting Lender and (z) not be required to pay the remaining amount of any such fee.

(iv) (A) Reallocation of Participations to Reduce Fronting Exposure . So long as no Default or Event of Default has occurred and is continuing, all or any part of such Defaulting Lender's participation in Letters of Credit shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (calculated without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that such reallocation does not cause the Total Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(B) if the reallocation described in clause (A) above cannot, or can only partially, be effected, the Borrower shall within one Business Day following notice by the Administrative Agent, Cash Collateralize for the benefit of the applicable Issuing Bank only the Borrower's obligations corresponding to such Defaulting Lender's Letter of Credit Usage (after giving effect to any partial reallocation pursuant to clause (A) above) in accordance with the procedures set forth in Section 2.19 for so long as such Letter of Credit Usage is outstanding;

(C) if the Borrower Cash Collateralizes any portion of such Defaulting Lender's Letter of Credit Usage pursuant to clause (B) above, the Borrower shall not be required to pay any fees to such Defaulting Lender pursuant to Section 2.09(a)(ii) with respect to such Defaulting Lender's Letter of Credit Usage during the period such Defaulting Lender's Letter of Credit Usage is Cash Collateralized;

(D) if the Letter of Credit Usage of the non-Defaulting Lenders is reallocated pursuant to clause (A) above, then the fees payable to the Lenders pursuant to Section 2.09(a)(ii) shall be adjusted in accordance with such non-Defaulting Lenders' Applicable Percentages; and

(E) if all or any portion of such Defaulting Lender's Letter of Credit Usage is neither reallocated nor Cash Collateralized pursuant to clause (A) or (B) above, then, without prejudice to any rights or remedies of any Issuing Bank or any other Lender hereunder, all fees payable under Section 2.09(a)(ii)

with respect to such Defaulting Lender's Letter of Credit Usage shall be payable to the applicable Issuing Bank until and to the extent that such Letter of Credit Usage is reallocated and/or Cash Collateralized.

(b) If the Borrower, the Administrative Agent and the Issuing Banks agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their respective Applicable Percentages, without giving effect to Section 2.17(a)(iv) , whereupon such Lender will cease to be a Defaulting Lender; *provided* that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and *provided* , *further* , that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

(c) If a Bankruptcy Event with respect to a parent of any Lender shall occur following the date hereof and for so long as such event shall continue or any Issuing Bank has a good faith belief that any Lender has defaulted in fulfilling its obligations under one or more other agreements in which such Lender commits to extend credit, such Issuing Bank shall not be required to issue, amend or increase any Letter of Credit, unless such Issuing Bank shall have entered into arrangements with the Borrower or such Lender, reasonably satisfactory to such Issuing Bank, to defease any risk to it in respect of such Lender hereunder.

Section 2.18 Incremental Facility . (a) Borrower may by written notice to the Administrative Agent elect to request prior to the Maturity Date, one or more increases to the existing Revolving Commitments (any such increase, the " **New Commitments** "), by an amount not in excess of the Incremental Available Amount (determined as of the date of effectiveness of such New Commitments; *provided* that, in the case of any New Commitments the proceeds of which are to be used primarily to consummate a Limited Conditionality Acquisition substantially concurrently with the effectiveness of such New Commitments, to the extent agreed to by the Borrower and the Lenders providing such New Commitments, the Senior Net Leverage Ratio, for purposes of determining the Incremental Available Amount, shall be determined on the date the acquisition agreement with respect to such Limited Conditionality Acquisition is signed) in the aggregate and not less than $25,000,000 individually (or such lesser amount which shall be approved by the Administrative Agent or such lesser amount that shall constitute the difference between the Incremental Available Amount on such date and all such New Commitments obtained prior to such date), and integral multiples of $25,000,000 in excess of that amount. Each such notice shall specify (A) the date (each, an " **Increased Amount Date** ") on which Borrower proposes that the New Commitments shall be effective, which shall be a date not less than 10 Business Days (or such shorter period as the Administrative Agent may agree in its reasonable discretion) after the date on which such notice is delivered to the Administrative Agent and which may be contingent upon the closing of an acquisition or other transaction and (B) the identity of each Lender or other Person that is an eligible assignee under Section 9.04(b) , subject to approval thereof by the Administrative Agent and the Issuing Banks in the case of a Person that is not a Lender, to the extent such approval is required in the case of an assignment to such Person pursuant to such Section 9.04(b) (such approval not to be unreasonably withheld or delayed) (each, a " **New Lender** "), to whom Borrower proposes any portion of

such New Commitments be allocated and the amounts of such allocations (it being understood that the identity of such Lenders or other Persons may be amended after the date of such notice so long as the approval requirements of this clause (B), if any, are satisfied); *provided* that any Lender approached to provide all or a portion of the New Commitments may elect or decline, in its sole discretion, to provide a New Commitment. Such New Commitments shall become effective as of such Increased Amount Date; *provided* that (1) on such Increased Amount Date before or after giving effect to such New Commitments, each of the conditions set forth in Section 4.02 shall be satisfied (*provided* that, in the case of any New Commitments the proceeds of which are to be used primarily to consummate a Limited Conditionality Acquisition substantially concurrently with the effectiveness of such New Commitments, to the extent agreed to by the Borrower and the Lenders providing such New Commitments, (x) the only representations and warranties the accuracy of which shall be a condition to the effectiveness of such New Commitments shall be the Specified Representations, and (y) the condition set forth in Section 4.02(b) shall be tested on the date the acquisition agreement with respect to such Limited Conditionality Acquisition is signed (*provided* that, on the date such New Commitments are effective, no Specified Event of Default shall exist or result therefrom)); (2) the New Commitments shall be effected pursuant to one or more Joinder Agreements executed and delivered by Borrower, the New Lenders and the Administrative Agent, and each of which shall be recorded in the Register and each New Lender shall be subject to the requirements set forth in Section 2.14 ; (3) Borrower shall make any payments required pursuant to Sections 2.12 and 2.13 in connection with the New Commitments; and (4) Borrower shall deliver or cause to be delivered any customary legal opinions or other documents reasonably requested by the Administrative Agent, the New Lenders or the Issuing Banks in connection with any such transaction.

(b) On any Increased Amount Date on which New Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (i) each of the Lenders shall assign to each of the New Lenders, and each of the New Lenders shall purchase from each of the Lenders, at the principal amount thereof (together with accrued interest), such interests in the Revolving Loans and Letter of Credit Usage outstanding on such Increased Amount Date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Revolving Loans and participation interests in Letter of Credit Usage will be held by existing Lenders and New Lenders ratably in accordance with their Revolving Commitments after giving effect to the addition of such New Commitments to the Revolving Commitments, (ii) each New Commitment shall be deemed for all purposes a Revolving Commitment and each Revolving Loan made thereunder (a " **New Loan** ") shall be deemed, for all purposes, a Revolving Loan, and (iii) each New Lender shall become a Lender for all purposes hereunder.

(c) The Administrative Agent shall notify the Lenders promptly upon receipt of Borrower's notice of each Increased Amount Date and in respect thereof (i) the New Commitments and the New Lenders, and (ii) the respective interests in such Lender's Revolving Loans and participation interests in Letter of Credit Usage, in each case subject to the assignments contemplated by this Section 2.18 .

(d) The terms and provisions (including pricing) of the New Loans shall be identical to the existing Loans. Notwithstanding anything in Section 9.02 to the contrary, each Joinder Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate in the opinion of the Administrative Agent to effect the provision of this Section 2.18 .

Section 2.19 Letters of Credit .

(a) Letters of Credit . During the Availability Period, subject to the terms and conditions hereof, the Issuing Banks agree to issue Letters of Credit (or amend, extend or increase an outstanding

Letter of Credit) at the request and for the account of the Borrower or any Subsidiary (the " **Applicable Account Party** ") in the aggregate Dollar Equivalent up to but not exceeding the Letter of Credit Sublimit and denominated in dollars or in a Permitted Foreign Currency; *provided* (i) the stated amount of each Letter of Credit shall not be less than $100,000 for Letters of Credit issued in dollars (or, in the case of a Letter of Credit issued in a Permitted Foreign Currency, the smallest amount of such Permitted Foreign Currency that is an integral multiple of 100,000 units of such currency and that has a Dollar Equivalent in excess of $100,000) or, in each case, such lesser amount as is acceptable to the applicable Issuing Bank; (ii) after giving effect to such issuance or increase, in no event shall (x) the Aggregate Total Exposure exceed the Revolving Commitments then in effect or (y) any Lender's Total Exposure exceed such Lender's Revolving Commitment; (iii) after giving effect to such issuance or increase, in no event shall the Letter of Credit Usage exceed the Letter of Credit Sublimit then in effect, (iv) after giving effect to such issuance or increase, unless otherwise agreed to by the applicable Issuing Bank in writing, in no event shall the Letter of Credit Usage with respect to the Letters of Credit issued by such Issuing Bank exceed the Letter of Credit Issuer Sublimit of such Issuing Bank then in effect, and (v) in no event shall any Letter of Credit have an expiration date later than the earlier of (A) the fifth Business Day prior to the Maturity Date and (B) the date which is twelve months from the original date of issuance of such Letter of Credit. Subject to the foregoing, the applicable Issuing Bank may agree that a Letter of Credit will automatically be extended for one or more successive periods not to exceed one year each, unless the applicable Issuing Bank elects not to extend for any such additional period and provides notice to that effect to the Borrower and the Applicable Account Party; *provided* that such Issuing Bank shall not extend any such Letter of Credit if it has received written notice that an Event of Default has occurred and is continuing at least one Business Day prior to the last Business Day that such Issuing Bank may elect not to allow such extension; *provided* , *further* , if any Lender is a Defaulting Lender, the Issuing Banks shall not be required to issue, amend, extend or increase any Letter of Credit unless the applicable Issuing Bank has entered into arrangements satisfactory to it and the Borrower to eliminate such Issuing Bank's risk with respect to the participation in Letters of Credit of such Defaulting Lender, including by Cash Collateralizing such Defaulting Lender's Applicable Percentage of the Letter of Credit Usage at such time on terms satisfactory to the applicable Issuing Bank. Unless otherwise expressly agreed by the applicable Issuing Bank, the Borrower and the Applicable Account Party when a Letter of Credit is issued, the rules of the ISP 98 or UCP 600, as applicable, shall apply to each Letter of Credit.

(b) Notice of Issuance . Whenever an Applicable Account Party desires the issuance or amendment of a Letter of Credit, it shall deliver to each of the Administrative Agent and the applicable Issuing Bank an Application in use by the applicable Issuing Bank at that time no later than 1:00 p.m. (New York City time) at least five Business Days in advance of the proposed date of issuance or amendment or such shorter period as may be agreed to by the applicable Issuing Bank in any particular instance. Such Application shall be accompanied by documentary and other evidence of the proposed beneficiary's identity as may reasonably be requested by the applicable Issuing Bank to enable the applicable Issuing Bank to verify the beneficiary's identity or to comply with any applicable laws or regulations, including, without limitation, the USA Patriot Act or as otherwise customarily requested by the applicable Issuing Bank and shall specify the currency of such Letter of Credit. Upon satisfaction or waiver of the conditions set forth in Section 4.02 and subject to the terms and conditions set forth in this Section 2.19 , the applicable Issuing Bank shall issue, amend, extend or increase the requested Letter of Credit subject to no violation of any of, and only in accordance with, the Issuing Bank's standard operating procedures and policies as in effect from time to time. If a Letter of Credit is requested in a currency other than dollars, the Issuing Bank shall not be required to issue such Letter of Credit if it does not issue Letters of Credit in such currency as of the requested issuance date. Upon the issuance of any Letter of Credit or amendment, extension or increase thereof, the applicable Issuing Bank shall promptly

notify the Administrative Agent, and the Administrative Agent shall promptly notify each Lender with a Revolving Commitment of such issuance, which notice from the Administrative Agent shall be accompanied by a copy of such Letter of Credit or amendment, extension or increase thereof and the amount of such Lender's respective participation in such Letter of Credit pursuant to Section 2.19(e) .

(c) Responsibility of the Issuing Banks With Respect to Requests for Drawings and Payments . In determining whether to honor any drawing under any Letter of Credit by the beneficiary(ies) thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the applicable Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit. As between the Borrower, the Applicable Account Party and the applicable Issuing Bank, the Borrower and the Applicable Account Party assume all risks of the acts and omissions of, or misuse of the Letters of Credit issued by the applicable Issuing Bank or the proceeds thereof, by the respective beneficiaries of such Letters of Credit; *provided* , *however* , the foregoing does not limit any of the Borrower's or the Applicable Account Party's rights against any such beneficiary. In furtherance and not in limitation of the foregoing, an Issuing Bank shall not be responsible or have any liability for: (i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) failure of the beneficiary of any such Letter of Credit to comply fully with any conditions required in order to draw upon such Letter of Credit; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (vii) the misapplication by any beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; (viii) for any other action or inaction taken or suffered by such Issuing Bank under or in connection with any such Letter of Credit, if required or permitted under any applicable domestic or foreign law or letter of credit practice; or (ix) any consequences arising from causes beyond the control of such Issuing Bank, including any Governmental Acts; none of the above shall affect or impair, or prevent the vesting of, any of such Issuing Bank's rights or powers hereunder or place such Issuing Bank under any liability to the Borrower or any Applicable Account Party. Without limiting the foregoing and in furtherance thereof, any action taken or omitted by an Issuing Bank under or in connection with the Letters of Credit issued by it or any documents and certificates delivered thereunder, if taken or omitted in "good faith" (as such term is defined in Article 5 of the New York Uniform Commercial Code), shall not give rise to any liability on the part of the Issuing Bank to the Borrower, any Applicable Account Party or any party to this Agreement. Notwithstanding anything to the contrary contained in this Section 2.19(c) , the applicable Issuing Bank shall not be excused from liability to the Borrower or the Applicable Account Party to the extent of any direct damages (as opposed to special, indirect, consequential or punitive damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower or the Applicable Account Party that are caused by such Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence, bad faith or willful misconduct on the part of the Issuing Bank (as determined by a final, non-

appealable judgment of a court of competent jurisdiction), the Issuing Bank shall be deemed to have exercised care in each such determination.

(d) Reimbursement by the Borrower of Amounts Drawn or Paid Under Letters of Credit . In the event the applicable Issuing Bank has determined to honor a drawing under a Letter of Credit, it shall promptly notify the Borrower, the Applicable Account Party and the Administrative Agent, and the Borrower shall reimburse (or cause the Applicable Account Party to reimburse) the applicable Issuing Bank on or before the Business Day immediately following the date on which such drawing is honored (the " **Reimbursement Date** ") in an amount in immediately available funds equal to the amount of such honored drawing, together with interest at the applicable rate provided in Section 2.10(g) . If the Borrower or the Applicable Account Party fails to timely reimburse the applicable Issuing Bank on the Reimbursement Date, then (A) if the Unreimbursed Amount relates to a Letter of Credit denominated in a currency other than dollars or Euros, automatically and with no further action, the obligation to reimburse such Unreimbursed Amount shall be permanently converted into an obligation to reimburse the Dollar Equivalent, determined using the Exchange Rate calculated as of the date when such payment was due, of such Unreimbursed Amount and (B) the Administrative Agent shall promptly notify each Lender of the Reimbursement Date, the currency and amount of the unreimbursed drawing (the " **Unreimbursed Amount** ") (and the Dollar Equivalent thereof if the immediately preceding clause (A) is applicable), and the amount of such Lender's Applicable Percentage thereof. In such event, the Borrower shall be deemed to have requested ABR Loans to be disbursed on the Reimbursement Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of ABR Loans, but subject to the amount of the unutilized portion of the Revolving Commitments and the conditions set forth in Section 4.02 (other than the delivery of a Borrowing Request). Any notice given by an Issuing Bank or the Administrative Agent pursuant to this Section 2.19(d) may be given by telephone if immediately confirmed in writing (which confirmation may be by telecopy or other electronic transmission); *provided* that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice. Anything contained herein to the contrary notwithstanding, (i) unless the Borrower (or the Applicable Account Party) shall have notified the Administrative Agent and the applicable Issuing Bank prior to 1:00 p.m. (New York City time) on the date such drawing is honored that the Borrower (or the Applicable Account Party) intends to reimburse the applicable Issuing Bank on such date for the amount of such honored drawing with funds other than the proceeds of Revolving Loans, the Borrower shall be deemed to have given a timely Borrowing Request to the Administrative Agent requesting Lenders with Revolving Commitments to make Revolving Loans that are ABR Loans on the Reimbursement Date in an amount equal to the amount of such honored drawing, and (ii) subject to satisfaction or waiver of the conditions specified in Section 4.02 , Lenders with Revolving Commitments shall, on the Reimbursement Date, make Revolving Loans that are ABR Loans in the amount of the Dollar Equivalent (determined in accordance with Section 1.05) of such honored drawing, the proceeds of which shall be applied directly by the Administrative Agent to reimburse the applicable Issuing Bank for the amount of such honored drawing; and *provided* , *further* , if for any reason proceeds of Revolving Loans are not received by the applicable Issuing Bank on the Reimbursement Date in an amount equal to the amount of such honored drawing, the Borrower shall (or shall cause the Applicable Account Party to) reimburse the applicable Issuing Bank, on demand, in an amount in immediately available funds equal to the excess of the amount of such honored drawing over the aggregate amount of such Revolving Loans, if any, which are so received. Nothing in this Section 2.19(d) shall be deemed to relieve any Lender with a Revolving Commitment from its obligation to make Revolving Loans on the terms and conditions set forth herein, and the Borrower shall retain any and all rights it may have against any such Lender resulting from the failure of such Lender to make such Revolving Loans under this Section 2.19(d) .

(e) Lenders' Purchase of Participations in Letters of Credit . Immediately upon the issuance or increase of each Letter of Credit, without any further action by any Person, the applicable Issuing Bank shall be deemed to have sold to each Lender and each Lender shall have been deemed to have purchased from such Issuing Bank a participation in such Letter of Credit and any drawings honored thereunder in an amount equal to such Lender's Applicable Percentage (with respect to the Revolving Commitments) of the maximum amount which is or at any time may become available to be drawn thereunder (each such Lender purchasing a participation, a " **Participating Lender** "). In the event that the Borrower or the Applicable Account Party shall fail for any reason to reimburse the applicable Issuing Bank as provided in Section 2.19(d) , the applicable Issuing Bank shall promptly notify the Administrative Agent who will notify each Participating Lender of the unreimbursed amount of such honored drawing and of such Lender's respective participation therein based on such Lender's Applicable Percentage of the Revolving Commitments. Each Participating Lender shall make available to the Administrative Agent, for the account of the applicable Issuing Bank, an amount equal to its respective participation in the applicable currency, and in immediately available funds, no later than 1:00 p.m. (New York City time) on the first Business Day (under the laws of the jurisdiction in which the Principal Office of the Administrative Agent is located) after the date notified by the Administrative Agent. In the event that any Participating Lender fails to make available to the Administrative Agent on such Business Day the amount of such Lender's participation in such Letter of Credit as provided in this Section 2.19(e) , the applicable Issuing Bank shall be entitled to recover such amount on demand from such Lender together with interest thereon for three Business Days at the rate customarily used by such Issuing Bank for the correction of errors among banks and thereafter at the Alternate Base Rate. Nothing in this Section 2.19(e) shall be deemed to prejudice the right of any Participating Lender to recover from the applicable Issuing Bank any amounts made available by such Lender to the applicable Issuing Bank pursuant to this Section 2.19 in the event that the payment with respect to a Letter of Credit in respect of which payment was made by such Lender constituted gross negligence, bad faith or willful misconduct (as determined by a final, non-appealable judgment of a court of competent jurisdiction) on the part of such Issuing Bank. Each Lender acknowledges and agrees that its obligation to fund participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, extension, or increase of any Letter of Credit, the occurrence and continuance of a Default, any reduction or termination of the Commitments or any force majeure or other event that under any rule of law or uniform practices to which any Letter of Credit is subject (including Rule 3.13 and Rule 3.14 of ISP 98) permits a drawing to be made under such Letter of Credit after the expiration thereof or after the expiration or termination of the Commitments or any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including those set forth in the following paragraph (f), and that each such payment shall be made without any defense, offset, abatement, withholding or reduction whatsoever. Each Lender further acknowledges and agrees that, in issuing, amending, extending, or increasing any Letter of Credit, the applicable Issuing Bank shall be entitled to rely, and shall not incur any liability for relying, upon the representations and warranties of the Borrower deemed made pursuant to Section 4.02, unless, at least one Business Day prior to the time such Letter of Credit is issued, amended, extended, or increased (or, in the case of an automatic extension permitted pursuant to paragraph (a) of this Section, at least one Business Day prior to the time by which the election not to extend must be made by the applicable Issuing Bank), the Required Lenders shall have notified the applicable Issuing Bank (with a copy to the Administrative Agent) in writing that, as a result of one or more events or circumstances described in such notice, one or more of the conditions precedent set forth in Section 4.02(a), 4.02(b) or 4.02(e) would not be satisfied if such Letter of Credit were then issued, amended, extended, or increased (it being understood and agreed that, in the event any Issuing Bank shall have received any such notice, no Issuing Bank shall have any obligation to issue, amend, extend, or increase any Letter of Credit until and unless it shall be satisfied that the events and circumstances

described in such notice shall have been cured or otherwise shall have ceased to exist). In the event the applicable Issuing Bank shall have been reimbursed by other Lenders pursuant to this Section 2.19(e) for all or any portion of any drawing honored by such Issuing Bank under a Letter of Credit, such Issuing Bank shall distribute to the Administrative Agent who shall in turn distribute to each Lender which has paid all amounts payable by it under this Section 2.19(e) with respect to such honored drawing such Lender's Applicable Percentage of all payments subsequently received by such Issuing Bank from the Borrower or the Applicable Account Party in reimbursement of such honored drawing when such payments are received. Any such distribution shall be made to a Lender at its primary address set forth below its name on the Administrative Questionnaire or at such other address as such Lender may request.

(f) Obligations Absolute . The obligation of the Borrower and each Applicable Account Party to reimburse each Issuing Bank for drawings honored under the Letters of Credit issued by it and to repay any Revolving Loans made by Lenders pursuant to Section 2.19(d) and the obligations of Lenders under Section 2.19(e) shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms hereof under all circumstances including any of the following circumstances: (i) any lack of validity or enforceability of any Letter of Credit; (ii) the existence of any claim, set off, defense or other right which the Borrower, any Applicable Account Party or any Lender may have at any time against a beneficiary or any transferee of any Letter of Credit (or any Persons for whom any such transferee may be acting), any Issuing Bank, any Lender or any other Person or, in the case of a Lender, against the Borrower, whether in connection herewith, the transactions contemplated herein or any unrelated transaction (including any underlying transaction between the Borrower or one of its Subsidiaries and the beneficiary(ies) for which any Letter of Credit was procured); (iii) any draft or other document presented under any Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (iv) payment by the applicable Issuing Bank under any Letter of Credit against presentation of a draft or other document which does not substantially comply with the terms of such Letter of Credit; (v) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of the Borrower, any Applicable Account Party or any Subsidiaries or any other Person; (vi) any breach hereof or any other Loan Document by any party hereto or thereto; (vii) any force majeure or other event that under any rule of law or uniform practices to which any Letter of Credit is subject (including Rule 3.13 and Rule 3.14 of ISP 98) permits a drawing to be made under such Letter of Credit after the expiration thereof or after the expiration or termination of the Commitments, (viii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; or (ix) the fact that an Event of Default or a Default shall have occurred and be continuing.

(g) Indemnification . Without duplication of any obligation of the Borrower under Section 9.03 , in addition to amounts payable as provided herein, the Borrower hereby agrees to protect, indemnify, pay and save and hold harmless the Issuing Banks from and against any and all claims, demands, liabilities, damages and losses, and all reasonable and documented costs, charges and out-of-pocket expenses (including reasonable fees, out-of-pocket expenses and disbursements of one primary counsel (with exceptions for conflicts of interest), one regulatory counsel and one local counsel in each relevant jurisdiction), which the Issuing Banks may incur or be subject to as a consequence, direct or indirect, of, or arising out of, in any way being connected with, or as a result of (A) any Letter of Credit, including without limitation, the use of the proceeds therefrom and any refusal by any Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit, other than as a result of the gross negligence, bad faith or willful misconduct of such Issuing Bank as determined by a final, non-appealable judgment of a court of competent jurisdiction or (B) the failure of the applicable Issuing Bank to honor a

drawing under any such Letter of Credit as a result of any Governmental Act. The Borrower will pay all amounts owing under this Section promptly after written demand therefor.

(h) Resignation and Removal of an Issuing Bank . An Issuing Bank may resign as an Issuing Bank by providing at least 60 days prior written notice to the Administrative Agent, the Lenders and the Borrower. An Issuing Bank may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank (*provided* that no consent of the Issuing Bank will be required if the replaced Issuing Bank has no Letters of Credit or reimbursement obligations with respect thereto outstanding), the other Issuing Banks, if any, and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of such Issuing Bank. At the time any such replacement or resignation shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced or resigning Issuing Bank. From and after the effective date of any such replacement or resignation, (i) any successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. At the time any such resignation or replacement shall become effective, (a) the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.09 and (b) the replaced Issuing Bank may at its option remain a party hereto to the extent that Letters of Credit issued by it remain outstanding and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement or resignation. After the replacement or resignation of an Issuing Bank hereunder, the replaced Issuing Bank shall not be required to issue, amend, extend or increase any Letters of Credit.

(i) Cash Collateral . If any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Lenders with Letter of Credit Usage representing greater than 50% of the total Letter of Credit Usage) demanding the deposit of Cash Collateral pursuant to this paragraph, the Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders and the Issuing Banks, an amount in cash equal to the Agreed L/C Cash Collateral Amount plus any accrued and unpaid interest thereon; *provided* that (i) any such required Cash Collateral shall be made in dollars unless such Cash Collateral is attributable to undrawn Letters of Credit denominated in a Permitted Foreign Currency or outstanding Letter of Credit Disbursements made in a Permitted Foreign Currency (in which case such Cash Collateral shall be deposited (x) in the applicable Permitted Foreign Currency in an amount equal to the Agreed L/C Cash Collateral Amount of such undrawn Letters of Credit or outstanding Letter of Credit Disbursements or (y) in dollars in an amount equal to 105% of the Dollar Equivalent of such undrawn Letters of Credit or outstanding Letter of Credit Disbursements (with the Dollar Equivalent amount subject to redetermination in accordance with Section 1.05(a)) and (ii) the obligation to deposit such Cash Collateral shall become effective immediately, and such Cash Collateral shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in Section 7.01(h) , (i) or (j) . Such Cash Collateral shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Borrower and any Applicable Account Party under this Agreement. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such Cash Collateral, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such Cash Collateral shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such

account. Moneys in such account shall be applied by the Administrative Agent to reimburse each Issuing Bank for any disbursements under Letters of Credit made by it and for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower and any Applicable Account Party for the Letter of Credit Usage at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with Letter of Credit Usage representing greater than 50% of the total Letter of Credit Usage), be applied to satisfy other obligations of the Borrower under this Agreement. If the Borrower is required to provide an amount of Cash Collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower (or as otherwise ordered by a court of competent jurisdiction) within five Business Days after all Events of Default have been cured or waived.

(j) Application . To the extent that any provision of any Application related to any Letter of Credit is inconsistent with the provisions of this Section 2.19 , the provisions of this Section 2.19 shall apply.

Section 2.20 Extension of the Maturity Date . Not earlier than 60 days prior to, nor later than 10 Business Days prior to, the Maturity Date, the Borrower may, upon written notice (the " **Extension Notice** ") to the Administrative Agent (which shall promptly notify the Lenders), request an extension of the Maturity Date for up to one year; *provided* that no more than two such extensions may be requested pursuant to this Section 2.20 . If the conditions in this Section 2.20 are met, the Maturity Date shall be extended to the date specified in such Extension Notice (which in no event shall be later than one year following the Maturity Date) for all Extending Lenders. If a Lender agrees, in its individual and sole discretion, to so extend its Revolving Commitment (an **"Extending Lender** "), it shall deliver to the Administrative Agent a written notice of its agreement to do so no later than 15 days after the date the applicable Extension Notice is received by the Administrative Agent (or such later date to which the Borrower and the Administrative Agent shall agree), and the Administrative Agent shall promptly thereafter notify the Borrower of such Extending Lender's agreement to extend its Revolving Commitment (confirming the date of extension and the new Maturity Date (after giving effect to such extension) applicable to such Extending Lender). The Revolving Commitment of any Lender that fails to accept or respond to the Borrower's request for extension of the Maturity Date (a " **Declining Lender** ") shall be terminated on the Maturity Date then in effect for such Lender (without regard to any extension by other Lenders) and on such Maturity Date the Borrower shall pay in full the unpaid principal amount of all Loans owing to such Declining Lender, together with all accrued and unpaid interest thereon and all fees accrued and unpaid under this Agreement to the date of such payment of principal and all other amounts due to such Declining Lender under this Agreement. The Administrative Agent shall promptly notify each Extending Lender of the aggregate Revolving Commitments of the Declining Lenders. Each Extending Lender may offer to increase its respective Revolving Commitment by an amount not to exceed the aggregate amount of the Declining Lenders' Revolving Commitments, and such Extending Lender shall deliver to the Administrative Agent a notice of its offer to so increase its Revolving Commitment no later than 30 days after the date the applicable Extension Notice is received by the Administrative Agent (or such later date to which the Borrower and the Administrative Agent shall agree). To the extent the aggregate amount of additional Revolving Commitments that the Extending Lenders offer pursuant to the preceding sentence exceeds the aggregate amount of the Declining Lenders' Revolving Commitments, such additional Revolving Commitments shall be reduced on a pro rata basis. To the extent the aggregate amount of Revolving Commitments that the Extending Lenders have so offered to extend is less than the aggregate amount of Revolving Commitments that the Borrower has so requested to be extended, the Borrower shall have the right but not the obligation to require any Declining Lender to (and any such Declining Lender shall) assign in full its rights and obligations under

this Agreement to one or more banks or other financial institutions (which may be, but need not be, one or more of the Extending Lenders) which at the time agree to, in the case of any such Person that is an Extending Lender, increase its Revolving Commitment and in the case of any other such Person (a " **New Extending Lender** "), become a party to this Agreement; *provided* that (i) such assignment is otherwise in compliance with Section 9.04 , (ii) such Declining Lender receives payment in full of the unpaid principal amount of all Revolving Loans owing to such Declining Lender, together with all accrued and unpaid interest thereon and all fees accrued and unpaid under this Agreement to the date of such payment of principal and all other amounts due to such Declining Lender under this Agreement and (iii) any such assignment shall be effective on the date on or before the date the Maturity Date is so extended as may be specified by the Borrower and agreed to by the respective New Extending Lenders and Extending Lenders, as the case may be, and the Administrative Agent. As a condition precedent to such extension, the Borrower shall deliver to the Administrative Agent a certificate of the Borrower, dated as of the date of the Extension Notice, signed by a Responsible Officer of the Borrower (i) certifying and attaching the resolutions adopted by the Borrower and the Guarantors approving or consenting to such extension and (ii) certifying that, before and after giving effect to such extension, each of the conditions of Section 4.02 shall be satisfied as of the date of the Extension Notice. Any extension pursuant to this Section 2.20 shall be effected pursuant to an Extension Agreement executed and delivered by Borrower, the Extending Lenders, any New Extending Lenders and the Administrative Agent. Each Extension Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate in the opinion of the Administrative Agent to effect the provision of this Section 2.20 .

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Lenders and the Issuing Banks that:

Section 3.01 Organization; Powers . Each of the Borrower and its Restricted Subsidiaries is duly organized and validly existing. Each of the Borrower and its Restricted Subsidiaries (other than any Immaterial Subsidiary) is (to the extent the concept is applicable in such jurisdiction) in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.

Section 3.02 Authorization; Enforceability . The Transactions are within the Borrower's and each Guarantor's corporate or other organizational powers and have been duly authorized by all necessary corporate or other organizational and, if required, equity holder action. Each of the Borrower and the Guarantors has duly executed and delivered each of the Loan Documents to which it is party, and each of such Loan Documents constitute its legal, valid and binding obligations, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 3.03 Governmental Approvals; No Conflicts . The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except (i) such as have been obtained or made and are in full force and effect and (ii) those approvals, consents, registrations, filings or other actions, the failure of which to obtain or make could not reasonably be expected to have a Material Adverse Effect, (b) except as could not reasonably be expected

to have a Material Adverse Effect, will not violate any applicable law or regulation or any order of any Governmental Authority, (c) will not violate any charter, by-laws or other organizational document of the Borrower or any Guarantor, (d) except as would not reasonably be expected to have a Material Adverse Effect, will not violate or result in a default under any indenture, agreement or other instrument (other than the agreements and instruments referred to in clause (c)) binding upon the Borrower or any of its Restricted Subsidiaries or its assets, or give rise to a right thereunder to require any payment to be made by the Borrower or any of its Restricted Subsidiaries and (e) will not result in the creation or imposition of any Lien on any asset of the Borrower or any of its Restricted Subsidiaries.

Section 3.04 Financial Condition; No Material Adverse Change . (a) The Borrower has heretofore furnished to the Administrative Agent its consolidated balance sheet and statements of income, stockholders equity and cash flows (i) as of and for the fiscal years ended (x) December 31, 2013 and December 31, 2014, in each case audited by PricewaterhouseCoopers, independent public accountants, and (y) December 31, 2015, audited by Ernst & Young LLP, independent public accountants (*provided* that with respect to the fiscal year ended December 31, 2015, prior to the date on which audited financial statements are furnished to the Administrative Agent with respect to the fiscal year ended December 31, 2015, this representation shall be deemed to refer to the unaudited and draft financial statements furnished to the Administrative Agent) and (ii) as of and for the fiscal quarter ended March 31, 2016. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower and its consolidated Restricted Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end adjustments in the case of the unaudited financial statements referred to in clause (ii) above, subject to year-end adjustments and other immaterial audit adjustments in the case of the unaudited and draft financial statements referred to in clause (i) above, and the absence of footnotes in the case of the unaudited and draft financial statements referred to in clauses (i) and (ii) above.

(b) Since December 31, 2015, no event, development or circumstance exists or has occurred that has had or would reasonably be expected to have a material adverse effect on (x) the business, property, financial condition or results of operations of the Borrower and its Restricted Subsidiaries, taken as a whole, (y) the rights of or remedies available to the Agents and the Lenders under the terms of this Agreement or any Guaranty or (z) the ability of the Borrower or any other Loan Party to perform its payment obligations under any Loan Document to which it is a party.

Section 3.05 Properties . (a) Each of the Borrower and its Restricted Subsidiaries has good title to, or valid leasehold interests in or rights to use, all its real and tangible personal property material to its business, except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes.

(b) Each of the Borrower and its Restricted Subsidiaries owns, or is licensed to use, all trademarks, trade names, copyrights, patents, software, domain names, trade secrets, know-how and other similar proprietary or intellectual property rights, including any registrations and applications for registration of, and all goodwill associated with, the foregoing, material to or necessary to its business as currently conducted, and the operation of such business or the use of any of the foregoing intellectual property rights by the Borrower and its Restricted Subsidiaries does not infringe upon, misappropriate, or otherwise violate the rights of any other Person, except for any such failures to own or be licensed to use, and such infringements, misappropriations, or violations that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

Section 3.06 Litigation and Environmental Matters. (a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened in writing against or affecting the Borrower or any of its Restricted Subsidiaries (i) that would reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) that involve this Agreement, any other Loan Document or the Transactions. Neither the Borrower nor any of its Restricted Subsidiaries is subject to or in default with respect to any final judgments, writs, injunctions, decrees, rules or regulations of any court or any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, that, individually or in the aggregate, would reasonably be expected to result in a Material Adverse Effect.

(b) Except with respect to any matter that, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of its Restricted Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, or (iii) has received notice of any claim with respect to any Environmental Liability.

Section 3.07 Compliance with Laws and Agreements; No Default. Each of the Borrower and its Restricted Subsidiaries is in compliance with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. No Default has occurred and is continuing.

Section 3.08 Investment Company Status. None of the Borrower or any Restricted Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

Section 3.09 Margin Stock. None of the Borrower or any Restricted Subsidiary is engaged in the business of purchasing or carrying, or extending credit for the purpose of purchasing or carrying, margin stock (within the meaning of Regulation U issued by the Board), and no proceeds of any Loan or any Letter of Credit will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock in violation of Regulation U or Regulation X issued by the Board and all official rulings and interpretations thereunder or thereof.

Section 3.10 Taxes. Except as would not reasonably be expected to result in a Material Adverse Effect, (i) each of the Borrower and its Restricted Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed with respect to income, properties or operations of the Borrower and its Restricted Subsidiaries, (ii) such returns accurately reflect in all material respects all liability for Taxes of the Borrower and its Restricted Subsidiaries as a whole for the periods covered thereby and (iii) each of the Borrower and its Restricted Subsidiaries has paid or caused to be paid all Taxes required to have been paid by it, except Taxes that are being contested in good faith by appropriate proceedings and, to the extent required by GAAP, for which the Borrower or such Restricted Subsidiary, as applicable, has set aside on its books adequate reserves in accordance with GAAP.

Section 3.11 ERISA. (a) Schedule 3.11 to the Disclosure Letter sets forth each Plan as of the Effective Date. Each Plan is in compliance in form and operation with its terms and with ERISA and the Code (including without limitation the Code provisions compliance with which is necessary for any

intended favorable tax treatment) and all other applicable laws and regulations, except where any failure to comply would not reasonably be expected to result in a Material Adverse Effect. Each Plan (and each related trust, if any) which is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the IRS to the effect that it meets the requirements of Sections 401(a) and 501(a) of the Code covering all applicable tax law changes or is comprised of a master or prototype plan that has received a favorable opinion letter from the IRS, and, nothing has occurred since the date of such determination that would adversely affect such determination (or, in the case of a Plan with no determination, nothing has occurred that would materially adversely affect the issuance of a favorable determination letter or otherwise materially adversely affect such qualification). No ERISA Event has occurred, or is reasonably expected to occur, other than as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(b) There exists no Unfunded Pension Liability with respect to any Plan, except as would not reasonably be expected to result in a Material Adverse Effect.

(c) None of the Borrower, any Restricted Subsidiary or any ERISA Affiliate is making or accruing an obligation to make contributions, or has within any of the five calendar years immediately preceding the date this assurance is given or deemed given, made or accrued an obligation to make contributions to any Multiemployer Plan.

(d) There are no actions, suits or claims pending against or involving a Plan (other than routine claims for benefits) or, to the knowledge of the Borrower, any Restricted Subsidiary or any ERISA Affiliate, threatened, which would reasonably be expected to be asserted successfully against any Plan and, if so asserted successfully, would reasonably be expected either singly or in the aggregate to result in a Material Adverse Effect.

(e) The Borrower, its Restricted Subsidiaries and its ERISA Affiliates have made all contributions to or under each Plan and Multiemployer Plan required by law within the applicable time limits prescribed thereby, the terms of such Plan or Multiemployer Plan, respectively, or any contract or agreement requiring contributions to a Plan or Multiemployer Plan save where any failure to comply, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(f) No Plan which is subject to Section 412 of the Code or Section 302 of ERISA has applied for or received an extension of any amortization period, within the meaning of Section 412 of the Code or Section 302 or 304 of ERISA. The Borrower, any Restricted Subsidiary, and any ERISA Affiliate have not ceased operations at a facility so as to become subject to the provisions of Section 4062(e) of ERISA, withdrawn as a substantial employer so as to become subject to the provisions of Section 4063 of ERISA or ceased making contributions to any Plan subject to Section 4064(a) of ERISA to which it made contributions. None of the Borrower, any Restricted Subsidiary or any ERISA Affiliate have incurred or reasonably expect to incur any liability to PBGC except as would not reasonably be expected to result in material liability, save for any liability for premiums due in the ordinary course or other liability which would not reasonably be expected to result in material liability, and no lien imposed under the Code or ERISA on the assets of the Borrower or any Restricted Subsidiary or any ERISA Affiliate exists or, to the knowledge of the Borrower, is likely to arise on account of any Plan. None of the Borrower, any Restricted Subsidiary or any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or 4212(c) of ERISA.

(g) Each Non-U.S. Plan has been maintained in compliance with its terms and with the requirements of any and all applicable laws, statutes, rules, regulations and orders and has been

maintained, where required, in good standing with applicable regulatory authorities, except as could not reasonably be expected to result in a Material Adverse Effect. All contributions required to be made with respect to a Non-U.S. Plan have been timely made, except as would not reasonably be expected to result in a Material Adverse Effect. Neither the Borrower nor any of its Restricted Subsidiaries has incurred any material obligation in connection with the termination of, or withdrawal from, any Non-U.S. Plan. The present value of the accrued benefit liabilities (whether or not vested) under each Non-U.S. Plan, determined as of the end of the Borrower's most recently ended fiscal year on the basis of actuarial assumptions, each of which is reasonable, did not exceed the current value of the assets of such Non-U.S. Plan allocable to such benefit liabilities, except as would not reasonably be expected to result in a Material Adverse Effect.

Section 3.12 Disclosure . All written information or oral information provided by an officer of the Borrower in formal presentations at any scheduled meetings with Lenders (other than any projected financial information and other than information of a general economic or industry specific nature) furnished by or on behalf of the Borrower to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder or under any Loan Document (as modified or supplemented by other information so furnished and when taken as a whole) when delivered, does not, when taken as a whole, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not materially misleading; *provided* that, with respect to any projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time furnished (it being understood that such projected financial information is subject to significant uncertainties and contingencies, any of which are beyond the Borrower's control, that no assurance can be given that any particular projections will be realized and that actual results during the period or periods covered by any such projected financial information may differ significantly from the projected results and such differences may be material).

Section 3.13 Subsidiaries . Schedule 3.13 to the Disclosure Letter sets forth as of the Effective Date a list of all Subsidiaries (other than Immaterial Subsidiaries) and the percentage ownership (directly or indirectly) of the Borrower therein. Except as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, the shares of capital stock or other ownership interests of all Restricted Subsidiaries of the Borrower are fully paid and non-assessable and are owned by the Borrower, directly or indirectly, free and clear of all Liens other than Liens permitted under Section 6.02 . Each Subsidiary of the Borrower that is not listed on Schedule 3.13 to the Disclosure Letter (or any supplement thereto provided pursuant to Section 5.01(c)) is an Immaterial Subsidiary.

Section 3.14 Solvency . As of the Effective Date, the Borrower and the Restricted Subsidiaries, taken as a whole, are, and after giving effect to the Transactions and the incurrence of any Indebtedness and obligations being incurred in connection herewith will be, Solvent.

Section 3.15 Anti-Terrorism Law . (a) To the extent applicable, neither the Borrower nor any of its Subsidiaries is in violation of any legal requirement relating to U.S. economic sanctions or any laws with respect to terrorism or money laundering in any material respect, including Executive Order No. 13224 on Terrorist Financing effective September 24, 2001 (the " **Executive Order** "), the USA Patriot Act, the laws comprising or implementing the Bank Secrecy Act to the extent applicable and the laws administered by the United States Treasury Department's Office of Foreign Asset Control (each as from time to time in effect) (collectively, " **Anti-Terrorism Laws** ").

(b) None of (x) the Borrower, any of its Subsidiaries or any of the Borrower's officers, (y) to the knowledge of the Borrower, any of the officers of any of the Borrower's Subsidiaries or (z) to the knowledge of the Borrower, any of the directors or employees of the Borrower or its Subsidiaries, is any of the following:

(i) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a Person with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; or

(iv) a Sanctioned Entity or a Sanctioned Person.

(c) The Borrower will not use, and will not permit any of its Subsidiaries to use, the proceeds of the Loans or any Letter of Credit or otherwise make available such proceeds or Letters of Credit to any Person described in Section 3.15(b)(i) - (v) above, for the purpose of financing the activities of any Person described in Section 3.15(b)(i) - (v) above or in any other manner that would violate any Anti-Terrorism Laws or applicable Sanctions.

(d) The Borrower has implemented and maintains in effect policies and procedures designed to promote compliance by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents with applicable Anti-Terrorism Laws, applicable Anti-Corruption Laws and applicable Sanctions, and the Borrower, its Subsidiaries and the officers of the Borrower, and, to the knowledge of the Borrower, each of the officers of any of the Borrower's Subsidiaries and each of the directors and employees of the Borrower and its Subsidiaries, are in compliance with applicable Anti-Terrorism Laws, Anti-Corruption Laws and Sanctions in all material respects.

Section 3.16 FCPA; Sanctions . No part of the proceeds of the Loans or any Letter of Credit will be used by the Borrower or any of its Subsidiaries, directly or, to the Borrower's or any Subsidiary's knowledge, indirectly, (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the FCPA or any applicable Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Person, or in any country or territory that, at the time of such funding, financing or facilitating, is, or whose government is, a Sanctioned Person or Sanctioned Entity or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto. Neither the Borrower nor any of its Subsidiaries has, in the past five years, knowingly engaged in, or is now knowingly engaged in, transactions with any Person or in any country or territory in violation of applicable Sanctions in any material respect.

ARTICLE 4
CONDITIONS

Section 4.01 Effective Date . The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit hereunder shall not become effective until the date on which each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent (or its counsel) shall have received from each party hereto a counterpart of this Agreement and each other Loan Document to which any Loan Party is a party, signed on behalf of such Loan Party.

(b) The Administrative Agent shall have received a Note executed by the Borrower in favor of each Lender requesting a Note in advance of the Effective Date.

(c) The Administrative Agent shall have received a favorable written opinion (addressed to the Administrative Agent, the Issuing Banks and the Lenders and dated the Effective Date) of Fenwick & West LLP, counsel for the Borrower in form and substance reasonably satisfactory to the Administrative Agent. The Borrower hereby requests such counsel to deliver such opinion.

(d) The Administrative Agent shall have received (i) certified copies of the resolutions of the board of directors (or comparable governing body) of the Borrower and the Guarantors approving the transactions contemplated by the Loan Documents to which each such Loan Party is a party and the execution and delivery of such Loan Documents to be delivered by such Loan Party on the Effective Date, and all documents evidencing other necessary organizational action and governmental approvals, if any, with respect to the Loan Documents and (ii) all other documents reasonably requested by the Administrative Agent relating to the organization, existence and good standing of the Guarantors and the Borrower and authorization of the transactions contemplated hereby.

(e) The Administrative Agent shall have received a certificate of the Secretary or an Assistant Secretary of the Borrower and each Guarantor certifying the names and true signatures of the officers of such entity authorized to sign the Loan Documents to which it is a party, to be delivered by such entity on the Effective Date and the other documents to be delivered hereunder on the Effective Date.

(f) The Administrative Agent shall have received (i) a certificate, dated the Effective Date and signed on behalf of the Borrower by the President, a Vice President or a Financial Officer of the Borrower, confirming compliance with the conditions set forth in paragraphs (a) and (b) of Section 4.02 as of the Effective Date, and (ii) a solvency certificate, dated the Effective Date and signed on behalf of the Borrower by the most senior financial officer of the Borrower, certifying that, as of the Effective Date, the Borrower and the Restricted Subsidiaries, taken as a whole, are, and after giving effect to the Transactions and the incurrence of any Indebtedness and obligations being incurred in connection herewith will be, Solvent.

(g) The Lenders, the Administrative Agent and the Arrangers shall have received all fees required to be paid by the Borrower on the Effective Date, and all expenses required to be reimbursed by the Borrower for which invoices have been presented at least three Business Days prior to the Effective Date, on or before the Effective Date.

(h) The Administrative Agent shall have received, to the extent reasonably requested by the Administrative Agent, any Issuing Bank or any of the Lenders at least five Business Days prior to the Effective Date, all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the USA Patriot Act.

(i) The Administrative Agent shall have received (i) audited consolidated financial statements of the Borrower for each of the annual periods ended December 31, 2013 and December 31,

2014, (ii) unaudited consolidated financial statements of the Borrower with respect to the fiscal year ended December 31, 2015 and (iii) unaudited interim consolidated financial statements of the Borrower for the quarterly period ended March 31, 2016.

(j) Since December 31, 2015, no event, development or circumstance exists or has occurred that has had or could reasonably be expected to have a Material Adverse Effect.

The Administrative Agent shall notify the Borrower and the Lenders of the Effective Date, and such notice shall be conclusive and binding. Without limiting the generality of the provisions of Article 8 , for purposes of determining compliance with the conditions specified in this Section, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Effective Date specifying its objection thereto.

Section 4.02 Each Credit Event . Except as expressly set forth in Section 2.18(a) , the obligation of each Lender to make a Loan on the occasion of any Borrowing, and of the Issuing Banks to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) The representations and warranties of the Borrower set forth in this Agreement and the other Loan Documents shall be true and correct in all material respects on and as of the date of such Borrowing, or the date of issuance, amendment, extension or increase of such Letter of Credit, as applicable, except that (i) for purposes of this Section, the representations and warranties contained in Section 3.04(a) shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b) (subject, in the case of unaudited and draft financial statements furnished pursuant to clauses (a) and (b), to year-end audit adjustments and the absence of footnotes), respectively, of Section 5.01 , (ii) to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date and (iii) to the extent that such representations and warranties are already qualified or modified by materiality or words of similar effect in the text thereof, they shall be true and correct in all respects.

(b) At the time of and immediately after giving effect to such Borrowing, or issuance, amendment, extension or increase of a Letter of Credit, as applicable, no Default or Event of Default shall have occurred and be continuing.

(c) The Administration Agent shall have received a Borrowing Request and such other documentation and assurances as shall be reasonably required by it in connection therewith.

(d) The Issuing Banks shall have received all documentation and assurances required under Section 2.19 or otherwise as shall be reasonably required by it in connection therewith.

(e) At the time of and immediately after giving effect to such Borrowing, the Borrower and its Restricted Subsidiaries shall have Liquidity of not less than $300,000,000.

Each Borrowing or issuance, amendment, extension or increase of a Letter of Credit, as applicable, shall be deemed to constitute a representation and warranty by the Borrower that the conditions specified in paragraphs (a), (b) and (e) of this Section 4.02 have been satisfied as of the date thereof. Notwithstanding anything to the contrary herein, a conversion of a Borrowing to a different Type

or a continuation of a Borrowing shall not be deemed to constitute a Borrowing for purposes of this Section 4.02 .

ARTICLE 5
AFFIRMATIVE COVENANTS

Until the Commitments have expired or been terminated and the principal of and interest on each Loan and all fees and expenses and other amounts payable hereunder shall have been paid in full and the cancellation or expiration or Cash Collateralization of all Letters of Credit on terms reasonably satisfactory to the applicable Issuing Bank in an amount equal to the Agreed L/C Cash Collateral Amount of all Letter of Credit Usage, the Borrower covenants and agrees with the Lenders that:

Section 5.01 Financial Statements; Ratings Change and Other Information . The Borrower will furnish to the Administrative Agent (for distribution to each Lender):

(a) (i) as promptly as reasonably practicable following the Effective Date, its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for the fiscal year ended December 31, 2015, all reported on by Ernst & Young LLP, or other independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied and (ii) commencing with the fiscal year ending December 31, 2016, within (x) prior to an IPO, 180 days after each fiscal year end of the Borrower and (y) on and after an IPO, 90 days after each fiscal year end of the Public Company, its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by Ernst & Young LLP, or other independent public accountants of recognized national standing (without a "going concern" or like qualification or exception (other than a qualification related to the maturity of the Commitments and the Loans at the Maturity Date) and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower (or, after an IPO, the Public Company) and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied;

(b) commencing with the fiscal quarter ended June 30, 2016, within (x) prior to an IPO, 90 days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower and (y) on and after an IPO, 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Public Company, its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Borrower (or, after an IPO, the Public Company) and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, a compliance certificate of a Financial Officer of the Borrower (or, after an IPO, the Public Company) in

substantially the form of Exhibit F attached hereto (i) certifying as to whether a Default or Event of Default has occurred and is continuing as of the date thereof and, if a Default or Event of Default has occurred and is continuing as of the date thereof, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations demonstrating compliance with Sections 6.01(f) and (g) and Section 6.09 as of the last day of the applicable fiscal quarter or fiscal year for which such financial statements are being delivered, (iii) if and to the extent that any change in GAAP that has occurred since the date of the audited financial statements referred to in Section 3.04 had an impact on such financial statements, specifying the effect of such change on the financial statements accompanying such certificate, (v) certifying as to the current list of Unrestricted Subsidiaries appropriately designated as such pursuant to Section 5.11(a) and (vi) certifying as to the current list of Material Domestic Subsidiaries.

(d) promptly after the same become publicly available, copies of all periodic and other reports, proxy statements and other materials filed by the Borrower or any Restricted Subsidiary with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange, as the case may be, in each case that is not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(e) concurrently with any delivery of financial statements under clause (a) or (b) above, the Borrower shall provide unaudited financial statements of the character and for the dates and periods as in such clauses (a) and (b) covering the Unrestricted Subsidiaries on a combined basis (if any), together with a consolidating statement reflecting eliminations or adjustments required to reconcile the financial statements of such Unrestricted Subsidiaries to the financial statements delivered pursuant to such clauses (a) and (b); *provided* that the Borrower shall not be required to provide such financial statements unless the Borrower compiles such combined financial statements as part of its regular internal reporting processes or is able to compile such combined financial statements without undue effort or expense;

(f) prior to the first filing of a registration statement on Form S-1 with respect to the Qualified Equity Interests of the Public Company (or such earlier time at which the Borrower anticipates in good faith that it will be filing a registration statement on Form S-1 in the following four months), concurrently with any delivery of financial statements under clause (a) above, an annual summary profit and loss forecast (in substantially the form attached hereto as Exhibit I) (it being understood that (x) the first such annual summary profit and loss forecast shall be due concurrently with the delivery of the audited financial statements with respect to the fiscal year ended December 31, 2016 pursuant to clause (a) above and (y) if an annual summary profit and loss forecast is not provided because the Borrower anticipates in good faith that it will be filing a registration statement on Form S-1 in the following four months but does not so file such Form S-1, the Borrower shall deliver the annual summary profit and loss forecast promptly (and in any event within 30 days of the end of such four month period) thereafter); and

(g) promptly following any request in writing (including any electronic message) therefor, such other information regarding the operations, business affairs and financial condition of the Borrower or any Restricted Subsidiary, or compliance with the terms of this Agreement or any other Loan Document, as the Administrative Agent or any Lender (through the Administrative Agent) may reasonably request.

Information required to be delivered pursuant to Section 5.01(a) , Section 5.01(b) or Section 5.01(d) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Borrower posts such information, or provides a link thereto on the Borrower's website on the Internet on any investor relations page at http://www.snapchat.com (or any successor page)

or at http://www.sec.gov; or (ii) on which such information is posted on the Borrower's behalf on an Internet or intranet website, if any, to which the Lenders and the Administrative Agent have been granted access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); *provided* that in the case of each of clause (i) and (ii) above, the Borrower shall notify (which may be by facsimile or electronic mail) the Administrative Agent of the posting of any such documents.

Section 5.02 Notices of Material Events . The Borrower will furnish to the Administrative Agent (for distribution to each Lender) prompt written notice of the following:

(a) the occurrence of any Default or Event of Default;

(b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Restricted Subsidiary thereof that could reasonably be expected to result in a Material Adverse Effect; and

(c) any other development that results in, or the Borrower expects will result in, a Material Adverse Effect.

Each notice delivered under this Section 5.02 shall be accompanied by a statement of a Responsible Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

Section 5.03 Existence; Conduct of Business . The Borrower will, and will cause each of its Restricted Subsidiaries (other than any Immaterial Subsidiaries) to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business; *provided* that (i) the foregoing shall not prohibit any merger, consolidation, liquidation or dissolution permitted under Section 6.03 , and (ii) none of the Borrower or any of its Restricted Subsidiaries (other than any Immaterial Subsidiaries) shall be required to preserve, renew or keep in full force and effect its rights, licenses, permits, privileges or franchises where failure to do so would not reasonably be expected to result in a Material Adverse Effect.

Section 5.04 Payment of Taxes and Other Claims . The Borrower will, and will cause each of its Restricted Subsidiaries to, pay all Tax liabilities, including all Taxes imposed upon it, upon its income or profits, or upon any properties or operations that, if unpaid, could reasonably be expected to result in a Material Adverse Effect, before the same shall become delinquent or in default, and all lawful claims other than Tax liabilities that, if unpaid, would become a Lien upon any properties of the Borrower or any of its Restricted Subsidiaries not otherwise permitted under Section 6.02 , in both cases except where the validity or amount thereof is being contested in good faith by appropriate proceedings and to the extent required by GAAP, the Borrower or such Restricted Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP.

Section 5.05 Maintenance of Properties; Insurance . The Borrower will, and will cause each of its Restricted Subsidiaries to, (a) keep and maintain all property used in the conduct of its business in good working order and condition, ordinary wear and tear and casualty events excepted, except to the extent that failure to do so would not reasonably be expected to have a Material Adverse Effect and (b) maintain insurance with financially sound and reputable insurance companies in such amounts and against such risks as are customarily maintained by companies engaged in the same or similar businesses operating in the same or similar locations.

Section 5.06 Books and Records; Inspection Rights . The Borrower will, and will cause each of its Restricted Subsidiaries to, keep proper books of record and account in which entries full, true and correct in all material respects are made and are sufficient to prepare financial statements in accordance with GAAP. The Borrower will, and will cause each of its Restricted Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender (pursuant to the request made through the Administrative Agent), upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records to the extent reasonably necessary, and to discuss its affairs, finances and condition with its officers and independent accountants (*provided* that the Borrower or such Restricted Subsidiary shall be afforded the opportunity to participate in any discussions with such independent accountants), all at such reasonable times and as often as reasonably requested (but no more than once annually if no Event of Default exists). Notwithstanding anything to the contrary in this Section, none of the Borrower or any of its Restricted Subsidiaries shall be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (i) constitutes non-financial trade secrets or non-financial proprietary information, (ii) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives) is prohibited by applicable law or any third party contract legally binding on Borrower or its Restricted Subsidiaries, or (iii) is subject to attorney, client or similar privilege or constitutes attorney work-product.

Section 5.07 ERISA-Related Information . The Borrower shall supply to the Administrative Agent (in sufficient copies for all the Lenders, if the Administrative Agent so requests): (a) promptly and in any event within 15 days after the Borrower, any Restricted Subsidiary or any ERISA Affiliate files a Schedule B (or such other schedule as contains actuarial information) to IRS Form 5500 in respect of a Plan with Unfunded Pension Liabilities, a copy of such IRS Form 5500 (including the Schedule B); (b) promptly and in any event within 30 days after the Borrower, any Restricted Subsidiary or any ERISA Affiliate knows or has reason to know that any ERISA Event has occurred, a certificate of the most senior financial officer of the Borrower describing such ERISA Event and the action, if any, proposed to be taken with respect to such ERISA Event and a copy of any notice filed with the PBGC or the IRS pertaining to such ERISA Event and any notices received by such Borrower, Restricted Subsidiary, or ERISA Affiliate from the PBGC or any other governmental agency with respect thereto; *provided* that, in the case of ERISA Events under paragraph (b) of the definition thereof, in no event shall notice be given later than the occurrence of the ERISA Event; (c) promptly, and in any event within 30 days, after becoming aware that there has been (i) a material increase in Unfunded Pension Liabilities (taking into account only Pension Plans with positive Unfunded Pension Liabilities) since the date the representations hereunder are given or deemed given, or from any prior notice, as applicable; (ii) the existence of potential withdrawal liability under Section 4201 of ERISA, if the Borrower, any Restricted Subsidiary and the ERISA Affiliates were to withdraw completely from any and all Multiemployer Plans, (iii) the adoption of, or the commencement of contributions to, any Plan subject to Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA by the Borrower, any Restricted Subsidiary or any ERISA Affiliate, or (iv) the adoption of any amendment to a Plan subject to Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA which results in a material increase in contribution obligations of the Borrower, any Restricted Subsidiary or any ERISA Affiliate, a detailed written description thereof from the most senior financial officer of the Borrower; and (d) if, at any time after the Effective Date, the Borrower, any Restricted Subsidiary or any ERISA Affiliate maintains, or contributes to (or incurs an obligation to contribute to), a Pension Plan or Multiemployer Plan which is not set forth in Schedule 3.11 to the Disclosure Letter, then the Borrower shall deliver to the Administrative Agent an updated Schedule 3.11 to the Disclosure Letter as soon as practicable, and in any event within 30 days after the Borrower,

such Restricted Subsidiary or such ERISA Affiliate maintains, or contributes to (or incurs an obligation to contribute to), thereto.

Section 5.08 Compliance with Laws and Agreements . The Borrower will, and will cause each of its Restricted Subsidiaries to, comply with all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. The Borrower will maintain in effect and use reasonable measures to enforce policies and procedures designed to promote compliance by the Borrower, its Restricted Subsidiaries and their respective directors, officers, employees and agents with applicable Anti-Corruption Laws, applicable Anti-Terrorism Laws and applicable Sanctions.

Section 5.09 Use of Proceeds . The proceeds of the Loans and any Letter of Credit will be used only for working capital and general corporate purposes, including, without limitation, for acquisitions, stock repurchases and other Investments not prohibited hereunder. No part of the proceeds of any Loan or Letter of Credit will be used, whether directly or indirectly, for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X.

Section 5.10 Guarantors . If, as of the date of the most recently available financial statements delivered pursuant to Section 5.01(a) or (b) , as the case may be, any Person shall have become a Material Domestic Subsidiary, then the Borrower shall, (i) within 45 days thereafter (or such longer period of time as the Administrative Agent may agree in its sole discretion) after delivery of such financial statements, cause such Material Domestic Subsidiary to enter into a Guaranty, or, if a Guaranty has previously been entered into by a Material Domestic Subsidiary (and remains in effect), a joinder agreement to such Guaranty in form and substance reasonably satisfactory to the Administrative Agent, and (ii) on or prior to the date any Guaranty or joinder agreement to a Guaranty has been delivered pursuant to clause (i) above, deliver to the Administrative Agent, each Issuing Bank and each Lender all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including the USA Patriot Act. If requested by the Administrative Agent, the Administrative Agent shall receive an opinion of counsel for the Borrower in customary form and substance reasonably satisfactory to the Administrative Agent in respect of matters reasonably requested by the Administrative Agent relating to any Guaranty or joinder agreement delivered pursuant to this Section, dated as of the date of such Guaranty or joinder agreement.

Section 5.11 Designation of Restricted and Unrestricted Subsidiaries .

(a) The board of directors of the Borrower may designate any Subsidiary, including a newly acquired or created Subsidiary, to be an Unrestricted Subsidiary if it meets the following qualifications:

(i) such Subsidiary does not own any Equity Interest of the Borrower or any Restricted Subsidiary;

(ii) the Borrower would be permitted to make an Investment at the time of the designation in an amount equal to the aggregate fair market value of all Investments of the Borrower or its Restricted Subsidiaries in such Subsidiary;

(iii) any guarantee or other credit support thereof by the Borrower or any Restricted Subsidiary is permitted under Section 6.01 or Section 6.08 ;

(iv) neither the Borrower nor any Restricted Subsidiary has any obligation to subscribe for additional Equity Interests of such Subsidiary or to maintain or preserve its financial condition or cause it to achieve specified levels of operating results except to the extent permitted by Section 6.01 or Section 6.08 ;

(v) immediately before and after such designation, no Default or Event of Default shall have occurred and be continuing or would result from such designation; and

(vi) no Subsidiary may be designated as an Unrestricted Subsidiary if it is a "restricted subsidiary" or a "guarantor" (or any similar designation) for any other Indebtedness of the Borrower or a Restricted Subsidiary.

Once so designated, the Subsidiary will remain an Unrestricted Subsidiary, subject to subsection (b).

(b) A Subsidiary previously designated as an Unrestricted Subsidiary which fails to meet the qualifications set forth in subsections 5.11(a)(i) , 5.11(a)(iii) , 5.11(a)(iv) or 5.11(a)(vi) of this Section 5.11 will be deemed to become at that time a Restricted Subsidiary, subject to the consequences set forth in subsection (d) . The board of directors of the Borrower may designate an Unrestricted Subsidiary to be a Restricted Subsidiary if the designation would not cause a Default or Event of Default.

(c) Upon a Restricted Subsidiary becoming an Unrestricted Subsidiary:

(i) all existing Investments of the Borrower and the Restricted Subsidiaries therein (valued at the Borrower's proportional share of the fair market value of its assets less liabilities) will be deemed made at that time;

(ii) all existing Indebtedness of the Borrower or a Restricted Subsidiary held by it will be deemed incurred at that time, and all Liens on property of the Borrower or a Restricted Subsidiary held by it will be deemed incurred at that time;

(iii) all existing transactions between it and the Borrower or any Restricted Subsidiary will be deemed entered into at that time;

(iv) it is released at that time from the Loan Documents to which it is a party; and

(v) it will cease to be subject to the provisions of this Agreement as a Restricted Subsidiary.

(d) Upon an Unrestricted Subsidiary becoming, or being deemed to become, a Restricted Subsidiary pursuant to Section 5.11(b) :

(i) all of its Indebtedness will be deemed incurred at that time for purposes of Section 6.01 ;

(ii) Investments therein previously charged under Section 6.08 will be credited thereunder;

(iii) if it is a Material Domestic Subsidiary, it shall be required to become a Guarantor pursuant to this Agreement; and

(iv) it will thenceforward be subject to the provisions of this Agreement as a Restricted Subsidiary.

(e) Any designation by the board of directors of the Borrower of a Subsidiary as an Unrestricted Subsidiary or a Restricted Subsidiary after the Effective Date will be evidenced to the Administrative Agent by promptly filing with the Administrative Agent a copy of the resolutions of the board of directors giving effect to the designation and a certificate of an officer of the Borrower certifying that the designation complied with the foregoing provisions.

ARTICLE 6
NEGATIVE COVENANTS

Until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees and expenses and other amounts payable hereunder have been paid in full and the cancellation or expiration or Cash Collateralization of all Letters of Credit on terms reasonably satisfactory to the applicable Issuing Bank in an amount equal to the Agreed L/C Cash Collateral Amount of all Letter of Credit Usage, the Borrower covenants and agrees with the Lenders that:

Section 6.01 Indebtedness . The Borrower will not, and will not permit any Restricted Subsidiary to, create, incur, assume or permit to exist any Indebtedness other than:

(a) Specified Indebtedness existing on the Effective Date and disclosed on Schedule 6.01 to the Disclosure Letter and any Refinancing Indebtedness with respect thereto;

(b) to the extent constituting Specified Indebtedness, Specified Indebtedness consisting of cash management services, including treasury, depository, overdraft, credit or debit card, purchasing cards, electronic funds transfer, cash pooling arrangements and other cash management arrangements of Borrower or any Subsidiary, in each case, in the ordinary course of business;

(c) Specified Indebtedness in respect of (1) bid bonds, performance bonds, surety bonds and similar obligations, in each case, incurred by Borrower or any of its Restricted Subsidiaries in the ordinary course of business, (2) appeal bonds in respect of judgments not constituting an Event of Default under Section 7.01(k) and (3) guarantees or obligations with respect to letters of credit supporting such bid bonds, performance bonds, surety bonds, appeal bonds and similar obligations;

(d) Specified Indebtedness representing the financing of insurance premiums in the ordinary course of business;

(e) Indebtedness that is not Specified Indebtedness and Guarantees of Indebtedness of the Borrower or any Restricted Subsidiary so long as such guaranteed Indebtedness is permitted under this Section 6.01 ; *provided* , that if the Indebtedness that is being guaranteed is unsecured and/or subordinated to the Obligations, the Guarantee shall also be unsecured and/or subordinated to the Obligations.

(f) Specified Indebtedness constituting Capital Lease Obligations and Purchase Money Indebtedness and any Refinancing Indebtedness in respect thereof; *provided* that the aggregate principal amount of Indebtedness pursuant to this clause (f) shall not exceed $250,000,000 at any time outstanding;

(g) Specified Indebtedness in an aggregate principal amount at any time outstanding not to exceed (i) $1,000,000,000, plus, (ii) so long as the Borrower has provided the financial statements described in Section 5.01(a) or (b) , as applicable, any additional or other amount of Specified Indebtedness, so long as, solely in this case of this clause (ii), the Senior Net Leverage Ratio does not exceed 2.50 to 1.00, determined on a pro forma basis after giving effect to such Specified Indebtedness as of the most recently ended Measurement Period for which financial statements have been delivered and treating any New Commitments incurred on such date (or, in the case, of a Limited Conditionality Acquisition, to be incurred in connection with such acquisition) and any such Specified Indebtedness consisting of a revolving credit facility as fully drawn; *provided* that Senior Indebtedness shall be determined without taking into account any cash or cash equivalents constituting proceeds of any such Specified Indebtedness or New Commitments to be provided on such date (or, in the case, of a Limited Conditionality Acquisition, to be incurred in connection with such acquisition) that may otherwise reduce the amount of Senior Indebtedness; *provided* , *further* , that, in the case of any such Specified Indebtedness the proceeds of which are to be used primarily to consummate a Limited Conditionality Acquisition substantially concurrently with the issuance of incurrence of such Specified Indebtedness, the Senior Net Leverage Ratio, shall be determined on the date the acquisition agreement with respect to such Limited Conditionality Acquisition is signed and not on the date such Specified Indebtedness is incurred or issued;

(h) Obligations under the Loan Documents;

(i) letters of credit denominated in currencies not available under this Agreement; and

(j) Indebtedness consisting of Convertible Notes; *provided* that with respect to any Convertible Notes that may be exchangeable for or convertible into cash (other than payment of principal of, and interest on, such Convertible Notes), the Senior Net Leverage Ratio as of the date of issuance of such Convertible Notes, determined on a pro forma basis immediately after giving effect to the issuance of such Convertible Notes as of the most recently ended Measurement Period for which financial statements have been delivered, shall not exceed 3.00 to 1.00; *provided further* that Senior Indebtedness shall be determined without taking into account any cash or cash equivalents constituting proceeds of any such Convertible Notes to be issued on such date that may otherwise reduce the amount of Senior Indebtedness.

Notwithstanding the foregoing, any Indebtedness owed by a Loan Party to a Restricted Subsidiary that is not a Loan Party shall be permitted only to the extent subordinated to the Obligations pursuant to an intercompany subordination agreement in substantially the form attached hereto as Exhibit H or on such other customary terms reasonably satisfactory to the Administrative Agent.

Section 6.02 Liens . The Borrower will not, and will not permit any Restricted Subsidiary to, create, incur, assume or permit to exist any Lien on any property or asset now owned or hereafter acquired by it except:

(a) Permitted Encumbrances;

(b) any Lien on any property or asset of the Borrower or any Restricted Subsidiary existing on the date hereof and set forth in Schedule 6.02 to the Disclosure Letter and any modifications, renewals and extensions thereof and any Lien granted as a replacement or substitute therefor; *provided* that (i) such Lien shall not apply to any other property or asset of the Borrower or any Restricted Subsidiary other than improvements thereon or proceeds thereof, and (ii) such Lien shall secure only those obligations which it secures on the date hereof and any refinancing, extension, renewal or replacement thereof that does not

increase the outstanding principal amount thereof except by an amount equal to a premium or other amount paid, and fees and expenses incurred, in connection with such refinancing, extensions, renewals or replacements;

(c) any Lien existing on any property or asset prior to the acquisition thereof by the Borrower or any Restricted Subsidiary or existing on any property or asset of any Person that becomes a Restricted Subsidiary after the date hereof prior to the time such Person becomes a Restricted Subsidiary; *provided* that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Restricted Subsidiary, as the case may be, (ii) such Lien shall not apply to any other property or assets of the Borrower or any Restricted Subsidiary, and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Restricted Subsidiary, as the case may be, and any refinancing, extension, renewal or replacement thereof that does not increase the outstanding principal amount thereof except by an amount equal to a premium or other amount paid, and fees and expenses incurred, in connection with such refinancing, extensions, renewals or replacements;

(d) Liens on fixed or capital assets acquired, constructed, financed or improved by the Borrower or any Restricted Subsidiary; *provided* that (i) such security interests secure Indebtedness that is not prohibited by Section 6.01 , (ii) such security interests and the Indebtedness secured thereby are initially incurred prior to or within 180 days after such acquisition or the completion of such construction or improvement, (iii) the Indebtedness secured thereby does not exceed 100% of the cost of acquiring, constructing or improving such fixed or capital assets and customary related expenses, and (iv) such security interests shall not apply to any other property or assets of the Borrower or any Restricted Subsidiary other than additions, accessions, parts, attachments or improvements thereon or proceeds thereof; *provided* that clauses (ii) and (iii) shall not apply to any Refinancing Indebtedness pursuant to Section 6.01(f) hereof or any Lien securing such Refinancing Indebtedness;

(e) (i) non-exclusive licenses, sublicenses, leases or subleases and (ii) licenses of intellectual property that are exclusive as to territory only as to geographical areas outside of the United States, in each case granted to others in the ordinary course of business or granted to the Borrower or any Restricted Subsidiary, in each case not interfering in any material respect with the business of the Borrower and its Restricted Subsidiaries, taken as a whole;

(f) the interest and title of a lessor or licensor under any lease, license, sublease or sublicense entered into by the Borrower or any Restricted Subsidiary in the ordinary course of its business and other statutory and common law landlords' Liens under leases;

(g) in connection with the sale or transfer of any assets in a transaction not prohibited hereunder, customary rights and restrictions contained in agreements relating to such sale or transfer pending the completion thereof;

(h) in the case of any joint venture, any put and call arrangements related to its Equity Interests set forth in its organizational documents or any related joint venture or similar agreement;

(i) Liens securing Indebtedness to finance insurance premiums owing in the ordinary course of business to the extent such financing is not prohibited hereunder;

(j) Liens on earnest money deposits of cash or cash equivalents made in connection with any acquisition not prohibited hereunder;

(k) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and cash equivalents or other securities on deposit in one or more accounts maintained by the Borrower or any Restricted Subsidiary, in each case granted in the ordinary course of business in favor of the banks, securities intermediaries or other depository institutions with which such accounts are maintained, securing amounts owing to such institutions with respect to cash management, operating account arrangements and similar arrangements;

(l) Liens in the nature of the right of setoff in favor of counterparties to contractual agreements not otherwise prohibited hereunder with the Borrower or any of its Restricted Subsidiaries in the ordinary course of business;

(m) the provision of cash collateral securing Specified Indebtedness incurred pursuant to Section 6.01(i) ;

(n) Liens and deposits securing obligations under Swap Agreements entered to hedge or mitigate commercial risk and not for speculative purposes;

(o) Liens securing reimbursement obligations with respect to commercial letters of credit which encumber documents and other property relating to such letters of credit and products and proceeds thereof

(p) Liens in favor of the Loan Parties or Liens granted by a Restricted Subsidiary that is not a Loan Party in favor of another Restricted Subsidiary that is not a Loan Party; and

(q) other Liens securing obligations not otherwise permitted hereunder in an aggregate principal amount at any time outstanding not to exceed the greater of (x) $500,000,000 and (y) 25% of Total Assets.

Section 6.03 Fundamental Changes . (a) The Borrower will not, and will not permit any Restricted Subsidiary to, (x) merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, (y) sell, transfer, license, lease, enter into any sale-leaseback transactions with respect to, or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of the assets of the Borrower and the Restricted Subsidiaries, taken as a whole (in each case, whether now owned or hereafter acquired) or (z) liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing:

(i) any Restricted Subsidiary or any other Person may merge into or consolidate with the Borrower in a transaction in which the Borrower is the surviving corporation;

(ii) any Person (other than the Borrower) may merge into or consolidate with any Restricted Subsidiary in a transaction in which the surviving entity is a Restricted Subsidiary (*provided* that any such merger or consolidation involving a Guarantor must result in a Guarantor as the surviving entity);

(iii) any Restricted Subsidiary may sell, transfer, license, lease or otherwise dispose of its assets to the Borrower or to another Restricted Subsidiary; *provided* that any such disposition under this clause (iii) that is made to a Restricted Subsidiary that is not a Loan Party shall in no event be permitted if it would comprise all or substantially all of the assets of the Borrower and its Restricted Subsidiaries, taken as a whole;

(iv) in connection with any acquisition, any Restricted Subsidiary may merge into or consolidate with any other Person, so long as the Person surviving such merger or consolidation shall be a Restricted Subsidiary (*provided* that any such merger or consolidation involving a Guarantor must result in a Guarantor as the surviving entity); and

(v) any Restricted Subsidiary may liquidate or dissolve if the Borrower determines in good faith that such liquidation or dissolution is in the best interests of the Borrower and is not materially disadvantageous to the Lenders.

(b) The Borrower will not, and will not permit any of its Restricted Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Borrower and its Restricted Subsidiaries on the date of execution of this Agreement and businesses reasonably related, complementary, ancillary or incidental thereto or that constitute reasonable extensions thereof.

For the avoidance of doubt, nothing in this Section 6.03 shall be deemed to restrict the transfer by the Borrower or any Restricted Subsidiary of intellectual property and/or the Equity Interests in any Foreign Subsidiary or Foreign Subsidiaries to any Foreign Subsidiary that is a Restricted Subsidiary.

Section 6.04 Restricted Payments . The Borrower will not, and will not permit any of its Restricted Subsidiaries to, declare or make any Restricted Payments with respect to the Borrower or any of its Restricted Subsidiaries, except:

(i) any Restricted Subsidiary of the Borrower may make Restricted Payments to the Borrower or to any direct or indirect wholly-owned Restricted Subsidiary of the Borrower, and any non-wholly-owned Restricted Subsidiary may make Restricted Payments to the Borrower or any of its other Restricted Subsidiaries and to each other owner of Equity Interests of such Restricted Subsidiary ratably based on their relative ownership interests of the relevant class of Equity Interests;

(ii) the Borrower may declare and make dividends payable solely in additional shares of Borrower's Qualified Equity Interests and may exchange Equity Interests for its Qualified Equity Interests;

(iii) the Borrower may (x) repurchase fractional shares of its Equity Interests arising out of stock dividends, splits or combinations, business combinations or conversions of convertible securities or exercises of warrants or options, (y) "net exercise" or "net share settle" warrants or options or (z) so long as no Event of Default then exists or would result therefrom, make cash settlement payments upon the exercise of warrants or options to purchase its Equity Interests;

(iv) the Borrower may (x) redeem or otherwise cancel Equity Interests or rights in respect thereof granted to (or make payments on behalf of) directors, officers, employees or other providers of services to the Borrower and the Restricted Subsidiaries in an amount required to satisfy tax withholding obligations relating to the vesting, settlement or exercise of such Equity Interests or rights or (y) repurchase Equity Interests or rights in respect thereof granted to directors, officers, employees or other providers of services to the Borrower and the Restricted Subsidiaries pursuant to a right of repurchase set forth in equity compensation plans in connection with a cessation of service;

(v) following a Qualifying IPO, the Borrower or any Restricted Subsidiary may make any Restricted Payment that has been declared by the Borrower or such Restricted Subsidiary, so long as (A) such Restricted Payment would be otherwise permitted under clause (viii) of this Section 6.04 at the time so declared and (B) such Restricted Payment is made within 60 days of such declaration;

(vi) following a Qualifying IPO, the Borrower may repurchase Equity Interests pursuant to any accelerated stock repurchase or similar agreement; *provided* that the payment made by the Borrower with respect to such repurchase would be otherwise permitted under clause (viii) of this Section 6.04 at the time such agreement was entered into as if it was a Restricted Payment made by the Borrower at such time;

(vii) the Borrower may make Restricted Payments pursuant to and in accordance with stock option plans or other benefit plans or agreements for directors, management, employees or other eligible service providers of the Borrower or its Restricted Subsidiaries;

(viii) so long as no Default or Event of Default then exists or would result therefrom, the Borrower may declare or make Restricted Payments not otherwise permitted under this Section 6.04 if, after giving pro forma effect to such Restricted Payment, the Borrower and its Restricted Subsidiaries have Liquidity of at least $300,000,000;

(ix) so long as no Default or Event of Default then exists or would result therefrom, the Borrower may make Restricted Payments not otherwise permitted under this Section 6.04 (x) using the proceeds of any issuance of Equity Interests (*provided* that such Restricted Payment and the issuance of Equity Interests are substantially concurrent) or (y) that are announced in connection with a Qualifying IPO;

(x) the acquisition by the Borrower of Equity Interests issued by the Borrower in connection with the satisfaction of loans made by the Borrower to one or more of its stockholders; *provided* that such loans were in existence as of the Effective Date;

(xi) the receipt or acceptance by the Borrower or any Restricted Subsidiary of the return of Equity Interests issued by the Borrower or any Restricted Subsidiary to the seller of a Person, business or division as consideration for the purchase of such Person, business or division, which return is in settlement of indemnification claims owed by such seller in connection with such acquisition; and

(xii) following a Qualifying IPO, the Borrower may repurchase Equity Interests pursuant to the terms of a call spread or similar arrangement entered into in connection with the issuance of Convertible Notes.

Section 6.05 Restrictive Agreements . The Borrower will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of the Borrower or any Restricted Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets to secure the Obligations or (b) the ability of any Restricted Subsidiary to pay dividends or other distributions with respect to any shares of its equity interests or to make or repay loans or advances to the Borrower or any other Restricted Subsidiary or of any Restricted Subsidiary to Guarantee Indebtedness of the Borrower or any other Restricted Subsidiary under the Loan Documents; *provided* that (i) the

foregoing shall not apply to restrictions and conditions imposed by law or by this Agreement or any other Loan Document, (ii) the foregoing shall not apply to prohibitions, restrictions and conditions existing on the date hereof identified on Schedule 6.05 to the Disclosure Letter (and any amendments or modifications thereof that do not materially expand the scope of any such prohibition, restriction or condition), (iii) the foregoing shall not apply to customary prohibitions, restrictions and conditions contained in agreements relating to the sale of a Restricted Subsidiary or assets of the Borrower or any Restricted Subsidiary pending such sale; *provided* such restrictions and conditions apply only to the Restricted Subsidiary or assets to be sold and such sale is not prohibited hereunder, (iv) the foregoing shall not apply to any agreement, prohibition, or restriction or condition in effect at the time any Restricted Subsidiary becomes a Restricted Subsidiary of the Borrower, so long as such agreement was not entered into solely in contemplation of such Person becoming a Restricted Subsidiary of the Borrower (and any amendments or modifications thereof that do not materially expand the scope of any such prohibition restriction or condition), (v) the foregoing shall not apply to customary provisions in joint venture agreements and other similar agreements applicable to joint ventures, (vi) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness, (vii) clause (a) of the foregoing shall not apply to customary provisions in leases, licenses, sub-leases and sub-licenses and other contracts restricting the assignment thereof, (viii) the foregoing shall not apply to restrictions or conditions set forth in any agreement governing Indebtedness not prohibited by Section 6.01 ; *provided* that such restrictions and conditions are customary for such Indebtedness (as determined in good faith by the Borrower), and (ix) the foregoing shall not apply to restrictions on cash or other deposits (including escrowed funds) imposed under contracts entered into in the ordinary course of business or restrictions imposed by the terms of a Permitted Lien on the property subject to such Permitted Lien.

Section 6.06 Transactions with Affiliates . The Borrower will not, and will not permit any of its Restricted Subsidiaries to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of its Affiliates (other than between or among the Borrower and its Restricted Subsidiaries and not involving any other Affiliate except as otherwise permitted hereunder), except (a) on terms and conditions not less favorable to the Borrower or such Restricted Subsidiary than could be obtained on an arm's-length basis from unrelated third parties, (b) payment of customary directors' fees, reasonable out-of-pocket expense reimbursement, indemnities (including the provision of directors and officers insurance) and compensation arrangements for members of the board of directors, officers or other employees of the Borrower or any of its Subsidiaries, (c) transactions approved by a majority of the disinterested directors of Borrower's board of directors, (d) any transaction involving amounts less than $500,000 individually and $5,000,000 in the aggregate, and (e) any Restricted Payment permitted by Section 6.04 .

Section 6.07 Use of Proceeds . The Borrower will not request any Borrowing, and the Borrower shall not use, and shall procure that its Subsidiaries and its or their respective directors, officers, employees and agents shall not use, the proceeds of any Loan or issuance of any Letter of Credit (a) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the FCPA or any applicable Anti-Corruption Laws, (b) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Person, or in any country or territory that, at the time of such funding, financing or facilitating, is, or whose government is, a Sanctioned Person or Sanctioned Entity or (c) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

Section 6.08 Investments . The Borrower will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make or own any Investment in any Person, except:

(a) Investments existing on the date hereof;

(b) Investments by any Loan Party or any Restricted Subsidiary in any Loan Party or any Restricted Subsidiary;

(c) Investments in Joint Ventures and Unrestricted Subsidiaries in an aggregate amount for all Investments under this clause (c) not to exceed the greater of (x) $1,000,000,000 and (y) 50% of Total Assets;

(d) payroll, travel, moving, entertainment and similar advances to directors and employees of the Borrower or any Subsidiary to cover matters that are expected at the time of such advances to be treated as expenses of the Borrower or such Subsidiary for accounting purposes and that are made in the ordinary course of business;

(e) loans or advances to directors and employees of the Borrower or any Subsidiary made in the ordinary course of business; *provided* that the aggregate amount of such loans and advances outstanding at any time shall not exceed $50,000,000;

(f) Permitted Acquisitions;

(g) Investments not otherwise permitted by the foregoing provisions of this Section 6.08 in an aggregate amount in an aggregate amount for all such Investments under this clause (g) not to exceed the greater of (x) $100,000,000 and (y) 5% of Total Assets;

(h) on or after an IPO, loans or advances to directors and employees of the Borrower or any Subsidiary made to satisfy tax obligations relating to the vesting, settlement or exercise of Equity Interests or rights; and

(i) following a Qualifying IPO, any call spread or similar arrangement in connection with the issuance of Convertible Notes.

Notwithstanding anything herein to the contrary, after the date hereof the Borrower and each other Obligor will not, and will not permit any of its Restricted Subsidiaries to, allow or cause any Domestic Subsidiary to be a subsidiary of a Foreign Subsidiary (other than any Domestic Subsidiary that is an existing subsidiary of an acquired Foreign Subsidiary at the time of the Permitted Acquisition or is a Subsidiary of a Foreign Subsidiary on the date of this Agreement).

Section 6.09 Minimum Liquidity . The Borrower shall not permit the aggregate Liquidity of the Borrower and its Restricted Subsidiaries as of the end of any fiscal quarter of the Borrower to be less than $300,000,000.

ARTICLE 7
EVENTS OF DEFAULT

Section 7.01 Events of Default .

If any of the following events (each, an " **Event of Default** ") shall occur:

(a) the Borrower shall fail to pay (i) any principal of any Loan when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise; or (ii) when due any amount payable to the applicable Issuing Bank in reimbursement of any drawing under any Letter of Credit;

(b) the Borrower shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in Section 7.01(a)) payable under any of the Loan Documents, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of five Business Days;

(c) any representation or warranty made or deemed made by or on behalf of the Borrower or any Restricted Subsidiary in or in connection with this Agreement or any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with this Agreement, any other Loan Document or any amendment or modification hereof or thereof or waiver hereunder or thereunder, shall prove to have been incorrect in any material respect when made or deemed made; *provided* that, in each case, to the extent that such representations and warranties are already qualified or modified by materiality or words of similar effect in the text thereof, they shall be true and correct in all respects;

(d) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02 , Section 5.03 (solely with respect to the Borrower's existence), Section 5.09 or in Article 6 ;

(e) the Borrower or any Restricted Subsidiary shall fail to observe or perform any covenant, condition or agreement contained in any of the Loan Documents (other than those specified in clause (a), (b) or (d) of this Section 7.01), and such failure shall continue unremedied for a period of 30 days after notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender);

(f) the Borrower or any Restricted Subsidiary shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) and such failure shall have continued after the applicable grace period, if any;

(g) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both but with all applicable grace periods in respect of such event or condition under the documentation representing such Material Indebtedness having expired) the holder or holders of such Material Indebtedness or any trustee or agent on its or their behalf to cause such Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; *provided* that this clause (g) shall not apply to (w) any requirement to, or any offer to,

repurchase, prepay or redeem Indebtedness of a Person acquired in an acquisition permitted hereunder, to the extent such offer is required as a result of, or in connection with, such acquisition, (x) secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, (y) any event or condition giving rise to any redemption, repurchase, conversion or settlement (or right to redeem, require repurchase, convert or settle) with respect to any Convertible Notes pursuant to its terms unless such redemption, repurchase, conversion or settlement (i) results from a default thereunder or an event of the type that constitutes an Event of Default or (ii) results from the occurrence of a "fundamental change" or "change of control" thereunder that requires cash payment thereon or cash redemption thereof or (z) an early payment requirement, unwinding or termination with respect to any Swap Agreement except an early payment, unwinding or termination that results from a default or non-compliance thereunder by the Borrower or any Restricted Subsidiary, or another event of the type that would constitute an Event of Default;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of the Borrower or any Restricted Subsidiary (other than any Immaterial Subsidiary) or its debts, or of a substantial part of its assets, under any Debtor Relief Law or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Restricted Subsidiary (other than any Immaterial Subsidiary) or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) except as may otherwise be permitted under Section 6.03 , the Borrower or any Restricted Subsidiary (other than any Immaterial Subsidiary) shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Debtor Relief Law, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for the Borrower or any Restricted Subsidiary (other than any Immaterial Subsidiary) or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) the Borrower or any Restricted Subsidiary (other than any Immaterial Subsidiary) shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in excess of $100,000,000 in the aggregate shall be rendered against the Borrower or any Restricted Subsidiary or any combination thereof (to the extent not paid or covered by a reputable and solvent independent third-party insurance company which has not disputed coverage) and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of the Borrower or any Restricted Subsidiary to enforce any such judgment and such action shall not be stayed;

(l) one or more ERISA Events shall have occurred, other than as would not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect;

(m) a Change in Control shall occur; or

(n) any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the obligations hereunder or thereunder, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any Loan Document;

then, and in every such event (other than an event with respect to the Borrower described in clause (h), (i) or (j) of this Section 7.01), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments and the obligations of the Issuing Banks to issue any Letter of Credit, and thereupon the Commitments and the obligations of the Issuing Banks to issue any Letter of Credit shall terminate immediately, and (ii) (A) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower and (B) require that the Borrower Cash Collateralize the Letters of Credit in the amount of the Agreed L/C Cash Collateral Amount of the then Letter of Credit Usage; and, in the case of any event with respect to the Borrower described in clause (h), (i) or (j) of this Section 7.01 , the Commitments and the obligations of the Issuing Banks to issue any Letter of Credit shall automatically terminate, and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

Section 7.02 Application of Funds . After the exercise of remedies provided for in Section 7.01 (or after the Loans have automatically become immediately due and payable and the Letter of Credit Usage shall have automatically been required to be Cash Collateralized as set forth in Section 7.01), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First , to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (other than principal and interest but including fees, charges and disbursements of counsel to the Administrative Agent and the Issuing Banks and amounts payable pursuant to Sections 2.12 and 2.14) payable to the Administrative Agent and each Issuing Bank in their respective capacity as such; ratably among them in proportion to the respective amounts described in this clause First payable to them;

Second , to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and fees payable to the Lenders (including fees, charges and disbursements of counsel to the respective Lenders and amounts payable pursuant to Sections 2.12 and 2.14));

Third , to payment of that portion of the Obligations constituting accrued and unpaid fees and interest on the Loans, Letter of Credit Usage and other Obligations, ratably among the Lenders and the Issuing Bank in proportion to the respective amounts described in this clause Third held by them;

Fourth , to payment of that portion of the Obligations constituting unpaid principal of the Loans and Letter of Credit Usage comprised of drawings under Letters of Credit honored by the applicable Issuing Bank and not theretofore reimbursed by or on behalf of the Borrower, ratably among the Lenders

and the applicable Issuing Bank, in proportion to the respective amounts described in this clause Fourth held by them;

Fifth , to the Administrative Agent for the account of the applicable Issuing Bank, to Cash Collateralize that portion of Letter of Credit Usage comprised of the aggregate undrawn amount of Letters of Credit at the Agreed L/C Cash Collateral Amount; and

Last , the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by law.

Subject to Section 2.19(i) , amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above, and thereafter applied as provided in clause " *Last* " above.

ARTICLE 8
THE AGENTS

Section 8.01 Appointment of the Administrative Agent . Each Lender and each Issuing Bank hereby irrevocably designates and appoints Morgan Stanley Senior Funding, Inc. as the Administrative Agent hereunder and under the other Loan Documents, and each Lender and each Issuing Bank hereby authorizes Morgan Stanley Senior Funding, Inc. to act as the Administrative Agent in accordance with the terms hereof and the other Loan Documents. Each Agent hereby agrees to act in its capacity as such upon the express conditions contained herein and the other Loan Documents, as applicable. The provisions of this Article 8 are solely for the benefit of the Agents and Lenders and no Loan Party shall have any rights as a third party beneficiary of any of the provisions thereof (except as expressly set forth in Section 8.07). In performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed, and the use of the term "agent" (or any similar term) herein or in any other Loan Documents is not intended to connote, any obligation towards or relationship of agency or trust with or for Borrower or any of its Subsidiaries. As of the Effective Date, no Arranger in such capacity shall have any obligations but shall be entitled to all benefits of this Article 8 . Each Arranger may resign from such role at any time, with immediate effect, by giving prior written notice thereof to the Administrative Agent and the Borrower.

Section 8.02 Powers and Duties . Each Lender irrevocably authorizes each Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Loan Documents as are specifically delegated or granted to such Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Anything herein to the contrary notwithstanding, each Agent shall have only those powers, duties and responsibilities under this Agreement or any of the other Loan Documents except in its capacity, as applicable, as the Administrative Agent, a Lender or an Issuing Bank hereunder. Each Agent may exercise such powers, rights and remedies and perform such duties by or through its Related Parties. No Agent shall have, by reason hereof or any of the other Loan Documents, a fiduciary relationship in respect of any Lender or any other Person; and nothing herein or any of the other Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon any Agent any obligations in respect hereof or any of the other Loan Documents except as expressly set forth herein or therein.

Section 8.03 General Immunity . (a) No Agent nor any of its Related Parties shall be (i) responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Loan Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by any Agent to Lenders or by or on behalf of any Loan Party to any Agent or any Lender in connection with the Loan Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Loan Party or any other Person liable for the payment of any Obligations, (ii) required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Loan Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Default or (iii) required to make any disclosures with respect to the foregoing. No Agent shall be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder unless such Agent has received written notice from a Lender or the Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". No Agent nor any of its Related Parties shall, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as an Agent or any of its Affiliates in any capacity. Anything contained herein to the contrary notwithstanding, the Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Loans or the component amounts thereof.

(b) No Agent nor any of its Related Parties shall be liable to Lenders for any action taken or omitted by any Agent under or in connection with any of the Loan Documents except to the extent caused by such Person's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. Each Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Loan Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Agent shall have received instructions in respect thereof from Required Lenders (or such other Lenders as may be required to give such instructions under Section 9.02) and, upon receipt of such instructions from Required Lenders (or such other Lenders, as the case may be), such Agent shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions, including for the avoidance of doubt refraining from any action that, in its opinion or the opinion of its counsel, may be in violation of any Loan Document or applicable law, including, for the avoidance of doubt, any action that may be in violation of the automatic stay under any Debtor Relief Law or that may affect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law. Without prejudice to the generality of the foregoing, (i) each Agent shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Borrower and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (ii) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting hereunder or any of the other Loan Documents in accordance with the instructions of Required Lenders (or such other Lenders as may be required to give such instructions under Section 9.02).

Each Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Loan Document by or through any one or more sub-agents appointed by such Agent, provided that any such appointment of a sub-agent, other than to a Lender or an Affiliate of a Lender (other than any Disqualified Institution), shall require the express written consent of the Borrower and provided that, for the avoidance of doubt, each sub-agent shall become bound by, and subject to Section 9.12 . Each Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through its respective Related Parties. The exculpatory, indemnification and other provisions of this Section 8.03 and of Section 8.06 shall apply to any the Related Parties of each Agent and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as an Agent. All of the rights, benefits, and privileges (including the exculpatory and indemnification provisions) of this Section 8.03 and of Section 8.06 shall apply to any such sub-agent and to the Related Parties of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and its Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by an Agent, (i) such sub-agent shall be a third party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of Loan Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to the Agent that appointed it and not to any Loan Party, Lender or any other Person and no Loan Party, Lender or any other Person shall have any rights, directly or indirectly, as a third party beneficiary or otherwise, against such sub-agent. No Agent shall be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that such Agent acted with gross negligence, bad faith or willful misconduct in the selection of such sub-agent.

(c) No Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, no Agent shall (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Commitments or Loans, or disclosure of confidential information, to any Disqualified Institution.

Section 8.04 Administrative Agent Entitled to Act as Lender . The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Loans, each Agent shall have the same rights and powers hereunder as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term " **Lender** " shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity. Any Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with Borrower or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from Borrower for services in connection herewith and otherwise without having to account for the same to Lenders.

Section 8.05 Lenders' Representations, Warranties and Acknowledgment . (a) Each Lender and each Issuing Bank expressly acknowledges that neither the Agents nor any of their respective Related Parties have made any representations or warranties to it and that no act by any Agent hereafter taken, including any review of the affairs of a Loan Party or any of its Affiliates, shall be deemed to constitute any representation or warranty by any Agent to any Lender or any Issuing Bank. Each Lender and each Issuing Bank represents and warrants that it has made its own independent investigation of the financial condition and affairs of Borrower and its Subsidiaries in connection with Loans and/or Letters of Credit issued hereunder and that it has made and shall continue to make its own appraisal of, and investigation into, the business, operations, property, financial and other condition and the creditworthiness of the Borrower and its Affiliates. Each Lender and each Issuing Bank also represents that it will, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of the Loan Parties and their Affiliates. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and no Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided to Lenders.

(b) Each Lender, by delivering its signature page to this Agreement, an Assignment and Assumption or a Joinder Agreement and funding its Loans, if applicable, on the Effective Date, or by the funding of any New Loans, as the case may be, shall be deemed to have acknowledged receipt of, and consented to and approved, each Loan Document and each other document required to be approved by any Agent, any Issuing Bank or the Lenders, as applicable on the Effective Date, the effective date of such Assignment and Assumption or as of the date of funding of such New Loans.

Section 8.06 Right to Indemnity . Each Lender, in proportion to its Applicable Percentage, severally agrees to indemnify each Agent and each Issuing Bank, to the extent that such Agent or such Issuing Bank shall not have been reimbursed by any Loan Party, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Agent or such Issuing Bank in exercising its powers, rights and remedies or performing its duties hereunder or under the other Loan Documents or otherwise in its capacity as such Agent or such Issuing Bank in any way relating to or arising out of this Agreement, any Letter of Credit or the other Loan Documents; *provided* no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Agent's or such Issuing Bank's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction (it being understood and agreed that no action taken in accordance with the directions of the Required Lenders (or such other Lenders as may be required to give such instructions under Section 9.02) shall constitute gross negligence or willful misconduct). If any indemnity furnished to any Agent or any Issuing Bank for any purpose shall, in the opinion of such Agent or such Issuing Bank, be insufficient or become impaired, such Agent or such Issuing Bank may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; *provided* in no event shall this sentence require any Lender to indemnify any Agent or any Issuing Bank against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess

of such Lender's Applicable Percentage thereof; and *provided , further* , this sentence shall not be deemed to require any Lender to indemnify any Agent or any Issuing Bank against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

Section 8.07 Successor Administrative Agent .

(a) The Administrative Agent shall have the right to resign at any time by giving prior written notice thereof to Lenders and Borrower. The Administrative Agent shall have the right to appoint a financial institution to act as the Administrative Agent hereunder, subject to the written consent of Borrower and the reasonable satisfaction of the Required Lenders, and Administrative Agent's resignation shall become effective on the earliest of (i) 30 days after delivery of the notice of resignation (regardless of whether a successor has been appointed or not), (ii) the acceptance of such successor Administrative Agent by Borrower and the Required Lenders and the acceptance of being Administrative Agent by such successor, or (iii) such other date, if any, agreed to by the Required Lenders. Upon any such notice of resignation, if a successor Administrative Agent has not already been appointed by the retiring Administrative Agent, the Required Lenders shall have the right, with the written consent of the Borrower, to appoint a successor Administrative Agent.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, with the prior written consent of the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the " **Removal Effective Date** "), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) If neither the Required Lenders nor Administrative Agent have appointed a successor Administrative Agent or such successor has not accepted such appointment within 30 days after delivery of notice of resignation by the retiring Administrative Agent or the Removal Effective Date, the Required Lenders shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent until such time, if any, as the Required Lenders appoint a successor Administrative Agent and such successor accepts such appointment. Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent and the retiring or removed Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums held under the Loan Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Loan Documents, and (ii) take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the Loan Documents, whereupon such retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Article 8). After any retiring or removed Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Article 8 and Section 9.03 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent hereunder.

Section 8.08 Guaranty . (a) Each Lender and each Issuing Bank hereby further authorizes Administrative Agent, on behalf of and for the benefit of the Lenders and the Issuing Banks, to be the agent for and representative of the Lenders with respect to the Guaranty and the other Loan Documents. Subject to Section 9.02 , without further written consent or authorization from any Lender or any Issuing Bank, Administrative Agent may execute any documents or instruments necessary to release any Guarantor from the Guaranty pursuant to Section 9.17 or with respect to which Required Lenders (or such other Lenders as may be required to give such consent under Section 9.02) have otherwise consented.

(b) Anything contained in any of the Loan Documents to the contrary notwithstanding, the Borrower, the Administrative Agent, each Issuing Bank and each Lender hereby agree that none of the Lenders or the Issuing Banks shall have any right individually to enforce the Guaranty, it being understood and agreed that all powers, rights and remedies hereunder and under any of the Loan Documents may be exercised solely by Administrative Agent, for the benefit of the Lenders and the Issuing Bank in accordance with the terms hereof and thereof.

(c) Notwithstanding anything to the contrary contained herein or any other Loan Document, when all Obligations have been paid in full and all Commitments have terminated or expired, upon request of Borrower, Administrative Agent shall take such actions as shall be required to release all guarantee obligations provided for in any Loan Document. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

Section 8.09 Withholding Taxes . To the extent required by any applicable law, Administrative Agent may withhold from any payment to any Lender or any Issuing Bank an amount equivalent to any applicable withholding Tax. If the IRS or any other Governmental Authority asserts a claim that Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender or any Issuing Bank because the appropriate form was not delivered or was not properly executed or because such Lender or such Issuing Bank failed to notify Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, or if Administrative Agent reasonably determines that a payment was made to a Lender or an Issuing Bank pursuant to this Agreement without deduction of applicable withholding Tax from such payment, such Lender or such Issuing Bank, as the case may be, shall indemnify Administrative Agent fully for all amounts paid, directly or indirectly, by Administrative Agent as Tax or otherwise, including any penalties or interest and together with all expenses (including legal expenses, allocated internal costs and out-of-pocket expenses) incurred.

Section 8.10 Administrative Agent May File Bankruptcy Disclosure and Proofs of Claim . In case of the pendency of any proceeding under any Debtor Relief Laws relative to any Loan Party, Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Administrative Agent shall have made any demand on Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file a verified statement pursuant to rule 2019 of the Federal Rules of Bankruptcy Procedure that, in its sole opinion, complies with such rule's disclosure requirements for entities representing more than one creditor;

(b) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the Issuing Banks and the Agents (including any claim for the reasonable compensation, expenses, disbursements and advances of the Agents, the Lenders and the Issuing Banks and their respective agents and counsel and all other amounts due the Agents, the Lenders and the Issuing Banks under Sections 2.09 and 9.03 allowed in such judicial proceeding; and

(c) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and, in each case, any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each other Agent, each Lender and each Issuing Bank to make such payments to Administrative Agent and, in the event that Administrative Agent shall consent to the making of such payments directly to the other Agents, the Lenders and/or the Issuing Banks, to pay to Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of Administrative Agent and its agents and counsel, and any other amounts due Administrative Agent under Sections 2.09 and 9.03 . To the extent that the payment of any such compensation, expenses, disbursements and advances of Administrative Agent, its agents and counsel, and any other amounts due Administrative Agent under Sections 2.09 and 9.03 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the other Agents, the Lenders and/or the Issuing Banks may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Nothing contained herein shall be deemed to authorize Administrative Agent to authorize or consent to or accept or adopt on behalf of any other Agent, any Lender or any Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Agent, any Lender or any Issuing Bank or to authorize Administrative Agent to vote in respect of the claim of any Agent, any Lender or the Issuing Bank in any such proceeding.

ARTICLE 9
MISCELLANEOUS

Section 9.01 Notices . (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy (or other electronic image scan transmission (e.g. pdf via email)), as follows:

(i) if to the Borrower, to it at:

Snapchat, Inc.
63 Market Street
Venice, California 90291
Attention: Chief Financial Officer

with a copy to:

Fenwick & West LLP
801 California Street
Mountain View, California 94041
Attention: David K. Michaels
Fax: (650) 938-5200

(ii) if to the Administrative Agent, to it at:

Morgan Stanley Senior Funding, Inc.
1 New York Plaza, 41st Floor
New York, New York, 10004
Attention: Agency Team
Fax: (212) 507-6680

with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP.
4 Times Square
New York, New York 10036
Attention: Stephanie L. Teicher
Fax: (917) 777-2181

(iii) if to MSSF, in its capacity as a Lender or an Issuing Bank, to it at:

Morgan Stanley Senior Funding, Inc.
1 New York Plaza, 41st Floor
New York, New York, 10004
Attention: Agency Team
Fax: (212) 507-6680

(iv) if to any other Lender or any other Issuing Bank, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in clause (b) below, shall be effective as provided in such clause (b).

(b) Notices and other communications to the Lenders and the Issuing Banks hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent *; provided* that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Administrative Agent and the applicable Lender or the applicable Issuing Bank. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (i), of notification that such notice or communication is available and identifying the website address therefor; *provided* that, for both clauses (i) and (ii) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto (*provided* that any Lender may change its address or telecopy number by notice solely to the Administrative Agent and the Borrower).

(d) The Borrower agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Lenders and the Issuing Banks by posting the Communications on Debt Domain, IntraLinks, Syndtrak or another similar electronic system (the " **Platform** "). THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the " **Agent Parties** ") be responsible or liable for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) to the Borrower, any other Loan Party, any Lender, any Issuing Bank or any other Person arising from the unauthorized use by others of information or other materials obtained through internet, electronic, telecommunications or other information transmission, including, without limitation, the transmission of Communications through the Platform, except to the extent that such damages have resulted from the willful misconduct or gross negligence of such Agent Party (as determined in a final, non-appealable judgment by a court of competent jurisdiction). " **Communications** " means, collectively, any notice, demand, communication, information, document or other material that any Loan Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section 9.01 , including through the Platform.

(e) In the event the Borrower shall have any Equity Interests or other securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the " **Exchange Act** ") or otherwise files or is required to file reports under Section 15(d) of the Exchange Act, the Borrower and each Lender acknowledges that certain of the Lenders may be Public Lenders and, if any document, notice or other

information required to be delivered hereunder is being distributed through the Platform, any information that the Borrower has indicated contains Non-Public Information will not be posted on that portion of the Platform designated for such Public Lenders. If the Borrower has not indicated whether a document, notice or other information provided to the Administrative Agent by or on behalf of the Borrower or any Subsidiary contains Non-Public Information, the Administrative Agent reserves the right to post such information solely on the portion of the Platform designated for Lenders that wish to receive material Non-Public Information with respect to the Borrower, the Subsidiaries and its and their securities. Notwithstanding the foregoing, nothing in this Section 9.01(e) shall create any obligation on the Borrower to indicate whether any information contains Non-Public Information, it being further agreed that if any such indication is provided by the Borrower in its discretion, such indication shall create no obligation on the Borrower to provide any such indication in the future.

(f) Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United State federal and state securities laws, to make reference to information that is not made available through the "Public Side Information" portion of the Platform and that may contain Non Public Information with respect to the Borrower, the Subsidiaries or its or their securities.

Section 9.02 Waivers; Amendments . (a) No failure or delay by the Administrative Agent, any Issuing Bank or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Banks and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or any other Loan Document or consent to any departure by the Borrower or any other Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default or Event of Default, regardless of whether the Administrative Agent, the Issuing Banks or any Lender may have had notice or knowledge of such Default or Event of Default at the time. Notwithstanding the foregoing Borrower and Administrative Agent may, without the consent of the other Lenders, amend, modify or supplement this Agreement and any other Loan Document to cure any ambiguity, omission, typographical error, defect or inconsistency if such amendment, modification or supplement if the same is not objected to in writing by the Required Lenders within five Business Days following receipt of notice thereof.

(b) None of this Agreement, any other Loan Document or any provision hereof or thereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; *provided* , *however* , that no such amendment, waiver or consent shall: (i) extend or increase the Commitment of any Lender or any Issuing Bank (including, without limitation, amending the definition of "Applicable Percentage") without the written consent of such Lender or such Issuing Bank, as applicable, (ii) reduce the principal amount of any Loan or Letter of Credit or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender directly affected thereby and, in the case of any Letter of Credit, the applicable Issuing bank, (iii)

postpone the scheduled date of payment of the principal amount of any Loan or Letter of Credit, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment, without the written consent of each Lender directly affected thereby and, if applicable, the applicable Issuing Bank; *provided* , *however* , that notwithstanding clause (ii) or (iii) of this Section 9.02(b) , only the consent of the Required Lenders shall be necessary to waive any obligation of the Borrower to pay interest at the default rate set forth in Section 2.10(f) , (iv) change Section 7.02 or Section 2.15(b) , Section 2.15(c) or any other Section hereof providing for the ratable treatment of the Lenders, in each case in a manner that would alter the *pro rata* sharing of payments required thereby, without the written consent of each Lender, (v) release all or substantially all of the value of the Guaranties provided by the Guarantors, without the written consent of each Lender, except to the extent the release of any Guarantor is permitted pursuant to Article 8 or Section 9.17 (in which case such release may be made by the Administrative Agent acting alone), (vi) change any of the provisions of this Section or the percentage referred to in the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender or (vii) waive any condition set forth in Section 4.01 (other than as it relates to the payment of fees and expenses of counsel), or, in the case of any Loans made on the Effective Date, Section 4.02 , without the written consent of each Lender and each Issuing Bank. Notwithstanding anything to the contrary herein, no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent or the Issuing Banks hereunder without the prior written consent of the Administrative Agent or the Issuing Banks, as the case may be (it being understood that any change to Sections 2.17 and 2.19 shall require the consent of the Administrative Agent and the Issuing Banks).

(c) Notwithstanding the foregoing, this Agreement may be amended as contemplated by (i) Section 2.18 to effect New Commitments pursuant to a Joinder Agreement with only the consent of the Administrative Agent, the Borrower, the other Loan Parties and the New Lenders providing New Commitments, and (ii) Section 2.20 to effect an extension pursuant to an Extension Agreement with only the consent of the Administrative Agent, the Borrower, the other Loan Parties and the Extending Lenders and the New Extending Lenders.

(d) Notwithstanding anything herein or in any other Loan Document to the contrary, during such period as a Lender is a Defaulting Lender, to the fullest extent permitted by applicable law, such Lender will not be entitled to vote in respect of amendments and waivers hereunder and the Commitment and the outstanding Loans or other extensions of credit of such Lender hereunder will not be taken into account in determining whether the Required Lenders or all of the Lenders or each directly affected Lender, as required, have approved any such amendment or waiver; *provided* , *however* , that any such amendment or waiver that would increase or extend the term of the Revolving Commitment of such Defaulting Lender, extend the date fixed for the payment of principal or interest or fees owing to such Defaulting Lender hereunder, reduce the principal amount of any obligation owing to such Defaulting Lender, reduce the amount of or the rate or amount of interest on any amount owing to such Defaulting Lender (other than in connection with the waiver of any obligation of the Borrower to pay interest at the default rate set forth in Section 2.10(f)) or of any fee payable to such Defaulting Lender hereunder, or alter the terms of this paragraph, will require the consent of such Defaulting Lender.

Section 9.03 Expenses; Indemnity; Damage Waiver . (a) The Borrower shall pay (i) all reasonable and documented out of pocket costs and expenses incurred by the Administrative Agent, the Issuing Banks, the Lenders, the Arrangers and their respective Affiliates (including, without limitation,

the reasonable and documented fees and disbursements of one primary firm of counsel for the Administrative Agent, the Issuing Banks, the Lenders and the Arrangers, taken as a whole) in connection with the syndication of the credit facilities provided for herein, the preparation, execution, delivery and administration of this Agreement, any other Loan Document or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated); *provided* that the Borrower's obligations under this clause (a)(i) solely with respect to the preparation, execution and delivery of the Loan Documents on the Effective Date shall be subject to the limitations provided for in the Engagement Letter, and (ii) all reasonable and documented costs and expenses incurred by the Administrative Agent, the Issuing Banks, the Arrangers or any Lender (including, without limitation, the reasonable and documented fees, disbursements and other charges of one primary firm of counsel for the Administrative Agent, the Issuing Banks, the Lenders and the Arrangers, taken as a whole (and if reasonably necessary, of a single regulatory counsel and a single local counsel in each appropriate jurisdiction and, in the case of an actual or potential conflict of interest where the Administrative Agent, the Issuing Banks, any Lender or any Arranger affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another primary firm of counsel for such affected person (and if reasonably necessary, of a single regulatory counsel and a single local counsel in each appropriate jurisdiction))), in connection with the enforcement or protection of its rights in connection with this Agreement or any other Loan Document, including its rights under this Section 9.03 , or in connection with the Loans or Letters of Credit made hereunder, including all such reasonable and documented costs and expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) The Borrower shall indemnify the Administrative Agent, the Issuing Banks, the Arrangers and each Lender, and each Related Party, successor, partner, representative or assign of any of the foregoing Persons (each such Person being called an " **Indemnitee** ") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and reasonable and documented out-of-pocket costs and expenses (including the reasonable and documented fees, charges and disbursements of a primary firm of counsel for all such Indemnitees (and if reasonably necessary, of a single regulatory counsel and a single local counsel in each appropriate jurisdiction and, in the case of an actual or potential conflict of interest where the Indemnitee affected by such conflict informs the Borrower of such conflict and thereafter retains its own counsel, of another primary firm of counsel for such affected Indemnitee (and if reasonably necessary, of a single regulatory counsel and a single local counsel in each appropriate jurisdiction))), incurred by or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letters of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned, leased or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective action, suit, inquiry, claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto (and regardless of whether such matter is initiated by a third party or the Borrower or any Affiliate of the Borrower); *provided* that such indemnity shall not, as to any Indemnitee, be available, (x)

to the extent that such losses, claims, damages, liabilities, costs or reasonable and documented out-of-pocket costs or expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee, (y) result from a material breach by such Indemnitee of its obligations under this Agreement or any other Loan Document (as determined by a court of competent jurisdiction by final and non-appealable judgment), or (z) arise from any dispute between and among Indemnitees, to the extent such dispute does not involve an act or omission by the Borrower or its Subsidiaries (as determined by a court of competent jurisdiction by final and non-appealable judgment) other than any proceeding against the Administrative Agent, any Issuing Bank or any Arranger, in each case, acting in such capacity. This Section 9.03(b) shall not apply with respect to Taxes other than Taxes that represent losses, claims or damages arising from any non-Tax claim. The Borrower will not be required to indemnify any Indemnitee for any amount paid or payable by such Indemnitee in the settlement of any such indemnified losses, claims, damages, liabilities, costs or reasonable and documented expenses which is entered into by such Indemnitee without Borrower's written consent (such consent not to be unreasonably withheld, conditioned or delayed) unless there is a final, non-appealable judgment of a court of competent jurisdiction for the plaintiff. In the case of any proceeding to which the indemnity in this paragraph applies, such indemnity and reimbursement obligations shall be effective, whether or not such proceeding is brought by the Borrower, any of its equityholders or creditors, an Indemnitee or any other Person, or an Indemnitee is otherwise a party thereto.

Without limiting in any way the indemnification obligations of the Borrower pursuant to Section 9.03(b) or of the Lenders pursuant to Section 8.06 , to the extent permitted by applicable law, each party hereto shall not assert, and hereby waives, any claim against any Indemnitee on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the Transactions or any Loan or Letter of Credit or the use of the proceeds thereof ; *provided* that nothing in this sentence shall relieve the Borrower of any obligation it may have to indemnify an Indemnitee against special, indirect, consequential or punitive damages asserted against such Indemnitee by a third party. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence, bad faith or willful misconduct of such Indemnitee as determined by a final and non-appealable judgment of a court of competent jurisdiction.

(c) All amounts due under this Section 9.03 shall be payable promptly after written demand therefor.

Section 9.04 Successors and Assigns . (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that (i) the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent, each Lender and each Issuing Bank (and any attempted assignment or transfer by the Borrower without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section 9.04 . Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants (to the extent provided in subsection (c) of this Section 9.04), Indemnitees (to the

extent provided in Section 9.03) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Banks and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Revolving Commitment and the Revolving Loans at the time owing to it) with the prior written consent of:

(A) the Borrower (not to be unreasonably withheld or delayed); *provided* that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if a Specified Event of Default has occurred and is continuing; and *provided* , *further* , that the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within 10 Business Days after having received notice thereof;

(B) the Administrative Agent (such consent not to be unreasonably withheld or delayed); *provided* that no consent of the Administrative Agent shall be required for an assignment to a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) the Issuing Banks (such consent not to be unreasonably withheld or delayed); *provided* that no consent of the Issuing Banks shall be required for an assignment to a Lender or an Affiliate of a Lender.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Revolving Commitment or Revolving Loans and subject to Section 2.16(c) , the amount of the Revolving Commitment or Revolving Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than $15,000,000 (or a greater amount that is an integral multiple of $1,000,000), unless each of the Borrower and the Administrative Agent otherwise consent; *provided* that no such consent of the Borrower shall be required if a Specified Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee (unless otherwise agreed to by the Administrative Agent in its sole discretion) of $3,500;

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws;

(E) no such assignment shall be made to (i) any Loan Party nor any Affiliate of a Loan Party, (ii) any Defaulting Lender or any of its subsidiaries, or any Person, who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (ii), or (iii) any natural person;

(F) in connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable *pro rata* share of Revolving Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full *pro rata* share of all Revolving Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs; and

(G) (a) No assignment or participation shall be made to any Person that was a Disqualified Institution (other than, in the case of participations (but not assignments), a Person who was a Disqualified Institution solely as a result of clause (c) of the definition thereof) as of the date (the " **Trade Date** ") on which the assigning or participating Lender entered into a binding agreement to sell and assign or participate, as applicable, all or a portion of its rights and obligations under this Agreement to such Person (unless the Borrower has consented to such assignment or participation in writing in its sole and absolute discretion, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation). For the avoidance of doubt, with respect to any assignee or Participant that becomes a Disqualified Institution after the applicable Trade Date (including as a result of the delivery of a supplement to the list of competitors or potential competitors or investors in such competitors or potential competitors pursuant to clause (b) of

the definition of " **Disqualified Institution** "), (x) such assignee or Participant shall not retroactively be disqualified from becoming a Lender or Participant (but such Person shall not be able to increase its Commitments or participations hereunder) and (y) such assignment or participation and, in the case of an assignment, the execution by the Borrower of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Institution. Any assignment or participation in violation of this clause (G)(a) shall not be void, but the other provisions of this clause (G)(a) shall apply.

(b) The Administrative Agent (A) shall have the right (but not the obligation), and the Borrower hereby expressly authorizes the Administrative Agent, to post the list of Disqualified Institutions and any updates thereto from time to time on the Platform, including that portion of the Platform that is designated for "public side" Lenders and (B) shall provide the list of Disqualified Institutions and any updates thereto to each Lender or Participant requesting the same.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section 9.04 , from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 2.12 , Section 2.13 , Section 2.14 and Section 9.03); *provided* that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (c) of this Section 9.04 .

(iv) The Administrative Agent, acting for this purpose as a non-fiduciary agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the " **Register** "). The entries in the Register shall be conclusive (absent manifest error), and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice. The Borrower agrees to indemnify the Administrative Agent from and against any and all losses, claims, damages and liabilities of whatsoever nature which may be imposed on, asserted against or incurred by the Administrative Agent in performing its duties under this Section 9.04(b)(iv) , except to the extent that such losses, claims, damages or liabilities are determined by a court of competent jurisdiction by final and non-

appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of the Administrative Agent. The Loans (including principal and interest) are registered obligations and the right, title, and interest of any Lender or its assigns in and to such Loans shall be transferable only upon notation of such transfer in the Register. The parties agree that the Register is intended to establish that the Loans, Commitments and Letters of Credit are in registered form under Section 5f.103-1(c) of the United States Treasury Regulations.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section 9.04 and any written consent to such assignment required by paragraph (b) of this Section 9.04 , the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; *provided* that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.04(b) , Section 2.15(d) or Section 8.06 , the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Subject to Section 9.04(b)(ii)(G), any Lender may, without the consent of, or notice to, the Borrower, the Administrative Agent or the Issuing Banks, sell participations to one or more banks or other entities (but not to the Borrower or an Affiliate thereof) (a " **Participant** ") in all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Revolving Commitment and the Revolving Loans owing to it); *provided* that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower, the Administrative Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; *provided* that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. Subject to paragraph (c)(ii) of this Section 9.04 , the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.12 , 2.13 and 2.14 (subject to the requirements and limitations therein, including the requirements under Section 2.14(f) (it being understood that the documentation required under Section 2.14(f) shall be delivered to the participating Lender) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; *provided* that such Participant agrees to be subject to the provisions of Section 2.16 as if it were an assignee under paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender; *provided* such Participant agrees to be subject to Section 2.15(c) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Sections 2.12 or 2.14 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant except to the extent such entitlement to receive a greater payment results from a Change in Law requiring a payment under Section 2.12 that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation

agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 2.16(b) with respect to any Participant.

(iii) Each Lender that sells a participation shall, acting solely for this purpose as a nonfiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Revolving Loans or other obligations under the Loan Documents (the " **Participant Register** "); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(d) Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank or any other central bank having jurisdiction over such Lender, and this Section 9.04 shall not apply to any such pledge or assignment of a security interest; *provided* that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

Section 9.05 Survival . All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement, the making of any Loans and the issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default, Event of Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid and so long as the Commitments have not expired or terminated. The provisions of Section 2.12 , Section 2.13 , Section 2.14 , Section 2.19(g) and Section 9.03 and Article 8 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit, the expiration or termination of the Commitments, the resignation of the Administrative Agent, the replacement of any Lender or any Issuing Bank, the resignation of an Issuing Bank or the termination of this Agreement or any provision hereof.

Section 9.06 Counterparts; Integration; Effectiveness . This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject

matter hereof. Except as provided in Section 4.01 , this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy (or other electronic image scan transmission (e.g. pdf via email)) means shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 9.07 Severability . Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 9.07 , if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

Section 9.08 Right of Setoff . If an Event of Default shall have occurred and be continuing, each Issuing Bank, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by, and other obligations at any time owing by such Issuing Bank, such Lender or such Affiliate to or for the credit or the account of the Borrower against any of and all the obligations of the Borrower now or hereafter existing under this Agreement held by such Issuing Bank or such Lender, irrespective of whether or not such Issuing Bank or such Lender, as applicable, shall have made any demand under this Agreement and although such obligations may be unmatured; *provided* that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.17 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Issuing Bank and each Lender under this Section 9.08 are in addition to other rights and remedies (including other rights of setoff) which such Issuing Bank or such Lender may have. Each Issuing Bank and each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; *provided* that the failure to give such notice shall not affect the validity of such setoff and application.

Section 9.09 Governing Law; Jurisdiction; Consent to Service of Process .

(a) **THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIM, CONTROVERSY OR DISPUTE UNDER, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY, WHETHER BASED IN CONTRACT (AT LAW OR IN EQUITY), TORT OR ANY OTHER THEORY, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAW RULES THAT WOULD RESULT IN THE APPLICATION OF A DIFFERENT GOVERNING LAW.**

(b) The Borrower hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County, Borough of Manhattan and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against the Borrower or its properties in the courts of any jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court referred to in subsection (b) of this Section 9.09 . Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01 . Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 9.10 Waiver Of Jury Trial . **EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT (AT LAW OR IN EQUITY), TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.10 . EACH PARTY HERETO FURTHER REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES IT JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.**

Section 9.11 Headings . Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 9.12 Confidentiality . (a) Each of the Administrative Agent, the Issuing Banks and the Lenders agrees to maintain the confidentiality of the Information (as defined below) and to not use the Information for any purpose except in connection with the Loan Documents and related matters, and to

not disclose the Information; *provided* that nothing herein shall prevent the Administrative Agent, the Issuing Banks or the Lenders (collectively, the " **Credit Parties** ") and their respective Affiliates from disclosing any Information (i) pursuant to the order of any court or administrative agency or in any pending legal, judicial or administrative proceeding, or otherwise as required by applicable law or compulsory legal process or to the extent requested or required by governmental and/or regulatory authorities, in each case based on the reasonable advice of their legal counsel (in which case such Credit Party agrees (except with respect to any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority (or any request by such a governmental bank regulatory authority)) to the extent practicable and not prohibited by applicable law, rule or regulation, to inform you promptly thereof prior to disclosure), (ii) upon the request or demand of any regulatory authority having or purporting to have jurisdiction over an Credit Party or any of its Affiliates (in which case such Credit Party agrees (except with respect to any audit or examination conducted by bank accountants or any governmental bank regulatory authority exercising examination or regulatory authority (or any request by such a governmental bank regulatory authority)), to the extent practicable and not prohibited by applicable law, to inform you promptly thereof prior to disclosure), (iii) to the extent that such Information become publicly available other than by reason of improper disclosure by such Credit Party or any of its Affiliates in violation of any confidentiality obligations owing to the Borrower or any of its Affiliates (including those set forth in this Section), (iv) to the extent that such information is received by a Credit Party from a third party that is not, to such Credit Party's knowledge, subject to contractual or fiduciary confidentiality obligations owing to the Borrower or any of its Affiliates, (v) to the extent that such information is independently developed by any Credit Party without use of the Information, (vi) to each Credit Party's Affiliates and to its and their respective employees, legal counsel, independent auditors and other experts or agents (" **Representatives** ") who need to know such Information in connection with this Agreement and the transactions contemplated hereby and who are informed of the confidential nature of such Information and are or have been advised of their obligation to keep such Information confidential (it being understood that each Credit Party shall be responsible for any breach thereof by its Representatives), (vii) with the Borrower's consent (not to be unreasonably withheld, delayed or conditioned), to Participants or potential or prospective Participants or assignees (in each case which are or would be permitted Participants or assignees under Section 9.04 and other than Disqualified Institutions) and to any direct or indirect contractual counterparty to any swap or derivative transaction relating to the Borrower or any of its Subsidiaries, in each case, who enter into a written agreement with or for the express benefit of the Borrower that they shall be bound by the terms of this Section (or a written agreement containing provisions substantially similar and not less protective of the Information than this Section); *provided* that the consent of the Borrower shall not be required (A) with respect to the provision of Standard Credit Information to a Participant or assignee if the Borrower shall have consented to the initial provision of Standard Credit Information to such Participant or assignee, (B) with respect to any administrative notices from any Agent to any Lender and (C) during any time that a Default or Event of Default has occurred and is continuing, (viii) to the extent the Borrower shall have consented to such disclosure in writing, (ix) to the extent reasonably necessary or advisable in connection with the exercise of any remedy or enforcement of any right under the Loan Documents and (x) for purposes of establishing a "due diligence" defense. For the purposes of this Section 9.12 , " Information " means all memoranda or other information received from or on behalf of the Borrower, in connection with the Loan Documents and the facilities under the Loan Documents, relating to the Borrower or its business; *provided* that, in the case of Information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section 9.12 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to

maintain the confidentiality of such Information as such Person would accord to its own confidential information.

(b) EACH ISSUING BANK AND EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 9.12(A) FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

(c) ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH ISSUING BANK AND EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

Section 9.13 Interest Rate Limitation . Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the " **Charges** "), shall exceed the maximum lawful rate (the " **Maximum Rate** ") which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 9.13 shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

Section 9.14 No Advisory or Fiduciary Responsibility . In connection with all aspects of each Transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Subsidiaries' understanding, that: (a) (i) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers, the Issuing Banks and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers, the Issuing Banks and the Lenders, on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the Transactions contemplated hereby and by the other Loan Documents; (b) (i) each of the Administrative Agent, the Issuing Banks, the Arrangers and the Lenders is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower or any of its Subsidiaries, or any other

Person and (ii) neither the Administrative Agent, any Issuing Bank, any Arranger nor any Lender has any obligation to the Borrower or any of its Affiliates with respect to the Transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent, the Issuing Banks, each Arranger and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and none of the Administrative Agent, any Issuing Bank, any Arranger or any Lender has any obligation to disclose any of such interests to the Borrower or its Affiliates. The Borrower, on behalf of itself and each of its Subsidiaries and Affiliates, agrees that nothing in the Loan Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between the Administrative Agent, any Issuing Bank, any Arranger or any Lender, on the one hand, and the Borrower, any of its Subsidiaries, or their respective equityholders or Affiliates, on the other.

Section 9.15 Electronic Execution of Assignments and Certain Other Documents . The words "execution," "signed," "signature," and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 9.16 USA PATRIOT Act . Each Lender, each Issuing Bank and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower and each Guarantor that, pursuant to the requirements of the USA Patriot Act, it may be required to obtain, verify and record information that identifies the Borrower and each Guarantor, which information includes the name and address of the Borrower and each Guarantor and other information that will allow such Lender, such Issuing Bank or the Administrative Agent, as applicable, to identify the Borrower and each Guarantor in accordance with the USA Patriot Act. The Borrower and each Guarantor shall, promptly following a request by the Administrative Agent, any Issuing Bank or any Lender, provide all documentation and other information that the Administrative Agent, any Issuing Bank or such Lender, as applicable, requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the USA Patriot Act.

Section 9.17 Release of Guarantors . In the event that all the Equity Interests in any Guarantor are sold, transferred or otherwise disposed of to a Person other than the Borrower or its Subsidiaries in a transaction permitted under this Agreement or in the event that a Guarantor becomes an Immaterial Subsidiary, the Administrative Agent shall, at the Borrower's expense, promptly take such action and execute such documents as the Borrower may reasonably request to terminate the guarantee of such Guarantor.

Section 9.18 Acknowledgement and Consent to Bail-in of EEA Financial Institutions . Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

Section 9.19 Judgment Currency . If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum owing hereunder or under any other Loan Document in one currency into another currency, each party hereto agrees, to the fullest extent that it may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures in the relevant jurisdiction the first currency could be purchased with such other currency on the Business Day immediately preceding the day on which final judgment is given. The obligations of any Loan Party in respect of any sum due to any party hereto or under any other Loan Document or any holder of the obligations owing hereunder or under any other Loan Document (the " Applicable Creditor ") shall, notwithstanding any judgment in a currency (the " Judgment Currency ") other than the currency in which such sum is stated to be due hereunder or under such other Loan Document (the " Agreement Currency "), be discharged only to the extent that, on the Business Day following receipt by the Applicable Creditor of any sum adjudged to be so due in the Judgment Currency, the Applicable Creditor may in accordance with normal banking procedures in the relevant jurisdiction purchase the Agreement Currency with the Judgment Currency; if the amount of the Agreement Currency so purchased is less than the sum originally due to the Applicable Creditor in the Agreement Currency, each Loan Party agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Applicable Creditor against such loss.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

SNAPCHAT, INC.,
as Borrower

By: /s/ Andrew Vollero
Name: Andrew Vollero
Title: Chief Financial Officer

[Signature Page to Revolving Credit Agreement]

MORGAN STANLEY SENIOR FUNDING, INC.,
as Administrative Agent, Issuing Bank and as a Lender

By: /s/ Jonathan Rauen
Name: Jonathan Rauen
Title: Authorized Signatory for Morgan Stanley Senior Funding, Inc.

[Signature Page to Revolving Credit Agreement]

JPMORGAN CHASE BANK, N.A.,
as an Issuing Bank and a Lender

By: /s/ John G. Kowalczuk
Name: John G. Kowalczuk
Title: Executive Director

[Signature Page to Revolving Credit Agreement]

DEUTSCHE BANK AG CAYMAN ISLANDS BRANCH,
as an Issuing Bank and a Lender

By: /s/ Anca Trifan
Name: Anca Trifan
Title: Managing Director

By: /s/ Marcus M. Tarkington
Name: Marcus M. Tarkington
Title: Director

[Signature Page to Revolving Credit Agreement]

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
as an Issuing Bank and a Lender

By: /s/ Vipul Dhadda
Name: Vipul Dhadda
Title: Authorized Signatory

By: /s/ Max Wallins
Name: Max Wallins
Title: Authorized Signatory

[Signature Page to Revolving Credit Agreement]

GOLDMAN SACHS BANK USA,
as an Issuing Bank and a Lender

By: /s/ Rebecca Kratz
Name: Rebecca Kratz
Title: Authorized Signatory

[Signature Page to Revolving Credit Agreement]

BARCLAYS BANK PLC,
as an Issuing Bank and a Lender

By: /s/ Ronnie Glenn
Name: Ronnie Glenn
Title: Vice President

[Signature Page to Revolving Credit Agreement]

EXHIBIT A

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (the " **Assignment and Assumption** ") is dated as of the Effective Date set forth below and is entered into by and between [NAME OF ASSIGNOR] (the " **Assignor** ") and [NAME OF ASSIGNEE] (the " **Assignee** "). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, amended and restated, supplemented, extended and/or otherwise modified from time to time, the " **Credit Agreement** "), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex I attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the facility identified below (including, without limitation, any Letters of Credit included in such facility) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as the " **Assigned Interest** "). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____
[Assignor [is] [is not] a Defaulting Lender]

2. Assignee: _____
[and is an [Affiliate] [Approved Fund] of [identify Lender]]

3. Borrower: Snapchat, Inc.

4. Administrative Agent: Morgan Stanley Senior Funding, Inc.,
as administrative agent under the Credit Agreement

5. Credit Agreement: Revolving Credit Agreement, dated as of [ ], 2016, among the Borrower, the Lenders party thereto, the Issuing Banks party thereto and Morgan Stanley Senior Funding, Inc., as Administrative Agent.

6. Assigned Interest:

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned [1]	Percentage Assigned of Commitment Loans [2]
Revolving Facility	$	$	%

Effective Date: _____, 20 _____[TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

1 The minimum assignment amount shall be $15,000,000, unless otherwise agreed by the Borrower and the Administrative Agent.
2 Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

The Assignee agrees to deliver to the Administrative Agent a completed Administrative Questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable laws, including federal and state securities laws.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR:

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

ASSIGNEE:

[NAME OF ASSIGNEE]

By: _____
Name:
Title:

[CONSENTED TO AND ACCEPTED:

MORGAN STANLEY SENIOR FUNDING, INC., as
Administrative Agent

By: _____
Name:
Title:

CONSENTED TO AND ACCEPTED:

[_____] [3] ,
as an Issuing Bank

By: _____
Name:
Title:

[3] Insert signature block for each Issuing Bank.

CONSENTED TO:

SNAPCHAT, INC.

By: _____
Name:
Title:] [4]

[4] Signature blocks to be added if such consent is required by Section 9.04(b) of the Credit Agreement.

REVOLVING CREDIT AGREEMENT

Standard Terms and Conditions for
Assignment and Assumption

1. *Representations and Warranties* .

(a) *Assignor* . The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is [not] a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

(b) *Assignee* . The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements specified in the Credit Agreement (subject to consents, if any, as may be required thereunder) that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received and/or had the opportunity to review a copy of the Credit Agreement to the extent it has in its sole discretion deemed necessary, together with copies of the most recent financial statements delivered pursuant to Section 4.01(i), Section 5.01(a) and/or Section 5.01(b) thereof, as applicable, and such other documents and information as it has in its sole discretion deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vii) it is not a Disqualified Institution and (viii) attached to this Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender; and (c) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to or otherwise conferred upon the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto.

2. *Payments* . From and after the Effective Date referred to in this Assignment and Assumption, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding such Effective Date and to the Assignee for amounts which have accrued from and after such Effective Date.

3. *Effect of Assignment* . Upon the delivery of a fully executed original hereof to the Administrative Agent, as of the Effective Date referred to in this Assignment and Assumption, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Assumption, have the rights and obligations of a Lender thereunder and under the other Loan Documents and (ii) the Assignor shall, to the extent provided in this Assignment and Assumption, relinquish its rights and be released from its obligations under the Credit Agreement and the other Loan Documents.

4. *General Provisions* . This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy or other means of electronic imaging shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. THIS ASSIGNMENT AND ASSUMPTION AND ANY CLAIM, CONTROVERSY OR DISPUTE UNDER, ARISING OUT OF OR RELATING TO THIS AGREEMENT, WHETHER BASED IN CONTRACT (AT LAW OR IN EQUITY), TORT OR ANY OTHER THEORY, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAW RULES THAT WOULD RESULT IN THE APPLICATION OF A DIFFERENT GOVERNING LAW.

EXHIBIT B

FORM OF BORROWING REQUEST

Morgan Stanley Senior Funding, Inc., as Administrative Agent
for the Lenders party to the Credit Agreement referred to below

[Date]

Ladies and Gentlemen:

The undersigned, Snapchat, Inc. (the " **Borrower** "), refers to the Revolving Credit Agreement, dated as of [ ], 2016 (as amended, restated, amended and restated, modified, extended and/or supplemented from time to time, the " **Credit Agreement** ", the terms defined therein being used herein as therein defined), among the Borrower, the lenders from time to time party thereto (each a " **Lender** " and collectively, the " **Lenders** "), the issuing banks from time to time party thereto (collectively, the " **Issuing Banks** ") and you, as Administrative Agent for such Lenders and Issuing Banks, and hereby gives you notice, irrevocably, pursuant to Section 2.03 of the Credit Agreement, that the undersigned hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the " **Proposed Borrowing** ") as required by Section 2.03 of the Credit Agreement:

(i) The Business Day of the Proposed Borrowing is _____, 20 _____. [1]

(ii) The aggregate principal amount of the Proposed Borrowing is [_____]. The currency of the requested Borrowing is [_____]. [2]

(iii) The Proposed Borrowing is to consist of [ABR Loans][Eurodollar Loans][Australian Bank Bill Rate Loans][Canadian BA Rate Loans].

(iv) [The initial Interest Period for the Proposed Borrowing is [one/two/three/six]/ [twelve months/ *insert period less than one month*] [3] .] [4]

---

1 In the case of a Eurodollar Borrowing denominated in dollars, a EURIBOR Borrowing, or a Canadian BA Rate Borrowing, shall be a Business Day at least three Business Days after the date hereof; *provided* that any such notice shall be deemed to have been given on a certain day only if given before 1:00 p.m. (Local Time). In the case of a Eurodollar Borrowing denominated in any Permitted Foreign Currency or an Australian Bank Bill Rate Borrowing, shall be a Business Day at least four Business Days after the date hereof; *provided* that any such notice shall be deemed to have been given on a certain day only if given before 1:00 p.m. (local time). In the case of ABR Loans, shall be a Business Day either (x) at least one Business Day after the date hereof (*provided* that any such notice shall be deemed to have been given on a certain day only if given before 1:00 p.m. (New York City time)) or (y) that is the date hereof (*provided* that any such notice shall be deemed to have been given on a certain day only if given before 12:00 p.m. (New York City time)); *provided further* that the aggregate principal amount of Revolving Loans requested pursuant to clause (y) at any one time shall not exceed $25,000,000.

2 Currency to be U.S. Dollars or a Permitted Foreign Currency.

3 Interest Periods of twelve or less than one month only available with the consent of each Lender.

(v) The location and number of the account or accounts to which funds are to be disbursed is as follows:

[Insert location and number of the account(s)]

The undersigned hereby certifies that the following statements will be true on the date of the Proposed Borrowing:

(A) the representations and warranties of the Borrower set forth in the Credit Agreement and in the other Loan Documents will be true and correct in all material respects, on and as of the date of the Proposed Borrowing, except that (i) for purposes of this Borrowing Request, the representations and warranties contained in Section 3.04(a) of the Credit Agreement shall be deemed to refer to the most recent financial statements furnished pursuant to clauses (a) and (b) (subject, in the case of unaudited financial statements furnished pursuant to Section 3.04(b) of the Credit Agreement, to year-end audit adjustments and the absence of footnotes), respectively, of Section 5.01 of the Credit Agreement, (ii) to the extent that such representations and warranties specifically refer to an earlier date, they were true and correct in all material respects as of such earlier date and (iii) to the extent that such representations and warranties are already qualified or modified by materiality in the text thereof, they shall be true and correct in all respects; and

(B) at the time of and immediately after giving effect to the Proposed Borrowing, no Default or Event of Default will have occurred nor will be continuing.

[Signature Page Follows]

(cont'd from previous page)

4 To be included for a Proposed Borrowing of Eurodollar Loans, EURIBOR Loans, Australian Bank Bill Rate Loans, and Canadian BA Rate Rate Loans.

The Borrower has caused this Borrowing Request to be executed and delivered by its duly authorized officer as of the date first written above.

Very truly yours,

SNAPCHAT, INC.

By: _____
Name:
Title:

EXHIBIT C

FORM OF INTEREST ELECTION REQUEST

Morgan Stanley Senior Funding, Inc., as Administrative Agent
for the Lenders party to the Credit Agreement referred to below

[Date]

Ladies and Gentlemen:

The undersigned, Snapchat, Inc. (the " **Borrower** "), refers to the Revolving Credit Agreement, dated as of [ ], 2016 (as amended, restated, amended and restated, modified, extended and/or supplemented from time to time, the " **Credit Agreement** ," the terms defined therein being used herein as therein defined), among the Borrower, the lenders from time to time party thereto (the " **Lenders** "), the issuing banks from time to time party thereto (collectively, the " **Issuing Banks** ") and you, as Administrative Agent for such Lenders and Issuing Banks, and hereby gives you notice, irrevocably, pursuant to Section 2.05 of the Credit Agreement, that the undersigned hereby requests to [convert] [continue] the Borrowing of Loans referred to below, and in that connection sets forth below the information relating to such [conversion] [continuation] (the " **Proposed [Conversion] [Continuation]** ") as required by Section 2.05 of the Credit Agreement:

(i) The Proposed [Conversion] [Continuation] relates to the Borrowing of Loans originally made on _____, 20 ____(the " **Outstanding Borrowing** ") in the principal amount of $ _____and currently maintained as a Borrowing of [ABR Loans] [Eurodollar Loans denominated in [_____] [1] with an Interest Period ending on _____, _____][Australian Bank Bill Rate Loans with an Interest Period ending on _____, _____][Canadian BA Rate Loans with an Interest Period ending on _____, _____][EURIBOR Loans with an Interest Period ending on _____, _____].

(ii) The Business Day of the Proposed [Conversion] [Continuation] is _____, _____. [2]

(iii) [The Outstanding Borrowing][A portion of the Outstanding Borrowing in the principal amount of $ _____] shall be [continued as a Borrowing of [Eurodollar Loans/Australian Bank Bill Rate Loans/Canadian BA Rate Loans/EURIBOR Loans with an Interest Period of [one/two/three/six

1 Insert applicable currency (i.e., U.S. Dollars or any Permitted Foreign Currency (other than Euros, Australian Dollars, or Canadian Dollars)).

2 In the case of a Eurodollar Borrowing denominated in dollars, a EURIBOR Borrowing or a Canadian BA Rate Borrowing, shall be a Business Day at least three Business Days after the date hereof; *provided* that any such notice shall be deemed to have been given on a certain day only if given before 1:00 p.m. (Local Time). In the case of a Eurodollar Borrowing denominated in any Permitted Foreign Currency, or an Australian Bank Bill Rate Borrowing, shall be a Business Day at least four Business Days after the date hereof; *provided* that any such notice shall be deemed to have been given on a certain day only if given before 1:00 p.m. (Local Time). In the case of ABR Loans, shall be at least one Business Day after the date hereof (*provided* that any such notice shall be deemed to have been given on a certain day only if given before 1:00 p.m. (New York City time)).

months]/[twelve months/ *insert period less than one month*] [3]]] [converted into a Borrowing of [ABR Loans] [Eurodollar Loans/Australian Bank Bill Rate Loans/Canadian BA Rate Loans/EURIBOR Loans with an Interest Period of [one/two/three/six months]/[twelve months/ *insert period less than one month*] [4]]] [5] .

[The undersigned hereby certifies that no Default or Event of Default has occurred and will be continuing on the date of the Proposed [Conversion] [Continuation] or will have occurred and be continuing on the date of the Proposed [Conversion] [Continuation]]. [6]

[Signature Page Follows]

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3 Interest Periods of twelve months or less than one month only available with the consent of each Lender.

4 Interest Periods of twelve months or less than one month only available with the consent of each Lender.

5 If different options are selected for different portions of such Borrowing, include this information for each such portion.

6 In the case of a Proposed Conversion or Continuation, insert this sentence only in the event that the conversion is from an ABR Loan to a Eurodollar Loan or in the case of a continuation of a Eurodollar Loan, Australian Bank Bill Rate Loan, Canadian BA Rate Loan, or EURIBOR Loan.

The Borrower has caused this Interest Election Request to be executed and delivered by its duly authorized officer as of the date first written above.

Very truly yours,

SNAPCHAT, INC.

By: _____
Name:
Title:

EXHIBIT D

FORM OF REVOLVING NOTE

New York, New York

[Date]

FOR VALUE RECEIVED, SNAPCHAT, INC., a corporation organized and existing under the laws of the State of Delaware (the " **Borrower** "), hereby promises to pay to _____or its registered assigns (the " **Lender** "), in Dollars, in immediately available funds, at the office of MORGAN STANLEY SENIOR FUNDING, INC. (the " **Administrative Agent** ") at its Principal Office (such term, and each other capitalized term used but not defined herein shall have the meaning assigned to such term in the Revolving Credit Agreement, dated as of [ ], 2016, among the Borrower, the lenders from time to time party thereto (including the Lender), the issuing banks from time to time party thereto and the Administrative Agent (as amended, restated, amended and restated, modified, extended and/or supplemented from time to time, the " **Credit Agreement** ")) on the Maturity Date the unpaid principal amount of all Revolving Loans made by the Lender to the Borrower pursuant to the Credit Agreement, payable at such times and in such amounts as are specified in the Credit Agreement.

The Borrower promises also to pay to the Lender interest on the unpaid principal amount of each Revolving Loan incurred by the Borrower from the Lender in like money at said office from the date such Revolving Loan is made until paid at the rates and at the times provided in Section 2.10 of the Credit Agreement.

This Note is one of the Notes referred to in the Credit Agreement and is entitled to the benefits thereof and of the other Loan Documents (as defined in the Credit Agreement). As provided in the Credit Agreement, this Note is subject to voluntary prepayment, in whole or in part, prior to the Maturity Date and the Revolving Loans may be converted from one Type (as defined in the Credit Agreement) into another Type to the extent provided in the Credit Agreement.

In case an Event of Default (as defined in the Credit Agreement) shall occur and be continuing, the principal of and accrued interest on this Note may be declared to be due and payable in the manner and with the effect provided in the Credit Agreement.

THIS NOTE AND ANY CLAIM, CONTROVERSY OR DISPUTE UNDER, ARISING OUT OF OR RELATING TO THIS AGREEMENT, WHETHER BASED IN CONTRACT (AT LAW OR IN EQUITY), TORT OR ANY OTHER THEORY, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAW RULES THAT WOULD RESULT IN THE APPLICATION OF A DIFFERENT GOVERNING LAW.

[Signature page follows]

IN WITNESS WHEREOF, the Borrower has caused this Note to be executed and delivered by a duly authorized officer as of the date first written above.

SNAPCHAT, INC.

By: _____
Name:
Title:

EXHIBIT E

FORM OF GUARANTY AGREEMENT

GUARANTY AGREEMENT, dated as of [_____, 20 ____] (as amended, restated, amended and restated, supplemented, extended or otherwise modified from time to time, this " **Agreement** "), made by and among each of the undersigned guarantors (together with any other entity that becomes a guarantor hereunder pursuant to Section 19 hereof, each, a " **Guarantor** " and collectively, the " **Guarantors** ") in favor of MORGAN STANLEY SENIOR FUNDING, INC., as administrative agent (together with any successor administrative agent, the " **Administrative Agent** "), for the benefit of the Lenders (as defined below), the Issuing Banks (as defined below) and the Administrative Agent.

Reference is made to the Revolving Credit Agreement dated as of [ ], 2016 (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, the " **Credit Agreement** "), among Snapchat, Inc. (the " **Borrower** "), the lenders from time to time party thereto (the " **Lenders** "), the issuing banks from time to time party thereto (collectively, the " **Issuing Banks** ") and the Administrative Agent.

Each Guarantor is a direct or indirect Subsidiary of the Borrower.

It is a condition precedent to the making of Loans (this, and each other capitalized term used but not defined in these recitals being defined as set forth in Section 1) to the Borrower under the Credit Agreement that each Subsidiary required to be a Guarantor as of the Effective Date shall have executed and delivered to the Administrative Agent this Agreement.

The Lenders have agreed to extend credit to the Borrower and the Issuing Banks have agreed to issue Letters of Credit, in each case, subject to the terms and conditions set forth in the Credit Agreement. Each Guarantor will derive substantial benefits from the extension of credit and/or issuance of Letters of Credit to the Borrower pursuant to the Credit Agreement and is willing to execute and deliver this Agreement in order to induce the Lenders to continue to extend such credit and the Issuing Banks to issue Letters of Credit. Accordingly, for valuable consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

SECTION 1. *Definitions* . (a) Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Credit Agreement.

(b) The rules of construction specified in Section 1.03 of the Credit Agreement also apply to this Agreement.

SECTION 2. *Guarantee* . (a) Each Guarantor hereby irrevocably and unconditionally guarantees, jointly with the other Guarantors and severally, as a primary obligor and not merely as a surety, the Obligations of the Borrower. Each Guarantor further agrees that the due and punctual payment of the Obligations of the Borrower may be extended or renewed, in whole or in part, without notice to or further assent from it, and that it will remain bound upon its guarantee hereunder notwithstanding any such extension or renewal of any Obligation. Each Guarantor hereby agrees to be liable under this Guaranty, without any limitation as to amount, for all present and future Obligations, including specifically all future increases in the outstanding amount of the Loans or other Obligations and other future increases in the Obligations, whether or not any such increase is committed, contemplated or provided for by the Loan Documents on the date hereof.

(b) Each Guarantor agrees that the obligations of each Guarantor hereunder are independent of the obligations of each other Guarantor or any other guarantee of the Obligations of the Borrower and when making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Guarantor, any Agent, Lender or Issuing Bank (collectively, the " **Guaranteed Parties** ") may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against the Borrower, any other Guarantor or any other Person or against guarantee of the Obligations of the Borrower or any right of offset with respect thereto.

(c) To the maximum extent permitted by applicable law, each Guarantor waives presentment to, demand of payment from and protest to the Borrower of any of the Obligations, and also waives notice of acceptance of its obligations and notice of protest for nonpayment. The obligations of each Guarantor hereunder shall not be affected by (i) the failure of any Guaranteed Party to assert any claim or demand or to enforce any right or remedy against the Borrower under the provisions of this Agreement (including under Section 2(b) above), any other Loan Document or otherwise; (ii) any extension or renewal of any of the Obligations; (iii) any rescission, waiver, amendment or modification of, or release from, any of the terms or provisions of any other Loan Document or other agreement; (iv) the failure or delay of any Guaranteed Party to exercise any right or remedy against any other guarantor of the Obligations; (v) the failure of any Guaranteed Party to assert any claim or demand or to enforce any remedy under any Loan Document or any other agreement or instrument; (vi) any default, failure or delay, willful or otherwise, in the performance of the Obligations; (vii) any increases in the outstanding amount of Loans and other Obligations; or (viii) any other act, omission or delay to do any other act which may or might in any manner or to any extent vary the risk of such Guarantor or otherwise operate as a discharge of such Guarantor as a matter of law or equity or which would impair or eliminate any right of any Guarantor to subrogation (other than payment in full of the Obligations (excluding contingent obligations as to which no claim has been made) or release pursuant to Section 17 hereof).

(d) Each Guarantor further agrees that its guarantee hereunder constitutes a promise of payment when due (whether or not any bankruptcy or similar proceeding shall have stayed the accrual or collection of any of the Obligations or operated as a discharge thereof) and not merely of collection, and waives any right to require that any resort be had by any Guaranteed Party to any balance of any deposit account or credit on the books of any Guaranteed Party in favor of the Borrower or any Subsidiary or any other Person.

(e) No payment made by the Borrower, any of the Guarantors or any other Person or received or collected by any Guaranteed Party from the Borrower, any of the Guarantors or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment (other than any payment made by such Guarantor in respect of the Obligations or any payment received or collected from such Guarantor in respect of any of the Obligations) remain liable under this Guaranty until the discharge of all the Obligations of the Borrower.

(f) Except for the release or termination of a Guarantor's obligations hereunder as provided in Section 17, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason other than the payment in full in cash of the Obligations (excluding contingent obligations as to which no claim has been made), and shall not be subject to any defense, setoff, reduction, counterclaim, recoupment, discharge or termination whatsoever, by reason of the invalidity, illegality or unenforceability of the Obligations, any impossibility in the performance of the Obligations or otherwise.

(g) Each Guarantor further agrees that its obligations hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Obligation is rescinded or must otherwise be restored by any Guaranteed Party upon the bankruptcy or reorganization of the Borrower or otherwise.

(h) In furtherance of the foregoing and not in limitation of any other right which any Guaranteed Party may have at law or in equity against any Guarantor by virtue hereof, upon the failure of the Borrower to pay any Obligation as and when the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Administrative Agent for distribution to the applicable Guaranteed Parties in cash an amount equal to the unpaid principal amount of such Obligation.

(i) Notwithstanding anything to the contrary in this Agreement, each Guarantor shall be liable under this Agreement only for amounts aggregating up to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provision of any other applicable law.

(j) All rights and claims arising under this Section 2 or based upon or relating to any other right of reimbursement, contribution or subrogation that may at any time arise or exist in favor of any Guarantor as to any payment on account of the Obligations made by it or received or collected from its property shall be fully subordinated in all respects to the prior discharge of the Obligations. Until complete and satisfactory discharge of the Obligations, no Guarantor shall demand or receive any payment or distribution whatsoever (whether in cash, property or securities or otherwise) on account of any such right or claim. If any such payment or distribution is made or becomes available to any Guarantor in any bankruptcy case or receivership or insolvency or liquidation proceeding, such payment or distribution shall be delivered by the person making such payment or distribution directly to the Administrative Agent, for application to the payment of the Obligations. If any such payment or distribution is received by any Guarantor, it shall be held by such Guarantor in trust, as trustee of an express trust for the benefit of the Guaranteed Parties, and shall forthwith be transferred and delivered by such Guarantor to the Administrative Agent, in the exact form received and, if necessary, duly endorsed.

SECTION 3. *Representations and Warranties; Additional Agreements* .

(a) Each of the Guarantors represents and warrants to the Administrative Agent that the representations and warranties set forth in Section 3 of the Credit Agreement, each of which as they relate to such Guarantor is hereby incorporated herein by reference, are true and correct, in all material respects, except for representations and warranties that are qualified as to "Material Adverse Effect" or similar language, in which case such representations and warranties shall be true and correct (after giving effect to any such qualification therein) in all respects as of such date, in each case, unless expressly stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date, and the Administrative Agent shall be entitled to rely on each of such representations and warranties as if they were fully set forth herein, provided that each reference in each such representation and warranty to the Borrower's knowledge shall, for the purposes of this Section 3(a), be deemed to be a reference to such Guarantor's knowledge.

(b) Until the Commitments have expired or terminated and all Obligations (excluding contingent obligations as to which no claim has been made) under the Credit Agreement have been paid in full and the cancellation, expiration or Cash Collateralization of all Letters of Credit on terms reasonably satisfactory to the Issuing Banks in an amount equal to the Agreed L/C Cash Collateral Amount of all Letter of Credit Usage, each Guarantor covenants and agrees with the Administrative

Agent for the benefit of the Guaranteed Parties that it will be bound by each of the covenants contained in the Credit Agreement to the extent applicable to such Guarantor.

SECTION 4. *Information* . Each Guarantor assumes all responsibility for being and keeping itself informed of the Borrower's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that no Guaranteed Party will have any duty to advise such Guarantor of information known to it or any of them regarding such circumstances or risks.

SECTION 5. *Notices* . All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 9.01 of the Credit Agreement. All communications and notices hereunder to any Guarantor shall be given to it in care of the Borrower as provided in Section 9.01 of the Credit Agreement.

SECTION 6. *Survival of Agreement* . All covenants, agreements, representations and warranties made by each Guarantor herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Administrative Agent and shall survive the execution and delivery of this Agreement, the other Loan Documents and the making of any Loans and the issuance of any Letters of Credit, regardless of any investigation made by the Administrative Agent or on its behalf and notwithstanding that a Guaranteed Party may have had notice or knowledge of any Default, Event of Default or incorrect representation or warranty at the time any credit is extended under the Credit Agreement, and shall continue in full force and effect as long as any Obligation (excluding contingent obligations as to which no claim has been made) is outstanding and unpaid and so long as the Commitments have not expired or terminated.

SECTION 7. *Binding Effect; Several Agreement; Successors and Assigns* . (a) This Agreement shall become effective as to each Guarantor when a counterpart hereof executed on behalf of such Guarantor shall have been delivered to the Administrative Agent (regardless of whether any other Guarantor has executed and delivered a counterpart hereof) and a counterpart hereof shall have been executed on behalf of the Administrative Agent.

(b) Following the effectiveness of this Agreement as to a Guarantor in accordance with subsection (a) of this Section 7, this Agreement shall be binding upon such Guarantor and the Administrative Agent and their respective permitted successors and assigns, and all covenants, promises and agreements by or on behalf of any Guarantor, the Administrative Agent and each other Guaranteed Party that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns, except that no Guarantor shall have the right to assign or transfer any of its rights or obligations hereunder or any interest herein (and any such assignment or transfer shall be void) except as expressly contemplated by this Agreement or the Credit Agreement. This Agreement shall be construed as a separate agreement with respect to each Guarantor and may be amended, modified, supplemented, waived or released with respect to any Guarantor without the approval of any other Guarantor and without affecting the obligations of any other Guarantor hereunder.

SECTION 8. [Reserved]

SECTION 9. *Administrative Agent's Fees and Expenses; Indemnification* . (a) The parties hereto agree that the Administrative Agent shall be entitled to reimbursement of its expenses incurred hereunder as provided in Section 9.03 of the Credit Agreement.

(b) Each Guarantor, jointly and severally, agrees to indemnify the Administrative Agent and the other Indemnitees against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, costs or reasonable and documented out-of-pocket expenses, including the fees, charges and disbursements of a primary firm of counsel for all such Indemnitees (and if reasonably necessary (as determined by such Indemnitees in consultation with the Guarantor), of a single regulatory counsel and a single local counsel in each appropriate jurisdiction and, in the case of an actual or potential conflict of interest where the Indemnitee affected by such conflict informs the Guarantor of such conflict and thereafter retains its own counsel, of another primary firm of counsel for such affected Indemnitee (and if reasonably necessary (as determined by such affected Indemnitee in consultation with the Guarantor), of a single regulatory counsel and a single local counsel in each appropriate jurisdiction)), incurred by or asserted against any Indemnitee by any third party or by the Guarantor or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions or any other transactions contemplated hereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement, (ii) any actual or alleged presence or release of Hazardous Materials on or from any property owned, leased or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Guarantor or (iii) any actual or prospective action, suit, inquiry, claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto (and regardless of whether such matter is initiated by a third party or the Borrower or any Affiliate of the Borrower); *provided* that such indemnity shall not, as to any Indemnitee, be available (w) with respect to Taxes and amounts relating thereto (other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim), (x) to the extent that such losses, claims, damages, liabilities, costs or reasonable and documented expenses are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of such Indemnitee, (y) if resulting from a material breach by such Indemnitee or one of its controlled Affiliates of its obligations under this Agreement (as determined by a court of competent jurisdiction by final and non-appealable judgment), or (z) if arising from any dispute between and among Indemnitees, to the extent such dispute does not involve an act or omission by the Borrower or its Subsidiaries (as determined by a court of competent jurisdiction by final and non-appealable judgment) other than any proceeding against the Administrative Agent or any Arranger, in each case, acting in such capacity. No Guarantor shall be required to indemnify any Indemnitee for any amount paid or payable by such Indemnitee in the settlement of any such indemnified losses, claims, damages, liabilities, costs or reasonable and documented expenses which is entered into by such Indemnitee without Borrower's written consent (such consent not to be unreasonably withheld, conditioned or delayed) unless the Borrower was offered the ability to assume the defense of the action that was the subject matter of such settlement and elected not to so assume. In the case of any proceeding to which the indemnity in this paragraph applies, such indemnity and reimbursement obligations shall be effective, whether or not such proceeding is brought by the Borrower, any of its equityholders or creditors, an Indemnitee or any other Person, or an Indemnitee is otherwise a party thereto.

(c) Any such amounts payable as provided hereunder shall be additional Obligations. The provisions of this Section 9 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Administrative Agent or any Lender. All amounts due under this Section 9 shall be payable on written demand therefor.

SECTION 10. ***APPLICABLE LAW*** . **THIS AGREEMENT AND ANY CLAIM, CONTROVERSY OR DISPUTE UNDER, ARISING OUT OF OR RELATING TO THIS AGREEMENT, WHETHER BASED IN CONTRACT (AT LAW OR IN EQUITY), TORT OR ANY OTHER THEORY, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF LAW RULES THAT WOULD RESULT IN THE APPLICATION OF A DIFFERENT GOVERNING LAW.**

SECTION 11. *Waivers; Amendment* . (a) No failure or delay by any Guaranteed Party in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of each Guaranteed Party hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Guarantor therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 11, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any Guarantor in any case shall entitle such Guarantor to any other or further notice or demand in similar or other circumstances.

(b) Except as expressly provided in Section 19, neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into between the Administrative Agent and each Guarantor with respect to which such waiver, amendment or modification is to apply, in accordance with Section 9.02 of the Credit Agreement.

SECTION 12. ***WAIVER OF JURY TRIAL*** **. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT (AT LAW OR IN EQUITY), TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. EACH PARTY HERETO FURTHER REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES IT JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.**

SECTION 13. *Severability* . Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 13 , if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the

Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

SECTION 14. *Counterparts* . This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission or other electronic imaging means shall be effective as delivery of a manually signed counterpart of this Agreement.

SECTION 15. *Headings* . Section headings used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 16. *Jurisdiction; Consent to Service of Process* . (a) Each Guarantor hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County, Borough of Manhattan and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or any other Loan Document shall affect any right that the Administrative Agent or other Guaranteed Party may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against any Guarantor or its properties in the courts of any jurisdiction.

(b) Each Guarantor hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in sub-section (a) of this Section 16. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(c) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 5. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 17. *Termination; Release of a Guarantor* . (a) This Agreement and the guarantees set forth herein shall terminate when all the Obligations (excluding contingent obligations as to which no claim has been made) have been paid in full, the Lenders have no further commitment to lend under the Credit Agreement, and all Letters of Credit have been cancelled, expired, or Cash Collateralized on terms reasonably satisfactory to the Issuing Bank in an amount equal to the Agreed L/C Cash Collateral Amount of all Letter of Credit Usage.

(b) In the event that all the Equity Interests in any Guarantor are sold, transferred or otherwise disposed of to a Person other than the Borrower or its Subsidiaries in a transaction permitted under the Credit Agreement or in the event that a Guarantor ceases to be a Material Domestic Subsidiary, the Administrative Agent shall, at the Borrower’s expense, promptly take such action and execute such

documents as the Borrower may reasonably request to terminate the guarantee of such Guarantor hereunder.

SECTION 18. *Right of Setoff* . If an Event of Default shall have occurred and be continuing, each Guaranteed Party and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by, and other obligations at any time owing by such Guaranteed Party or such Affiliate to or for the credit or the account of any Guarantor against any of and all the obligations of such Guarantor now or hereafter existing under this Agreement held by such Guaranteed Party irrespective of whether or not such Guaranteed Party shall have made any demand under this Agreement and although such obligations may be unmatured; *provided* that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.17 of the Credit Agreement and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Lenders and the Issuing Bank, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Guaranteed Party under this Section 18 are in addition to other rights and remedies (including other rights of setoff) which such Guaranteed Party may have. Each Guaranteed Party agrees to notify such Guarantor and the Administrative Agent promptly after any such setoff and application; *provided* that the failure to give such notice shall not affect the validity of such setoff and application.

SECTION 19. *Additional Guarantors* . It is understood and agreed that any Subsidiary of the Borrower that is required to execute a counterpart of, or joinder to, this Agreement after the date hereof pursuant to Section 5.10 of the Credit Agreement shall become a Guarantor hereunder by (x) executing and delivering a counterpart hereof to the Administrative Agent or executing a joinder agreement hereto and delivering same to the Administrative Agent, in each case as may be requested by (and in form and substance reasonably satisfactory to) the Administrative Agent and (y) taking all actions as specified in this Agreement as would have been taken by such Guarantor had it been an original party to this Agreement, in each case with all documents and actions required to be taken above to be taken to the reasonable satisfaction of the Administrative Agent.

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

[INSERT GUARANTOR NAME]

By: _____
Name:
Title:

[INSERT GUARANTOR NAME]

By: _____
Name:
Title:

MORGAN STANLEY SENIOR FUNDING, INC.,
as Administrative Agent

By: _____
Name:
Title:

EXHIBIT F

FORM OF COMPLIANCE CERTIFICATE

This Compliance Certificate is delivered to you pursuant to Section 5.01(c) of the Revolving Credit Agreement, dated as of July 29, 2016, 2016 (as amended, restated, amended and restated, supplemented, extended or modified from time to time, the " **Credit Agreement** "), among Snapchat, Inc. (the " **Borrower** "), the lenders from time to time party thereto, the issuing banks from time to time party thereto and Morgan Stanley Senior Funding, Inc., as Administrative Agent. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as therein defined.

1. I am the duly elected, qualified and acting [_____] [1] of the Borrower.

2. I have reviewed and am familiar with the contents of this Compliance Certificate. I am providing this Compliance Certificate solely in my capacity as an officer of the Borrower.

3. I have reviewed the terms of the Credit Agreement and the other Loan Documents. The financial statements for the fiscal [quarter][year] of the Borrower ended [_____, _____] attached hereto as ANNEX 1 or otherwise delivered to the Administrative Agent pursuant to the requirements of Section 5.01 of the Credit Agreement (the " **Financial Statements** ") present fairly in all material respects as of the date of each such statement the financial condition and results of operations of the Borrower [2] and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied[, subject to normal year-end audit adjustments and the absence of footnotes]. [3] No Default has occurred and is continuing as of the date hereof[, except for _____]. [4] There has been no change in GAAP or in the application thereof applicable to the Borrower and its consolidated Subsidiaries since the date of the audited financial statements referred to in Section 3.04 of the Credit Agreement that has had an impact on the Financial Statements [, except for _____, the effect of which on the Financial Statements has been [_____]]. [5]

4. Attached hereto as ANNEX 2 are the computations showing (in reasonable detail) information required by Section 5.01(c)(ii) of the Credit Agreement as of the date of this Compliance Certificate.

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1 Certificate may be signed by any Financial Officer of the Borrower (any of the chief financial officer, principal accounting officer, vice president of finance or corporate controller or most senior financial officer of the Borrower).

2 After an IPO, the Public Company.

3 To be included only if the Compliance Certificate is certifying the quarterly financials.

4 Specify the details of any Default, if any, and any action taken or proposed to be taken with respect thereto.

5 If and to the extent that any change in GAAP that has occurred since the date of the audited financial statements referred to in Section 3.04 of the Credit Agreement had an impact on such financial statements, specify the effect of such change on the financial statements accompanying this Compliance Certificate.

5. [Attached hereto as ANNEX 3 is a list of each Unrestricted Subsidiary of the Borrower as of the date of delivery of this Compliance Certificate (to the extent that there have been any changes in the list of Unrestricted Subsidiaries since the Closing Date or the most recent list provided).] [6]

6. [Attached hereto as ANNEX 4 is a list of each Material Domestic Subsidiary of the Borrower as of the date of delivery of this Compliance Certificate (to the extent that there have been any changes in the list of Material Domestic Subsidiaries since the Closing Date or the most recent list provided).] [7]

IN WITNESS WHEREOF, I have executed this Compliance Certificate as of the date first written above.

SNAPCHAT, INC.

By: _____
Name:
Title:

6 To be included in quarterly and annual compliance certificates.
7 To be included in quarterly and annual compliance certificates.

ANNEX 1

[Applicable Financial Statements to be attached if applicable]

ANNEX 2

The information described herein is as of [_____, _____] [22] , (the " **Computation Date** ") and, except as otherwise indicated below, pertains to the period from [_____, _____] [23] to the Computation Date (the " **Relevant Period** ").

Negative Covenants		**Amount**
Section 6.01(f) – Specified Indebtedness – Capital Lease Obligations, Purchase Money Indebtedness and any Refinancing Indebtedness with respect thereto		
Maximum Permitted : $250,000,000		$
Section 6.01(g) – Specified Indebtedness		
Maximum Permitted: $1,000,000,0000 plus any additional or other amount, so long as C.1 does not exceed 2.50 to 1.00, determined on a pro forma basis		
	Senior Net Leverage Ratio Calculations, if applicable [24]	
A 1.	Specified Indebtedness of the Borrower and its Restricted Subsidiaries (other than any such Specified Indebtedness that is expressly subordinated in the right of payment to the Obligations pursuant to a written agreement)	$
2.	Unrestricted cash and Cash Equivalents on the balance sheet of the Borrower and its Restricted Subsidiaries as of such date [25]	$
3.	Line A.1-Line A.2	$
B.	Consolidated Adjusted EBITDA for the Relevant Period ended on the Computation Date	
1.	Consolidated Net Income	$
2.	Income tax expense and consolidated gross receipts tax expense for such period, including taxes based on income, profits or capital, including state, franchise and similar taxes and foreign withholding taxes	$
3.	Interest expense, amortization or write-off of debt discount and debt issuance costs and commissions, discounts and other fees and charges associated with Indebtedness (including the Loans), plus expenses associated with the equity component of, and any mark-to-market losses with respect to, Convertible Notes	$
4.	Depreciation and amortization expense	$

22 Insert the last day of the respective fiscal quarter or fiscal year covered by the financial statements which are required to be accompanied by this Compliance Certificate.

23 Insert the first day of the most recently completed four consecutive fiscal quarters of the Borrower ended on the Computation Date.

24 If Specified Indebtedness under Section 6.01(g) does not exceed $1,000,000,000 then Senior Net Leverage Ratio Calculations do not need to be completed.

25 Not to exceed $250,000,000

5.	Amortization of intangibles (including, but not limited to, goodwill)	$
6.	Unusual or non-recurring charges for such period and any extraordinary charges or losses determined in accordance with GAAP	$
7.	Non-cash stock option, restricted stock units and other equity-based compensation expenses and payroll tax expense related to stock option and other equity-based compensation expenses	$
8.	Any other non-cash charges, non-cash expenses or non-cash losses of the Borrower or any Restricted Subsidiaries for such period including any write-down of intangibles, including, for the avoidance of doubt, non-cash foreign currency translation losses and any unrealized losses in respect of Swap Agreements (including non-cash losses related to currency remeasurement of Indebtedness) [26]	$
9.	Restructuring charges or reserves including write-downs and write-offs, including any one-time costs incurred in connection with acquisitions or dispositions and costs related to the closure, consolidation and integration of facilities, information technology infrastructure and legal entities, and severance and retention bonuses	$
10.	The amount of cost savings, operating expense reductions and synergies projected by Borrower in good faith to be realized as a result of an acquisition not prohibited hereunder, in each case within the six consecutive fiscal quarters following the consummation of such acquisition (or following the consummation of the squeeze-out merger in the case of an acquisition structured as a two-step transaction), calculated as though such cost savings, operating expense reductions and synergies had been realized on the first day of such period and net of the amount of actual benefits received during such period from such acquisition [27]	$
11.	Costs, expenses, settlements and charges related to, arising out of or made in connection with legal proceedings, investigations and regulatory matters [28]	$
12.	Costs, fees, charges and losses in respect of discontinued operations	$
13.	Adjustments relating to purchase price allocation accounting	$
14.	Fees and expenses directly related to the Transactions, the incurrence of any Specified Indebtedness permitted under the Credit Agreement, the offering of any Equity Interests by Borrower, an IPO, any acquisition, Investment or disposition transactions whether or not completed, and any transfer or license of any intellectual property or intellectual property rights by the Borrower or any of its Restricted Subsidiaries to any Restricted Subsidiary of the Borrower	$

26 Cash payments made in such period or in any future period in respect of such non-cash charges, expenses or losses shall be subtracted from Consolidated Net Income in calculating Consolidated Adjusted EBITDA in the period when such payments are made.

27 No cash savings or synergies shall be added to line 10 to the extent duplicative of any expenses or charges otherwise added to Consolidated Adjusted EBITDA.

28 The amount that may be added back pursuant to line 11 may not in the aggregate for any four fiscal quarter period exceed the greater of (x) $50,000,000 and (y) 20% of Consolidated Adjusted EBITDA for such period (determined without giving effect to any such adjustment pursuant to such line 11).

EXHIBIT G-1

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Revolving Credit Agreement, dated as of [ ], 2016 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the " **Credit Agreement** "), among Snapchat, Inc., a Delaware corporation, as the Borrower, lenders and issuing banks from time to time party thereto and Morgan Stanley Senior Funding, Inc., as the Administrative Agent. Capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Credit Agreement.

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, and (iv) it is not a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E or W-8BEN, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, or if this certificate expires or becomes obsolete or inaccurate in any respect, the undersigned shall promptly deliver to the Borrower and the Administrative Agent an updated certificate or other appropriate documentation (including any new documentation reasonably requested by the Borrower or the Administrative Agent) or notify the Borrower and the Administrative Agent in writing of its legal inability to do so, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[** Signature Page Follows **]

[Lender **]**

By: _____
Name:
Title:

[Address **]**

Dated: _____ , 20 **[ ]**

EXHIBIT G-2

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Participants That Are Neither U.S. Persons Nor Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Revolving Credit Agreement, dated as of July 29, 2016 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the " **Credit Agreement** "), among Snapchat, Inc., a Delaware corporation, as the Borrower, lenders and issuing banks from time to time party thereto and Morgan Stanley Senior Funding, Inc., as the Administrative Agent. Capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Credit Agreement.

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, and (iv) it is not a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN-E or W-8BEN, as applicable. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, or if this certificate expires or becomes obsolete or inaccurate in any respect, the undersigned shall promptly deliver to such Lender an updated certificate or other appropriate documentation (including any new documentation reasonably requested by such Lender) or notify such Lender in writing of its legal inability to do so, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[*Signature Page Follows* ***]***

[Participant **]**

By: _____
Name:
Title:

[Address **]**

Dated: _____ , 20 **[ ]**

EXHIBIT G-3

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Participants That Are Not U.S. Persons And That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Revolving Credit Agreement, dated as of July 29, 2016 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the " **Credit Agreement** "), among Snapchat, Inc., a Delaware corporation, as the Borrower, lenders and issuing banks from time to time party thereto and Morgan Stanley Senior Funding, Inc., as the Administrative Agent. Capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Credit Agreement.

Pursuant to the provisions of Section 2.14 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a "bank" extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its partners/members is a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E or W-8BEN, as applicable, or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E or W-8BEN, as applicable, from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, or if this certificate expires or becomes obsolete or inaccurate in any respect, the undersigned shall promptly deliver to such Lender an updated certificate or other appropriate documentation (including any new documentation reasonably requested by such Lender) or notify such Lender in writing of its legal inability to do so, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[Participant **]**

By: _____
Name:
Title:

[Address **]**

Dated: _____ , 20 **[ ]**

EXHIBIT G-4

FORM OF
U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Revolving Credit Agreement, dated as of July 29, 2016 (as amended, restated, amended and restated, extended, supplemented or otherwise modified in writing from time to time, the " **Credit Agreement** "), among Snapchat, Inc., a Delaware corporation, as the Borrower, lenders and issuing banks from time to time party thereto and Morgan Stanley Senior Funding, Inc., as the Administrative Agent. Capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Credit Agreement.

Pursuant to the provisions of Section 2.14(f) of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a "bank" extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, and (v) none of its direct or indirect partners/members is a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN-E or W-8BEN, as applicable, or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN-E or W-8BEN, as applicable, from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, or if this certificate expires or becomes obsolete or inaccurate in any respect, the undersigned shall promptly deliver to the Borrower and the Administrative Agent an updated certificate or other appropriate documentation (including any new documentation reasonably requested by the Borrower or the Administrative Agent) or notify the Borrower and the Administrative Agent in writing of its legal inability to do so, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

[*Signature Page Follows* ***]***

[Lender **]**

By: _____
Name:
Title:

[Address **]**

Dated: _____ , 20 **[ ]**

Exhibit H

INTERCOMPANY SUBORDINATION AGREEMENT

This INTERCOMPANY SUBORDINATION AGREEMENT (this " Agreement "), dated as of _____, 20 _____, is entered into by and among the Persons listed on the signature pages hereof, in favor of the Agent (as defined below).

Reference is made to that certain Revolving Credit Agreement, dated as of July 29, 2016 (the " Closing Date ") (as amended, restated, supplemented or otherwise modified from time to time, the " Credit Agreement ") among Snapchat, Inc., a Delaware corporation (" Borrower "), the Lenders party thereto, Morgan Stanley Senior Funding, Inc., as Administrative Agent (the " Agent ") and the other parties from time to time party thereto. Capitalized terms used but not defined in this Agreement shall have the meanings assigned to such terms in the Credit Agreement.

Each of the undersigned Loan Parties listed on the signature page hereto as a "Payor" (each, in such capacity, a " Payor ") is now or may hereafter become indebted or otherwise obligated to such other Person listed below as a "Payee" (each, in such capacity, a " Payee ") in respect of Indebtedness (including trade payables) (the unpaid principal amount and all other amounts payable in respect thereof, " Intercompany Subordinated Indebtedness ").

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

1. Anything in this Agreement to the contrary notwithstanding, any Intercompany Subordinated Indebtedness owed by any Payor that is a Loan Party to any Payee that is not a Loan Party shall be subordinate and junior in right of payment, to the extent and in the manner hereinafter set forth, to the Obligations until the payment in full in cash of all Obligations (other than contingent obligations not yet validly asserted) and the termination or expiration of all Commitments and the cancellation or expiration or Cash Collateralization of all Letters of Credit on terms reasonably satisfactory to the applicable Issuing Bank; provided that each Payor may make payments to the applicable Payee so long as no Event of Default under and as defined in the Credit Agreement shall have occurred and be continuing and such Payor has not received notice thereof from the Agent (provided that no such notice shall be required to be given in the case of any Event of Default arising under Section 7.01(h), 7.01(i) or 7.01(j) of the Credit Agreement) (such Obligations and other indebtedness and obligations in connection with any renewal, refunding, restructuring or refinancing thereof, including interest thereon accruing after the commencement of any proceedings referred to in clause (i) below, whether or not such interest is an allowed claim in such proceeding, being hereinafter collectively referred to as " Senior Indebtedness ").

(i) In the event of any insolvency or bankruptcy proceedings, and any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relating to any Payor or to its property, and in the event of any proceedings for voluntary liquidation, dissolution or other winding up of such Payor (except as expressly permitted by the Credit Agreement), whether or not involving insolvency or bankruptcy, then, if an Event of Default (as defined in the Credit Agreement) has occurred and is continuing, (x) the holders of Senior Indebtedness shall be paid in full in cash in respect of all amounts constituting Senior Indebtedness (other than contingent obligations not yet validly asserted) before any Payee is entitled to receive (whether directly or indirectly), or make any demands for, any payment on account of this Agreement and (y) until the holders of Senior Indebtedness are paid in full in cash in respect of all amounts

constituting Senior Indebtedness (other than contingent obligations not yet validly asserted), any payment or distribution to which such Payee would otherwise be entitled (other than debt securities of such Payor that are subordinated, to at least the same extent as this Agreement, to the payment of all Senior Indebtedness then outstanding (such securities being hereinafter referred to as " Restructured Debt Securities ")) shall be made to the holders of Senior Indebtedness.

(ii) If any Event of Default (as defined in the Credit Agreement) occurs and is continuing after prior written notice from the Agent (provided that no such notice shall be required to be given in the case of any Event of Default arising under Section 7.01(h), 7.01(i) or 7.01(j) of the Credit Agreement) to the Borrower, then no payment or distribution of any kind or character shall be made by or on behalf of the Payor, or any other Person on its behalf, with respect to any Intercompany Subordinated Indebtedness.

(iii) If any payment or distribution of any character, whether in cash, securities or other property (other than Restructured Debt Securities), and whether directly, by purchase, redemption, exercise of any right of setoff or otherwise, with respect to any amounts outstanding under any Intercompany Subordinated Indebtedness shall (despite these subordination provisions) be received by any Payee in violation of clause (i) or (ii) above prior to all Senior Indebtedness having been paid in full in cash (other than contingent obligations not yet validly asserted), such payment or distribution shall be held by such Payee in trust (segregated from other property of such Payee) for the benefit of the Agent, and shall be paid over or delivered in accordance with the Loan Documents.

(iv) Each Payee agrees to file all claims against each relevant Payor in any bankruptcy or other proceeding in which the filing of claims is required by law in respect of any Intercompany Subordinated Indebtedness, and the Agent shall be entitled to all of such Payee's rights thereunder. If for any reason a Payee fails to file such claim at least ten Business Days prior to the last date on which such claim should be filed, such Payee hereby irrevocably appoints the Agent as its true and lawful attorney-in-fact and the Agent is hereby authorized to act as attorney-in-fact in such Payee's name to file such claim or, in the Agent's discretion, to assign such claim to and cause proof of claim to be filed in the name of the Agent or its nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to the Agent the full amount payable on the claim in the proceeding, and, to the full extent necessary for that purpose, each Payee hereby assigns to the Agent all of such Payee's rights to any payments or distributions to which such Payee otherwise would be entitled. If the amount so paid is greater than such Payee's liability hereunder, the Agent shall pay the excess amount to the party entitled thereto pursuant to the Loan Documents and applicable law. In addition, each Payee hereby irrevocably appoints the Agent as its attorney-in-fact to exercise all of such Payee's voting rights in connection with any bankruptcy proceeding or any plan for the reorganization of each relevant Payor.

(v) Each Payee waives the right to compel that any property of any Payor or any property of any guarantor of any Senior Indebtedness or any other Person be applied in any particular order to discharge such Senior Indebtedness. Each Payee expressly waives the right to require the Agent or any other holder of Senior Indebtedness to proceed against any Payor, any guarantor of any Senior Indebtedness or any other Person, or to pursue any other remedy in its or their power that such Payee cannot pursue and that would lighten such Payee's burden, notwithstanding that the failure of the Agent or any such other holder to do so may thereby prejudice such Payee. Each Payee agrees that it shall not be discharged, exonerated or have its obligations hereunder reduced (i) as a result of any delay by the Agent or any other holder of Senior Indebtedness in proceeding against or enforcing any remedy against any Payor, any

guarantor of any Senior Indebtedness or any other Person; (ii) by the Agent or any holder of Senior Indebtedness releasing any Payor, any guarantor of any Senior Indebtedness or any other Person from all or any part of the Senior Indebtedness; or (iii) by the discharge of any Payor, any guarantor of any Senior Indebtedness or any other Person by an operation of law or otherwise, with or without the intervention or omission of the Agent or any such holder.

(vi) Each Payee waives all rights and defenses arising out of an election of remedies by the Agent or any other holder of Senior Indebtedness, even though that election of remedies, including any nonjudicial foreclosure with respect to any property securing any Senior Indebtedness (if any), has impaired the value of such Payee's rights of subrogation, reimbursement, or contribution against any Payor, any guarantor of any Senior Indebtedness or any other Person. Each Payee expressly waives any rights or defenses it may have by reason of protection afforded to any Payor, any guarantor of any Senior Indebtedness or any other Person with respect to the Senior Indebtedness pursuant to any anti-deficiency laws or other laws of similar import that limit or discharge the principal debtor's indebtedness upon judicial or nonjudicial foreclosure of property or assets securing any Senior Indebtedness (if any).

(vii) Each Payee agrees that, without the necessity of any reservation of rights against it, and without notice to or further assent by it, any demand for payment of any Senior Indebtedness made by the Agent or any other holder of Senior Indebtedness may be rescinded in whole or in part by the Agent or such holder, and any Senior Indebtedness may be continued, and the Senior Indebtedness or the liability of any Payee, any guarantor thereof or any other Person obligated thereunder, or any right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, modified, accelerated, compromised, waived, surrendered or released by the Agent or any other holder of Senior Indebtedness, in each case without notice to or further assent by such Payee, which will remain bound hereunder, and without impairing, abridging, releasing or affecting the subordination provided for herein.

(viii) Each Payee waives any and all notice of the creation, renewal, extension or accrual of any Senior Indebtedness, and any and all notice of or proof of reliance by holders of Senior Indebtedness upon the subordination provisions set forth herein. The Senior Indebtedness shall be deemed conclusively to have been created, contracted or incurred, and the consent to create the obligations of any Payee with respect to Intercompany Subordinated Indebtedness shall be deemed conclusively to have been given, in reliance upon the subordination provisions set forth herein.

(ix) To the maximum extent permitted by law, each Payee waives any claim it might have against the Agent or any other holder of Senior Indebtedness with respect to, or arising out of, any action or failure to act or any error of judgment, negligence, or mistake or oversight whatsoever on the part of the Agent or any such holder, or any of their Related Parties, with respect to any exercise of rights or remedies under the Loan Documents, except to the extent due to the gross negligence or willful misconduct of the Agent or any such holder, as the case may be, or any of its Related Parties, as determined by a court of competent jurisdiction in a final and non-appealable judgment. None of the Agent, any other holder of Senior Indebtedness or any of their Related Parties shall be liable for failure to demand, collect or realize upon any guarantee of any Senior Indebtedness, or for any delay in doing so, or shall be under any obligation to sell or otherwise dispose of any property upon the request of any Payor, any Payee or any other Person or to take any other action whatsoever with regard to any such guarantee or any other property.

Each Payee and each Payor hereby agree that the subordination provisions set forth in this Agreement are for the benefit of the Agent and the other holders of Senior Indebtedness. The Agent and the other

holders of Senior Indebtedness are obligees under this Agreement to the same extent as if their names were written herein as such and the Agent may, on behalf of itself and such other holders, proceed to enforce the subordination provisions set forth herein.

All rights and interests of the Agent and the other holders of Senior Indebtedness hereunder, and the subordination provisions and the related agreements of the Payors and Payees set forth herein, shall remain in full force and effect irrespective of:

(i) any lack of validity or enforceability of the Credit Agreement or any other Loan Document;

(ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Senior Indebtedness or any amendment or waiver or other modification, whether by course of conduct or otherwise, of, or consent to departure from, the Credit Agreement or any other Loan Document;

(iii) any release, amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of or consent to departure from, any guarantee of any Senior Indebtedness; or

(iv) any other circumstances that might otherwise constitute a defense available to, or a discharge of, any Payor in respect of any Senior Indebtedness or of any Payee or any Payor in respect of the subordination provisions set forth herein.

The Indebtedness owed by any Payor to a Loan Party that is a Payee shall not be subordinated to, and shall rank pari passu in right of payment with, any other obligation of such Payor.

Nothing contained in the subordination provisions set forth above is intended to or will impair, as between each Payor and each Payee, the obligations of such Payor, which are absolute and unconditional, to pay to such Payee the principal of and interest on any Intercompany Subordinated Indebtedness as and when due and payable in accordance with its terms, or is intended to or will affect the relative rights of such Payee and other creditors of such Payor other than the holders of Senior Indebtedness.

This Agreement shall be binding upon each Payor and its successors and assigns, and the terms and provisions of this Agreement shall inure to the benefit of each Payee and its successors and assigns, including subsequent holders hereof. Notwithstanding anything to the contrary contained herein, in any other Loan Document or in any other promissory note or other instrument, this Agreement supplements any and all promissory notes or other instruments which create or evidence any loans or advances made on, before or after the date hereof by any Payee to the Borrower or any Subsidiary.

From time to time after the date hereof, additional Subsidiaries of Parent may become parties hereto (as Payor and/or Payee, as the case may be) by executing a counterpart signature page to this Agreement (each additional Subsidiary, an " Additional Party "). Upon delivery of such counterpart signature page to the Payees, notice of which is hereby waived by the other Payors, each Additional Party shall be a Payor and/or a Payee, as the case may be, and shall be as fully a party hereto as if such Additional Party were an original signatory hereof. Each Payor expressly agrees that its obligations arising hereunder shall not be affected or diminished by the addition or release of any other Payor or Payee hereunder. This Agreement shall be fully effective as to any Payor or Payee that is or becomes a party hereto regardless of whether any other Person becomes or fails to become or ceases to be a Payor or Payee hereunder.

No amendment, modification or waiver of, or consent with respect to, any provisions of this Agreement shall be effective unless the same shall be in writing and signed and delivered by each Payor and Payee whose rights or obligations shall be affected thereby; provided that, until such time as (i) all the Obligations have been paid in full in cash (other than contingent obligations not yet validly asserted) and (ii) all Commitments have terminated or expired and all Letters of Credit have been cancelled, are expired or have been Cash Collateralized on terms reasonably satisfactory to the applicable Issuing Bank, the Agent shall have provided its prior written consent to such amendment, modification, waiver or consent (such consent not to be unreasonably withheld to the extent such amendment or modification is required to comply with any applicable law or is not adverse to the interests of the Lenders).

THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Agreement as of the date first above written.

Payor

[ ]

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Agreement as of the date first above written.

Payee

[ ]

By: _____
Name:
Title:

EXHIBIT I

FORM OF ANNUAL FORECAST

	Fiscal Year
Revenue	
COGS	
Gross Profit	
OpEx	
Operating Income	
D&A	
Other Expense / (Income)	
Net Income	
CapEx	

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit 10.20



Google Inc.
1600 Amphitheatre Parkway
Mountain View, California 94043

Order Form:
Google Cloud Platform

CUSTOMER INFORMATION - REQUIRED

"CUSTOMER" *(Enter Company's Full Legal Name):*		Snap Inc.
	Corporate Contact Information:	**Billing Contact Information:** *(Contact who will review the invoice if different from Corporate Contact)*
Name:	Andrew Vollero	
Address:	63 Market St	63 Market St
City, State, Zip:	Venice, CA 90291	Venice, CA 90291
Phone:	na	na
Email:		**Billing Contact Email** : **Invoice Delivery Email:** accountspayable@snapchat.com *(List email that should receive invoice, if different from Billing Contact Email)*

ACCOUNT INFORMATION - REQUIRED

Technical Contact: *(Contact will become initial billing administrator, and if support is purchased, initial Google for Work Support Center user)* *** • **Name:** Jerry Hunter • **Email:** • **Phone:** na **Customer Domain:** **Google Account Email Address:** *(associated with the Admin Console)*	**Purchase Order Required: Yes** ☐ **No** ☒ **If Yes, Purchase Order #:** **Tax Exempt: Yes** ☐ **No** ☒ *(If Yes is checked, please provide certificate)* **VAT or applicable tax # (Non-U.S. Customers only):**

****Additional billing administrators and Google for Work Support Center users can be added by the Technical Contact at a later time.*

ORDER INFORMATION - REQUIRED

Product	**Other Terms (if any)**
Google Cloud Platform Services	
Technical Support Services	☐Bronze ☐Silver or ☐Gold or ☒Platinum (select one)

ACCOUNT MANAGER TO COMPLETE THIS SECTION - REQUIRED

Account Manager: Shakil Langha	**Google Legal Customer ID (required): 6119-3339-2789**

Order Form Terms and Conditions

License Terms . This Order Form is subject to and incorporates by reference the Google Cloud Platform License Agreement attached to this Order Form (the " Agreement "). All capitalized terms used in this Order Form have the meanings stated in the Agreement, unless stated otherwise.

By signing this Order Form, each party represents and warrants that: (a) it has read and understands the Agreement that is incorporated by reference to this Order Form and agrees to be bound by the terms of the Agreement, and (b) it has full power and authority to accept the Agreement and this Order Form.

This Order Form has been signed by the parties' authorized representatives and is effective on the last signature date below (" Effective Date ").

Google Inc. (" Google ")		**Customer**	
By:	/s/ Tariq Shaukat	By:	/s/ Tim Sehn
Print Name:	Tariq Shaukat	Print Name:	Tim Sehn
Title:	President, customers	Title:	SVP, Engineering
Date:	1/30/2017	Date:	1/30/2017

CONFIDENTIAL

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

1. Provision of Services .

1.1 Services Use . Google will provide the Services to Customer. Subject to the terms of the Agreement, Google hereby grants to Customer a worldwide, non-sublicensable, non-transferable (except as provided in Section 15.2), non-exclusive, limited license during the Term to: (a) access and use the Services, (b) integrate the Services into any Application, and provide the Services, solely as integrated into the Application, to users of the Application, and (c) access and use any and all Software provided by Google as part of the Services. Customer may allow its contractors and agents to access and use the Services solely on behalf of Customer, provided that Customer is liable for any breach of the Agreement by such contractors or agent as though such breach were caused by Customer.

1.2 Use of the Services by Customer Affiliates . Customer may allow its Affiliates to access and use the Services and Software under the Account. Any such use will count towards Customer's usage for the purposes of calculating the Fees. Customer will use commercially reasonable efforts to ensure that its Affiliates comply in all respects with Customer's obligations under the Agreement as if they were Customer. Any act or omission by a Customer Affiliate in connection with the Services will be deemed to be an act or omission of Customer. Nothing in the Agreement creates or confers any rights or other benefits that are enforceable by a Customer Affiliate except as otherwise agreed to in the Agreement. However, Customer may, subject to any exclusions and limitations of liability in the Agreement, recover any loss or damage suffered by a Customer Affiliate under the Agreement as if such loss or damage were Customer's.

2. Provision of the Services .

2.1 Console . As part of receiving the Services, Customer will have access to the Admin Console, through which Customer may administer the Services.

2.2 Security . Throughout the Term, Google will ensure that the facilities used by Google to store and process each Application and all Customer Data at all times use appropriate and sufficient security measures, including that: (a) are no less protective than the security measures set forth in the Data Processing and Security Terms set forth in Exhibit D hereto and (b) meet or exceed industry standards. Google will implement and maintain, throughout the Term, security measures, systems and procedures to (x) ensure the security and confidentiality of each Application and all Customer Data, (y) protect against anticipated and actual threats or hazards to the security, privacy or integrity of each Application and all Customer Data, and (z) protect against unauthorized access to, or disclosure or use of any Application or Customer Data.

2.3 Data Location . Customer may select the location where certain Customer Data will be stored (" Data Location Selection "), and Google will store the Customer Data in the Data Location Selection in accordance with the Service Specific Terms. If a Data Location Selection is not available under the Service Specific Terms (or a Data Location Selection is not made by Customer with respect to any Customer Data), Google may process and store the

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Customer Data anywhere Google or its agents maintain facilities in accordance with applicable laws and regulations and the terms of the Agreement. By using the Services, Customer consents to this processing and storage of the Application and Customer Data in accordance with the terms of the Agreement. The parties agree that Google acts as a data processor and not a controller with respect to the Customer Data. The terms "controller", "personal data", "processor" and "processes" have the same meanings as given to those terms under the European Data Protection Directive (95/46/EC), as the same may be modified or amended from time to time.

2.4 Model Contract Clauses . If Customer chooses to enter into Model Contract Clauses with Google, Customer must accept the Model Contract Clauses via the Admin Console, provided however that the Model Contract Clauses attached to the Agreement as Exhibit E supersede the Model Contract Clauses available via the Admin Console. To the extent that other jurisdictions require or adopt similar mandates, Google agrees to work in good faith with Customer to enter into similar agreements relating to Customer Data that contains personal data subject to such mandates and in compliance with all applicable laws and regulations.

2.5 Privacy Shield . Google is enrolled in the U.S. Department of Commerce and European Commission EU-U.S. Privacy Shield Program and will remain enrolled in this program or another replacement program (or will adopt a compliance solution which achieves compliance with the terms of Article 25 of Directive 95/46/EC) throughout the Term.

2.6 Accounts . Customer must have an Account and a Token (if applicable) to use the Services. Customer is responsible for the accuracy of the information it provides to create the Account, the security of the Token and its passwords for the Account, and for any use of its Account and the Token (other than as a result of any act or omission of Google). Google has no obligation to provide Customer multiple Tokens or Accounts. If Customer becomes aware of any unauthorized use of Customer's password, Account, or Token, it will notify Google as promptly as possible.

2.7 New Services . Google may make new Services available to its customers from time to time, the use of which will be at Customer's option and may be contingent upon Customer's agreement to additional terms, but will in all cases be subject to the same legal terms and conditions of the Agreement.

2.8 Modifications .

(a) To the Services or Admin Console . Google may make commercially reasonable updates to the Services for all of its customers from time to time, including by adding new applications, tools, features, functionality or performance to the Services or providing new versions, updates, upgrades, patches, fixes, successor or replacement services to the existing Services, in each case, under the terms and conditions of the Agreement. [*]

(b) To the URL Terms . Google may make commercially reasonable changes to the URL Terms for all of its customers from time to time. [*]

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2.9 Deprecation Policy . Google will notify Customer in writing (which may be via email) if it intends to make a Significant Deprecation. Google will continue providing the Deprecation Covered Services without a Significant Deprecation for at least [*] after that notification; except to the extent that Google determines in its reasonable good faith judgment that (i) it cannot do so without [*] (ii) doing so would [*] and/or [*]. This policy is the "Deprecation Policy". If Google discontinues any Services or makes a Significant Deprecation, [*]. For Services other than the Deprecation Covered Services, Google may discontinue any such Services or any portion or feature for any reason at any time.

2.10 Service Specific Terms . The Service Specific Terms are hereby incorporated by reference into the Agreement.

2.11 SLAs . Notwithstanding anything to the contrary in the SLAs, any financial credit provided to Customer under the SLAs will be in addition to and not in lieu or limitation of any other rights or remedies Customer is entitled to under the Agreement or at law or in equity, including Customer's right to terminate the Agreement pursuant to Section 9.3.

2.12 Viruses . Except to the extent that any of the items set forth in this Section 2.12 are caused by Customer or its End Users, the Services will not contain any viruses, worms, spyware, traps, protecting codes or trap door devices, or any other internal devices or mechanisms which could cause such Services to cease functioning or to provide improper access to Customer Data, disclose Customer Data to unauthorized parties, damage or corrupt Customer Data or otherwise interfere with Customer's operation.

2.13 Early Access Programs . Google will allow Customer to engage in Google Cloud Platform early access programs which may be related to machine learning initiatives. Such engagement will be subject to the terms of such early access program.

3. Payment Terms .

3.1 Usage and Invoicing . Customer will pay Fees based on: (a) its use of the Services; (b) any Reserved Units selected; (c) any Committed Purchases selected; and/or (d) any Package Purchases selected. Google will invoice Customer on a monthly basis for those Fees accrued by it at the end of each month. Data describing in reasonable detail the basis upon which such Fees were calculated will be available in the Admin Console.

3.2 Payment . Customer will pay all undisputed Fees and Taxes invoiced to it, [*]. All payments due are in U.S. dollars. Payments made via wire transfer must include the bank information provided by Google.

3.3 Taxes . Customer is responsible for any Taxes, and Customer will pay Google the undisputed amounts for the Services without any reduction for Taxes. If Google is obligated to collect or pay Taxes, the Taxes will be itemized and invoiced to Customer, unless Customer provides Google with a timely and valid tax exemption certificate authorized by the appropriate taxing authority. In some states the sales tax is due on the total purchase price at the time of sale and must be invoiced and collected at the time of the sale. If Customer is required by law to withhold any Taxes from its payments to Google, Customer must provide Google with an official tax receipt or other appropriate documentation to support such withholding. To the extent applicable, the parties will cooperate in getting exemptions from withholding tax, if any.

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3.4 [*]

3.5 Invoice Disputes . [*]. For the avoidance of doubt, Customer's withholding or deduction of any disputed amount will not constitute a breach of the Agreement. If the parties determine that certain billing inaccuracies are attributable to Google, Google will not issue a corrected invoice, but will instead, issue a credit memo specifying the incorrect amount in the affected invoice. If the disputed invoice has not yet been paid then, in such a case, Google will apply the credit memo amount to the disputed invoice and Customer will be responsible for paying the resulting net balance of the undisputed amounts due on that invoice. [*].

3.6 Delinquent Payments .

(a) A payment of undisputed Fees and Taxes is delinquent to the extent that Google has not received it by the Invoice Due Date (" Delinquent Payment "). Subject to Section 3.6(b) below, Delinquent Payments may bear interest at the rate of [*] (or the highest rate permitted by law, if less) beginning [*] after the Invoice Due Date until paid in full. Customer will be responsible for all reasonable expenses (including attorneys' fees) actually incurred by Google in collecting such Delinquent Payment amounts except where such Delinquent Payment amounts are due to Google's billing inaccuracies.

(b) [*]. In the event Google determines to suspend Customer's Account, Google will notify Customer in writing at least [*] before implementing such suspension.

(c) If there are any Delinquent Payments that are delinquent by more than [*] from the Invoice Due Date, more than [*], Google may terminate the Agreement; provided that for each occurrence of a Delinquent Payment, Google had provided Customer with notice of such Delinquent Payment and had provided Customer an opportunity to cure such Delinquent Payment pursuant to Section 9.3 of the Agreement.

3.7 Revising Fees . Subject to and except for the Fees or any discount pricing set forth in any pricing addenda or other agreement between the parties, including the Pricing Exhibit, [*].

3.8 Purchase Orders .

(a) Required . If Customer requires a purchase order number on its invoice, Customer will select "Yes" in the purchase order section of the Ordering Document and issue a purchase order to Google. If Customer requires a purchase order, and fails to provide the purchase order to Google, then Google will not be obligated to provide the Services until Google has received the purchase order. If Customer requires an updated purchase order to cover its actual usage under the Agreement, then Customer will provide an additional purchase order to Google. If Customer fails to provide an

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additional purchase order to cover its actual usage prior to the end of the current month, then (i) Google will invoice Customer without a purchase order number for such actual usage; and (ii) Customer will pay invoices without a purchase order number referenced for such actual usage.

(b) Not Required . If Customer does not require a purchase order number to be included on the invoice, Customer must select "No" in the purchase order section of the Ordering Document. If Customer waives the purchase order requirement pursuant to this Section (b), then: (i) Google will invoice Customer without a purchase order; and (ii) Customer will pay invoices without a purchase order.

(c) Any terms and conditions on a purchase order do not apply to the Agreement and are null and void.

4. Customer Obligations .

4.1 Compliance . Subject to Google's obligations under the Agreement, Customer is solely responsible for its Applications, Projects, and Customer Data and for making sure its Applications, Projects, and Customer Data comply with the Acceptable Use Policy. In the event Google has a reasonable good-faith belief that Customer is in violation of the Acceptable Use Policy, Google reserves the right to review the applicable Application, Project and Customer Data in accordance with applicable law and subject to the terms and conditions of the Agreement, solely to the extent necessary to assess whether such violation by Customer has occurred. The results of such review and all information reviewed during such review will be deemed Customer's Confidential Information. Google will be solely responsible for the costs and expenses of any such review. If such review reveals a violation of the Acceptable Use Policy, Google will provide Customer with written notice describing the violation in reasonable detail and a reasonable period of time after Customer's receipt of such written notice to cure such violation.

4.2 Privacy . Customer will comply with applicable laws and regulations in the performance of its obligations and exercise of its rights under the Agreement, which includes providing an adequate privacy notice displayed to its End Users in or in connection with the Applications from Customer. Customer will have the ability to access, monitor, use, or disclose Customer Data submitted by End Users through the Services. Customer will obtain and maintain any required consents from End Users to allow Customer's access, monitoring, use and disclosure of Customer Data.

4.3 Restrictions . Customer will not, and will not allow third parties under its control to: (a) copy, modify, create a derivative work of, reverse engineer, decompile, translate, disassemble, or otherwise attempt to extract the source code of the Services or any component thereof (subject to Section 4.4 below and except to the extent that the foregoing is part of the normal or contemplated use of the Services or such restriction is expressly prohibited by applicable law); (b) use the Services for High Risk Activities; (c) sublicense, resell, or distribute the Services or any component thereof separate from any integrated Application except to the extent that the foregoing is part of the normal or contemplated use of the Services; (d) create multiple Applications, Accounts, or Projects to simulate or act as a single Application, Account,

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or Project (respectively) or otherwise access the Services, all of the foregoing, in an improper manner intended to avoid incurring Fees; (e) process or store any Customer Data that is subject to the International Traffic in Arms Regulations maintained by the Department of State; or (f) unless otherwise stated in the Service Specific Terms, use the Services to [*] or [*] provided that notwithstanding the foregoing, the parties acknowledge and agree that the restriction does not apply to [*] or [*]. Unless otherwise specified in writing by Google, Google does not intend uses of the Services to create obligations under HIPAA, and makes no representations that the Services satisfy HIPAA requirements. If Customer is (or becomes) a Covered Entity or Business Associate, as defined in HIPAA, Customer will not use the Services for any purpose or in any manner involving Protected Health Information (as defined in HIPAA) unless Customer has received prior written consent to such use from Google.

4.4 Third Party Components . Certain third party components of the Software (including open source software) are made available to Customer for separate download (i.e., not embedded or incorporated within the Services) and may be subject to separate license agreements, which Google will provide to Customer along with such components. Notwithstanding the foregoing, Customer is not required, and will not be required, to download such third party components and accept any separate license agreement (beyond the Agreement) in order to use the Services. [*].

4.5 Documentation . Google will provide Documentation for Customer's use of the Services. Google will use reasonable commercial efforts to update all Documentation so that it remains complete and accurate [*]. The Documentation may specify restrictions (e.g. attribution or HTML restrictions) on how the Applications may be built or the Services may be used. Customer will implement and use the Services and build the Applications in material compliance with generally applicable technical requirements in such Documentation except to the extent that such Documentation contravenes the Agreement.

4.6 DMCA Policy . Google provides information to help copyright holders manage their intellectual property online, but Google cannot determine whether something is being used legally or not without their input. Google responds to notices of alleged copyright infringement and terminates accounts of repeat infringers according to the process set out in the U.S. Digital Millennium Copyright Act. If Customer thinks somebody is violating Customer's or its End Users' copyrights and wants to notify Google, Customer can find information about submitting notices, and Google's policy about responding to notices at http://www.google.com/dmca.html .

4.7 No Multiple Accounts, Bills, Tokens . Google has no obligation to provide multiple bills, Tokens (if applicable), or Accounts to Customer under the Agreement.

5. Suspension and Removals .

5.1 Suspension/Removals . If Customer obtains actual knowledge that any Application, Project or Customer Data violates the Acceptable Use Policy or any End User is using the Services in violation of the Acceptable Use Policy, Customer will use commercially reasonable efforts to remove such Customer Data, or suspend the applicable End User's access to the Services, as applicable, promptly. If Customer fails to use commercially reasonable efforts to

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suspend or remove as noted in the prior sentence, Google may provide Customer with written notice of the specific violation and specifically request that Customer do so. If Customer fails to comply with Google's request [*], then Google may suspend the Project, Application, or the Account until the violation is corrected.

5.2 Emergency Security Issues . If there is an Emergency Security Issue, then Google may suspend the offending Project or the Account that caused the Emergency Security Issue upon written notice to Customer. [*]. Suspension will be to the minimum extent required, and of the minimum duration, to prevent or terminate the Emergency Security Issue. If Google suspends an Application, Project, or the Account, due to an Emergency Security Issue, without prior notice to Customer, Google will provide Customer with notice including the reason for the suspension as soon as is reasonably possible thereafter.

6. Intellectual Property Rights; Use of Customer Data; Feedback .

6.1 Intellectual Property Rights . Except as expressly set forth herein, the Agreement does not grant either party any rights, implied or otherwise, to the other's content or any of the other's Intellectual Property Rights. As between the parties, Customer owns all Intellectual Property Rights in Customer Data and the Application and Project, and Google owns all Intellectual Property Rights in the Services and Software.

6.2 Use of Customer Data . Unless otherwise agreed to in writing by the parties, Google will not access, disclose or use any Application, Project or Customer Data, including in aggregated form, except solely as necessary to provide the Services to Customer in accordance with the Agreement. [*].

6.3 Customer Feedback . If Customer provides Google feedback or suggestions about the Services, then, unless otherwise agreed by the parties in writing and subject at all times to the confidentiality obligations under the Agreement, Google may use such feedback or suggestions to the extent that it is about the Services without obligation to Customer, and Customer hereby irrevocably grants to Google a perpetual, non-exclusive, worldwide, sublicensable, royalty-free right and license to use that feedback or those suggestions to the extent that it is about the Services.

7. Technical Support Services .

7.1 By Customer . Subject to TSS, Customer is responsible for technical support of its Applications and Projects.

7.2 By Google . Subject to payment of applicable support Fees in accordance with the terms and conditions of the Agreement, Google will provide TSS to Customer during the Term in accordance with the TSS Guidelines.

8. Confidential Information . The party receiving Confidential Information (a " Recipient ") will not disclose it, except to Affiliates, employees, agents, or professional advisors who need to know it and who have agreed in writing (or in the case of professional advisors are otherwise bound) to keep it confidential. The Recipient will ensure that it and those people and entities use the received Confidential Information only to exercise Recipient's rights and fulfill

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Recipient's obligations under the Agreement. The Recipient may also disclose Confidential Information to the extent required by applicable Legal Process or as required by applicable securities laws, including requirements to file a copy of the Agreement (redacted to the extent reasonably permitted by applicable law) or to disclose information regarding the provisions of the Agreement or performance under the Agreement to applicable regulatory authorities; provided that the Recipient uses commercially reasonable efforts to: (i) promptly notify the other party of such disclosure before disclosing; and (ii) comply with the other party's reasonable requests regarding its efforts to oppose the disclosure. Notwithstanding the foregoing, subsections (i) and (ii) above will not apply to the extent that the Recipient determines that complying with (i) and (ii) could: (a) result in a violation of Legal Process; and/or (b) lead to death or serious physical harm to an individual; provided that in such a case Google will treat the same as an Emergency Security Issue in accordance with Section 5.2 above. As between the parties, Customer is responsible for responding to all third party requests concerning its use and its End Users' use of the Services; provided, that, upon Customer's request, Google will cooperate with Customer in providing such information as Customer deems reasonably necessary in order to respond to such third party requests.

9. Term and Termination .

9.1 Agreement Term . The Agreement will remain in effect for the Term.

9.2 Auto Renewal . At the end of the Initial Term, the Agreement will renew for consecutive terms of 12 months (each a " Renewal Term ") unless Customer provides Google with written notice of its decision not to renew at least [*] before the end of the then-current Initial Term or Renewal Term or Google provides Customer with written notice of its decision not to renew at least [*] before the end of the then-current Initial Term or Renewal Term. This notice of non-renewal will be effective upon the conclusion of the Initial Term or then-current Renewal Term, as the case may be.

9.3 Termination for Breach . Either party may terminate the Agreement for breach if: (i) the other party is in material breach of the Agreement and fails to cure that breach within [*] after receipt of written notice which notice will describe the breach in reasonable detail or (ii) the other party ceases its business operations for [*] or more or becomes subject to insolvency proceedings and the proceedings are not dismissed within [*]. [*].

9.4 Termination for Inactivity . Google reserves the right to terminate a Project for inactivity, if, for a period exceeding 180 days, (a) such Project does not have: (i) active virtual machine or storage resources, or (ii) associated Applications that are serving any requests, and (b) Customer has not incurred any Fees for Services.

9.5 Effect of Termination . If the Agreement expires or is terminated in its entirety, then: (i) the rights granted by one party to the other will immediately cease upon the later of the (A) date of such expiration or termination and (B) expiration of the Transition Term (as defined below), if applicable; (ii) all undisputed Fees (including Taxes) owed by Customer to Google will be due [*]; (iii) Customer will delete the Software and will remove from the Services, the Application, Instance, Project, and any Customer Data; and (iv) upon request, each party will use commercially reasonable efforts to return or destroy all Confidential Information of the other party and any Confidential Information of the other party that cannot be returned or destroyed will continue to be subject to the confidentiality obligations set forth in the Agreement.

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9.6 Transition Term .

(a) Subject to Subsection (c), upon Customer's written request before the Agreement's termination or expiration date, Google will continue to provide the Services during the 12 month period after the Agreement's termination or expiration date (as applicable) (the " Transition Term ").

(b) The Agreement will continue to apply during the Transition Term.

(i) Customer will remain responsible for all Fees incurred during the Transition Term.

(ii) Customer is entitled to only one Transition Term.

(iii) Google may suspend Services during the Transition Term until Customer has paid any undisputed outstanding Fees.

(iv) At the end of the Transition Term, Google will have no further obligation to provide the terminated Services and will cease providing such Services without any further notice.

(c) [*]

(d) If Customer terminates the Agreement pursuant to Section 9.3 (Termination for Breach) due to Google's uncured material breach, but requests a Transition Term, Google will not be responsible for any damages incurred by Customer during the Transition Term for the same specific uncured material breach for which Customer terminated the Agreement.

(e) [*]

(f) During the Transition Term, Google will also provide such other reasonable support, cooperation and assistance as requested by Customer during the Transition Term to facilitate the orderly transfer of the Services provided by Google to Customer or to a third party designated by Customer.

10. Publicity . Customer is permitted to state publicly that it is a customer of the Services, consistent with the Trademark Guidelines. [*]. Google may also verbally reference Customer as a customer of the Google products or services that are the subject of the Agreement. Any use of a party's name and/or Brand Features, and all goodwill arising from such use, will inure to the benefit of the party holding Intellectual Property Rights to such name or to those Brand Features. A party may revoke the other party's right to use its Brand Features pursuant to the Agreement with written notice to the other and a reasonable period to stop the use. [*]. Notwithstanding anything to the contrary in the Agreement or otherwise, any use by Google of Customer's name or Brand Features is on an "as-is" basis and, to the fullest extent permitted by law, Customer hereby makes no, and expressly disclaims, any express, implied, statutory or other representations or warranties of any type or kind with respect to its Brand Features or use thereof [*].

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11. Representations and Warranties .

(a) Each party represents that: (i) it has full power and authority to enter into the Agreement, including, in the case of Google, the right to grant any licenses to Customer under the Agreement; (ii) the execution of the Agreement has been duly authorized; (iii) the execution of the Agreement and performance hereunder does not breach any other agreement to which it is bound; and (iv) it will comply with all laws and regulations applicable to its provision or use of the Services, as applicable.

(b) Google warrants that it will provide the Services in accordance with the applicable SLA, [*].

(c) Google and Customer further warrant that in performing their obligations under the Agreement, they will comply with all applicable anti-bribery laws. [*].

(d) The parties will comply with all applicable export and re-export control laws and regulations, including (i) the Export Administration Regulations (" EAR ") maintained by the U.S. Department of Commerce, (ii) trade and economic sanctions maintained by the U.S. Treasury Department's Office of Foreign Assets Control, and (iii) the International Traffic in Arms Regulations (" ITAR ") maintained by the U.S. Department of State.

(e) [*]

12. Disclaimer . EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NO PARTY OR ITS AFFILIATES OR GOOGLE'S SUPPLIERS MAKES, AND EACH PARTY AND ITS AFFILIATES AND GOOGLE'S SUPPLIERS HEREBY EXPRESSLY DISCLAIMS, ANY OTHER REPRESENTATION OR WARRANTY OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR USE AND NON-INFRINGEMENT. [*]. EXCEPT AS EXPRESSLY PROVIDED FOR HEREIN, NEITHER GOOGLE, NOR ITS SUPPLIERS, WARRANTS THAT THE OPERATION OF THE SOFTWARE OR THE SERVICES WILL BE ERROR-FREE OR UNINTERRUPTED. NEITHER THE SOFTWARE NOR THE SERVICES ARE DESIGNED, MANUFACTURED, OR INTENDED FOR HIGH RISK ACTIVITIES.

13. Limitation of Liability .

13.1 Limitation on Indirect Liability . SUBJECT TO SECTION 13.3 (EXCEPTIONS TO LIMITATIONS), TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY, NOR THEIR AFFILIATES, WILL BE LIABLE UNDER THE AGREEMENT FOR LOST REVENUES OR INDIRECT, SPECIAL,

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INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, OR PUNITIVE DAMAGES, EVEN IF THE PARTY KNEW OR SHOULD HAVE KNOWN THAT SUCH DAMAGES WERE POSSIBLE AND EVEN IF DIRECT DAMAGES DO NOT SATISFY A REMEDY.

13.2 Limitation on Amount of Liability . SUBJECT TO SECTION 13.3 (EXCEPTIONS TO LIMITATIONS), TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY, NOR THEIR AFFILIATES, MAY BE HELD LIABLE UNDER THE AGREEMENT FOR MORE THAN THE LESSER OF [*] OR (II) THE FEES PAID or payable BY CUSTOMER TO GOOGLE UNDER THE AGREEMENT OR the PRIOR GOOGLE CLOUD PLATFORM AGREEMENT BETWEEN THE PARTIES (AS APPLICABLE), DURING THE 12 MONTHS BEFORE THE LIABILITY AROSE.

13.3 Exceptions to Limitations . These limitations of liability do not apply to breaches of confidentiality obligations hereunder, violations of a party's Intellectual Property Rights by the other party, indemnification obligations hereunder, gross negligence, willful misconduct or Customer's payment obligations hereunder.

14. Indemnification .

14.1 By Customer . Unless prohibited by applicable law, Customer will indemnify, defend and hold harmless Google, and its Affiliates (collectively, the " Google Indemnified Parties ") from and against all liabilities, damages and costs (including settlement costs and reasonable attorneys' fees) in any Third-Party Legal Proceeding to the extent arising from (a) a third party claim that any Application, Customer Data, or Customer Brand Features infringes or misappropriates the third party's Intellectual Property Rights; or [*].

14.2 By Google . Unless prohibited by applicable law, Google will indemnify, and defend and hold harmless Customer and its Affiliates, against all liabilities, damages and costs (including settlement costs and reasonable attorneys' fees) in any Third-Party Legal Proceeding to the extent: (a) [*] (b) arising from an allegation that, or Customer's use in accordance with the Agreement of, (i) the Services, Software or Google's technology used to provide the Services or (ii) any Google Brand Feature, in each case, infringes or misappropriates any third party's Intellectual Property Rights.

THE FOREGOING INDEMNIFICATION OBLIGATIONS EXPRESSLY AND SPECIFICALLY SET FORTH IN THE AGREEMENT CONSTITUTE THE SOLE INDEMNIFICATION OBLIGATIONS OF BOTH PARTIES IN CONNECTION WITH THE AGREEMENT.

14.3 Exclusions . The indemnifying party's indemnification obligations under this Section 14 will not apply to the extent the underlying allegation arises from:

(a) the indemnified party's breach of the Agreement;

(b) modifications to the indemnifying party's technology or Brand Features by anyone other than the indemnifying party, or other than as instructed by the indemnifying party in writing; or

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(c) combinations of the indemnifying party's technology or Brand Features (i) with materials not provided by the indemnifying party, (ii) by anyone other than the indemnifying party, or other than as instructed by the indemnifying party in writing, [*].

14.4 Indemnification Procedure . In order to seek indemnification under this Section 14, the indemnified party will:

(a) promptly notify the indemnifying party in writing pursuant to Section 15.1 of any allegation(s) that preceded the Third-Party Legal Proceeding and cooperate reasonably with the indemnifying party to resolve the allegation(s) and Third-Party Legal Proceeding. If breach of this Section 14.4(a) materially prejudices the defense of the Third-Party Legal Proceeding, the indemnifying party's obligations under Section 14.1 or 14.2 (as applicable) will be reduced in proportion to such prejudice.

(b) tender sole control and authority over the defense of the indemnified portion of the Third-Party Legal Proceeding to the indemnifying party, subject to the following:

(i) the indemnified party may appoint its own non-controlling counsel and may join in the defense and settlement of an indemnified claim, at its own expense; and

(ii) any settlement, compromise or consent requiring the indemnified party to admit liability or wrongdoing, pay money, or take (or refrain from taking) any action, or that in any manner affects, restrains, or interferes with the business of the indemnified party or any of its Affiliates or imposes any obligation on or limits any rights of the indemnified party or any of its Affiliates under the Agreement will, in each case, require the indemnified party's prior written consent, not to be unreasonably withheld, conditioned, or delayed.

14.5 Possible Infringement; Repair, Replace, or Modify . If Google reasonably believes the Services or Software infringe a third party's Intellectual Property Rights, then Google may, at its sole expense: (i) obtain the right for Customer to continue using the Services as set forth in or otherwise contemplated under the Agreement; (ii) provide a non-infringing functionally equivalent replacement; or (iii) modify the Services so that they no longer infringe without materially reducing their features, functionality, or performance.

14.6 THE INDEMNITIES ABOVE ARE THE ONLY REMEDY UNDER THE AGREEMENT FOR VIOLATION OF A THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS.

15. Miscellaneous .

15.1 Notices . Google may provide any notice to Customer under the Agreement by: (a) sending an email to the Notification Email Address or (b) posting a notice in the Admin Console. In addition to and notwithstanding the foregoing, all notice related to suspension must be marked as urgent and a duplicate copy must be sent, by email, and marked as

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urgent, to the email address designated by Customer in the Admin Console as the Project owner. Customer may provide notice to Google under the Agreement by sending an email to Google's legal department at legal-notices@google.com. Notice will be treated as received when (x) the email is sent, whether or not the other party has received the email or (y) notice is posted in the Admin Console. In addition to and notwithstanding the foregoing, all notice related to indemnification, or breach of or termination of the Agreement must be in writing and will be given by (a) hand delivery, (b) nationally recognized courier service, or (c) prepaid certified mail, addressed as follows:

If to Google:

Google Inc.
1600 Amphitheatre Pkwy
Mountain View, CA 94043
Email:legal-notices@google.com
Attn: Legal Department

If to Customer:

Snap Inc.
63 Market Street
Venice, CA 90291
Email: legalnotices@snapchat.com
Attn: General Counsel

Each notice will be treated as received, if (i) delivered by hand or by nationally recognized courier service, when delivered at the address set forth above, and (ii) given by certified mail, three business days after the posting (postage prepaid) thereof, provided that the sender does not receive a response that the message could not be delivered.

15.2 Assignment; Subcontracting . Neither party may assign any part of the Agreement without the written consent of the other, except to an Affiliate where: (a) the assignee has agreed in writing to be bound by the terms of the Agreement; (b) the assigning party remains liable for obligations under the Agreement if the assignee defaults on them; and (c) the assigning party has notified the other party of the assignment. Any other attempt to assign is void. Google will be fully responsible for its subcontractors and any act or omission of any of its subcontractors which would constitute a breach of the Agreement if done by Google will be deemed to be a breach of the Agreement by Google.

15.3 Change of Control . If a party experiences a change of Control (for example, through a stock purchase or sale, merger, or other form of corporate transaction) other than pursuant to any internal reorganization or recapitalization involving such party and its Affiliates or, in the case of Customer, an initial public offering of Customer's securities: (a) that party will give written notice to the other party within 30 days after the change of Control; and [*].

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15.4 Force Majeure . Neither party will be liable for failure or delay in performance to the extent caused by catastrophic weather conditions or other extraordinary elements of nature or acts of God; extraordinary acts of government, acts of war, acts of terrorism, insurrection, riots, civil disorders or rebellion; epidemics, quarantines and embargoes; and similar circumstances beyond its reasonable control; provided that in the case of Google, it has implemented and complied with its business continuity planning/disaster recovery programs (as set forth in Exhibit D , Appendix 2, section 1.a.v). Any such delay or failure will be remedied by such party as soon as reasonably possible. Upon the occurrence of a force majeure event, the party unable to perform will, if and as soon as possible, provide written notice to the other party indicating that a force majeure event occurred and detailing how such force majeure event impacts the performance of its obligations. [*].

15.5 No Agency . The Agreement does not create any agency, partnership or joint venture between the parties.

15.6 No Waiver . Neither party will be treated as having waived any rights by not exercising (or delaying the exercise of) any rights under the Agreement.

15.7 Severability . If any term (or part of a term) of the Agreement is invalid, illegal or unenforceable, the rest of the Agreement will remain in effect.

15.8 No Third-Party Beneficiaries . The Agreement does not confer any benefits on any third party unless it expressly states that it does.

15.9 Equitable Relief . Nothing in the Agreement will limit either party's ability to seek equitable relief.

15.10 Governing Law . ALL CLAIMS ARISING OUT OF OR RELATING TO THE AGREEMENT OR THE SERVICES WILL BE GOVERNED BY CALIFORNIA LAW, EXCLUDING THAT STATE'S CONFLICT OF LAWS RULES, AND WILL BE LITIGATED EXCLUSIVELY IN THE FEDERAL COURTS LOCATED IN SANTA CLARA COUNTY, CALIFORNIA, USA OR IF SUCH COURTS DO NOT HAVE JURISDICTION, THE STATE COURTS LOCATED IN SANTA CLARA COUNTY, CALIFORNIA, USA. THE PARTIES CONSENT TO PERSONAL JURISDICTION IN THOSE COURTS **.**

15.11 Amendments . Any amendment must be in writing, signed by both parties, and expressly state that it is amending the Agreement.

15.12 Survival . The following Sections will survive expiration or termination of the Agreement: Last sentence of 1.2 (Use of Services by Customer Affiliates), Second to last sentence of 2.9 (Deprecation Policy), 2.11 (SLAs), 3.4 [*], 3.5 (Invoice Disputes), 3rd sentence of 4.1 (Compliance), last sentence of 4.4 (Third Party Components), 6 (Intellectual Property Rights; Use of Customer Data; Feedback), 8 (Confidential Information), 9.5 (Effect of Termination), 9.6 (Transition Term), 4th sentence and last sentence of 10 (Publicity), 11 (Representations and Warranties), 12 (Disclaimer), 13 (Limitation of Liability), 14 (Indemnification), and 15 (Miscellaneous).

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15.13 Entire Agreement . The Agreement sets out all terms agreed between the parties and supersedes all other agreements between the parties relating to its subject matter. In entering into the Agreement, neither party has relied on, and neither party will have any right or remedy based on, any statement, representation or warranty (whether made negligently or innocently), except those expressly set out in the Agreement. Subject to the terms and conditions of the Agreement, the terms located at a URL referenced in the Agreement and the Documentation are hereby incorporated by this reference.

15.14 Conflicting Terms . If there is a conflict among the documents that make up the Agreement, the documents will control in the following order: the Agreement, the Exhibits, and the terms located at any URL.

15.15 Counterparts . The parties may execute the Agreement in counterparts, including facsimile, PDF, and other electronic copies, which taken together will constitute one instrument.

15.16 Interpretation . All references in the Agreement to Sections and Exhibits will be deemed to be references to Sections of and Exhibits to the Agreement unless the context will otherwise require. The headings of the Sections are for convenience only and will not be deemed to affect, qualify, simplify, add to or subtract from the contents of the clauses which they reference. Any singular term in the Agreement will be deemed to include the plural, and any plural term the singular, and words denoting either gender will include both genders as the context requires. Where a word or phrase is defined in the Agreement, each of its other grammatical forms will have a corresponding meaning. Whenever the words “include”, “includes” or “including” are used in the Agreement, they will be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. A reference to any legislation or to any provision of any legislation will include any modification, amendment and re-enactment thereof, any legislative provision substituted therefor and all rules, regulations and statutory instruments issued or related to such legislation.

15.17 Definitions .

“ Acceptable Use Policy ” or “ AUP ” means the acceptable use policy set forth here as of the Effective Date: developers.google.com/cloud/terms/aup and as the same may be amended from time to time in accordance with Section 2.8(b).

“ Account ” means Customer’s Google Cloud Platform account.

“ Admin Console ” means the online console(s) and/or tool(s) provided by Google to Customer for administering the Services.

“ Affiliate ” means any entity that directly or indirectly Controls, is Controlled by, or is under common Control with a party.

“ Application(s) ” means any web or other application created by or for Customer, including using the Services, and including any source code written by or for Customer to be used with the Services or hosted in an Instance.

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" Brand Features " means the trade names, trademarks, service marks, logos, domain names, and other distinctive brand features of each party, respectively, as secured by such party from time to time.

" Committed Purchase(s) " have the meaning set forth in the Service Specific Terms.

" Confidential Information " means information that one party (or an Affiliate) discloses to the other party under the Agreement, and which is marked as confidential or would normally under the circumstances be considered confidential information. It does not include information to the extent that such information: (a) is already rightfully known by the Recipient, (b) becomes public through no fault of the Recipient, (c) was independently developed by the Recipient without the use of or reference to the Confidential Information of the disclosing party, or (d) was lawfully given to the Recipient without confidential or proprietary restriction by a third party that does not owe a duty of confidentiality to the disclosing party of such information with respect to such information. Customer Data and the source code of any Applications are considered Customer's Confidential Information.

" Control " means control of greater than fifty percent of the voting rights or equity interests of a party.

" Customer Data " means any and all data, metadata, data elements, identifiers, data models, data structures, databases, information, files, documents, materials, content, libraries, software, firmware, code, scripts, algorithms, and any items similar to any of the foregoing, in each of the foregoing cases, collected, stored, cached, located or resident on or within, provided, transmitted, or displayed via the Services by Customer, its contractors, agents or End Users, but excluding any data provided by Google as part of the Account.

" Data Location Selection " is defined in Section 2.3 of the Agreement.

" Delinquent Payment " is defined in Section 3.6(a) of the Agreement.

" Deprecation Covered Services " means (i) [*], and any successor Services excluding: any versions, features, or functionality labeled "Alpha" or "Beta"; (ii) [*] and any successor Service, excluding: specific resource types, including specific regions, zones and instance types and any versions, features or functionality labeled "Alpha" or "Beta", (iii) [*] and any successor Service, excluding: specific resource types, including specific regions, zones and instance types and versions and any versions, features, or functionality labeled "Alpha" or "Beta".

" Documentation " means the Google documentation (as may be updated from time to time) in the form generally made available by Google to its customers for use with the Services at https://cloud.google.com/docs/.

" EAR " is defined in Section 11(d) of the Agreement.

" Emergency Security Issue " means either: (a) Customer's or any Customer's End User's use of the Services in violation of the Acceptable Use Policy, which disrupts or will disrupt: (i) the Services; (ii) other customers' use of the Services; or (iii) the Google network or servers used to provide the Services; or (b) unauthorized third party access to the Services.

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" End Users " means the individuals Customer permits to use the Application.

" Fees " means the applicable fees for each Service. The Fees for each Service are cloud.google.com/skus or are otherwise stated on the Ordering Document or set forth in a pricing addendum to the Agreement, including the pricing exhibit attached hereto as Exhibit A and incorporated herein by reference (" Pricing Exhibit ") or other written agreement between the parties.

" Google Indemnified Parties " is defined in Section 14.1 of the Agreement.

" High Risk Activities " means uses such as the operation of nuclear facilities, air traffic control, or life support systems, where the use or failure of the Services could lead to death, personal injury, or environmental damage.

" HIPAA " means the Health Insurance Portability and Accountability Act of 1996 as it may be amended from time to time, and any regulations issued thereunder.

" Initial Term " means the period starting on the Effective Date and continuing for 60 months after the Service Commencement Date, unless terminated earlier in accordance with the Agreement.

" Instance " means a virtual machine instance, configured and managed by Customer, which runs on the Services. Instances are more fully described in the Documentation.

" Intellectual Property Rights " means current and future worldwide rights under patent law, copyright law, trade secret law, trademark law, moral rights law, and other similar intellectual property or proprietary rights, whether registered or unregistered.

" ITAR " is defined in Section 11(d) of the Agreement.

" Legal Process " means a request for disclosure of data made pursuant to law, governmental regulation, court order, subpoena, warrant, governmental regulatory or agency request, or other valid legal authority, legal procedure, or similar process.

" Ordering Document " means an order form signed by the parties that incorporates the Agreement.

" Package Purchase " has the meaning set forth in the Service Specific Terms.

" Project " means a grouping of computing, storage, and API resources for Customer, and via which Customer may use the Services. Projects are more fully described in the Documentation.

" Recipient " is defined in Section 8 of the Agreement.

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" Renewal Term " is defined in Section 9.2 of the Agreement.

" Reserved Units " has the meaning set forth in the Service Specific Terms.

" Service Commencement Date " means the date on which Google provides Customer the Token for the first Service.

" Services " means the services listed here: https://cloud.google.com/cloud/services (including any associated APIs) and TSS.

" Service Specific Terms " means the terms specific to one or more Services set forth as of the Effective Date at: https://developers.google.com/cloud/terms/service-terms and as the same may be amended from time to time in accordance with Section 2.8(b).

" Significant Deprecation " means to discontinue or to make backwards incompatible changes to the Services identified at https://cloud.google.com/cloud/terms/deprecation .

" SLA " means the Service Level Agreement as applicable to: (a) Google App Engine set forth here as of the Effective Date: https://cloud.google.com/appengine/sla ; (b) Google Cloud Storage set forth here as of the Effective Date: https://cloud.google.com/storage/sla ; (c) Google Prediction API set forth here as of the Effective Date: https://cloud.google.com/prediction/sla ; (d) Google BigQuery Service set forth here as of the Effective Date: https://cloud.google.com/bigquery/sla ; (e) Google Cloud SQL set forth here as of the Effective Date: https://cloud.google.com/sql/sla ; (f) Google Compute Engine set forth here as of the Effective Date: https://cloud.google.com/compute/sla ; (g) VPN set forth here as of the Effective Date: https://cloud.google.com/vpn/sla ; (h) Google Cloud DNS set forth here as of the Effective Date: https://cloud.google.com/dns/sla ; (i) Google Cloud Datastore set forth here as of the Effective Date: https://cloud.google.com/datastore/sla ; (j) Google Cloud Dataflow set forth here as of the Effective Date: https://cloud.google.com/dataflow/sla ; (k) Google Cloud Pub/Sub set forth here as of the Effective Date: https://cloud.google.com/pubsub/sla ; and (l) Google Container Engine set forth here as of the Effective Date: https://cloud.google.com/container-engine/sla ; and (m) Google Stackdriver set forth as of the Effective Date: https://cloud.google.com/stackdriver/sla ; as each of the foregoing may be amended from time to time in accordance with Section 2.8(b).

" Software " means any downloadable tools, software development kits or other such proprietary computer software provided by Google in connection with the Services, which may be downloaded by or for Customer, and any updates Google may make to such Software from time to time.

" Taxes " means any duties, customs fees, or taxes (other than Google's income tax) associated with the purchase of the Services including any related penalties or interest, provided that such penalties or interest are imposed by the relevant taxing authority solely as a result of Customer's acts or omissions.

" Term " means the Initial Term and all Renewal Terms.

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" Third-Party Legal Proceeding " means any formal legal: proceeding, action or investigation, filed by an unaffiliated third party, including the government, before a court or government tribunal (including any appellate proceeding).

" Token " means an alphanumeric key that is uniquely associated with Customer's Account.

" Trademark Guidelines " means Google's Guidelines for Third Party Use of Google Brand Features, located at the following URL: http://www.google.com/permissions/ guidelines.html.

" Transition Term " is defined in Section 9.6(a) of the Agreement.

" TSS " means the technical support service provided by Google to Customer pursuant to the TSS Guidelines.

" TSS Guidelines " means Google's technical support services guidelines for the Services. TSS Guidelines are at the following URL as of the Effective Date: http://support.google.com/enterprise/terms (under Google Cloud Platform Services).

" URL Terms " means the following URL terms: AUP, SLA, Service Specific Terms, and TSS Guidelines.

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Exhibit A – Pricing Exhibit

This Pricing Exhibit applies during the Initial Term.

1. Additional Definitions .

" Discount Periods " means the successive 12 calendar month periods during the Initial Term.

" Minimum Commitment Discounts " means the discounts set forth under the "Minimum Commitment Discounts" section below (if applicable).

2. Minimum Commitments .

a. Minimum Commitment. For each Discount Period, Customer will pay Google at least $400 MM USD, in Fees during the Discount Period (" Minimum Commitment ") except as set forth in Section 3. In return for this Minimum Commitment, starting within 30 days after the Effective Date and continuing until the end of the Discount Period, the Customer will receive the Minimum Commitment Discounts set forth in Section 4. [*].

b. Minimum Commitment Deferment . Customer may defer up to 15% of the Minimum Commitment (" Deferred Amount ") for the current Discount Period to the following Discount Period provided the Agreement is still in effect during such following Discount Period. The Minimum Commitment for such following Discount Period will be increased by the Deferred Amount.

c. Minimum Commitment True Up Payment . At the end of the Discount Period or on the effective date of any earlier termination, if Customer has not satisfied its Minimum Commitment, Google will invoice Customer for the difference between the Minimum Commitment and the Fees Customer paid Google for its use of the Services during the Discount Period, each in accordance with the Agreement's "Payment Terms" section.

3. Reductions to Minimum Commitment.

a. If Customer's revenue declines more [*] Customer will have an option to request a one-time, reasonable modification of the Minimum Commitment, provided that such modified Minimum Commitment will not be lower than [*]. The provisions of Section 6 will apply to such reduction and will be subject to the same ramp down and notification provisions in this Pricing Exhibit. Customer's revenue will be based on publicly reported gross revenue for Snap Inc. following a public filing, or audited financial statements if privately held. If the modified Minimum Commitment is reduced by [*] or more, Google may modify the Minimum Commitment Discounts, provided that such modified Minimum Commitment Discounts are at least [*] off of the then current list prices.

b. [*]

c. If Customer terminates the Agreement due to Google's uncured material breach pursuant to Section 9.3, Customer's obligation to make further Minimum Commitment true up payments set forth in Section 2.c will be waived [*]. In each of the foregoing cases, Customer will not be obligated to make any further Minimum Commitment payments after the date of termination.

d. [*]

e. In addition, the parties acknowledge and agree that any financial credits received by Customer under any SLAs in any Discount Period will not affect the total payments made by Customer to Google for that Discount Period for purposes of determining whether Customer has satisfied its Minimum Commitment for that Discount Period.

4. Minimum Commitment Discounts.

[*]

5. Exclusions

a. Discounts set forth in this Pricing Exhibit will not apply to [*].

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6. Additional Terms

a. Additional Discounts .

i. [*]

ii. [*]

iii. At any time during the Term, Customer may request (by notifying Google in writing) to be charged the then-current list price (which includes sustained use discounts, when applicable) for a given SKU going forward instead of receiving any Minimum Commitment Discounts for that given SKU. If Customer makes that request Google will make the corresponding change for that given SKU within 30 days.

b. Forecast Sharing, Capacity Commitments for GAE Standard, GAE Flex, and GCE.

i. Customer will provide Google a rolling 3-month usage forecast for instance hour usage 6-weeks prior to every planning month for Google App Engine Standard (GAE), Google App Engine Flex (GAE Flex) and Google Compute Engine (GCE).

ii. [*]

iii. GCE forecasts will be aggregated by instance family by region in normalized instance hours for each family per region. Customer will provide one number for the Standard instance family, one number for the HighCPU family and one number for the HighMem family per region. The same will apply to any future instance families.

iv. [*]

c. Capacity Ramp down. Customer may ramp-up demand beyond its minimum commit spend. If Customer plans to ramp down its usage by greater than [*], the following will apply:

i. Customer will inform Google of its ramp down plan, by product, with an advance notice as specified in Table 7.

ii. The ramp down rate threshold is defined in Table 7.

iii. [*]

[*]

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Exhibit B

[Reserved]

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Exhibit C

[*]

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Exhibit D

Google Data Processing and Security Terms

1. Introduction

These Terms reflect the parties' agreement with respect to terms governing the processing of Customer Personal Data under the Google Cloud Platform License Agreement.

2. Definitions

2.1 Capitalized terms used but not defined in these Terms have the meanings set out in the Google Cloud Platform License Agreement. In these Terms, unless expressly stated otherwise:

Additional Products means products, services and applications (whether made available by Google or a third party) that are not part of the Services, but that may be accessible via the Admin Console or otherwise, for use with the Services.

Agreement means the Google Cloud Platform License Agreement, as supplemented by these Data Processing and Security Terms, and as may be further amended from time to time in accordance with the Google Cloud Platform License Agreement.

Alternative Transfer Solution means any solution, other than the Model Contract Clauses, that ensures an adequate level of protection of personal data in a third country within the meaning of Article 25 of the Directive.

Customer Personal Data means the personal data that is contained within the Customer Data.

Data Incident means (a) any unlawful access to Customer Data stored in the Services or systems, equipment, or facilities of Google or its Subprocessors, or (b) unauthorized access to such Services, systems, equipment, or facilities that results in loss, disclosure, or alteration of Customer Data.

Data Protection Legislation means, as applicable: (a) any national provisions adopted pursuant to the Directive that are applicable to Customer and/or any Customer Affiliates as the controller(s) of the Customer Personal Data; and/or (b) the Federal Data Protection Act of 19 June 1992 (Switzerland).

Directive means Directive 95/46/EC of the European Parliament and of the Council on the Protection of Individuals with Regard to the Processing of Personal Data and on the Free Movement of Such Data.

EEA means the European Economic Area.

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Google Group means those Google Affiliates involved in provision of the Services to Customer.

Instructions means Customer's written instructions to Google consisting of the Agreement, including instructions to Google to provide the Services as set out in the Agreement; instructions given by Customer via the Admin Console and otherwise in its use of the Services; and any subsequent written instructions given by Customer to Google and acknowledged by Google.

Model Contract Clauses or MCCs mean the standard contractual clauses (processors) for the purposes of Article 26(2) of Directive 95/46/EC for the transfer of personal data to processors established in third countries which do not ensure an adequate level of data protection.

Security Measures has the meaning given in Section 6.1 (Security Measures) of these Terms.

Subprocessors means (a) all Google Group entities that have logical access to, and process, Customer Personal Data (each, a "Google Group Subprocessor"), and (b) all third parties (other than Google Group entities) that are engaged to provide services to Customer and that have logical access to, and process, Customer Personal Data (each, a "Third Party Subprocessor").

Third Party Auditor means a qualified and independent third party auditor, whose then-current identity Google will disclose to Customer.

2.2 The terms "personal data", "processing", "data subject", "controller" and "processor" have the meanings given to them in the Directive. The terms "data importer" and "data exporter" have the meanings given to them in the Model Contract Clauses.

3. Term

These Terms will take effect on the Terms Effective Date and, notwithstanding expiry or termination of the Google Cloud Platform License Agreement, will remain in effect until, and automatically terminate upon, deletion by Google of all data as described in Section 7 (Data Correction, Blocking, Exporting, and Deletion) of these Terms.

4. Data Protection Legislation

The parties agree and acknowledge that the Data Protection Legislation will apply to the processing of Customer Personal Data if, for example, the processing is carried out in the context of the activities of an establishment of the Customer (or of an authorized Customer Affiliate) in the territory of an EU Member State.

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5. Processing of Customer Personal Data

5.1 Controller and Processor . If the Data Protection Legislation applies to the processing of Customer Personal Data, then as between the parties, the parties acknowledge and agree that: (a) Customer is the controller of Customer Personal Data under the Agreement; (b) Google is a processor of such data; (c) Customer will comply with its obligations as a controller under the Data Protection Legislation; and (d) Google will comply with its obligations as a processor under the Agreement. If under the Data Protection Legislation a Customer Affiliate is considered the controller (either alone or jointly with the Customer) with respect to certain Customer Personal Data, Customer represents and warrants to Google that Customer is authorized: (i) to give the Instructions to Google and otherwise act on behalf of such Customer Affiliate in relation to such Customer Personal Data as described in these Terms, and (ii) to bind the Customer Affiliate to these Terms. Appendix 1 sets out a description of the categories of data that may fall within Customer Personal Data and of the categories of data subjects to which that data may relate.

5.2 Scope of Processing . Google will only process Customer Personal Data in accordance with the Instructions, and will not process Customer Personal Data for any other purpose.

5.3 Additional Products . Customer acknowledges that if it installs, uses, or enables Additional Products, then the Services may allow such Additional Products to access Customer Data as required for the interoperation of those Additional Products with the Services. The Agreement does not apply to the processing of data transmitted to or from such Additional Products. Such Additional Products are not required to use the Services.

6. Data Security; Security Compliance; Audits

6.1 Security Measures . Google will take and implement appropriate technical and organizational measures to protect Customer Data against accidental or unlawful destruction or accidental loss or alteration, or unauthorized disclosure or access, or other unauthorized processing, as detailed in Appendix 2 (the "Security Measures"). Google may update or modify the Security Measures from time to time provided that such updates and modifications do not result in the degradation of the overall security of the Services. Customer agrees that it is solely responsible for its use of the Services, including securing its account authentication credentials, and that Google has no obligation to protect Customer Data that Customer elects to store or transfer outside of Google's and its Subprocessors' systems (e.g., offline or on-premise storage).

6.2 Security Compliance by Google Staff . Google will take appropriate steps to ensure compliance with the Security Measures by its employees, contractors and Subprocessors to the extent applicable to their scope of performance.

6.3 Data Incidents . If Google becomes aware of a Data Incident, Google will promptly notify Customer of the Data Incident, and take reasonable steps to minimize harm and secure Customer Data. Notification(s) of any Data Incident(s) will be delivered to the email address provided by Customer in the Agreement (or in the Admin Console) or, at Google's discretion, by direct Customer communication (e.g., by phone call or an in-person meeting). Customer

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acknowledges that it is solely responsible for ensuring that the contact information set forth above is current and valid, and for fulfilling any third party notification obligations. Customer agrees that "Data Incidents" do not include: (i) unsuccessful access attempts or similar events that do not compromise the security or privacy of Customer Data, including pings, port scans, denial of service attacks, and other network attacks on firewalls or networked systems; or (ii) accidental loss or disclosure of Customer Data caused by Customer's use of the Services or Customer's loss of account authentication credentials. Google's obligation to report or respond to a Data Incident under this Section will not be construed as an acknowledgement by Google of any fault or liability with respect to the Data Incident.

6.4 Compliance with Security and Privacy Standards; SOC 2 and 3 Reports . During the Term, Google will maintain the following:

(a) its ISO/IEC 27001:2013 Certification or a comparable certification for the following Services: Google App Engine, Google Compute Engine, Google Cloud Storage, Google Cloud Datastore, Google BigQuery Service, Google Cloud SQL, and Google Genomics ("ISO 27001 Certification");

(b) its confidential Service Organization Control (SOC) 2 report (or a comparable report) on Google's systems examining logical security controls, physical security controls, and system availability applicable to the following Services: Google App Engine, Google Compute Engine, Google Cloud Storage, Google Cloud Datastore, Google BigQuery Service and Google Cloud SQL ("SOC 2 Report"), as produced by the Third Party Auditor and updated at least once every eighteen (18) months; and

(c) its Service Organization Control (SOC) 3 report (or a comparable report) applicable to the following Services: Google App Engine, Google Compute Engine, Google Cloud Storage, Google Cloud Datastore, Google BigQuery Service and Google Cloud SQL ("SOC 3 Report"), as produced by the Third Party Auditor and updated at least once every eighteen (18) months.

6.5 Auditing Security Compliance .

6.5.1 Reviews of Security Documentation . Google will make the following available for review by Customer:

(a) the certificate issued in relation to Google's ISO 27001 Certification;

(b) the then-current SOC 3 Report;

(c) a summary or redacted version of the then-current confidential SOC 2 Report; and

(d) following a request by Customer in accordance with Section 6.5.4 below, the then-current confidential SOC 2 Report.

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6.5.2 Customer Audits . If Customer (or an authorized Customer Affiliate) has entered into Model Contract Clauses as described in Section 10.2 of these Terms, Customer or such Customer Affiliate may exercise the audit rights granted under clauses 5(f) and 12(2) of such Model Contract Clauses:

(a) by instructing Google to execute the audit as described in Sections 6.4 and 6.5.1 above; and/or

(b) following a request by Customer in accordance with Section 6.5.4 below, by executing an audit as described in such Model Contract Clauses.

6.5.3 Additional Business Terms for Reviews and Audits . Google and Customer (or an authorized Customer Affiliate if applicable) will discuss and agree in advance on:

(a) the reasonable date(s) of and security and confidentiality controls applicable to any Customer review under Section 6.5.1(d); and

(b) the identity of a suitably qualified independent auditor for any audit under Section 6.5.2(b), and the reasonable start date, scope and duration of and security and confidentiality controls applicable to any such audit.

Google reserves the right to charge a fee (based on Google's reasonable costs) for any review under Section 6.5.1(d) and/or audit under Section 6.5.2(b). Google will provide further details of any applicable fee, and the basis of its calculation, to Customer (or an authorized Customer Affiliate), in advance of any such review or audit. For clarity, Google is not responsible for any costs incurred or fees charged by any third party auditor appointed by Customer (or an authorized Customer Affiliate) in connection with an audit under Section 6.5.2(b). Nothing in this Section 6.5 varies or modifies any rights or obligations of Customer (or any authorized Customer Affiliate) or Google Inc. under any Model Contract Clauses entered into as described in Section 10.2 (Transfers of Data Out of the EEA) of these Terms.

6.5.4 Requests for Reviews and Audits . Any requests under Section 6.5.1 or 6.5.2 must be sent to the Data Privacy Office as described in Section 9 (Data Privacy Office for Google Cloud Platform) of these Terms.

7. Data Correction, Blocking, Exporting, and Deletion

During the Term, Google will provide Customer with the ability to correct, block, export and delete Customer Data in a manner consistent with the functionality of the Services and in accordance with the terms of the Agreement. Once Customer deletes Customer Data via the Services such that the Customer Data cannot be recovered by Customer (the "Customer-Deleted Data"), Google will delete the Customer-Deleted Data within a maximum period of 180 days, unless applicable legislation or legal process prevents it from doing so. On the expiry or termination of the Agreement (or, if applicable on expiry of any post-termination period during which Google may agree to continue providing access to the Services), after a recovery period of

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up to 30 days following such expiry or termination, Google will thereafter delete the Customer-Deleted Data within a maximum period of 180 days, unless applicable legislation or legal process prevents it from doing so.

8. Access; Export of Data

During the Term, Google will make available to Customer the Customer Data in a manner consistent with the functionality of the Services and in accordance with the terms of the Agreement. To the extent Customer, in its use and administration of the Services during the Term, does not have the ability to amend or delete Customer Data (as required by applicable law), or migrate Customer Data to another system or service provider, Google will, at Customer's reasonable expense, comply with any reasonable requests from Customer to assist in facilitating such actions to the extent Google is legally permitted to do so and has reasonable access to the relevant Customer Data.

9. Data Privacy Office for Google Cloud Platform

Google's Data Privacy Office for Google Cloud Platform can be contacted by Customer administrators at: https://support.google.com/cloud/contact/dpo (or via such other means as Google may provide).

10. Data Transfers

10.1 Data Location and Transfers . Customer may select where certain Customer Data will be stored (the "Data Location Selection"), and Google will store it there in accordance with the Service Specific Terms. If a Data Location Selection is not covered by the Service Specific Terms (or a Data Location Selection is not made by Customer in respect of any Customer Data), Google may store and process the relevant Customer Data anywhere Google or its Subprocessors maintain facilities.

10.2 Transfers of Data Out of the EEA .

10.2.1 Customer Obligations . If the storage and/or processing of Customer Data (as set out in Section 10.1 above) involves transfers of Customer Personal Data out of the EEA, and Data Protection Legislation applies to the transfers of such data (**"Transferred Personal Data"**), Customer acknowledges that Data Protection Legislation will require Customer (or an authorized Customer Affiliate) to enter into Model Contract Clauses in respect of such transfers, unless Google has adopted an Alternative Transfer Solution.

10.2.2 Google Obligations . In respect of Transferred Personal Data, Google will:

(a) if requested to do so by Customer, ensure that Google Inc. as the data importer of the Transferred Personal Data enters into Model Contract Clauses with

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Customer (or an authorized Customer Affiliate) as the data exporter of such data, and that the transfers are made in accordance with such Model Contract Clauses; and/or

(b) adopt an Alternative Transfer Solution, ensure that the transfers are made in accordance with such Alternative Transfer Solution, and make information available about its adoption of such solution.

10.3 Data Center Information . Google will make available to Customer information about the countries in which data centers used to store Customer Personal Data are located.

10.4 Disclosure of Confidential Information Containing Personal Data . If Customer (or an authorized Customer Affiliate) has entered into Model Contract Clauses as described in Section 10.2 (Transfers of Data Out of the EEA), Google will, notwithstanding any term to the contrary in the Agreement, ensure that any disclosure of Customer's (or, if applicable, an authorized Customer Affiliate's) Confidential Information containing personal data, and any notifications relating to any such disclosures, will be made in accordance with such Model Contract Clauses.

11. Subprocessors

11.1 Subprocessors . Google may engage Subprocessors to provide limited parts of the Services, subject to the restrictions in these Terms.

11.2 Subprocessing Restrictions . Google will ensure that Subprocessors only access and use Customer Data in accordance with Section 10.1 (Data Location and Transfers) and terms of the Agreement and that they are bound by written agreements that require them to provide at least the level of data protection required by the following, as applicable pursuant to Section 10.2 (Transfers of Data Out of the EEA): (a) any Model Contract Clauses entered into by Google Inc. and Customer (or an authorized Customer Affiliate); and/or (b) any Alternative Transfer Solution adopted by Google.

11.3 Consent to Subprocessing . Customer consents to Google subcontracting the processing of Customer Data to Subprocessors in accordance with the Agreement. If the Model Contract Clauses have been entered into as described above, Customer (or, if applicable, an authorized Customer Affiliate): (a) consents to Google Inc. subcontracting the processing of Customer Data in accordance with the terms of the Model Contract Clauses; and (b) acknowledges that this constitutes the prior written consent of Customer (or the applicable authorized Customer Affiliate) for the purpose of clause 11(1) of the Model Contract Clauses.

11.4 Additional Information . Information about Subprocessors, including their function and location is available at: https://cloud.google.com/terms/third-party-suppliers, as such URL may be updated by Google from time to time. The information available at this URL is accurate as at the time of publication.

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11.5 Termination . If the Model Contract Clauses have been entered into by the parties: (i) Google will, at least 15 days before appointing any new Third Party Subprocessor, inform Customer of the appointment (including the name and location of such subprocessor and the activities it will perform) either by sending an email to Customer or via the Admin Console; and (ii) if Customer objects to Google's use of any new Third Party Subprocessors, Customer may, as its sole and exclusive remedy, terminate the Google Cloud Platform License Agreement by giving written notice to Google within 30 days of being informed by Google of the appointment of such subprocessor.

12. Liability Cap

If Google Inc. and Customer (or an authorized Customer Affiliate) enter into Model Contract Clauses as described above, then, subject to the remaining terms of the Agreement relating to liability (including any specific exclusions from any limitation of liability), the total combined liability of Google and its Affiliates towards Customer and its Affiliates, on the one hand, and Customer and its Affiliates towards Google and its Affiliates, on the other hand, under or in connection with the Agreement and all those MCCs combined will be limited to the maximum monetary or payment-based liability amount set out in the Agreement.

13. Third Party Beneficiary

Notwithstanding anything to the contrary in the Agreement, where Google Inc. is not a party to the Agreement, Google Inc. will be a third party beneficiary of Section 6.5 (Auditing Security Compliance), Section 11.3 (Consent to Subprocessing), and Section 12 (Liability Cap) of these Terms.

14. Priority

Notwithstanding anything to the contrary in the Agreement, to the extent of any conflict or inconsistency between these Terms and the remaining terms of the Agreement, these Terms will govern.

Appendix 1: Categories of Personal Data and Data Subjects

1 Categories of Personal Data . Data relating to individuals provided to Google via the Services, by (or at the direction of) Customer.

2 Data Subjects . Data subjects include the individuals about whom data is provided to Google via the Services by (or at the direction of) Customer.

Appendix 2: Security Measures

As of the Terms Effective Date, Google will take and implement the Security Measures set out in this Appendix. Google may update or modify such Security Measures from time to time provided that such updates and modifications do not result in the degradation of the overall security of the Services.

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1. Data Center and Network Security

(a) Data Centers.

i. Infrastructure . Google maintains geographically distributed data centers. Google stores all production data in physically secure data centers.

ii. Redundancy . Infrastructure systems have been designed to eliminate single points of failure and minimize the impact of anticipated environmental risks. Dual circuits, switches, networks or other necessary devices help provide this redundancy. The Services are designed to allow Google to perform certain types of preventative and corrective maintenance without interruption. All environmental equipment and facilities have documented preventative maintenance procedures that detail the process for and frequency of performance in accordance with the manufacturer's or internal specifications. Preventative and corrective maintenance of the data center equipment is scheduled through a standard change process according to documented procedures.

iii. Power . The data center electrical power systems are designed to be redundant and maintainable without impact to continuous operations, 24 hours a day, 7 days a week. In most cases, a primary as well as an alternate power source, each with equal capacity, is provided for critical infrastructure components in the data center. Backup power is provided by various mechanisms such as uninterruptible power supplies (UPS) batteries, which supply consistently reliable power protection during utility brownouts, blackouts, over voltage, under voltage, and out-of-tolerance frequency conditions. If utility power is interrupted, backup power is designed to provide transitory power to the data center, at full capacity, for up to 10 minutes until the diesel generator systems take over. The diesel generators are capable of automatically starting up within seconds to provide enough emergency electrical power to run the data center at full capacity typically for a period of days.

iv. Server Operating Systems . Google servers use a Linux based implementation customized for the application environment. Data is stored using proprietary algorithms to augment data security and redundancy. Google employs a code review process to increase the security of the code used to provide the Services and enhance the security products in production environments.

v. Businesses Continuity . Google replicates data over multiple systems to help to protect against accidental destruction or loss. Google has designed and regularly plans and tests its business continuity planning/disaster recovery programs.

(b) Networks and Transmission.

i. Data Transmission . Data centers are typically connected via high-speed private links to provide secure and fast data transfer between data centers. This is designed to prevent data from being read, copied, altered or removed without authorization during electronic transfer or transport or while being recorded onto data storage media. Google transfers data via Internet standard protocols.

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ii. External Attack Surface . Google employs multiple layers of network devices and intrusion detection to protect its external attack surface. Google considers potential attack vectors and incorporates appropriate purpose built technologies into external facing systems.

iii. Intrusion Detection . Intrusion detection is intended to provide insight into ongoing attack activities and provide adequate information to respond to incidents. Google intrusion detection involves:

1. tightly controlling the size and make-up of Google's attack surface through preventative measures;

2. employing intelligent detection controls at data entry points; and

3. employing technologies that automatically remedy certain dangerous situations

iv. Incident Response . Google monitors a variety of communication channels for security incidents, and Google's security personnel will react promptly to known incidents.

v. Encryption Technologies . Google makes HTTPS encryption (also referred to as SSL or TLS connection) available. Google servers support ephemeral elliptic curve Diffie-Hellman cryptographic key exchange signed with RSA and ECDSA. These perfect forward secrecy (PFS) methods help protect traffic and minimize the impact of a compromised key, or a cryptographic breakthrough.

2. Access and Site Controls

(a) Site Controls.

i. On-site Data Center Security Operation . Google's data centers maintain an on-site security operation responsible for all physical data center security functions 24 hours a day, 7 days a week. The on-site security operation personnel monitor closed circuit TV (CCTV) cameras and all alarm systems. On-site security operation personnel perform internal and external patrols of the data center regularly.

ii. Data Center Access Procedures . Google maintains formal access procedures for allowing physical access to the data centers. The data centers are housed in facilities that require electronic card key access, with alarms that are linked to the on-site security operation. All entrants to the data center are required to identify themselves as well as show proof of identity to on-site security operations. Only authorized employees, contractors and visitors are allowed entry to the data centers. Only authorized employees and contractors are permitted to request electronic card key access to these facilities. Data center electronic card key access requests must be made through e-mail, and requires the approval of the requestor's manager and the data center director. All other

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entrants requiring temporary data center access must: (i) obtain approval in advance from the data center managers for the specific data center and internal areas they wish to visit; (ii) sign in at on-site security operations; and (iii) reference an approved data center access record identifying the individual as approved.

iii. On-site Data Center Security Devices . Google's data centers employ an electronic card key and biometric access control system that is linked to a system alarm. The access control system monitors and records each individual's electronic card key and when they access perimeter doors, shipping and receiving, and other critical areas. Unauthorized activity and failed access attempts are logged by the access control system and investigated, as appropriate. Authorized access throughout the business operations and data centers is restricted based on zones and the individual's job responsibilities. The fire doors at the data centers are alarmed. CCTV cameras are in operation both inside and outside the data centers. The positioning of the cameras has been designed to cover strategic areas including, among others, the perimeter, doors to the data center building, and shipping/receiving. On-site security operations personnel manage the CCTV monitoring, recording and control equipment. Secure cables throughout the data centers connect the CCTV equipment. Cameras record on site via digital video recorders 24 hours a day, 7 days a week. The surveillance records are retained for up to 30 days based on activity.

(b) Access Control.

i. Infrastructure Security Personnel . Google has, and maintains, a security policy for its personnel, and requires security training as part of the training package for its personnel. Google's infrastructure security personnel are responsible for the ongoing monitoring of Google's security infrastructure, the review of the Services, and responding to security incidents.

ii. Access Control and Privilege Management . Customer's administrators must authenticate themselves via a central authentication system or via a single sign on system in order to administer the Services.

iii. Internal Data Access Processes and Policies – Access Policy . Google's internal data access processes and policies are designed to prevent unauthorized persons and/or systems from gaining access to systems used to process personal data. Google designs its systems to (i) only allow authorized persons to access data they are authorized to access; and (ii) ensure that personal data cannot be read, copied, altered or removed without authorization during processing, use and after recording. The systems are designed to detect any inappropriate access. Google employs a centralized access management system to control personnel access to production servers, and only provides access to a limited number of authorized personnel. LDAP, Kerberos and a proprietary system utilizing RSA keys are designed to provide Google with secure and flexible access mechanisms. These mechanisms are designed to grant only approved access rights to site hosts, logs, data and configuration information. Google requires the use of unique user IDs, strong passwords, two factor authentication and

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carefully monitored access lists to minimize the potential for unauthorized account use. The granting or modification of access rights is based on: the authorized personnel's job responsibilities; job duty requirements necessary to perform authorized tasks; and a need to know basis. The granting or modification of access rights must also be in accordance with Google's internal data access policies and training. Approvals are managed by workflow tools that maintain audit records of all changes. Access to systems is logged to create an audit trail for accountability. Where passwords are employed for authentication (e.g., login to workstations), password policies that follow at least industry standard practices are implemented. These standards include password expiry, restrictions on password reuse and sufficient password strength. For access to extremely sensitive information (e.g. credit card data), Google uses hardware tokens.

3. Data

(a) Data Storage, Isolation and Logging . Google stores data in a multi-tenant environment on Google-owned servers. The data and file system architecture are replicated between multiple geographically dispersed data centers. Google also logically isolates the Customer's data. The Customer will be given control over specific data sharing policies. Those policies, in accordance with the functionality of the Services, will enable Customer to determine the product sharing settings applicable to Customer End Users for specific purposes. Customer may choose to make use of certain logging capability that Google may make available via the Services.

(b) Decommissioned Disks and Disk Erase Policy . Certain disks containing data may experience performance issues, errors or hardware failure that lead them to be decommissioned ("Decommissioned Disk"). Every Decommissioned Disk is subject to a series of data destruction processes (the "Disk Erase Policy") before leaving Google's premises either for reuse or destruction. Decommissioned Disks are erased in a multi-step process and verified complete by at least two independent validators. The erase results are logged by the Decommissioned Disk's serial number for tracking. Finally, the erased Decommissioned Disk is released to inventory for reuse and redeployment. If, due to hardware failure, the Decommissioned Disk cannot be erased, it is securely stored until it can be destroyed. Each facility is audited regularly to monitor compliance with the Disk Erase Policy.

4. Personnel Security

a. Google personnel are required to conduct themselves in a manner consistent with the company's guidelines regarding confidentiality, business ethics, appropriate usage, and professional standards. Google conducts reasonably appropriate backgrounds checks to the extent legally permissible and in accordance with applicable local labor law and statutory regulations.

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b. Personnel are required to execute a confidentiality agreement and must acknowledge receipt of, and compliance with, Google's confidentiality and privacy policies. Personnel are provided with security training. Personnel handling Customer Data are required to complete additional requirements appropriate to their role (e.g., certifications). Google's personnel will not process Customer Data without authorization.

5. Subprocessor Security

Prior to onboarding Subprocessors, Google conducts an audit of the security and privacy practices of Subprocessors to ensure Subprocessors provide a level of security and privacy appropriate to their access to data and the scope of the services they are engaged to provide. Once Google has assessed the risks presented by the Subprocessor, then subject to the requirements set out in Section 11.2 (Subprocessing Restrictions) of these Terms, the Subprocessor is required to enter into appropriate security, confidentiality and privacy contract terms.

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Exhibit E

Google Cloud Platform: EU Model Contract Clauses

Standard Contractual Clauses (processors)
for the purposes of Article 26(2) of Directive 95/46/EC for the transfer of personal data to processors established in third countries which do not ensure an adequate level of data protection

the non-Google legal entity accepting the Clauses (the "Data Exporter")

And

Google Inc.,
1600 Amphitheatre Parkway, Mountain View, California 94043 USA
(the "Data Importer")

each a "party"; together "the parties",

HAVE AGREED on the following Contractual Clauses (the "Clauses") in order to adduce adequate safeguards with respect to the protection of privacy and fundamental rights and freedoms of individuals for the transfer by the Data Exporter to the Data Importer of the personal data specified in Appendix 1.

The Clauses (including Appendices 1 and 2) are effective from the date the non-Google entity has both: (i) executed a valid "Google Cloud Platform License Agreement" with "Data Processing and Security Terms" (collectively the "Services Agreement") or is otherwise an authorized customer affiliate under such Services Agreement; and (ii) clicked to accept these Clauses. A "Google Cloud Platform License Agreement" means a Google Cloud Platform License Agreement entered into with Google Inc., Google Ireland Limited, or Google Asia Pacific Pte. Ltd., as applicable. "Data Processing and Security Terms" means terms incorporated by reference in the Google Cloud Platform License Agreement or otherwise subsequently agreed between the parties to that agreement that set forth certain terms in relation to the protection and processing of personal data.

If you are accepting on behalf of the Data Exporter, you represent and warrant that: (i) you have full legal authority to bind your employer, or the applicable entity, to these terms and conditions; (ii) you have read and understand the Clauses; and (iii) you agree, on behalf of the party that you represent, to the Clauses. If you do not have the legal authority to bind the Data Exporter, please do not click the "I Accept" button below. The Clauses will automatically expire on the termination or expiry of the Data Processing and Security Terms. The parties agree that where Data Exporter has been presented with these Clauses and clicked to accept these terms electronically, such acceptance will constitute execution of the entirety of the Clauses by both parties, subject to the effective date described above.

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Clause 1
Definitions

For the purposes of the Clauses:

(a) 'personal data', 'special categories of data', 'process/processing', 'controller', 'processor', 'Data Subject' and 'Supervisory Authority' will have the same meaning as in Directive 95/46/EC of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data;

(b) 'the Data Exporter' means the controller who transfers the personal data;

(c) 'the Data Importer' means the processor who agrees to receive from the Data Exporter personal data intended for processing on his behalf after the transfer in accordance with his instructions and the terms of the Clauses and who is not subject to a third country's system ensuring adequate protection within the meaning of Article 25 (1) of Directive 95/46/EC;

(d) 'the Subprocessor' means any processor engaged by the Data Importer or by any other subprocessor of the Data Importer who agrees to receive from the Data Importer or from any other subprocessor of the Data Importer personal data exclusively intended for processing activities to be carried out on behalf of the Data Exporter after the transfer in accordance with his instructions, the terms of the Clauses and the terms of the written subcontract;

(e) 'the applicable data protection law' means the legislation protecting the fundamental rights and freedoms of individuals and, in particular, their right to privacy with respect to the processing of personal data applicable to a data controller in the Member State in which the Data Exporter is established;

(f) 'technical and organizational security measures' means those measures aimed at protecting personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorized disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing.

Clause 2
Details of the transfer

The details of the transfer and in particular the special categories of personal data where applicable are specified in Appendix 1 which forms an integral part of the Clauses.

Clause 3
Third-party beneficiary clause

1. The Data Subject can enforce against the Data Exporter this Clause, Clause 4(b) to (i), Clause 5(a) to (e), and (g) to (j), Clause 6(1) and (2), Clause 7, Clause 8(2), and Clauses 9 to 12 as third-party beneficiary.

2. The Data Subject can enforce against the Data Importer this Clause, Clause 5(a) to (e) and (g), Clause 6, Clause 7, Clause 8(2), and Clauses 9 to 12, in cases where the Data Exporter has

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factually disappeared or has ceased to exist in law unless any successor entity has assumed the entire legal obligations of the Data Exporter by contract or by operation of law, as a result of which it takes on the rights and obligations of the Data Exporter, in which case the Data Subject can enforce them against such entity.

3. The Data Subject can enforce against the Subprocessor this Clause, Clause 5(a) to (e) and (g), Clause 6, Clause 7, Clause 8(2), and Clauses 9 to 12, in cases where both the Data Exporter and the Data Importer have factually disappeared or ceased to exist in law or have become insolvent, unless any successor entity has assumed the entire legal obligations of the Data Exporter by contract or by operation of law as a result of which it takes on the rights and obligations of the data exporter, in which case the Data Subject can enforce them against such entity. Such third-party liability of the Subprocessor will be limited to its own processing operations under the Clauses.

4. The parties do not object to a Data Subject being represented by an association or other body if the Data Subject so expressly wishes and if permitted by national law.

Clause 4
Obligations of the Data Exporter

The Data Exporter agrees and warrants:

(a) that the processing, including the transfer itself, of the personal data has been and will continue to be carried out in accordance with the relevant provisions of the applicable data protection law (and, where applicable, has been notified to the relevant authorities of the Member State where the Data Exporter is established) and does not violate the relevant provisions of that State

(b) that it has instructed and throughout the duration of the personal data processing services will instruct the data importer to process the personal data transferred only on the Data Exporter's behalf and in accordance with the applicable data protection law and the Clauses;

(c) that the data importer will provide sufficient guarantees in respect of the technical and organizational security measures specified in Appendix 2 to this contract;

(d) that after assessment of the requirements of the applicable data protection law, the security measures are appropriate to protect personal data against accidental or unlawful destruction or accidental loss, alteration, unauthorized disclosure or access, in particular where the processing involves the transmission of data over a network, and against all other unlawful forms of processing, and that these measures ensure a level of security appropriate to the risks presented by the processing and the nature of the data to be protected having regard to the state of the art and the cost of their implementation.

(e) that it will ensure compliance with the security measures;

(f) that, if the transfer involves special categories of data, the Data Subject has been informed or will be informed before, or as soon as possible after, the transfer that its data could be transmitted to a third country not providing adequate protection within the meaning of Directive 95/46/EC;

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(g) to forward any notification received from the data importer or any Subprocessor pursuant to Clause 5(b) and Clause 8(3) to the data protection supervisory authority if the Data Exporter decides to continue the transfer or to lift the suspension;

(h) to make available to the Data Subjects upon request a copy of the Clauses, with the exception of Appendix 2, and a summary description of the security measures, as well as a copy of any contract for sub-processing services which has to be made in accordance with the Clauses, unless the Clauses or the contract contain commercial information, in which case it may remove such commercial information;

(i) that, in the event of sub-processing, the processing activity is carried out in accordance with Clause 11 by a Subprocessor providing at least the same level of protection for the personal data and the rights of Data Subject as the Data Importer under the Clauses; and

(j) that it will ensure compliance with Clause 4(a) to (i).

Clause 5
Obligations of the Data Importer *

The Data Importer agrees and warrants:

(a) to process the personal data only on behalf of the Data Exporter and in compliance with its instructions and the Clauses; if it cannot provide such compliance for whatever reasons, it agrees to inform promptly the Data Exporter of its inability to comply, in which case the Data Exporter is entitled to suspend the transfer of data and/or terminate the contract;

(b) that it has no reason to believe that the legislation applicable to it prevents it from fulfilling the instructions received from the Data Exporter and its obligations under the contract and that in the event of a change in this legislation which is likely to have a substantial adverse effect on the warranties and obligations provided by the Clauses, it will promptly notify the change to the Data Exporter as soon as it is aware, in which case the Data Exporter is entitled to suspend the transfer of data and/or terminate the contract;

(c) that it has implemented the technical and organizational security measures specified in Appendix 2 before processing the personal data transferred;

(d) that it will promptly notify the Data Exporter about:

(i) any legally binding request for disclosure of the personal data by a law enforcement authority unless otherwise prohibited, such as a prohibition under criminal law to preserve the confidentiality of a law enforcement investigation;

(ii) any accidental or unauthorized access; and

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(iii) any request received directly from the Data Subjects without responding to that request, unless it has been otherwise authorized to do so;

(e) to deal promptly and properly with all inquiries from the Data Exporter relating to its processing of the personal Data Subject to the transfer and to abide by the advice of the supervisory authority with regard to the processing of the data transferred;

(f) at the request of the Data Exporter to submit its data-processing facilities for audit of the processing activities covered by the Clauses which will be carried out by the Data Exporter or an inspection body composed of independent members and in possession of the required professional qualifications bound by a duty of confidentiality, selected by the Data Exporter, where applicable, in agreement with the supervisory authority;

(g) to make available to the Data Subject upon request a copy of the Clauses, or any existing contract for sub-processing, unless the Clauses or contract contain commercial information, in which case it may remove such commercial information, with the exception of Appendix 2 which will be replaced by a summary description of the security measures in those cases where the Data Subject is unable to obtain a copy from the Data Exporter;

(h) that, in the event of sub-processing, it has previously informed the Data Exporter and obtained its prior written consent;

(i) that the processing services by the Subprocessor will be carried out in accordance with Clause 11;

(j) to send promptly a copy of any Subprocessor agreement it concludes under the Clauses to the Data Exporter.

Clause 6
Liability

1. The parties agree that any Data Subject, who has suffered damage as a result of any breach of the obligations referred to in Clause 3 or in Clause 11 by any party or Subprocessor is entitled to receive compensation from the Data Exporter for the damage suffered.

2. If a Data Subject is not able to bring a claim for compensation in accordance with paragraph 1 against the Data Exporter, arising out of a breach by the Data Importer or his Subprocessor of any of their obligations referred to in Clause 3 or in Clause 11, because the Data Exporter has factually disappeared or ceased to exist in law or has become insolvent, the Data Importer agrees that the Data Subject may issue a claim against the Data Importer as if it were the Data Exporter, unless any successor entity has assumed the entire legal obligations of the Data Exporter by contract or by operation of law, in which case the Data Subject can enforce its rights against such entity. The Data Importer may not rely on a breach by a Subprocessor of its obligations in order to avoid its own liabilities.

3. If a Data Subject is not able to bring a claim against the Data Exporter or the Data Importer referred to in paragraphs 1 and 2, arising out of a breach by the Subprocessor of any of their obligations referred to in Clause 3 or in Clause 11 because both the Data Exporter and the Data

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Importer have factually disappeared or ceased to exist in law or have become insolvent, the Subprocessor agrees that the Data Subject may issue a claim against the data Subprocessor with regard to its own processing operations under the Clauses as if it were the Data Exporter or the Data Importer, unless any successor entity has assumed the entire legal obligations of the Data Exporter or Data Importer by contract or by operation of law, in which case the Data Subject can enforce its rights against such entity. The liability of the Subprocessor will be limited to its own processing operations under the Clauses.

Clause 7
Mediation and jurisdiction

1. The Data Importer agrees that if the Data Subject invokes against it third-party beneficiary rights and/or claims compensation for damages under the Clauses, the Data Importer will accept the decision of the Data Subject;

(a) to refer the dispute to mediation, by an independent person or, where applicable, by the supervisory authority;

(b) to refer the dispute to the courts in the Member State in which the Data Exporter is established.

2. The parties agree that the choice made by the Data Subject will not prejudice its substantive or procedural rights to seek remedies in accordance with other provisions of national or international law.

Clause 8
Cooperation with supervisory authorities

1. The Data Exporter agrees to deposit a copy of this contract with the supervisory authority if it so requests or if such deposit is required under the applicable data protection law.

2. The parties agree that the supervisory authority has the right to conduct an audit of the Data Importer, and of any Subprocessor, which has the same scope and is subject to the same conditions as would apply to an audit of the Data Exporter under the applicable data protection law.

3. The Data Importer will promptly inform the Data Exporter about the existence of legislation applicable to it or any Subprocessor preventing the conduct of an audit of the Data Importer, or any Subprocessor, pursuant to paragraph 2. In such a case the Data Exporter will be entitled to take the measures foreseen in Clause 5(b).

Clause 9
Governing Law

The Clauses will be governed by the law of the Member State in which the Data Exporter is established.

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Clause 10
Variation of the contract

The parties undertake not to vary or modify the Clauses. This does not preclude the parties from adding clauses on business related issues where required as long as they do not contradict the Clause.

Clause 11
Sub-Processing

1. The Data Importer will not subcontract any of its processing operations performed on behalf of the Data Exporter under the Clauses without the prior written consent of the Data Exporter. Where the Data Importer subcontracts its obligations under the Clauses, with the consent of the Data Exporter, it will do so only by way of a written agreement with the Subprocessor which imposes the same obligations on the Subprocessor as are imposed on the Data Importer under the Clauses. Where the Subprocessor fails to fulfill its data protection obligations under such written agreement the Data Importer will remain fully liable to the Data Exporter for the performance of the Subprocessor's obligations under such agreement.

2. The prior written contract between the Data Importer and the Subprocessor will also provide for a third-party beneficiary clause as laid down in Clause 3 for cases where the Data Subject is not able to bring the claim for compensation referred to in paragraph 1 of Clause 6 against the Data Exporter or the Data Importer because they have factually disappeared or have ceased to exist in law or have become insolvent and no successor entity has assumed the entire legal obligations of the Data Exporter or Data Importer by contract or by operation of law. Such third-party liability of the Subprocessor will be limited to its own processing operations under the Clauses.

3. The provisions relating to data protection aspects for sub-processing of the contract referred to in paragraph 1 will be governed by the law of the Member State in which the Data Exporter is established.

4. The Data Exporter will keep a list of sub-processing agreements concluded under the Clauses and notified by the Data Importer pursuant to Clause 5(j), which will be updated at least once a year. The list will be available to the Data Exporter's data protection supervisory authority.

Clause 12
Obligation after the termination of personal data processing services

1. The parties agree that on the termination of the provision of data processing services, the Data Importer and the Subprocessor will, at the choice of the Data Exporter, return all the personal data transferred and the copies thereof to the Data Exporter or will destroy all the personal data and certify to the Data Exporter that it has done so, unless legislation imposed upon the Data Importer prevents it from returning or destroying all or part of the personal data transferred. In that case, the Data Importer warrants that it will guarantee the confidentiality of the personal data transferred and will not actively process the personal data transferred anymore.

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2. The Data Importer and the Subprocessor warrant that upon request of the Data Exporter and/or of the supervisory authority, it will submit its data processing facilities for an audit of the measures referred to in paragraph 1.

Appendix 1

to the Standard Contractual Clauses
This Appendix forms part of the Clauses

Data Exporter

The Data Exporter is the non-Google legal entity that is a party to the Clauses.

Data Importe r

The Data Importer is Google Inc., a global provider of a variety of technology services for businesses.

Data Subjects

The personal data transferred concern the following categories of data subjects: Data subjects include the individuals about whom data is provided to Google via the Services by (or at the direction of) Data Exporter.

Categories of dat a

The personal data transferred concern the following categories of data: Data relating to individuals provided to Google via the Services by (or at the direction of) Data Exporter.

Special categories of data (if appropriate)

The personal data transferred concern the following special categories of data: Data relating to individuals provided to Google via the Services by (or at the direction of) Data Exporter.

Processing operations

The personal data transferred will be subject to the following basic processing activities:

- Scope of Processing. The Clauses reflect the parties' agreement with respect to the processing and transfer of personal data specified in this Appendix pursuant to the provision of the Services. Personal data may be processed only to comply with Instructions (as defined in the Data Processing and Security Terms). The Data Exporter instructs the Data Importer to process personal data in countries in which the Data Importer or its Subprocessors maintain facilities.

- Term of Data Processing. Data processing will be for the term specified in the Data Processing and Security Terms. Such term will automatically terminate upon the deletion by the Data Importer of all data as described in the Data Processing and Security Terms.

- Data Deletion. During the term of the Services Agreement, the Data Importer will provide the Data Exporter with the ability to delete the Data Exporter's personal data from the Services in accordance with the Services Agreement. After termination or expiry of the Services Agreement, the Data Importer will delete the Data Exporter's personal data in accordance with the Services Agreement.

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- Access to Data. During the term of the Services Agreement, the Data Importer will provide the Data Exporter with access to, and the ability to correct, block, and export the Data Exporter's personal data from the Services in accordance with the Services Agreement.

- Subprocessors. The Data Importer may engage Subprocessors to provide parts of the Services. The Data Importer will ensure Subprocessors only access and use the Data Exporter's personal data to provide the Services and not for any other purpose.

Appendix 2

to the Standard Contractual Clauses
This Appendix forms part of the Clauses.

Description of the technical and organizational security measures implemented by the Data Importer in accordance with Clauses 4(c) and 5(c) (or document/legislation attached): The Data Importer currently abides by the security standards in this Appendix 2. The Data Importer may update or modify these security standards from time to time provided such updates and modifications will not result in a degradation of the overall security of the Services during the term of the Services Agreement.

1. Data Center & Network Security.

(a) Data Centers.

Infrastructure. The Data Importer maintains geographically distributed data centers. The Data Importer stores all production data in physically secure data centers.

Redundancy. Infrastructure systems have been designed to eliminate single points of failure and minimize the impact of anticipated environmental risks. Dual circuits, switches, networks or other necessary devices help provide this redundancy. The Services are designed to allow the Data Importer to perform certain types of preventative and corrective maintenance without interruption. All environmental equipment and facilities have documented preventative maintenance procedures that detail the process for and frequency of performance in accordance with the manufacturer's or internal specifications. Preventative and corrective maintenance of the data center equipment is scheduled through a standard change process according to documented procedures.

Power. The data center electrical power systems are designed to be redundant and maintainable without impact to continuous operations, 24 hours a day, and 7 days a week. In most cases, a primary as well as an alternate power source, each with equal capacity, is provided for critical infrastructure components in the data center. Backup power is provided by various mechanisms such as uninterruptible power supplies (UPS) batteries, which supply consistently reliable power protection during utility brownouts, blackouts, over voltage, under voltage, and out-of-tolerance frequency conditions. If utility power is interrupted, backup power is designed to provide transitory power to the data center, at full capacity, for up to 10 minutes until the diesel generator systems take over. The diesel generators are capable of automatically starting up within seconds to provide enough emergency electrical power to run the data center at full capacity typically for a period of days.

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Server Operating Systems. The Data Importer servers use a Linux based implementation customized for the application environment. Data is stored using proprietary algorithms to augment data security and redundancy. The Data Importer employs a code review process to increase the security of the code used to provide the Services and enhance the security products in production environments.

Businesses Continuity. The Data Importer replicates data over multiple systems to help to protect against accidental destruction or loss. The Data Importer has designed and regularly plans and tests its business continuity planning/disaster recovery programs.

(b) Networks & Transmission.

Data Transmission. Data centers are typically connected via high-speed private links to provide secure and fast data transfer between data centers. This is designed to prevent data from being read, copied, altered or removed without authorization during electronic transfer or transport or while being recorded onto data storage media. The Data Importer transfers data via Internet standard protocols.

External Attack Surface. The Data Importer employs multiple layers of network devices and intrusion detection to protect its external attack surface. The Data Importer considers potential attack vectors and incorporates appropriate purpose built technologies into external facing systems.

Intrusion Detection. Intrusion detection is intended to provide insight into ongoing attack activities and provide adequate information to respond to incidents. The Data Importer intrusion detection involves:

1. Tightly controlling the size and make-up of the Data Importer's attack surface through preventative measures;

2. Employing intelligent detection controls at data entry points; and

3. Employing technologies that automatically remedy certain dangerous situations.

Incident Response. The Data Importer monitors a variety of communication channels for security incidents, and The Data Importer's security personnel will react promptly to known incidents.

Encryption Technologies. The Data Importer makes HTTPS encryption (also referred to as SSL or TLS connection) available.

2. Access and Site Controls.

(a) Site Controls.

On-site Data Center Security Operation. The Data Importer's data centers maintain an on-site security operation responsible for all physical data center security functions 24 hours a day, 7 days a week. The on-site security operation personnel monitor Closed Circuit TV (CCTV) cameras and all alarm systems. On-site security operation personnel perform internal and external patrols of the data center regularly.

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Data Center Access Procedures. The Data Importer maintains formal access procedures for allowing physical access to the data centers. The data centers are housed in facilities that require electronic card key access, with alarms that are linked to the on-site security operation. All entrants to the data center are required to identify themselves as well as show proof of identity to on-site security operations. Only authorized employees, contractors and visitors are allowed entry to the data centers. Only authorized employees and contractors are permitted to request electronic card key access to these facilities. Data center electronic card key access requests must be made through e-mail, and requires the approval of the requestor's manager and the data center director. All other entrants requiring temporary data center access must: (i) obtain approval in advance from the data center managers for the specific data center and internal areas they wish to visit; (ii) sign in at on-site security operations; and (iii) reference an approved data center access record identifying the individual as approved.

On-site Data Center Security Devices. The Data Importer's data centers employ an electronic card key and biometric access control system that is linked to a system alarm. The access control system monitors and records each individual's electronic card key and when they access perimeter doors, shipping and receiving, and other critical areas. Unauthorized activity and failed access attempts are logged by the access control system and investigated, as appropriate. Authorized access throughout the business operations and data centers is restricted based on zones and the individual's job responsibilities. The fire doors at the data centers are alarmed. CCTV cameras are in operation both inside and outside the data centers. The positioning of the cameras has been designed to cover strategic areas including, among others, the perimeter, doors to the data center building, and shipping/receiving. On-site security operations personnel manage the CCTV monitoring, recording and control equipment. Secure cables throughout the data centers connect the CCTV equipment. Cameras record on site via digital video recorders 24 hours a day, 7 days a week. The surveillance records are retained for up to 30 days based on activity.

(b) Access Control.

Infrastructure Security Personnel. The Data Importer has, and maintains, a security policy for its personnel, and requires security training as part of the training package for its personnel. The Data Importer's infrastructure security personnel are responsible for the ongoing monitoring of the Data Importer's security infrastructure, the review of the Services, and responding to security incidents.

Access Control and Privilege Management. The Data Exporter's administrators must authenticate themselves via a central authentication system or via a single sign on system in order to administer the Services.

Internal Data Access Processes and Policies – Access Policy. The Data Importer's internal data access processes and policies are designed to prevent unauthorized persons and/or systems from gaining access to systems used to process personal data. The Data Importer designs its systems to: (i) only allow authorized persons to access data they are authorized to access; and (ii) ensure that personal data cannot be read, copied, altered or removed without authorization during processing, use and after recording. The systems are designed to detect any inappropriate access. The Data Importer employs a centralized access management system to control personnel access

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to production servers, and only provides access to a limited number of authorized personnel. LDAP, Kerberos and a proprietary system utilizing RSA keys are designed to provide the Data Importer with secure and flexible access mechanisms. These mechanisms are designed to grant only approved access rights to site hosts, logs, data and configuration information. The Data Importer requires the use of unique user IDs, strong passwords, two factor authentication and carefully monitored access lists to minimize the potential for unauthorized account use. The granting or modification of access rights is based on: the authorized personnel's job responsibilities; job duty requirements necessary to perform authorized tasks; and a need to know basis. The granting or modification of access rights must also be in accordance with The Data Importer's internal data access policies and training. Approvals are managed by workflow tools that maintain audit records of all changes. Access to systems is logged to create an audit trail for accountability. Where passwords are employed for authentication (e.g., login to workstations), password policies that follow at least industry standard practices are implemented. These standards include password expiry, restrictions on password reuse and sufficient password strength. For access to extremely sensitive information (e.g., credit card data), the Data Importer uses hardware tokens.

3. Data.

(a) Data Storage, Isolation & Logging.

The Data Importer stores data in a multi-tenant environment on the Data Importer-owned servers. The data and file system architecture are replicated between multiple geographically dispersed data centers. The Data Importer also logically isolates the Data Exporter's data, and the Data Exporter will be given control over specific data sharing policies. Those policies, in accordance with the functionality of the Services, will enable the Data Exporter to determine the product sharing settings applicable to end users for specific purposes. The Data Exporter may choose to make use of certain logging capability that the Data Importer may make available via the Services.

(b) Decommissioned Disks and Disk Erase Policy.

Certain disks containing data may experience performance issues, errors or hardware failure that lead them to be decommissioned ("Decommissioned Disk"). Every Decommissioned Disk is subject to a series of data destruction processes (the "Disk Erase Policy") before leaving the Data Importer's premises either for reuse or destruction. Decommissioned Disks are erased in a multi-step process and verified complete by at least two independent validators. The erase results are logged by the Decommissioned Disk's serial number for tracking. Finally, the erased Decommissioned Disk is released to inventory for reuse and redeployment. If, due to hardware failure, the Decommissioned Disk cannot be erased, it is securely stored until it can be destroyed. Each facility is audited regularly to monitor compliance with the Disk Erase Policy.

4. Personnel Security.

The Data Importer personnel are required to conduct themselves in a manner consistent with the company's guidelines regarding confidentiality, business ethics, appropriate usage, and professional standards. The Data Importer conducts reasonably appropriate backgrounds checks to the extent legally permissible and in accordance with applicable local labor law and statutory regulations.

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Personnel are required to execute a confidentiality agreement and must acknowledge receipt of, and compliance with, the Data Importer's confidentiality and privacy policies. Personnel are provided with security training. Personnel handling customer data are required to complete additional requirements appropriate to their role (e.g., certifications). The Data Importer's personnel will not process customer data without authorization.

5. Subprocessor Security.

Prior to onboarding Subprocessors, the Data Importer conducts an audit of the security and privacy practices of Subprocessors to ensure Subprocessors provide a level of security and privacy appropriate to their access to data and the scope of the services they are engaged to provide. Once the Data Importer has assessed the risks presented by the Subprocessor, the Subprocessor is required to enter into appropriate security, confidentiality and privacy contract terms.

6. Data Privacy Office.

The Data Privacy Office of the Data Importer can be contacted by the Data Exporter's administrators at: https://support.google.com/cloud/contact/dpo (or via such other means as may be provided by the Data Importer).

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Exhibit F

[*]

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Exhibit 16.1



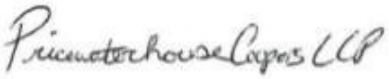
February 2, 2017

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:

We have read the statements made by Snap Inc. (copy attached), which we understand will be filed with the Securities and Exchange Commission, pursuant to Item 11 of Form S-1 of Snap Inc. dated February 2, 2017. We agree with the statements concerning our Firm in such Form S-1.

Very truly yours,



PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP, 601 South Figueroa Street, Los Angeles, CA 90017
T: (213) 356 6000, F: (813) 637 4444, www.pwc.com/us

Dismissal of Independent Registered Public Accounting Firm

We dismissed PricewaterhouseCoopers LLP, or PwC, as our independent registered public accounting firm on March 3, 2016. The decision to dismiss PwC was approved by our board of directors.

The report of PwC on the financial statements for the fiscal year ended December 31, 2014 contained no adverse opinion or a disclaimer of opinion, and was not qualified or modified as to uncertainty, audit scope or accounting principle. PwC did not audit our consolidated financial statements for any period subsequent December 31, 2014.

During our fiscal year ended December 31, 2014, and the subsequent period through March 3, 2016, (1) there were no disagreements (as that term is used in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) between us and PwC on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of PwC, would have caused PwC to make reference thereto in its report on our consolidated financial statements for the year ended December 31, 2014, and (2) there were no "reportable events" as such term is defined in Item 304(a)(1)(v) of Regulation S-K, except for the following material weaknesses identified in our internal control over financial reporting.

The material weaknesses were identified due to the lack of sufficient qualified accounting personnel, which led to incorrect application of generally accepted accounting principles, insufficiently designed segregation of duties and insufficiently designed controls over business processes, including the financial closing and reporting processes with respect to the development of accounting policies, procedures and estimates. The board of directors discussed the material weaknesses with PwC. We have authorized PwC to respond fully to the inquiries of the successor accountant concerning the subject matter of each of such reportable events.

We have provided PwC with a copy of the disclosures set forth under the heading "Changes in Independent Registered Public Accounting Firm" included in this prospectus and have requested that PwC furnish a letter addressed to the SEC stating whether or not PwC agrees with statements related to them made by us under the heading "Change in Independent Registered Public Accounting Firm" in this prospectus. A copy of that letter is filed as Exhibit 16.1 to the registration statement of which this prospectus forms a part.

Exhibit 21.1

Subsidiaries of the Registrant

Name of Subsidiary	Jurisdiction of Incorporation or Organization
Snap LLC	Nevada
Snap Group Limited	United Kingdom
Snap International I Limited	United Kingdom
Snap International II Limited	United Kingdom
Snap Intermediate Inc.	Delaware

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated January 26, 2017, in the Registration Statement (Form S-1) and related Prospectus of Snap Inc. for the registration of shares of its Class A common stock.

/s/ Ernst & Young LLP

Los Angeles, California
February 2, 2017