

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

**Amendment No. 1 to  
FORM S-1**

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

**Kaltura, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**7372**  
(Primary Standard Industrial  
Classification Code Number)  
**250 Park Avenue South  
10th Floor  
New York, New York 10003**

**20-8128326**  
(I.R.S. Employer  
Identification No.)

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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**Chairman and Chief Executive Officer**  
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**(646) 290-5445**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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

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

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

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

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

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

Large accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth company

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

**CALCULATION OF REGISTRATION FEE**

Title of Each Class of Securities To Be Registered	Amount to be Registered <sup>(1)</sup>	Proposed Maximum Aggregate Offering Price per Share <sup>(2)</sup>	Proposed Maximum Aggregate Offering Price <sup>(1)(2)</sup>	Amount of Registration Fee <sup>(3)</sup>
Common stock, \$0.0001 par value per share	27,025,000	\$16.00	\$432,400,000	\$47,175

(1) Includes an additional 3,525,000 shares that the underwriters have the option to purchase.

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

(3) The Registrant previously paid \$10,910 of this amount in connection with a prior filing of this Registration Statement.

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

**Subject to Completion**  
**Preliminary Prospectus dated March 23, 2021**

PRELIMINARY PROSPECTUS

23,500,000 Shares



Kaltura, Inc.

Common Stock

This is Kaltura, Inc.'s initial public offering. We are selling 17,400,000 shares of our common stock and the selling stockholders named in this prospectus are selling 6,100,000 shares of our common stock. We will not receive any proceeds from the sale of shares of common stock to be offered by the selling stockholders.

We expect the initial public offering price to be between \$14.00 and \$16.00 per share. Currently, no public market exists for the shares. After pricing of the offering, we expect that the shares will trade on the Nasdaq Global Select Market under the symbol "KLTR."

**We are an "emerging growth company" under the federal securities laws and are subject to reduced public company disclosure standards. See "Prospectus Summary—Implications of Being an Emerging Growth Company."**

Investing in the common stock involves risks that are described in the "[Risk Factors](#)" section beginning on page 19 of this prospectus.

	Per Share	Total
Initial public offering price	\$	\$
Underwriting discounts and commissions <sup>(1)</sup>	\$	\$
Proceeds to us, before expenses	\$	\$
Proceeds to the selling stockholders, before expenses	\$	\$

(1) We have agreed to reimburse the underwriters for certain expenses. We refer you to "Underwriting" beginning on page 172 for additional information regarding underwriting compensation.

The underwriters may also exercise their option to purchase up to an additional 3,525,000 shares from us, at the initial public offering price, less underwriting discounts and commissions, for 30 days after the date of this prospectus.

**Neither the Securities and Exchange Commission nor any state securities commission has 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 shares will be ready for delivery on or about \_\_\_\_\_, 2021 through the book-entry facilities of the Depository Trust Company.

Goldman Sachs & Co. LLC  
Wells Fargo Securities

Canaccord Genuity

JMP Securities

KeyBanc Capital Markets

Needham & Company

BofA Securities  
Deutsche Bank Securities

Oppenheimer & Co.

The date of this prospectus is \_\_\_\_\_, 2021



kaltura

Our Mission:  
**To Power Any Video  
Experience for Any  
Organization**

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**1,000**  
customers

**100M**  
media assets

**15M**  
authenticated  
users

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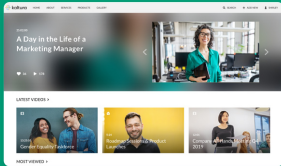


Note: Number of customers and media assets as of December 31, 2020; number of authenticated users for the year ended December 31, 2020.

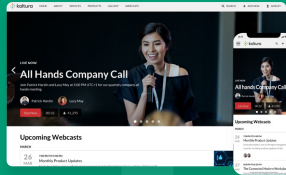


# The Kaltura Video Experience Cloud

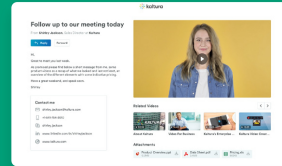
Powering Live, Real-Time and On-Demand Video Experiences



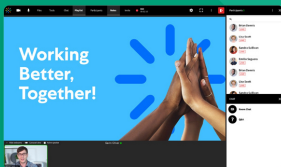
Video Portal



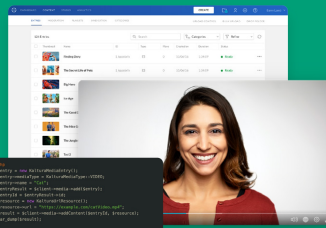
Town Halls



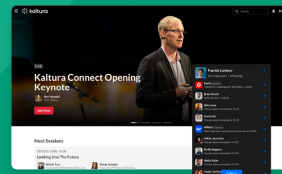
Video Messaging



Webinars



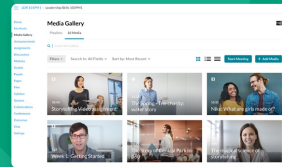
Media Services



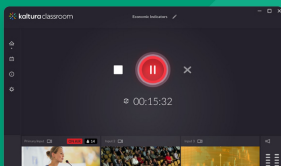
Virtual Events



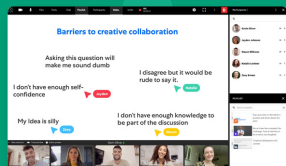
Meetings



LMS Video



Lecture Capture



Virtual Classroom



TV Solution



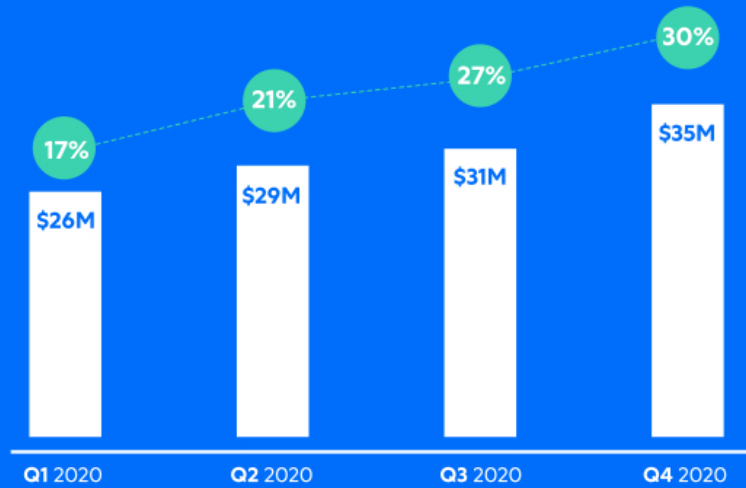
**\$120M**  
2020 Revenue

**5x > 7x > 11x**  
LTV:CAC in 2018-2020

**Positive Adjusted  
EBITDA\***  
in 2019 & 2020

**\$55B\*\***  
Total Addressable Market

Revenue Per Quarter and YoY Growth Rate (%)



We had an operating loss of \$3.9 million and a net loss of \$5.0 million for the quarter ended March 31, 2020, an operating profit of \$1.1 million and a net loss of \$11.0 million for the quarter ended June 30, 2020, an operating loss of \$4.4 million and a net loss of \$6.4 million for the quarter ended September 30, 2020, and an operating loss of \$1.3 million and a net loss of \$36.3 million for the quarter ended December 31, 2020.

\* Adjusted EBITDA is neither defined by, nor presented in accordance with, accounting principles generally accepted in the United States ("GAAP"). See "Prospectus Summary—Summary Historical Consolidated Financial and Other Data" for a discussion of the limitations of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP financial performance measure.

\*\* See "Business—Our Opportunity" for a discussion regarding our market opportunity, including the methodology we use to estimate our total addressable market.

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We, the selling stockholders and the underwriters have not authorized any other person to provide you with information different from that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred or to make any representations other than those contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We, the selling stockholders and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is an offer to sell only the shares of common stock offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus or in any applicable free writing prospectus is current only as of its date, regardless of its time of delivery or any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

**For investors outside the United States:** We, the selling stockholders and the underwriters have not done anything that would permit this offering or the possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of common stock and the distribution of this prospectus outside the United States.

## BASIS OF PRESENTATION

Certain amounts in this prospectus may not total due to rounding. All percentages have been calculated using unrounded amounts.

As used in this prospectus, unless otherwise noted or the context otherwise requires, references to “we,” “us,” “our,” the “Company” and “Kaltura” refer to Kaltura, Inc., together with its consolidated subsidiaries as a combined entity.

In addition, the number of “authenticated users” disclosed in this prospectus for any specified time period refers to the total number of unique users that logged in and performed some action recorded by our platform during the applicable period of time.

Certain financial measures presented in this prospectus are not recognized terms under accounting principles generally accepted in the United States (“GAAP”). We define these financial measures as follows:

- “EBITDA” is defined as net profit (loss) before interest expense, net, provision for income taxes and depreciation and amortization expense.
- “Adjusted EBITDA” is defined as EBITDA, adjusted for the impact of certain non-cash and other items that we believe are not indicative of our core operating performance, such as non-cash stock-based compensation expense.
- “Adjusted EBITDA margin” is defined as Adjusted EBITDA divided by total revenues.

See “Prospectus Summary—Summary Historical Consolidated Financial and Other Data” for a discussion regarding our use of EBITDA, Adjusted EBITDA and Adjusted EBITDA margin, including their limitations, and a reconciliation to the most directly comparable GAAP financial measures.

Throughout this prospectus, we also provide a number of key business metrics used by management and typically used by companies in our industry. These and other key financial and operating metrics are discussed in more detail in the section of this prospectus titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Financial and Operating Metrics.”

## TRADEMARKS, TRADE NAMES AND SERVICE MARKS

This prospectus includes our trademarks, trade names and service marks, including, without limitation, "Kaltura<sup>®</sup>" and our logo, which are protected under applicable intellectual property laws and are our property. This prospectus also contains trademarks, trade names and service marks of other companies, which are the property of their respective owners. Solely for convenience, trademarks, trade names and service marks referred to in this prospectus may appear without the <sup>®</sup>, <sup>™</sup> or <sup>SM</sup> symbols, but such references are not intended to indicate, in any way, that we or the applicable owner will not assert, to the fullest extent permitted under applicable law, our or its rights or the right of any applicable licensor to these trademarks, trade names and service marks. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties.

## INDUSTRY AND MARKET DATA

Unless otherwise indicated, information contained in this prospectus concerning our industry and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources and management estimates. Certain of these publications, studies and reports were published before the COVID-19 pandemic and therefore do not reflect any impact of COVID-19 on any specific market or globally. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets, which we believe to be reasonable. Although we believe the data from these third-party sources is reliable, we have not independently verified any third-party information. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements." These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

In particular, certain information identified in this prospectus is contained in the following independent industry publications or reports by Forrester Research, Inc. ("Forrester") and Gartner, Inc. ("Gartner"):

- Forrester, *The Forrester Wave<sup>™</sup>: Enterprise Video Platforms and Webcasting*, Q1 2015.
- Forrester, *The Forrester Wave<sup>™</sup>: Online Video Platforms for Sales and Marketing*, Q4 2016.
- Gartner, *Market Guide for Enterprise Video Content Management*, September 2020.
- Gartner, *Magic Quadrant for Enterprise Video Content Management*, September 2013, October 2014, November 2015, November 2016 and November 2018.
- Gartner, *Critical Capabilities for Enterprise Video Content Management*, March 2019.
- Gartner, *Magic Quadrant for Meeting Solutions*, October 2020.

Magic Quadrant and Critical Capabilities references are provided for historical purposes only and do not reflect current market recognition. Gartner does not endorse any vendor, product or service depicted in its research publications and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose.

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## PROSPECTUS SUMMARY

*This summary highlights information contained elsewhere in this prospectus and may not contain all of the information you should consider before investing in our common stock. Before making an investment decision, you should read this entire prospectus, including our consolidated financial statements and the related notes included elsewhere herein. You should also carefully consider the information set forth under "Risk Factors" beginning on page 19. In addition, certain statements in this prospectus include forward-looking information that is subject to risks and uncertainties. See "Cautionary Note Regarding Forward-Looking Statements."*

*In this prospectus, unless the context otherwise requires or where otherwise indicated, the terms "we," "us," "our," the "Company" and "Kaltura" refer to Kaltura, Inc., together with its consolidated subsidiaries as a combined entity.*

### Overview

Our mission is to power any video experience, for any organization. Our Video Experience Cloud offers live, real-time, and on-demand video products including Video Portal, Town Halls, Video Messaging, Webinars, Virtual Events and Meetings. We also offer specialized industry solutions, including LMS Video (Learning Management System), Lecture Capture and Virtual Classroom for educational institutions, as well as a TV Solution for media and telecom companies. Underlying our products and solutions is a broad set of live, real-time, and on-demand Media Services consisting of Application Programming Interfaces ("APIs"), Software Development Kits ("SDKs"), and Experience Components, as well as our Video and TV Content Management Systems. Our Media Services are also used by other cloud platforms and companies to power video experiences and workflows for their own products. Our Video Experience Cloud is used by leading brands across all industries, reaching millions of users, at home, at school and at work, for communication, collaboration, training, marketing, sales, customer care, teaching, learning, and entertainment experiences. With our flexible offerings, customers can experience the benefits of video across a wide range of use cases, while customizing their deployments to meet their individual, dynamic needs.

Video is everywhere. It has become a driving force for online interactions and engagement, and has revolutionized how we communicate, work, learn, and entertain. According to Cisco's Visual Networking Index, 82% of the world's internet protocol ("IP") traffic will be IP video by 2022. For businesses, video sits at the heart of digital transformation, with organizations increasingly embracing video solutions to better engage with customers and employees. Video adoption has been further fueled by the availability of broadband, increased penetration of smartphones, rise of over-the-top streaming ("OTT") and cloud technologies, consumerization of enterprise technology, elevation of video to strategic and mission-critical use cases, the entry of younger professionals into the workforce and the growth in remote and distributed workforces. Furthermore, we believe the COVID-19 pandemic has accelerated the use and adoption of video.

Our vision and technology are differentiated in the market, addressing video as a unique data type that can, and should be, handled by a unified horizontal technology stack that powers all live, real-time, and on-demand video use cases while avoiding silos and disjointed workflows, and maximizing engagement, interactivity and the collection of data. To do so, we developed a wide array of Media Services that empower the building of any live, real-time and on-demand video experiences, and assembled with them our broad portfolio of video products for communication, collaboration, training, sales, marketing, and customer care, as well as our specialized industry solutions, currently for education and media and telecom companies.

During the year ended December 31, 2020, more than 15 million authenticated users interacted with our products and solutions at home, at work and at school. As of December 31, 2020, we had grown our repository of media assets to over 100 million.

Our Video Experience Cloud powers a wide array of video applications across industries and use cases. Our core offerings consist of various Software-as-a-Service (“SaaS”) products and solutions and a Platform-as-a-Service (“PaaS”) offering, including:

- **Video Products** – Video Portal, Town Halls, Video Messaging, Webinars, Virtual Events and Meetings. Customers leverage these products for video-based communication, collaboration, training, and customer experience (marketing, sales, and customer care).
- **Video Industry Solutions** – LMS Video (Learning Management System), Lecture Capture and Virtual Classroom for educational institutions to support and enhance in-class and remote teaching and learning. We also offer a TV Solution for media companies and telecom operators, allowing them to provide OTT advertising and subscription-based live and on-demand TV services for entertainment experiences.
- **Media Services** – Live, real-time, and on-demand video APIs, SDKs, and Experience Components as well as Video and TV Content Management Systems that govern the entire lifecycle of video, enabling customers to build any video experience and workflow. Our Media Services also serve as a foundation for our products and industry solutions. Our APIs, SDKs and Experience Components include live, real-time and on-demand video ingestion, transcoding, management, search, security, distribution, publishing, engagement, monetization and analytics.

As of December 31, 2020, we had approximately 1,000 customers from a wide range of industries, including financial services, high technology, healthcare, education, public sector, media and telecommunications. Among our customers are 25 of the US Fortune 100, more than 50% of U.S. R1 educational institutions, including seven of the eight Ivy League schools and some of the largest global media companies and telecom operators. Most of our top customers leverage several Kaltura products for a range of use cases across their organization.

We were recognized as a Representative Vendor in the 2020 Gartner Market Guide for Enterprise Video Content Management. We have been included in Gartner research reports on this since 2013, where we were listed as a Leader for 5 consecutive times in the Magic Quadrant for Enterprise Video Content Management report and ranked highest in all Use Cases in the last-published Critical Capabilities for Enterprise Video Content Management report. Gartner discontinued publication of this Magic Quadrant report in 2018 and of this Critical Capabilities report in 2019. We were also recognized in the 2020 Gartner Magic Quadrant for Meeting Solutions, after having only entered the market earlier that year. As of January 25, 2021, we ranked 4.6/5 for Meeting Solutions and 4.4/5 for Enterprise Video Content Management by customers on Gartner Peer Insights, based on 43 and 26 reviews, respectively. In 2016, Forrester cited Kaltura as a Leader in their report, The Forrester Wave™: Online Video Platforms for Sales and Marketing, Q4, 2016.

To date, we have invested primarily in increasing the scope and depth of our offerings. At the same time, we have accelerated our year-over-year revenue growth from 12% in 2018 to 18% in 2019 and 24% in 2020, and from 23% in the fourth quarter of 2019 (unaudited) to 30% in the fourth quarter of 2020 (unaudited). We have accomplished this growth without materially increasing our sales and marketing spend over the same period. Additionally, for the years ended December 31, 2019 and 2020, we generated net losses of \$15.6 million and \$58.8 million, respectively, and had Adjusted EBITDA of \$4.0 million and \$4.3 million, respectively, following negative Adjusted EBITDA in both 2017 and 2018. See “Prospectus Summary—Summary Historical Consolidated Financial and Other Data” for a discussion of the limitations of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP performance measure. We have also demonstrated attractive unit economics. We estimate that for the years ended December 31, 2018, 2019 and 2020, the lifetime value of our customers exceeded five, seven and eleven times the cost of acquiring them, respectively. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Overview” for additional information on how we calculate the lifetime value of our customers and the cost of acquiring them.

Our platform provides a differentiated and comprehensive value proposition for our customers. Additionally, we believe the demand for video offerings has reached an inflection point, with several trends driving strong demand for video applications. We intend to continue expanding our Video Experience Cloud with new Media Services, as well as new products and industry solutions. We also plan to increase our sales and marketing investment to capture the significant market opportunity ahead of us, including increasing the size and reach of our direct sales team, and investing in self-serve products and channel partnerships to expand our presence with smaller customers across all industries.

#### **Key Trends Impacting the Video Market**

The nature of video consumption has transformed in recent years. Several major trends have played a role in this evolution:

- **Availability of Broadband:** The availability of internet-based services has increased in recent years, with global telecom operators increasing investment in next-generation mobile networks to reach previously underpenetrated regions and enhance performance in existing ones.
- **Broad Penetration of Smartphones:** Billions of people around the world use smartphones today, equipped with sophisticated technology which allow them to create, watch, and transmit video anytime and anywhere.
- **Rise of OTT and Cloud Technologies:** Television has left its original home within cable and satellite networks and TV set-top boxes and is now being delivered from the cloud as an internet-based service to any device.
- **Consumerization of Enterprise Technology:** Employees in today's businesses expect consumer-like experiences with enterprise technology, expanding their use case of technology at work from simply exchanging information and data, to interacting, socializing, and learning.
- **Elevation of Video to Strategic and Mission-Critical Use Cases:** Video has transcended its initial use for entertainment to become a mission-critical tool leveraged by organizations across all industries. This includes companies adding video experiences to their own products and services.
- **Heightened Focus on Customer and Employee Engagement:** Businesses today are focused on finding new and creative ways to connect with their customers and employees. Management teams are pushing to develop new applications and services which maximize the use of data and analytics to create interactive, personalized solutions and drive engagement.
- **COVID-19 Pandemic Accelerating Preexisting Trends:** We believe the COVID-19 pandemic has accelerated the use of video for numerous use cases, including remote learning, remote work, virtual events, remote healthcare, consumer communication, e-commerce and online entertainment.

#### **Limitations of Existing Video Solutions**

While various video solutions exist in the market today, we believe they are mostly discrete inflexible point solutions that suffer from a lack of modularity, extensibility, and interoperability; offer limited breadth and depth of functionality, data insights, and end-user engagement; and do not provide the required cloud-based enterprise-grade reliability, scalability, compliance, and security. As a result, these offerings limit the ability of customers to maximize the benefits of video technology for their businesses and are also too costly and require significant time to value.

- **Discrete Point Solutions:** Most existing video solution providers lack a complete and unified platform for all video solutions across technologies (live, real-time and on-demand), devices, and use cases. As a result, businesses are faced with the complexity of working with multiple vendors to meet their video needs, often leading to a lack of cohesiveness across offerings, silos of

content and disjointed workflows, and security and monitoring concerns. This further limits their applicability for use cases which would benefit from combined workflows.

- **Inflexible Offerings:** Many existing video solutions are turnkey applications that provide little by way of integration and customization. Their inflexible architecture often inhibits existing vendors' ability to innovate quickly and extend the offering to keep up with the rapidly growing and evolving needs for video. Additionally, existing vendors provide few tools for businesses to build their own advanced video workflows and products.
- **Limited Integration with Ecosystem:** Most existing video solution providers have few integrations with third-party platforms, and therefore offer limited interoperability and a non-streamlined and disjointed end-user experience.
- **Limited Analytics Capabilities:** Existing solutions often lack the robust analytics tools that enable interactivity and personalization. This limits the ability of businesses to make data-driven business decisions, further translating to limited end user engagement and a lower return on investment.
- **Not Optimized for End Users:** The interfaces of existing solutions are often not intuitive, and do not generate an immersive and engaging end-user experience across devices.
- **Not Built for the Cloud:** Many existing offerings are not cloud-native and instead rely on legacy on-premise deployments to deliver their solutions, limiting their ability to innovate quickly and provide video seamlessly across devices. This also creates operational complexities for customers managing multiple video solutions and limits their ability to leverage economies of scale.
- **Insufficient Support of Enterprise Standards:** Many existing offerings lack the scale, security, and compliance needed by today's enterprises, and also lack the development, contribution, and support for industry standards that promote openness, interoperability, and accessibility. This creates a growing risk for businesses that are using video for mission-critical use cases at scale.
- **Unnecessary Costs:** Existing solutions frequently require extensive implementation, hardware maintenance and custom integrations with other video solutions and adjacent tools, often resulting in excess costs for the customer.

#### **Kaltura's Video Experience Cloud**

Our Video Experience Cloud powers all types of video experiences: live, real-time, and on-demand. We designed it from the ground up using API-based building blocks which govern the entire video lifecycle and provide the foundation for our video applications. We believe our Video Experience Cloud is differentiated by the following characteristics:

- **Single Platform for All Video Experiences:** Our horizontal Video Experience Cloud acts as a "one stop shop" for video experiences across multiple use cases and industries, enabling our customers to increase agility, reduce operational complexity, and avoid the content and data silos generated by having several fragmented and disjointed point solutions. This allows us to consolidate the market for video-based applications, and lead the convergence of experiences across live, real-time, and on-demand video.
- **Open, Flexible Architecture:** Our products and solutions are interoperable and can be easily customized, extended and connected to other platforms and third-party offerings, allowing our customers to leverage external innovation as well. This also allows us to innovate efficiently and quickly and be a pioneer in the industry with many features, products and solutions.
- **Ecosystem:** We have built a rich ecosystem of over 125 technology partners, extending our experiences with AI, video creation, and network optimization, among others. We make our

partners' solutions available to our customers through our marketplace, complete with a variety of plugins and out-of-the-box integrations with our platform.

- ***Analytics:*** Our platform offers powerful analytics across multiple dimensions, including insights related to engagement, time and seasonality comparisons, bottleneck identification, and congestion detection. These features help companies maximize the use of the data they are gathering across video channels, and better guide workflows associated with subscription.
- ***Significant Benefits to End Users:*** Our customers' use of our offerings provides several benefits to their end users at home, at work, and at school, including:
  - immersive, interactive and engaging experiences;
  - intuitive and consistent user interface across devices;
  - personalization driven by insightful and rich analytics;
  - customization and integration with other workflows enabling consolidated and seamless user experiences;
  - quality of service, security, and compliance; and
  - flexibility for developers to build customized solutions incorporating video technology.
- ***Cloud-Agnostic:*** While most of our customers use our public cloud products and solutions, our solutions can be deployed across any private, public, or hybrid cloud environment, as well as on-premise, providing our customers with complete flexibility around their deployment.
- ***Enterprise-Grade:*** Our platform offers enterprise-grade reliability, security, and scalability, allowing us to support mission-critical workflows for experiences of any scale. We also offer proactive monitoring and various tiers of customer support. For customers that rely on Kaltura to power TV experiences, we offer service availability commitments of up to 99.995%, the highest industry benchmark required by major media and telecom customers.
- ***Cost Efficiency:*** Our horizontal flexible, scalable, and extendable platform is cost-efficient to deploy, operate, maintain, and to keep abreast of emerging trends and needs.

#### **Our Opportunity**

We address a global market which includes on-demand, live, and real-time video experiences. We estimate that our total addressable market in 2020 is approximately \$55 billion, including approximately \$39 billion from the real-time-conferencing market, which we entered in 2020 with the addition of real-time-conferencing capabilities into our Media Services and the launch of our Webinars, Virtual Events and Meetings products and our Virtual Classroom industry solution.

We believe we have developed leading offerings for the on-demand and live markets and, with our planned increase in sales and marketing spend, that we are well-positioned to increase our relatively small share within each of these markets. Moreover, we entered the real-time conferencing market in 2020 with a differentiated set of offerings and have seen strong traction to date. We believe that the on-demand, live, and real-time conferencing markets are converging, and that this is a trend that we are well positioned to capitalize on given the breadth of our platform.

Over time, we expect our market opportunity to grow, driven by increased global spend on video software solutions and our expansion into additional technologies and industries, such as telehealth, retail, smart cities, and government.

## **Growth Strategies**

We intend to drive significant growth by executing on the following key strategies:

- **Acquire New Customers:** We believe we have a significant opportunity to expand our presence with Fortune Global 2000 companies and other global enterprises. Going forward, we plan to increase our investment in sales and marketing to capitalize on our significant market opportunity and on the strong sales efficiency unit economics that we have demonstrated. We intend to grow our base of field sales representatives and customer success managers, which we believe will drive both geographic and vertical expansion. Additionally, we are investing for the first time in inside sales, self-serve offerings, and distribution channels.
- **Extend Product Leadership:** We believe our platform is ideally suited for expansion across products, solutions, industries, and use cases. We will continue to invest in new technologies and harness existing ones. We intend to continue to invest in our solutions across multiple dimensions:
  - **Recent Product and Solution Introductions:** In 2020, we entered the real-time-conferencing market with the introduction of our Webinars and Meetings products, as well as our Virtual Classroom industry solution, focused on learning, training, and marketing. We believe these products present a significant long-term opportunity, and we intend to harness our growing presence with them, among other recently introduced offerings such as our Virtual Events product and our TV Solution.
  - New Offerings, including:
    - **Products:** We will continue to invest in new video products for training, communication and collaboration, marketing, sales and customer care.
    - **Industry Solutions:** We believe there is a significant opportunity to extend our platform into more industries. Following the success of our media and telecom and education applications, we intend to launch applications for industries such as telehealth, retail, government, and smart cities, among others.
    - **Media Services:** We intend to enhance our Media Services offerings with additional core capabilities and invest in areas such as content creation, personalization and interactivity, content aggregation and syndication, AI and smart monetization. We also intend to add these capabilities into our existing and new products and industry solutions.
- **Increase Revenue from Existing Customers:** We plan to continue to increase sales within our existing customer base through increased usage of our platform and the cross-selling of additional products and solutions.
- **Augment our Platform Offering through Partnerships and Opportunistic M&A:** We plan to increase the breadth of partnerships with our technology partners, further allowing us to provide the most comprehensive video solutions to our customers. Additionally, we intend to continue to explore potential transactions that could enhance our capabilities or increase the scope of our technology footprint.

## **Summary Risk Factors**

Our business is subject to a number of risks that you should be aware of before making an investment decision. You should carefully consider all of the information set forth in this prospectus and,

in particular, should evaluate the specific factors set forth under "Risk Factors" in deciding whether to invest in our common stock. Among these important risks are the following:

- Our business and operations have experienced rapid growth, and if we do not appropriately manage this growth and any future growth, or if we are unable to improve our systems, processes and controls, our business, financial condition, results of operations and prospects will be adversely affected.
- Our recent growth may not be indicative of our future growth, and we may not be able to sustain our revenue growth rate in the future. Our growth also makes it difficult to evaluate our current business and future prospects and may increase the risk that we will not be successful.
- We have a history of losses and may not be able to achieve or maintain profitability.
- The ongoing COVID-19 outbreak could adversely affect our business, financial condition and results of operations.
- The markets for our offerings are new and evolving and may develop more slowly or differently than we expect. Our future success depends on the growth and expansion of these markets and our ability to adapt and respond effectively to evolving market conditions.
- Our results of operations are likely to fluctuate from quarter to quarter and year to year, which could adversely affect the trading price of our common stock.
- The loss of one or more of our significant customers, or any other reduction in the amount of revenue we derive from any such customer, would adversely affect our business, financial condition, results of operations and growth prospects.
- If we are not able to keep pace with technological and competitive developments and develop or otherwise introduce new products and solutions and enhancements to our existing offerings, our offerings may become less marketable, less competitive or obsolete, and our business, financial condition and results of operations may be adversely affected.
- If we do not maintain the interoperability of our offerings across devices, operating systems and third-party applications that we do not control, and if we are not able to maintain and expand our relationships with third-party technology partners to integrate our offerings with their products and solutions, our business, financial condition and results of operations may be adversely affected.
- A version of our Media Services is licensed to the public under an open source license, which could negatively affect our ability to monetize our offerings and protect our intellectual property rights.
- The markets in which we compete are nascent and highly fragmented, and we may not be able to compete successfully against current and future competitors, some of whom have greater financial, technical, and other resources than we do. If we do not compete successfully, our business, financial condition and results of operations could be harmed.
- If we are unable to increase sales of our subscriptions to new customers, expand the offerings to which our existing customers subscribe, or expand the value of our existing customers' subscriptions, our future revenue and results of operations will be adversely affected.
- If our existing customers do not renew their subscriptions, or if they renew on terms that are less economically beneficial to us, it could have an adverse effect on our business, financial condition and results of operations.



- We recognize a significant portion of revenue from subscriptions over the term of the relevant subscription period, and as a result, downturns or upturns in sales are not immediately reflected in full in our results of operations.
- We typically provide service-level commitments under our customer agreements. If we fail to meet these contractual commitments, we could be obligated to provide credits for future service, face contract termination with refunds of prepaid amounts or could experience a decrease in customer renewals in future periods, any of which would lower our revenue and adversely affect our business, financial condition and results of operations.
- We rely on third parties, including third parties outside the United States, for some of our software development, quality assurance, operations, and customer support.
- We depend on our management team and other key employees, and the loss of one or more of these employees or an inability to attract and retain highly skilled employees could adversely affect our business.
- If we are not able to maintain and enhance awareness of our brand, especially among developers and IT operators, our business, financial condition and results of operations may be adversely affected.
- Our corporate culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the innovation, creativity, and entrepreneurial spirit we have worked to foster, which could adversely affect our business.
- Our failure to offer high quality customer support would have an adverse effect on our business, reputation and results of operations.
- The failure to effectively develop and expand our marketing and sales capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our offerings.
- The sales prices of our offerings may change, which may reduce our revenue and gross profit and adversely affect our financial results.
- We expect our revenue mix to vary over time, which could negatively impact our gross margin and results of operations.
- The length of our sales cycle can be unpredictable, particularly with respect to sales to large customers, and our sales efforts may require considerable time and expense.
- Our international operations and expansion expose us to risk.
- If we are not successful in sustaining and expanding our international business, we may incur additional losses and our revenue growth could be adversely affected.
- Currency exchange rate fluctuations affect our results of operations, as reported in our financial statements.
- A portion of our revenue is generated by sales to government entities, which are subject to a number of challenges and risks.
- If we are unable to consummate acquisitions at our historical rate and at acceptable prices, and to enter into other strategic transactions and relationships that support our long-term strategy, our growth rate and the trading price of our common stock could be negatively affected. These transactions and relationships also subject us to certain risks.

- A real or perceived bug, defect, security vulnerability, error, or other performance failure involving our platform, products or solutions could cause us to lose revenue, damage our reputation, and expose us to liability.
- If we or our third-party service providers experience a security breach, data loss or other compromise, including if unauthorized parties obtain access to our customers' data, our reputation may be harmed, demand for our platform, products and solutions may be reduced, and we may incur significant liabilities.
- Failure to protect our proprietary technology, or to obtain, maintain, protect and enforce sufficiently broad intellectual property rights therein, could substantially harm our business, financial condition and results of operations.
- Our failure to raise additional capital or generate the significant capital necessary to expand our operations and invest in new offerings could reduce our ability to compete and could adversely affect our business.
- Changes in laws and regulations related to the internet, changes in the internet infrastructure itself, or increases in the cost of internet connectivity and network access may diminish the demand for our offerings and could harm our business.
- Political, economic and military conditions in Israel could materially and adversely affect our business.

#### **Corporate History and Information**

Kaltura, Inc. was incorporated as a Delaware corporation in October 2006. Our corporate headquarters is located at 250 Park Avenue South, 10th Floor, New York, New York, and our telephone number is (646) 290-5445. Our website is [www.kaltura.com](http://www.kaltura.com). Information contained on or that can be accessed through our website is not incorporated by reference into this prospectus and does not constitute a part of this prospectus.

#### **Implications of Being an Emerging Growth Company**

As a company with less than \$1.07 billion in revenue during our most recently ended fiscal year, we qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 ("JOBS Act"). An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include, among other exemptions, that:

- we are required to have only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure;
- we are not required to engage an auditor to report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act");
- we are not required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board (the "PCAOB") regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- we are not required to submit certain executive compensation matters to stockholder advisory votes, such as "say-on-pay," "say-on-frequency" and "say-on-golden parachutes;" and

- we are not required to disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation.

We may take advantage of these provisions until the last day of our fiscal year following the fifth anniversary of the closing of this offering or such earlier time that we are no longer an emerging growth company. We will cease to be an emerging growth company if (i) we have more than \$1.07 billion in annual revenue in any fiscal year, (ii) the market value of our common stock held by non-affiliates exceeds \$700 million as of the end of our most recently completed second fiscal quarter, or (iii) we issue more than \$1.0 billion of non-convertible debt over a three-year period. We have elected to take advantage of certain of the reduced reporting and other obligations described above in the registration statement of which this prospectus forms a part, and intend to take advantage of reduced reporting requirements in the future for so long as we are able to do so. As a result of this election, the information that we provide stockholders may be different than the information you might get from other public companies in which you hold equity. We cannot predict whether investors may find our common stock less attractive as a result. See "Risk Factors—Risks Related to this Offering and Ownership of Our Common Stock—We are an 'emerging growth company' and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors."

The JOBS Act also permits an emerging growth company like us to take advantage of an extended transition period for complying with new or revised accounting standards applicable to public companies. In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use this extended transition period for complying with new or revised accounting standards until the earlier of the date we (x) are no longer an emerging growth company, or (y) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements and the reported results of operations contained therein may not be directly comparable to those of other public companies.

## THE OFFERING

Common stock offered by us	17,400,000 shares
Common stock offered by the selling stockholders	6,100,000 shares
Common stock to be outstanding after this offering	123,075,914 shares
Option to purchase additional shares	We have granted the underwriters a 30-day option to purchase up to 3,525,000 additional shares of our common stock from us at the initial public offering price less underwriting discounts and commissions.
Use of proceeds	We expect to receive net proceeds from this offering of approximately \$237.9 million (or approximately \$287.1 million if the underwriters' option to purchase additional shares of our common stock is exercised in full), assuming an initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting 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, create a public market for our common stock and enable access to the public equity markets for us and our stockholders. We intend to use the net proceeds from this offering for general corporate purposes, including working capital, research and development, sales and marketing activities, general administrative matters, operating expenses and capital expenditures. We will not receive any proceeds from the sale of shares of common stock by the selling stockholders. See "Use of Proceeds."
Risk factors	Investing in our common stock involves a high degree of risk. See "Risk Factors" beginning on page 19 and the other information in this prospectus for a discussion of the factors you should consider before you decide to invest in our common stock.

Dividend policy

We currently intend to retain all available funds and any future earnings for use in the operation of our business and to make payments on our outstanding debt, and therefore we do not currently expect to pay any cash dividends on our common stock in the foreseeable future. Any future determination to pay cash dividends to holders of common stock will be at the discretion of our board of directors and will depend upon many factors, including, among other things, our business prospects, financial condition, results of operations, current and anticipated cash needs and availability, industry trends and other factors that our board of directors may consider to be relevant. Furthermore, because we are a holding company, our ability to pay cash dividends on our common stock will depend on our receipt of cash distributions and dividends from our direct and indirect wholly owned subsidiaries. In addition, our ability to pay cash dividends is currently restricted by the terms of the agreement governing our Credit Facilities (as defined herein). Our ability to pay cash dividends on our common stock in the future may also be limited by the terms of any preferred securities we may issue or financial and other covenants in any instruments or agreements governing any additional indebtedness we may incur in the future. See "Dividend Policy."

Proposed Nasdaq Global Select Market symbol

"KLTR."

The number of shares of our common stock to be outstanding after this offering is based on 105,675,914 shares of our common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion and the Warrant Exercises (each as defined below), as well as our issuance of 132,030 shares of our common stock upon the exercise of options by certain of the selling stockholders in connection with the sale of such shares in this offering (the "Selling Stockholder Option Exercises"), and excludes:

- 31,849,374 shares of our common stock issuable upon the exercise of options outstanding as of December 31, 2020, at a weighted-average exercise price of \$3.87 per share, of which 13,554,754 options were vested (excluding, in each case, the 132,030 shares of common stock to be issued in connection with the Selling Stockholder Option Exercises);
- up to 613,255 shares of our common stock issuable upon the exercise of a warrant issued to the former stockholders of Newrow, Inc. as partial consideration for our acquisition of all outstanding shares of capital stock of such entity, at an exercise price equal to the par value of such shares (the "Newrow Warrant");
- 24,610 additional shares of our common stock reserved for issuances under our existing equity plans, as further described elsewhere in this prospectus (together, the "Prior Plans"), as of December 31, 2020; and
- 8,500,000 shares of our common stock reserved for future issuance under our 2021 Incentive Award Plan (the "2021 Plan"), which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part, as well as any automatic increases in the number of shares of our common stock reserved for future issuance under our 2021 Plan.

Unless otherwise noted, the information in this prospectus reflects and assumes the following:

- the amendment and restatement of our certificate of incorporation to effect a 1-to-4.5 forward stock split effected on March 19, 2021, with all share, option, warrant and per share information

for all periods presented in this prospectus adjusted to reflect such forward split on a retroactive basis;

- our issuance of 27,011 shares of our Series C convertible preferred stock pursuant to the automatic cashless exercise, in February 2021, of a warrant to purchase shares of our Series C convertible preferred stock (the "Series C Warrant" and, such exercise, the "Series C Warrant Exercise");
- the automatic conversion of all outstanding shares of our convertible preferred stock (including the shares of convertible preferred stock issued in the Series C Warrant Exercise) into an aggregate of 73,490,034 shares of our common stock immediately prior to the closing of this offering (the "Preferred Stock Conversion");
- our issuance of 5,974,515 shares of common stock pursuant to the automatic cashless exercise, immediately prior to the closing of this offering, of a warrant held by Special Situations Investing Group II, LLC, an affiliate of Goldman Sachs & Co. LLC (the "GS Warrant"), at an exercise price equal to the par value of such shares;
- the automatic cashless exercise, immediately prior to the closing of this offering, of a warrant to purchase shares of our Series D convertible preferred stock (the "Series D Warrant") and warrants to purchase shares of our Series E convertible preferred stock (the "Series E Warrants") which, after giving effect to the Preferred Stock Conversion, will result in the issuance of 233,282 and 378,131 shares of common stock, respectively, based on an assumed initial public offering price of \$15.00 per share, the midpoint of the price range set forth on the cover page of this prospectus (together with the Series C Warrant Exercise and the GS Warrant Exercise, the "Warrant Exercises") (a \$1.00 increase in the assumed initial public offering price of \$15.00 per share would increase the number of shares of our common stock issuable upon the automatic cashless exercise of the Series D Warrant and the Series E Warrants by an aggregate of 1,250 shares and 4,999 shares, respectively; a \$1.00 decrease in the assumed initial public offering price of \$15.00 per share would decrease the number of shares of our common stock issuable upon the automatic cashless exercise of the Series D Warrant and the Series E Warrants by an aggregate of 1,429 shares and 5,715 shares, respectively);
- the filing of our amended and restated certificate of incorporation (the "Post-IPO Certificate of Incorporation") and the adoption of our amended and restated bylaws (the "Post-IPO Bylaws"), each of which will be in effect upon the closing of this offering;
- no exercise of outstanding options or warrants, except as described above; and
- no exercise of the underwriters' option to purchase additional shares of our common stock.

**SUMMARY HISTORICAL CONSOLIDATED FINANCIAL AND OTHER DATA**

Set forth below are our summary historical consolidated financial and other data for the periods ending on and as of the dates indicated.

The consolidated statements of operations data for the years ended December 31, 2019 and 2020, and the consolidated balance sheet data as of December 31, 2020, were derived from our audited consolidated financial statements included elsewhere in this prospectus.

Our historical results are not necessarily indicative of our future results of operations. The summary historical consolidated financial and other data set forth below should be read in conjunction with "Selected Historical Consolidated Financial Data," "Management's Discussion and Analysis of Financial

Condition and Results of Operations" and our historical consolidated financial statements and the notes thereto, included elsewhere in this prospectus.

	Year ended December 31,	
	2019	2020 <sup>(1)</sup> (Restated)
(dollar amounts in thousands except per share data)		
<b>Consolidated Statements of Operations Data:</b>		
Revenues:		
Subscription	\$ 84,725	\$ 104,064
Professional services	12,624	16,376
Total revenues	<u>97,349</u>	<u>120,440</u>
Cost of revenues:		
Subscription	18,669	28,486
Professional services	16,949	19,179
Total cost of revenues	<u>35,618</u>	<u>47,665</u>
Gross profit	<u>61,731</u>	<u>72,775</u>
Operating expenses:		
Research and development	24,216	29,567
Selling and marketing	25,515	29,475
General and administrative	14,779	22,222
Total operating expenses	<u>64,510</u>	<u>81,264</u>
Operating loss	2,779	8,489
Financial expenses (income), net	11,189	46,721
Loss before taxes on income	13,968	55,210
Provision for income taxes	1,604	3,553
Net loss	<u>\$ 15,572</u>	<u>\$ 58,763</u>
Net loss per share <sup>(2)</sup> :		
Basic and diluted	\$ 1.11	\$ 2.83
Weighted average shares of common stock used to compute net loss per share <sup>(1)</sup> :		
Basic and diluted	22,754,499	24,939,901
Pro forma net loss per share <sup>(2)</sup> :		
Basic and diluted		\$ 0.17
Weighted average shares of common stock used to compute pro forma net loss per share <sup>(2)</sup> :		
Basic and diluted		105,015,863
<b>Other Data:</b>		
Annualized Recurring Revenue <sup>(3)</sup>	\$ 91,135	\$ 116,643
Net Dollar Retention Rate <sup>(4)</sup>	105 %	107 %
Remaining Performance Obligations <sup>(5)</sup>	\$ 114,882	\$ 140,955
Gross margin <sup>(6)</sup>	63 %	60 %
Adjusted EBITDA <sup>(7)</sup>	\$ 4,033	\$ 4,302
Adjusted EBITDA margin <sup>(7)</sup>	4.1 %	3.6 %



As of December 31, 2020

	Actual <sup>(4)</sup> (Restated)		Pro Forma <sup>(6)</sup> (unaudited) (in thousands)		Pro Forma As Adjusted <sup>(5)(7)</sup> (unaudited)
<b>Consolidated Balance Sheet Data:</b>					
Cash and cash equivalents <sup>(11)</sup>	\$	27,711	\$	27,711	\$ 265,868
Total assets		90,954		90,954	\$ 329,111
Total debt (including current portion of long-term debt) <sup>(12)</sup>		48,160		48,160	48,160
Warrants to purchase preferred and common stock		56,780		—	\$ —
Convertible preferred stock		1,921		—	—
Redeemable convertible preferred stock		158,191		—	—
Total stockholders' (deficit) equity		(260,656)		(43,764)	\$ 194,393

- (1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.
- (2) See Note 17 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our historical and pro forma basic and diluted net loss per share.
- (3) We use Annualized Recurring Revenue ("ARR") as a measure of our revenue trend and an indicator of our future revenue opportunity from existing recurring customer contracts. We calculate ARR by annualizing our recurring revenue for the most recently completed fiscal quarter. Recurring revenues are generated from SaaS and PaaS subscriptions, as well as term licenses for software installed on the customer's premises. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Financial and Operating Metrics—Annualized Recurring Revenue" for additional information on how we calculate ARR, which may differ from methods used by other companies to calculate similarly titled metrics.
- (4) We use Net Dollar Retention Rate to measure our success in retaining and growing recurring revenue from our existing customers. We calculate our Net Dollar Retention Rate for a given period as the recognized recurring revenue from the last reported fiscal quarter from the set of customers whose revenue existed in the reported fiscal quarter from the prior year (the numerator), divided by recognized recurring revenue from such customers for the same fiscal quarter in the prior year (denominator). For annual periods, we report Net Dollar Retention Rate as the arithmetic average of the Net Dollar Retention Rate for all fiscal quarters included in the period. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Financial and Operating Metrics—Net Dollar Retention Rate" for additional information on how we calculate our Net Dollar Retention Rate, which may differ from methods used by other companies to calculate similarly titled metrics.
- (5) Remaining Performance Obligations represent the amount of contracted future revenue that has not yet been delivered, including both subscription and professional services revenues. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Financial and Operating Metrics—Remaining Performance Obligations" for additional information on how we calculate Remaining Performance Obligations.
- (6) Gross margin is defined as gross profit divided by total revenue.
- (7) Adjusted EBITDA is defined as EBITDA (which is defined as net profit (loss) before interest expense, net, provision for income taxes and depreciation and amortization expense) excluding non-cash stock-based compensation expense. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by total revenues.

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are supplemental measures of our performance, are not defined by or presented in accordance with GAAP, and should not be considered in isolation or as an alternative to net profit (loss) or any other performance measure prepared in accordance with GAAP. Adjusted EBITDA and Adjusted EBITDA margin are presented because we believe that they provide useful supplemental information to investors and analysts regarding our operating performance and are frequently used by these parties in evaluating companies in our industry. By presenting Adjusted EBITDA and Adjusted EBITDA margin, we provide a basis for comparison of our business operations between periods by excluding items that we do not believe are indicative of our core operating performance. We believe that investors' understanding of our performance is enhanced by including these non-GAAP financial measures as a reasonable basis for comparing our ongoing results of operations. Additionally, our management uses Adjusted EBITDA and Adjusted EBITDA margin as supplemental measures of our performance because they assist us in comparing the operating performance of our business on a consistent basis between periods, as described above.

Although we use EBITDA, Adjusted EBITDA and Adjusted EBITDA margin as described above, EBITDA, Adjusted EBITDA and Adjusted EBITDA margin have significant limitations as analytical tools. Some of these limitations include:

- such measures do not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- such measures do not reflect changes in, or cash requirements for, our working capital needs;
- such measures do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments on our debt;
- such measures do not reflect our tax expense or the cash requirements to pay our taxes;
- although depreciation and amortization expense and non-cash stock-based compensation expense are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and such measures do not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate such measures differently than we do, thereby further limiting their usefulness as comparative measures.

Due to these limitations, EBITDA, Adjusted EBITDA and Adjusted EBITDA margin should not be considered as measures of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our GAAP results and using these non-GAAP measures only supplementally. As noted in the table below, Adjusted EBITDA includes an adjustment for non-cash stock-based compensation expense. It is reasonable to expect that this item will occur in future periods. However, we believe this adjustment is appropriate because the amount recognized can vary significantly from period to period, does not directly relate to the ongoing operations of our business and complicates comparisons of our internal operating results between periods and with the operating results of other companies over time. Each of the normal recurring adjustments and other adjustments described in this paragraph and in the reconciliation table below help to provide management with a measure of our core operating performance over time by removing items that are not related to day-to-day operations. Nevertheless, because of the limitations described above, management does not view EBITDA, Adjusted EBITDA or Adjusted EBITDA margin in isolation and also uses other measures, such as revenue, operating loss and net loss, to measure operating performance.

The following table reconciles EBITDA and Adjusted EBITDA to the most directly comparable GAAP financial performance measure, which is net loss:

	Year ended December 31,			
	2017	2018	2019	2020 (Restated)
	(in thousands)			
Net loss	\$ (19,205)	\$ (11,914)	\$ (15,572)	\$ (58,763)
Financial expenses (income), net <sup>(a)</sup>	3,913	(59)	11,189	46,721
Provision for income taxes	1,160	3,642	1,604	3,553
Depreciation, amortization, impairment and abandonment costs <sup>(b)</sup>	5,316	4,446	4,490	7,677
EBITDA	(8,816)	(3,885)	1,711	(812)
Non-cash stock-based compensation expense	2,050	2,205	2,322	5,114
Adjusted EBITDA	\$ (6,766)	\$ (1,680)	\$ 4,033	\$ 4,302

(a) 2018, 2019 and 2020 include \$(4.4) million, \$5.3 million, and \$41.5 million, respectively, of remeasurement of warrants to fair value.

(b) 2017 includes a \$0.5 million one-time expense related to impairment of intangible assets. 2020 includes a \$4.0 million one-time expense related to the abandonment of data center equipment in connection with our transition to a public cloud infrastructure.

- (8) Reflects the Preferred Stock Conversion, the Warrant Exercises, and our forgiveness of loans to certain of our directors and executive officers in connection with the public filing of the registration statement of which this prospectus forms a part, as described under "Certain Relationships and Related Party Transactions—Director and Executive Officer Loans."
- (9) Reflects (i) the pro forma adjustments described in footnote (8) above, (ii) the sale by us of 17,400,000 shares of common stock in this offering at the assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, and (iii) our issuance of

132,030 shares of our common stock in connection with the Selling Stockholder Option Exercises and our receipt of aggregate proceeds of \$0.2 million in connection therewith.

- (10) Each \$1.00 increase (decrease) in the assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately \$16.2 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 and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price would increase (decrease) each of cash and cash equivalents, working capital, total assets and total stockholders' equity by approximately \$14.0 million, assuming the shares of our common stock offered by this prospectus are sold at the assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma information discussed above is illustrative only and will be adjusted based on the actual initial public offering price, the number of shares we sell and other terms of this offering that will be determined at pricing.
- (11) Does not reflect certain cash payments we will be required to make to Special Situations Investing Group II, LLC, an affiliate of Goldman Sachs & Co. LLC, if the actual initial public offering price is less than or equal to the midpoint of the price range set forth on the cover page of this prospectus (or, conversely, cash payments Special Situations Investing Group II, LLC will be required to make to us if the actual initial public offering price is greater than such midpoint). See "Certain Relationships and Related Party Transactions--Transactions with Goldman Sachs & Co. LLC and Affiliates."
- (12) Total debt as of December 31, 2020 consisted of borrowings under our Prior Credit Facilities (as defined herein), net of unamortized issuance costs of \$0.2 million. In January 2021, we (i) repaid all amounts outstanding under our Prior Credit Facilities and terminated all outstanding commitments thereunder, and (ii) entered into a new credit agreement with one of our existing lenders, which provides for a new senior secured term loan facility in the aggregate principal amount of \$40.0 million (the "Term Loan Facility"), and a new senior secured revolving credit facility in the aggregate principal amount of \$10.0 million (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Credit Facilities"). As of March 1, 2021, we had approximately \$39.5 million of borrowings outstanding under the Term Loan Facility (net of \$0.5 million of unamortized issuance costs), and approximately \$9.9 million of borrowings outstanding under the Revolving Credit Facility (net of \$0.1 million of unamortized issuance costs), with no additional borrowings available thereunder. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities." Also see our audited consolidated financial statements included elsewhere in this prospectus, which include all recorded liabilities.

## RISK FACTORS

*A description of the risks and uncertainties associated with our business and ownership of our common stock is set forth below. You should carefully consider the risks and uncertainties described below, together with all of the other information in this prospectus, including the section titled "Management's Discussion and Analysis of Financial Condition and Result of Operations" and our consolidated financial statements and the related notes thereto, before making a decision to invest in our common stock. Our business, financial condition, results of operations and prospects could also be harmed by risks and uncertainties that are not presently known to us or that we currently believe are not material. If any of these risks actually occur, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the market price of our common stock could decline and you could lose all or part of your investment.*

### **Risks Related to Our Business and Industry**

***Our business and operations have experienced rapid growth, and if we do not appropriately manage this growth and any future growth, or if we are unable to improve our systems, processes and controls, our business, financial condition, results of operations and prospects will be adversely affected.***

We have experienced rapid growth and increased demand for our offerings in recent periods, including in response to the COVID-19 pandemic, and we plan to make continued investments in the growth and expansion of our business and customer base. The growth and expansion of our business places a continuous and significant strain on our management, operational, financial and other resources. In addition, as customers adopt our offerings for an increasing number of use cases, we have had to support more complex commercial relationships. In order to manage our growth effectively, we must continue to improve and expand our information technology and financial infrastructure, our security and compliance requirements, our operating and administrative systems, our customer service and support capabilities, our relationships with various partners and other third parties, and our ability to manage headcount and processes in an efficient manner.

We may not be able to sustain the pace of improvements to our platform, products and solutions, or the development and introduction of new offerings, successfully, or implement systems, processes, and controls in an efficient or timely manner or in a manner that does not negatively affect our results of operations. Our failure to improve our systems, processes, and controls, or their failure to operate in the intended manner, may result in our inability to manage the growth of our business and to forecast our revenue, expenses, and earnings accurately, or to prevent losses.

As we continue to expand our business and operate as a public company, we may find it difficult to maintain our corporate culture while managing our employee growth. Any failure to manage our anticipated growth and related organizational changes in a manner that preserves our culture could negatively impact future growth and achievement of our business objectives. Additionally, our productivity and the quality of our offerings may be adversely affected if we do not integrate and train our new employees quickly and effectively. These challenges have been, and likely will continue to be, heightened due to the ongoing COVID-19 pandemic and the related stay-at-home, travel and other restrictions instituted by governments around the world. Failure to manage our growth to date and any future growth effectively could result in increased costs, negatively affect customer satisfaction and adversely affect our business, financial condition, results of operations and growth prospects.

***Our recent growth may not be indicative of our future growth, and we may not be able to sustain our revenue growth rate in the future. Our growth also makes it difficult to evaluate our current business and future prospects and may increase the risk that we will not be successful.***

Our total revenue for the years ended December 31, 2019 and 2020 were \$97.3 million and \$120.4 million, respectively, representing an annual growth rate of 24%. You should not rely on the revenue growth of any prior period as an indication of our future performance. As we operate in new and rapidly

changing markets, widespread adoption and use of our platform, products and solutions is critical to our future growth and success. We believe our revenue growth will depend on a number of factors, including, among other things, our ability to:

- attract new customers and maintain our relationships with, and increase revenue from, our existing customers;
- provide excellent customer and end user experiences;
- maintain the security and reliability of our platform, products and solutions;
- introduce and grow adoption of our offerings in new markets outside the United States;
- hire, integrate, train and retain skilled personnel;
- adequately expand our sales force and distribution channels;
- continually enhance and improve our platform, products and solutions, including the features, integrations and capabilities we offer, and develop or otherwise introduce new products and solutions;
- obtain, maintain, protect and enforce intellectual property protection for our platform and technologies;
- expand into new technologies, industries and use cases;
- expand and maintain our partner ecosystem;
- comply with existing and new applicable laws and regulations, including those related to data privacy and security;
- price our offerings effectively and determine appropriate contract terms;
- determine the most appropriate investments for our limited resources;
- successfully compete against established companies and new market entrants; and
- increase awareness of our brand on a global basis.

If we are unable to accomplish any of these objectives, our revenue growth will be impaired, and even if our revenue continues to increase, we expect that our revenue growth rate will decline in future periods. Many factors may contribute to declines in our growth rate, including greater market penetration, increased competition, slowing demand for our offerings, a failure by us to continue capitalizing on growth opportunities, the maturation of our business, and global economic downturns, among others. Additionally, it is difficult to estimate the extent to which our recent growth has benefited from the effects of the COVID-19 pandemic, which increased demand from new and existing customers across all of our offerings beginning in the second quarter of 2020 and contributed to an acceleration in our revenue growth when compared to prior periods. While market demand for our offerings was growing at a robust rate prior to the pandemic, we are unable to predict the duration, degree or volatility of our recent or any future growth with any degree of certainty. If our growth rate declines as a result of this or any of the other factors described above, investors' perceptions of our business and the market price of our common stock could be adversely affected.

In addition, our rapid growth may make it difficult to evaluate our current business and future prospects. Our ability to forecast our future results of operations is subject to a number of uncertainties, including our ability to effectively plan for and model future growth. We have encountered in the past, and may encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly changing industries that may prevent us from achieving the objectives outlined above. If we fail to

achieve the necessary level of efficiency in our organization as it grows, or if we are not able to accurately forecast future growth, our business would be adversely affected. Moreover, if the assumptions that we use to plan our business are incorrect or change in reaction to changes in our market, or if we are unable to maintain consistent revenue or revenue growth, the market price of our common stock could be volatile, and it may be difficult to achieve and maintain profitability.

***We have a history of losses and may not be able to achieve or maintain profitability.***

We have incurred losses in each year since our incorporation in 2006, including net losses of \$15.6 million and \$58.8 million in the years ended December 31, 2019 and 2020, respectively. As a result, we had an accumulated deficit of \$(263.3) million as of December 31, 2020. We intend to continue to expend substantial financial and other resources on, among other things:

- growing our base of field sales representatives and customer success managers, introducing inside sales and self-serve offerings and distribution channels, and expanding our customer base;
- extending our product leadership by investing in our Webinars and Meetings products, as well as our Virtual Classroom industry solution, our Virtual Events product, our TV Solution and other recently introduced offerings, as well as by developing new products, expanding our platform into additional industries and enhancing our Media Services offerings with additional core capabilities and technologies;
- increasing sales within our existing customer base through increased usage of our platform and the cross-selling of additional products and solutions;
- augmenting our current offerings by increasing the breadth of our technology partnerships and exploring potential transactions that may enhance our capabilities or increase the scope of our technology footprint;
- continuing to grow our international operations; and
- general administration, including legal, accounting, and other expenses related to our transition to being a new public company.

These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently, or at all, to offset these higher expenses. In addition, to the extent we are successful in increasing our customer base, we may also incur increased losses because the costs associated with acquiring customers are generally incurred up front, while the subscription revenue is generally recognized ratably over the subscription term. This will be particularly true as we acquire new customers for our Virtual Events product and TV Solution, which entail significant non-recurring up-front costs as compared to our other offerings, and because we expect to significantly increase our sales and marketing spend in anticipation of future revenue growth. If our revenue does not increase to offset the expected increases in our operating expenses, we will not achieve profitability in future periods and our net losses may increase. Revenue growth may slow or revenue may decline for a number of possible reasons, many of which are beyond our control, including slowing demand for our platform, products or solutions, increasing competition, or any of the other factors discussed in this Risk Factors section. Any failure to increase our revenue as we grow our business could prevent us from achieving profitability at all or on a consistent basis, which would cause our business, financial condition and results of operations to suffer and the market price of our common stock to decline.

***The ongoing COVID-19 outbreak could adversely affect our business, financial condition and results of operations.***

In December 2019, an outbreak of a novel coronavirus disease (“COVID-19”) was first identified and began to spread across the globe and, in March 2020, the World Health Organization declared it a pandemic. This contagious disease has spread across the globe and is impacting economic activity and

financial markets worldwide, including countries in which our end users and customers are located, as well as the United States and Israel where we have business operations. As a result of the COVID-19 pandemic, government authorities around the world have ordered schools and businesses to close, imposed restrictions on non-essential activities and required people to remain at home while imposing significant restrictions on traveling and social gatherings.

In light of the uncertain and rapidly evolving situation relating to the spread of COVID-19, as well as government mandates, we took precautionary measures intended to minimize the risk of the virus to our employees, our customers, our partners and the communities in which we operate, which could negatively impact our business. In the first quarter of 2020, we temporarily closed all of our offices and enabled our entire work force to work remotely. We also suspended all travel worldwide for our employees for non-essential business. In the second quarter of 2020, we reopened selected offices, however most of our employees continued to work remotely, a majority of whom continue to do so as of the date of this prospectus. These changes could extend into future quarters.

While COVID-19 has not had a material adverse impact on our operations through the date of this prospectus, the impact of COVID-19 on our ability to attract, serve, retain or upsell customers is inherently uncertain and depends on the duration, severity and potential resurgence of the outbreak and its impact on end users, customers and the macroeconomic environment as a whole. Prior to the COVID-19 pandemic, our employees traveled frequently to establish and maintain relationships with one another, as well as our customers, partners, and investors. Although we continue to monitor the situation and may adjust our current policies as more information and public health guidance become available, continued limitations on travel and doing business in person may negatively affect our customer success efforts, sales and marketing efforts, challenge our ability to enter into customer contracts in a timely manner, slow down our recruiting efforts, or create operational or other challenges, any of which could adversely affect our business, financial condition and results of operations.

In addition, as a result of the increase in usage we experienced as a result of the pandemic, in the third quarter of 2020, we accelerated our existing plans to move from our own data centers to a public cloud infrastructure in order to provide required stability, reliability, scalability and elasticity. Though we do not believe our transition to a public cloud infrastructure will materially increase our cost of revenue over the long-term, our cost of revenue did increase in the third and fourth quarters of 2020, and we expect to incur additional costs related to this transition in 2021 as we continue the process of scaling our network infrastructure, which will exert downward pressure on our gross margin and results of operations. Our gross margin and results of operations have also been impacted by, and may continue to be impacted by, the increased usage of certain of our offerings, primarily in the education market, for which the terms of our customer agreements do not limit customer usage or increase pricing for usage above a certain amount. In addition, in connection with our transition to a public cloud infrastructure, we recorded a one-time expense during the third quarter of 2020 related to the abandonment of data center equipment. We also experienced an initial period of unstable service during the first few months of this transition, causing us to fall below the service-level commitments in our customer agreements, which could negatively impact customer renewals and, as a result, our Net Dollar Retention Rate, in future periods.

Furthermore, COVID-19 has disrupted and may continue to disrupt the operations of our customers and technology partners for an indefinite period of time, including as a result of travel restrictions and/or business shutdowns, all of which could negatively impact our business, financial condition and results of operations. More generally, the COVID-19 outbreak has adversely affected economies and financial markets globally, leading to an economic downturn, which could decrease technology spending and adversely affect demand for our offerings and harm our business, financial condition and results of operations. Existing and potential customers may choose to reduce or delay technology investments in response to the COVID-19 pandemic, or attempt to renegotiate contracts and obtain concessions, which may materially and negatively impact our operating results, financial condition and prospects. For example, as a result of COVID-19, we have experienced and expect to continue to experience an increase in the average length of sales cycles to onboard new customers, delays in new projects, and requests by some customers for extension of payment obligations, all of which adversely affect and could

materially and adversely impact our business, financial condition and results of operations in future periods. The COVID-19 pandemic has also resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity. It is also possible that continued widespread remote work arrangements may have a negative impact on our operations, the execution of our business plans, the productivity and availability of key personnel and other employees necessary to conduct our business, and on third-party service providers who perform critical services for us, or otherwise cause operational failures due to changes in our normal business practices necessitated by the outbreak and related governmental actions. If a natural disaster, power outage, connectivity issue, or other event occurred that impacted our employees' ability to work remotely, it may be difficult or, in certain cases, impossible, for us to continue our business for a substantial period of time. The increase in remote working may also result in privacy, data protection, data security, and fraud risks, and our understanding of applicable legal and regulatory requirements, as well as the latest guidance from regulatory authorities in connection with the COVID-19 pandemic, may be subject to legal or regulatory challenge, particularly as regulatory guidance evolves in response to future developments.

It is not possible at this time to estimate the long-term impact that COVID-19 could have on our business, financial condition and results of operations as the impact will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions to contain the virus or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. Even after the outbreak of COVID-19 has subsided, we may experience materially adverse impacts to our business as a result of its global economic impact, including any recession that has occurred or may occur in the future.

***The markets for our offerings are new and evolving and may develop more slowly or differently than we expect. Our future success depends on the growth and expansion of these markets and our ability to adapt and respond effectively to evolving market conditions.***

The markets in which we operate are relatively new and rapidly evolving. Accordingly, it is difficult to predict customer adoption, renewals and demand, the entry of new competitive products, the success of existing competitive products, and the future growth rate, expansion, longevity, and size of the markets for our platform, products and solutions. The expansion of these new and evolving markets depends on a number of factors, including the cost, performance, and perceived value associated with the technologies that we and others in our industry develop. If we or other companies in our industry experience security incidents, loss of customer data, or disruptions in delivery or service, the market for these applications as a whole, including the demand for our offerings, may be negatively affected. If video products and solutions such as ours do not continue to achieve market acceptance, or there is a reduction in demand caused by decreased customer acceptance, technological challenges, weakening economic conditions, privacy, data protection and data security concerns, governmental regulation, competing technologies and products, or decreases in information technology spending or otherwise, the market for our offerings might not continue to develop or might develop more slowly than we expect, which could adversely affect our business, financial condition, results of operations and growth prospects. Similarly, we do not know whether recent trends, such as the increased utilization of cloud-based live and real-time video experiences as an alternative to in-person experiences, which has accelerated during the COVID-19 pandemic, will continue in the future.

***Our results of operations are likely to fluctuate from quarter to quarter and year to year, which could adversely affect the trading price of our common stock.***

Our results of operations, including our revenue, cost of revenue, gross margin, operating expenses, cash flow, and deferred revenue, have fluctuated from quarter to quarter and year to year in the past and may continue to vary significantly in the future so that period-to-period comparisons of our results of operations may not be meaningful. Accordingly, our financial results in any one quarter should not be relied upon as indicative of future performance. Our quarterly financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, may be difficult to predict, and may not fully



reflect the underlying performance of our business. Factors that may cause fluctuations in our quarterly financial results include:

- our ability to attract new customers and increase revenue from our existing customers;
- the loss of existing customers;
- subscription renewals, and the timing and terms of such renewals;
- fluctuations in customer usage from period to period, including as a result of seasonality in our customers' underlying businesses, which create variability in our cost of revenue;
- customer satisfaction with our products, solutions, platform capabilities and customer support;
- mergers and acquisitions or other factors resulting in the consolidation of our customer base;
- mix of our revenue;
- our ability to gain new partners and retain existing partners;
- fluctuations in stock-based compensation expense;
- decisions by potential customers to purchase competing offerings or develop in-house technologies and solutions as alternatives to our offerings;
- changes in the spending patterns of our customers;
- the amount and timing of operating expenses related to the maintenance and expansion of our business and operations, including investments in research and development, sales and marketing, and general and administrative resources;
- our increasing reliance on a public cloud infrastructure, which will result in higher variable costs compared to our own data centers;
- network outages;
- developments or disputes concerning our intellectual property or proprietary rights, our platform, products or solutions, or third-party intellectual property or proprietary rights;
- negative publicity about our company, our offerings or our partners, including as a result of actual or perceived breaches of, or failures relating to, privacy, data protection or data security;
- the timing of expenses related to the development or acquisition of technologies or businesses and potential future charges for impairment of goodwill from acquired companies;
- general economic, industry, and market conditions;
- the impact of the ongoing COVID-19 pandemic, or any other pandemic, epidemic, outbreak of infectious disease or other global health crises on our business, the businesses of our customers and partners and general economic conditions;
- the impact of political uncertainty or unrest;
- changes in our pricing policies or those of our competitors;
- fluctuations in the growth rate of the markets that our offerings address;
- seasonality in the underlying businesses of our customers, including budgeting cycles, purchasing practices and usage patterns;

- the business strengths or weakness of our customers;
- our ability to collect timely on invoices or receivables;
- the cost and potential outcomes of future litigation or other disputes;
- future accounting pronouncements or changes in our accounting policies;
- our overall effective tax rate, including impacts caused by any reorganization in our corporate tax structure and any new legislation or regulatory developments;
- our ability to successfully expand our business in the United States and internationally;
- fluctuations in the mix of on-premise and SaaS/PaaS deployments;
- fluctuations in foreign currency exchange rates; and
- the timing and success of new products and solutions introduced by us or our competitors, or any other change in the competitive dynamics of our industry, including consolidation among competitors, customers or partners.

In particular, our cost of revenue is generally higher in periods during which we acquire new customers for our Virtual Events product and TV Solution, which entail significantly higher up-front costs compared to our other offerings. Historically, we have also experienced seasonality in bookings and collections from customers within the education market, with a pattern of higher sales and new academic customers in the second and third quarters of the year as a result of school procurement periods, resulting in lower sequential sales and customer growth in other quarters of the year. We also experience increased usage by these customers during periods when school is in session, leading to higher cost of revenue during the first and fourth quarters of the year. Because the agreements for certain of our solutions do not limit usage or increase pricing for usage in excess of a specified amount, these additional costs may not result in a corresponding increase in revenue.

In addition, beginning in the second quarter of 2020, we experienced a significant increase in the usage of our offerings due to the COVID-19 pandemic. As a result of this usage and increased demand from our customers, we have incurred and expect to continue to incur significant costs associated with upgrading our infrastructure and expanding our capacity, including the acceleration of our existing plans to move from our own data centers to a public cloud infrastructure. The transition to a public cloud infrastructure will also increase our variable costs, which may lead to higher overall costs, particularly in the near term as our usage scales.

The impact of one or more of the foregoing or other factors may cause our results of operations to vary significantly. Such fluctuations make forecasting more difficult and could cause us to fail to meet the expectations of investors and securities analysts, which could cause the trading price of our common stock to fall substantially, resulting in the loss of all or part of your investment, and subject us to costly lawsuits, including securities class action suits. Additionally, the rapid growth we have experienced in recent years may have masked the full effects of these seasonal factors on our business to date, and as such, these factors may have a greater effect on our results of operations in future periods.

***We have identified a material weakness in our internal control over financial reporting which, if not remediated, could cause us to fail to timely and accurately report our financial results and result in restatements of our consolidated financial statements. As a consequence, stockholders could lose confidence in our financial reporting and our stock price could suffer.***

Following the closing of this offering, we will be a public reporting company subject to the rules and regulations established from time to time by the SEC and Nasdaq. These rules and regulations will require, among other things, that we establish and periodically evaluate procedures with respect to our internal control over financial reporting. Reporting obligations as a public company are likely to place a

considerable strain on our financial and management systems, processes and controls, as well as on our personnel.

In addition, as a public company, we will be required to document and test our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act so that our management can certify as to the effectiveness of our internal control over financial reporting. Though we will be required to disclose changes made to our internal controls and procedures on a quarterly basis, we will not be required to make our first annual assessment of our internal control over financial reporting pursuant to Section 404 until the year following our first annual report required to be filed with the SEC. Furthermore, as an emerging growth company, our independent registered public accounting firm will not be required to formally attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 until the later of our second annual report required to be filed with the SEC and our annual report for any fiscal year following such date that we are no longer an emerging growth company. This assessment will need to include disclosure of any material weaknesses identified in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual and interim financial statements will not be detected or prevented on a timely basis.

In connection with the preparation of the consolidated financial statements included elsewhere in this prospectus, we concluded that there was a material weakness in our internal control over financial reporting. In particular, we concluded that we did not have effective controls over the estimation of fair value in connection with stock-based compensation expenses and re-measurement of liabilities in connection with warrants to purchase preferred and common stock. As a result, we restated our consolidated financial statements. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

Our management and independent registered public accounting firm did not perform an evaluation of our internal control over financial reporting during any period in accordance with the provisions of Sarbanes-Oxley Act. Had we performed an evaluation and had our independent registered public accounting firm performed an audit of our internal control over financial reporting in accordance with the provisions of Sarbanes-Oxley Act, additional material weaknesses may have been identified. We are in the very early stages of the costly and challenging process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404(a) of Sarbanes-Oxley Act and we are taking steps to remediate the material weakness.

Although we are in the process of remediating this material weakness, we have not yet been able to complete our remediation efforts. It will take additional time and expenditures to design, implement and test the controls and procedures required to enable our management to conclude that our internal control over financial reporting is effective. We cannot at this time estimate how long it will take to complete our remediation efforts, and we cannot assure you that measures we plan to take will be effective in mitigating or preventing significant deficiencies or material weaknesses in our internal control over financial reporting in the future. Any failure to maintain effective internal control over financial reporting could severely inhibit our ability to accurately report our financial condition or results of operations.

If we fail to remediate this material weakness or identify new material weaknesses by the time we have to issue our first Section 404(a) assessment on the effectiveness of our internal control over financial reporting, we will not be able to conclude that our internal control over financial reporting is effective, which may cause investors to lose confidence in our financial statements, and the trading price of our common stock may decline. If we fail to remedy any material weakness, our financial statements may be inaccurate, we could be subject to litigation from investors and stockholders, we could be subject to sanctions or investigations by the SEC, Nasdaq or other regulatory authorities, our access to the capital markets may be restricted and the trading price of our common stock may suffer.

***The loss of one or more of our significant customers, or any other reduction in the amount of revenue we derive from any such customer, would adversely affect our business, financial condition, results of operations and growth prospects.***

Our future success is dependent on our ability to establish and maintain successful relationships with a diverse set of customers. We currently derive a significant portion of our revenue from a limited number of customers. For the years ended December 31, 2019 and 2020, Vodafone accounted for approximately 12% of our revenue in each such year, and our top ten customers in the aggregate accounted for approximately 27% and 29% of our revenue in such years, respectively. Although the identity of the customers may vary from period to period, it is likely that we will continue to derive a significant portion of our revenue from a limited number of customers in the future and, in some cases, the portion of our revenue attributable to individual customers may increase. The loss of one or more significant customers or a reduction in the amount of revenue we derive from any such customer could significantly and adversely affect our business, financial condition and results of operations. Customers may choose not to renew their subscriptions or may otherwise reduce the breadth of the offerings to which they subscribe for any number of reasons. See “—If our existing customers do not renew their subscriptions, or if they renew on terms that are less economically beneficial to us, it could have an adverse effect on our business, financial condition and results of operations.” We are also subject to the risk that any such customer will experience financial difficulties that prevent them from making payments to us on a timely basis or at all.

***If we are not able to keep pace with technological and competitive developments and develop or otherwise introduce new products and solutions and enhancements to our existing offerings, our offerings may become less marketable, less competitive or obsolete, and our business, financial condition and results of operations may be adversely affected.***

The markets in which we compete are characterized by rapid technological change, frequent introductions of new products, services, features and capabilities, and evolving industry standards and regulatory requirements. Our ability to grow our customer base and increase our revenue will depend in significant part on our ability to develop or otherwise introduce new products and solutions; develop or otherwise introduce new features, integrations, capabilities and other enhancements to our existing offerings on a timely basis; and interoperate across an increasing range of devices, operating systems and third-party applications. The success of any new products or solutions, or enhancements to our existing offerings, will depend on a number of factors including, but not limited to, the timeliness and effectiveness of our research and product development activities and go-to-market strategy, our ability to anticipate customer needs and achieve market acceptance, our ability to manage the risks associated with new product releases, the effective management of development and other spending in connection with the product development process, and the availability of other newly developed products and technologies by our competitors.

In addition, in connection with our product development efforts, we may introduce significant changes to our existing products or solutions, or develop or otherwise introduce new and unproven products or solutions, including technologies with which we have little or no prior development or operating experience. These new products, solutions and updates may not perform as expected, may fail to engage our customer base or other end users of our products, or may otherwise create a lag in adoption of such new products. New products may initially suffer from performance and quality issues that may negatively impact our ability to market and sell such products to new and existing customers. We have in the past experienced bugs, errors, or other defects or deficiencies in new products and product updates and delays in releasing new products, deployment options, and product enhancements and may have similar experiences in the future. As a result, some of our customers may either defer purchasing our offerings until the next upgrade is released or switch to a competitor if we are not able to keep up with technological developments. To keep pace with technological and competitive developments we have in the past invested, and may in the future invest, in the acquisition of complementary businesses, technologies, services, products, and other assets that expand our offerings. We may make these investments without being certain that they will result in products or enhancements that will be accepted

by existing or prospective customers or that will achieve market acceptance. The short- and long-term impact of any major change to our offerings, or the introduction of new products or solutions, is particularly difficult to predict. If new or enhanced offerings fail to engage our customer base or other end users of our products, or do not perform as expected, we may fail to generate sufficient revenue, operating margin, or other value to justify our investments in such products, any of which may adversely affect our reputation and negatively affect our business in the short-term, long-term, or both. If we are unable to successfully enhance our existing offerings to meet evolving customer requirements, increase adoption and use cases of our offerings, develop or otherwise introduce new products and solutions and quickly resolve security vulnerabilities or other errors or defects, or if our efforts in any of these areas are more expensive than we expect, our business, financial condition and results of operations would be adversely affected.

***If we do not maintain the interoperability of our offerings across devices, operating systems and third-party applications that we do not control, and if we are not able to maintain and expand our relationships with third-party technology partners to integrate our offerings with their products and solutions, our business, financial condition and results of operations may be adversely affected.***

Our success depends in part on our ability to integrate our platform, products and solutions with a variety of network, hardware and software platforms, and we need to continuously modify and enhance our offerings to adapt to changes in hardware, software, networking, browser and database technologies. Several of our competitors own, develop, operate or distribute operating systems, application stores, cloud hosting services and other software applications, and/or have material business relationships with companies that own, develop, operate or distribute operating systems, application stores, cloud hosting services and other software that our offerings rely on to operate. Moreover, some of these competitors have inherent advantages developing products and services that more tightly integrate with their software and hardware platforms or those of their business partners.

Third-party products and services are constantly evolving, and we may not be able to modify our offerings to ensure their compatibility with those of other third parties following development changes. In addition, some of our competitors may be able to disrupt the operations or compatibility of our offerings with their products or services, or exert strong business influence on our ability to, and terms on which we, operate and distribute our offerings. For example, certain of our offerings directly compete with several large technology companies that we rely on to ensure the interoperability of our offerings with their products or services. As our respective products evolve, we expect this level of competition to increase. Should any of our competitors modify their products or standards in a manner that degrades the functionality of our offerings or gives preferential treatment to competitive products or services, whether to enhance their competitive position or for any other reason, we may not be able to offer the functionality that our customers need, which would negatively impact our ability to generate revenue and adversely affect our business. Furthermore, any losses or shifts in the market position of the providers of these third-party products and services could require us to identify and develop integrations with new third-party technologies. Such changes could consume substantial resources and may not be effective. Any expansion into new geographies may also require us to integrate our offerings with new third-party technologies, products and services and invest in developing new relationships with these providers. If we are unable to respond to changes in a cost-effective manner, our offerings may become less marketable, less competitive, or obsolete, and our business, financial condition and results of operations may be negatively impacted.

In addition, a significant percentage of our customers choose to integrate our platform, products and solutions with certain capabilities of third-party publishers and software providers using application programming interfaces, or APIs. The functionality and popularity of our platform, products and solutions depends, in part, on their ability to integrate with a wide variety of third-party applications and software. Third-party providers of applications may change the features of their applications and software, restrict our access to their applications and software or alter the terms governing use of their applications and access to those applications and software in an adverse manner. Such changes could functionally limit or eliminate our ability to use these third-party applications and software in conjunction with our offerings,

which could negatively impact customer demand, our competitive position and adversely affect our business.

Further, we have created mobile applications and mobile versions of our offerings to respond to the increasing number of people who access the internet and cloud-based software applications through mobile devices, including smartphones and handheld tablets or laptop computers. If these mobile applications do not perform well, our business may suffer. We are also dependent on third-party application stores that may prevent us from timely updating our offerings, building new features, integrations, capabilities or other enhancements, or charging for access. Certain of these companies are now, or may in the future become, competitors of ours, and could stop allowing or supporting access to our offerings, could allow access for us only at an unsustainable cost, or could make changes to the terms of access in order to make our offerings less desirable or harder to access, for competitive reasons, which would also have a negative impact on our business.

***A version of our Media Services is licensed to the public under an open source license, which could negatively affect our ability to monetize our offerings and protect our intellectual property rights.***

We make a version of our Media Services, Kaltura Community Edition (“Kaltura CE”), available to the public at no charge under an open source license, the Affero General Public License version 3.0 (“AGPL”). Although Kaltura CE does not include many widely used Kaltura applications, it can be used on a self-hosted basis as a standalone video platform. The AGPL grants licensees broad freedom to view, use, copy, modify, and redistribute the source code of Kaltura CE. Anyone can download a free copy of this version of our platform from the internet, and we neither know who all of our AGPL licensees are, nor have visibility into how Kaltura CE is being used by licensees, so our ability to detect violations of the open source license is extremely limited. Additionally, even if we become aware of any violations, open source licenses—including AGPL—have not been widely interpreted by courts, leading to uncertainty surrounding any ability to enforce such licenses.

The AGPL is a “copyleft” license, requiring that any redistribution by licensees of Kaltura CE, or any modifications or adaptations to Kaltura CE, be made pursuant to the AGPL as well. This leads some commercial enterprises to consider AGPL-licensed software to be unsuitable for commercial use. However, the AGPL would not prevent a commercial licensee from taking this open source version of our platform under AGPL and using it for internal purposes for free. AGPL also would not prevent a commercial licensee from taking this open source version of our platform under AGPL and using it to compete in our markets by providing it to others for free.

This competition can develop without the degree of overhead and lead time required by traditional proprietary software companies, due to the permissions allowed under AGPL. It is also possible for competitors to develop their own software based on Kaltura CE. Although this software would also need to be made available for free under the AGPL, it could reduce the demand for and put pricing pressure on our offerings. We cannot guarantee that we will be able to compete successfully against current and future competitors, some of which may have greater resources than we have, or that competitive pressure or the availability of new open source software will not result in price reductions, reduced operating margins, and loss of market share. Any of the foregoing could harm our business, financial condition, results of operations and cash flows.

***The markets in which we compete are nascent and highly fragmented, and we may not be able to compete successfully against current and future competitors, some of whom have greater financial, technical, and other resources than we do. If we do not compete successfully, our business, financial condition and results of operations could be harmed.***

Our Video Experience Cloud consists of our Media Services offerings and multiple products and solutions, and we compete in each product or solution category as well as on the platform level as a whole. The market for our offerings is highly fragmented, quickly evolving, and subject to rapid changes in

technology. We believe that our ability to compete successfully depends upon many factors both within and beyond our control, including the following:

- breadth and scale of products, solutions and Media Services;
- ability to provide a cross-organization video platform with multiple interoperable video solutions;
- ability to support converging experiences across live, real-time and on-demand video;
- flexibility to build and support custom workflows using video technology;
- ease of customization and integration with other products;
- quality of service and customer satisfaction;
- flexibility of deployment options;
- ability to innovate quickly;
- data capabilities, including advanced analytics and AI;
- enterprise-grade reliability, security and scalability;
- cost of implementation and ongoing use;
- brand recognition; and
- corporate culture.

Our key competitors vary based on market and industry, and include:

- Microsoft/Azure Media Services, Amazon/AWS Media Services and Twilio for our Media Services;
- Microsoft/Teams and Cisco (through their partnership with Vbrick) for Video Portal, Town Halls and Video Messaging;
- Zoom, Cisco/Webex and Adobe/Connect for Meetings and Webinars;
- Intrado and Hopin for Virtual Events;
- Zoom, Microsoft/Teams and Cisco/Webex for our education solutions; and
- Synamedia (formerly under Cisco), MediaKind (formerly under Ericsson) and Comcast Technology Solutions for our Media & Telecom Solution.

Additionally, we compete with home-grown, start-up, and open source technologies across the categories described above. With the rise in travel restrictions and shelter-in-place policies resulting from the COVID-19 pandemic, as well as the passage of time, the introduction of new technologies and the entrance of new market participants, competition has intensified, and we expect it to continue to intensify in the future. Established companies are also developing their own video platforms, products and solutions within their own core product lines, and may continue to do so in the future. Established companies may also acquire or establish product integration, distribution or other cooperative relationships with our current competitors. New competitors or alliances among competitors may emerge from time to time and rapidly acquire significant market share due to various factors such as their greater brand name recognition, larger existing user or customer base, consumer preferences for their offerings, a larger or more effective sales organization and greater financial, technical, marketing and other resources and experience. Furthermore, with the recent increase in large merger and acquisition transactions in the technology industry, particularly transactions involving cloud-based technologies, there

is a greater likelihood that we will compete with other larger technology companies in the future. Companies resulting from these potential consolidations may create more compelling product offerings and be able to offer more attractive pricing options, making it more difficult for us to compete effectively.

Many of our competitors have, and some of our potential competitors may have, greater financial, technical, and other resources, longer operating histories, greater brand recognition, larger sales forces and marketing budgets, broader distribution networks, more diverse product and services offerings, larger and more mature intellectual property portfolios, more established relationships in the industry and with customers, lower cost structures and greater customer experience resources. These competitors may be able to respond more quickly and effectively than we can to new or changing opportunities, technologies, standards and customer requirements. They may be able to leverage these resources to gain business in a manner that discourages customers from purchasing our offerings, including through selling at zero or negative margins, product bundling, forced product migrations, auto-installation of applications, or closed technology platforms. Potential customers may also prefer to purchase from companies with which they have an existing relationship rather than a new supplier, regardless of product performance or features. Furthermore, we expect that our industry will continue to attract new companies, including smaller emerging companies, which could introduce new offerings. We may also expand into new markets and encounter additional competitors in such markets. These competitive pressures in the markets in which we operate, or our failure to compete effectively, may result in price reductions, fewer customers, reduced revenue, gross profit and gross margins, increased net losses and loss of market share. Any failure to effectively address these factors could significantly and adversely affect our business, financial condition and results of operations.

***If we are unable to increase sales of our subscriptions to new customers, expand the offerings to which our existing customers subscribe, or expand the value of our existing customers' subscriptions, our future revenue and results of operations will be adversely affected.***

Our success depends on our ability to sell our subscriptions to new customers and to expand within our existing customer base by selling subscriptions for additional offerings to our existing customers and expanding the value of existing customers' subscriptions, and to do so in a cost-effective manner. Our ability to sell new subscriptions and expand the number and value of existing subscriptions depends on a number of factors, including the prices of our offerings and their functionality, the prices of products offered by our competitors, and the budgets of our customers. We serve customer needs with multiple tiers of subscriptions that differ based on product depth and functionality. We also offer an initial trial period for certain of our offerings. To the extent prospective customers utilize this trial period without becoming, or lead others not to become, paying customers, our expenses may increase as a result of associated hosting costs, and our ability to grow our business may be adversely affected. We also offer an open source version of our Media Services called Kaltura CE. Our open source version is intended to increase the visibility and familiarity of our platform among the developer communities. We invest in developers and developer communities through multiple channels, including the introduction of new open source projects. There is no guarantee that such events will translate into new customers, or that open source users will convert to paying subscribers.

In addition, a significant aspect of our sales and marketing focus is to expand deployments within existing customers. The rate at which our customers purchase subscriptions for additional offerings and expand the value of their existing subscriptions depends on a number of factors, including, among other things, customers' level of satisfaction with our offerings and customer support, the nature and size of the deployments, the desire to address additional use cases, and the availability of, and customers' awareness of and perceived need for, additional features, integrations, capabilities or other enhancements, as well as general economic conditions. If our customers do not recognize the potential of our offerings, our business would be materially and adversely affected.



***If our existing customers do not renew their subscriptions, or if they renew on terms that are less economically beneficial to us, it could have an adverse effect on our business, financial condition and results of operations.***

We expect to derive a significant portion of our revenue from renewals of existing subscriptions. Our customers have no contractual obligation to renew their subscriptions after the completion of their subscription term. Subscriptions for most of our offerings are offered on either an annual or multi-year basis. Our subscriptions also generally include committed usage amounts. As a result, we cannot provide assurance that customers will renew their subscriptions for a similar contract period or with the same or greater product depth, number of users, functionality or other terms that are equally or more economically beneficial to us, if they renew at all.

Our customers' renewals may decline or fluctuate as a result of a number of factors, including their satisfaction with our products and our customer support, the frequency and severity of product outages, our product uptime or latency, the pricing of our offering in relation to competing offerings, additional new features, integrations, capabilities or other enhancements that we offer, updates to our products as a result of updates by technology partners, and customers or users no longer having a need for our offerings (including customers or users acquired during the COVID-19 pandemic that may subsequently reduce or discontinue their use after the impact of the pandemic has subsided). Renewal rates may also be impacted by general economic conditions or other factors that reduce customers' spending levels. For example, many educational institutions and other customers in the public sector depend substantially on government funding, and any general decrease, delay or other change in the availability of such funding could cause current and prospective customers to decide not to renew their subscriptions or to reduce the scope of their subscriptions at the end of the applicable subscription term, any of which could cause us to lose customers and revenue. If our customers do not renew their subscriptions or renew on terms less economically favorable to us, our revenue may decline or grow less quickly than anticipated, which would adversely affect our business, financial condition and results of operations.

***We recognize a significant portion of revenue from subscriptions over the term of the relevant subscription period, and as a result, downturns or upturns in sales are not immediately reflected in full in our results of operations.***

The majority of our revenues are derived from SaaS and PaaS subscriptions, and we recognize a significant portion of our subscription revenue over the term of the relevant subscription period. As a result, much of the subscription revenue we report each fiscal quarter is the recognition of deferred revenue from subscription contracts entered into during previous fiscal quarters. Consequently, a decline in new or renewed subscriptions in any one fiscal quarter will not be fully or immediately reflected in revenue in that fiscal quarter and will negatively affect our revenue in future fiscal quarters. Accordingly, the effect of significant downturns in new or renewed sales of our subscriptions is not reflected in full in our results of operations until future periods.

***We typically provide service-level commitments under our customer agreements. If we fail to meet these contractual commitments, we could be obligated to provide credits for future service, face contract termination with refunds of prepaid amounts or could experience a decrease in customer renewals in future periods, any of which would lower our revenue and adversely affect our business, financial condition and results of operations.***

Our customer agreements typically contain service-level commitments. If we are unable to meet the stated service-level commitments, including failure to meet the uptime and response time requirements under our customer agreements, we may be contractually obligated to provide these customers with service credits, or customers could elect to terminate and receive refunds for prepaid amounts related to unused subscriptions, either of which could significantly affect our revenue in the periods in which the failure occurs and the credits are applied or refunds paid out. In addition, customer terminations or any reduction in renewals resulting from service-level failures could significantly affect both our current and future revenue. For example, during the third quarter of 2020, we experienced an initial period of service

instability in connection with the acceleration of our existing plans to transition our technology to a public cloud infrastructure, causing us to fall below the service-level commitments in our customer agreements for the first few months of this transition. Though this did not result in a significant increase in customer terminations and we have not seen a material decrease in customer renewals to date, we cannot guarantee that we will not experience a material decrease in customer renewals in future periods as additional customers cycle through their subscription terms. Any service-level failures could also create negative publicity and damage our reputation, which may discourage prospective customers from adopting our offerings. In addition, if we modify the terms of our service-level commitments in future customer agreements in a manner customers perceive to be unfavorable, demand for our offerings could be reduced. Any of these events could adversely affect our business, financial condition and results of operations.

***We rely on third parties, including third parties outside the United States, for some of our software development, quality assurance, operations, and customer support.***

We currently depend on various third parties for some of our software development efforts, quality assurance, operations, and customer support services. Specifically, we outsource some of our software development and design, quality assurance, and operations activities to third-party contractors that have employees and consultants located in Russia and Belarus. Our dependence on third-party contractors creates a number of risks, in particular, the risk that we may not maintain development quality, control, or effective management with respect to these business operations. In addition, poor relations between the United States and Russia, and sanctions by the United States and the European Union ("EU") against Russia could have an adverse impact on our third-party software development in Russia. We anticipate that we will continue to depend on these and other third-party relationships in order to grow our business for the foreseeable future. If we are unsuccessful in maintaining existing and, if needed, establishing new relationships with third parties, our ability to efficiently operate existing services or develop new services and provide adequate customer support could be impaired, and, as a result, our competitive position or our results of operations could suffer.

***We depend on our management team and other key employees, and the loss of one or more of these employees or an inability to attract and retain highly skilled employees could adversely affect our business.***

Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel. The loss of the services of any of our key personnel, the inability to attract or retain qualified personnel, or delays in hiring required personnel, particularly in engineering and sales, may seriously and adversely affect our business, financial condition and results of operations. Although we have entered into employment offer letters with our key personnel, their employment is for no specific duration and constitutes at-will employment. We are also substantially dependent on the continued service of our existing engineering personnel because of the complexity of our products.

Our future performance also depends on the continued services and continuing contributions of our senior management team, which includes Ron Yekutieli, our co-founder and Chief Executive Officer, to execute on our business plan and to identify and pursue new opportunities and product innovations. The loss of services of our senior management team, particularly our Chief Executive Officer, could significantly delay or prevent the achievement of our development and strategic objectives, which could adversely affect our business, financial condition and results of operations.

Additionally, the industry in which we operate is generally characterized by significant competition for skilled personnel, as well as high employee attrition. There is currently a high demand for experienced software industry personnel, particularly for engineering, research and development, sales and support positions, and we may not be successful in attracting, integrating and retaining qualified personnel to fulfill our current and future needs. This intense competition has resulted in increasing wages, especially in Israel, where most of our research and development positions are located, and in New York, where our headquarters is located, which may make it more difficult for us to attract and retain qualified personnel,

as many of the companies against which we compete for personnel have greater financial resources than we do. These competitors may also actively seek to hire our existing personnel away from us, even if such employee has entered into a non-compete agreement. We may be unable to enforce these agreements under the laws of the jurisdictions in which our employees work. For example, Israeli labor courts have required employers seeking to enforce non-compete undertakings of a former employee to demonstrate that the competitive activities of the former employee will harm one of a limited number of material interests of the employer that have been recognized by the courts, such as the protection of a company's confidential information or other intellectual property, taking into account, among other things, the employee's tenure, position, and the degree to which the non-compete undertaking limits the employee's freedom of occupation. We may not be able to make such a demonstration. Also, to the extent we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or that they have divulged their former employers' proprietary or other confidential information or incorporated such information into our products, which could include claims that such former employers therefore own or otherwise have rights to their inventions or other work product developed while employed by us.

In addition, in making employment decisions, particularly in the internet and high-technology industries, job candidates often consider the value of the equity they are to receive in connection with their employment. Employees may be more likely to leave us if the shares they own or the shares underlying their equity incentive awards have significantly appreciated or significantly reduced in value. Many of our employees may receive significant proceeds from sales of our equity in the public markets after this offering, which may reduce their motivation to continue to work for us and could lead to employee attrition. If we fail to attract new personnel, or fail to retain and motivate our current personnel, our business, financial condition, results of operations and growth prospects could be adversely affected.

***If we are not able to maintain and enhance awareness of our brand, especially among developers and IT operators, our business, financial condition and results of operations may be adversely affected.***

We believe that developing and maintaining widespread awareness of our brand, especially with developers and IT operators, is critical to achieving widespread acceptance of our platform, products and solutions and attracting new users and customers. Brand promotion activities may not generate user or customer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in building our brand. If we fail to successfully promote and maintain our brand, we may fail to attract and retain users and customers necessary to realize a sufficient return on our brand-building efforts, and may fail to achieve the widespread brand awareness that is critical for broad customer adoption of our offerings.

***Our corporate culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the innovation, creativity, and entrepreneurial spirit we have worked to foster, which could adversely affect our business.***

We believe that our corporate culture, which is based on openness, flexibility, and collaboration, has been and will continue to be a key contributor to our success. We expect to continue to hire aggressively as we expand. If we do not continue to maintain our corporate culture as we grow, we may be unable to foster the innovation, creativity, and entrepreneurial spirit we believe we need to support our growth. The growth and expansion of our business and our transition from a private company to a public company may result in changes to our corporate culture, which could adversely affect our business, including our ability to recruit and retain qualified personnel.

***Our failure to offer high quality customer support would have an adverse effect on our business, reputation and results of operations.***

Our customers depend on our customer success managers to resolve issues and realize the full benefits relating to our platform, products and solutions. If we do not succeed in helping our customers

quickly resolve post-deployment issues or provide effective ongoing support and education, our ability to renew subscriptions with, or sell subscriptions for additional offerings to, existing customers, or expand the value of existing customers' subscriptions, would be adversely affected and our reputation with potential customers could be damaged. In addition, most of our existing customers are large enterprises with complex information technology environments and, as a result, require significant levels of support. If we fail to meet the requirements of these customers, it may be more difficult to grow sales or maintain our relationships with them.

Additionally, while growing our base of customer success managers is a key component of our growth strategy, it can take several months to recruit, hire and train qualified engineering-level customer support employees, and we may not be able to hire such resources fast enough to keep up with demand. To the extent that we are unsuccessful in hiring, training and retaining adequate support resources, our ability to provide adequate and timely support to our customers, and our customers' satisfaction with our platform, products and solutions, will be adversely affected. Any failure by us to provide and maintain high-quality customer support services would have an adverse effect on our business, reputation and results of operations.

***The failure to effectively develop and expand our marketing and sales capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our offerings.***

Our ability to increase our customer base and achieve broader market acceptance of our platform, products and solutions will depend to a significant extent on our ability to expand our sales and marketing operations. As part of our growth strategy, we plan to continue to invest in growing our base of field sales representatives. If we are unable to hire a sufficient number of qualified sales personnel in the near term, our business and growth prospects will be adversely impacted. Identifying and recruiting qualified sales representatives and training them is time-consuming and resource-intensive, and they may not be fully trained and productive for a significant amount of time. We also plan to continue to dedicate significant resources to our marketing programs. All of these efforts will require us to invest significant financial and other resources. Our business will be harmed if our efforts do not generate a correspondingly significant increase in revenue. We will not achieve anticipated revenue growth from expanding our sales force if we are unable to hire, develop, and retain talented sales personnel, if our new sales personnel are unable to achieve desired productivity levels in a reasonable period of time, or if our sales and marketing programs are not effective. In addition, because we rely primarily on a direct sales model, our customer acquisition costs are higher than those of organizations that rely primarily on a self-service model, which may limit our ability to cut costs in response to changing economic and competitive conditions.

In addition to our direct sales force, we also leverage reseller relationships to help market and sell our offerings to customers around the world, particularly in areas in which we have a limited presence. Though we expect that we will need to maintain and expand our network of resellers as we continue to expand our presence in international markets, these relationships subject us to certain risks. Our resellers may prioritize selling their own offerings that compete with ours, or one of our competitors may be effective in causing a reseller or potential reseller to favor that competitor's offerings or otherwise prevent or reduce sales of our offerings. In addition, recruiting and retaining qualified resellers and training them in our technology and offerings requires significant time and resources. If we decide to further develop and expand our indirect sales channels, we must continue to scale and improve our processes and procedures to support these channels, including investing in systems and training. Many resellers may not be willing to invest the time and resources required to train their staff to effectively market and sell our offerings.

In addition, though most of our sales are, and have historically been, made through our direct sales organization, we recently launched the option to purchase certain of our offerings directly from our website, which we believe will allow us to reduce our cost of customer acquisition, drive additional opportunities to our direct sales team, reach smaller customers, and broaden our target market. This self-service model requires us to incur selling and marketing expenses often prior to generating corresponding revenue. We cannot guarantee, however, that this model will succeed in generating revenue in excess of

the corresponding selling and marketing expenses, or that it will be effective in helping us achieve our other objectives, any of which would adversely affect our business, financial condition and results of operations.

***The sales prices of our offerings may change, which may reduce our revenue and gross profit and adversely affect our financial results.***

The sales prices for our offerings may be subject to change for a variety of reasons, including competitive pricing pressures, discounts, anticipation of the introduction of new products, promotional programs, general economic conditions, or our marketing, user acquisition and technology costs and, as a result, we anticipate that we will need to change our pricing model from time to time. In the past, including in connection with the COVID-19 pandemic, we have sometimes adjusted our prices for individual customers in certain situations, and expect to continue to do so in the future. Moreover, demand for our offerings is price-sensitive. Competition continues to increase in the market segments in which we operate, and we expect competition to further increase in the future, thereby leading to increased pricing pressures. Larger competitors with more diverse offerings may reduce the price of offerings that compete with ours or may bundle them with other offerings and provide for free. Similarly, certain competitors may use marketing strategies that enable them to acquire users more rapidly or at a lower cost than us, or both, and we may be unable to attract new customers or grow and retain our customer base based on our historical pricing. Additionally, currency fluctuations in certain countries and regions may negatively impact actual prices that customers and resellers are willing to pay in those countries and regions. As we develop and introduce new offerings, as well as features, integrations, capabilities and other enhancements, we may need to, or choose to, revise our pricing. There can be no assurance that we will not be forced to engage in price-cutting initiatives or to increase our marketing and other expenses to attract customers in response to competitive or other pressures. Any decrease in the sales prices for our products, without a corresponding decrease in costs, increase in volume or increase in revenue from our other offerings, would adversely affect our revenue and gross profit. This is particularly true with respect to our Virtual Events product and TV Solution, which generally entail significantly higher up-front costs compared to our other offerings. We cannot assure you that we will be able to maintain our prices and gross profits at levels that will allow us to achieve and maintain profitability.

***We expect our revenue mix to vary over time, which could negatively impact our gross margin and results of operations.***

We expect our revenue mix to vary over time due to a number of factors. Our gross margins and results of operations could be negatively impacted by changes in revenue mix and costs resulting from any number of factors, including entry into new markets; growth in lower margin markets, such as the markets for our Virtual Events product and TV Solution, and the timing and aggregate usage of our solutions by such customers; entry into markets with different pricing and cost structures; increased usage of certain products and solutions that we offer to customers without usage caps; pricing discounts; and increased price competition. Any one of these factors or the cumulative effects of certain of these factors may result in significant fluctuations in our gross margin and results of operations. This variability and unpredictability could result in our failure to meet internal expectations or those of securities analysts or investors for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our common stock could decline.

***The length of our sales cycle can be unpredictable, particularly with respect to sales to large customers, and our sales efforts may require considerable time and expense.***

Our results of operations may fluctuate, in part, because of the length and variability of the sales cycle of our subscriptions and the difficulty in making short-term adjustments to our operating expenses. Our results of operations depend in part on sales to new large customers and increasing sales to our existing customers, which are primarily large organizations. The length of our sales cycle, from initial contact with a prospective customer to subscribing to one or more of our offerings, can vary substantially from

customer to customer for a number of reasons, including deal complexity (particularly for customers that rely on Kaltura to power TV experiences), setup time and our customers' needs to satisfy their own internal requirements and processes. As a result, it can be difficult to predict exactly when, or even if, we will make a sale to a potential customer, or when and if we can increase sales to our existing customers. As a result, large individual sales have, in some cases, occurred in quarters subsequent to those we anticipated, or have not occurred at all. Because a substantial proportion of our expenses are relatively fixed in the short-term, our results of operations will suffer if revenue falls below our expectations in a particular quarter, which could cause the market price of our common stock to decline.

***Our international operations and expansion expose us to risk.***

Our platform, products and solutions address the needs of customers and end users around the world, and we see continued international expansion as a significant opportunity. For the years ended December 31, 2019 and 2020, we generated approximately 44% and 43% of our revenue, respectively, from customers outside the United States. Our customers, end users, employees and partners are located in a number of different jurisdictions worldwide, and we expect our operations will become increasingly global as our business continues to grow. Our current international operations involve, and future initiatives will also involve, a variety of risks, including:

- unexpected changes in practices, tariffs, export quotas, custom duties, trade disputes, tax laws and treaties, particularly due to economic tensions and trade negotiations or other trade restrictions;
- different labor regulations, especially in the European Union, where labor laws are generally more advantageous to employees as compared to the United States, including deemed hourly wage and overtime regulations in these locations;
- exposure to many evolving stringent and potentially inconsistent laws and regulations relating to privacy, data protection, and information security, particularly in the European Union;
- changes in a specific country's or region's political or economic conditions;
- risks resulting from the ongoing COVID-19 pandemic, or any other pandemic, epidemic or outbreak of infectious disease, including uncertainty regarding what measures the U.S. or foreign governments will take in response;
- risks resulting from changes in currency exchange rates;
- challenges inherent to efficiently managing an increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits and compliance programs;
- difficulties in maintaining our corporate culture with a dispersed workforce;
- risks relating to the implementation of exchange controls, including restrictions promulgated by the United States Department of the Treasury's Office of Foreign Assets Control ("OFAC"), and other similar trade protection regulations and measures in the United States or in other jurisdictions;
- reduced ability to timely collect amounts owed to us by our customers in countries where our recourse may be more limited;
- slower than anticipated availability and adoption of cloud infrastructures by international businesses, which would increase our on-premise deployments;
- limitations on our ability to reinvest earnings from operations derived from one country to fund the capital needs of our operations in other countries;

- potential changes in laws, regulations, and costs affecting our U.K. operations and personnel due to Brexit;
- limited or unfavorable—including greater difficulty in enforcing—intellectual property protection; and
- exposure to liabilities under anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, and similar applicable laws and regulations in other jurisdictions.

If we are unable to address these difficulties and challenges or other problems encountered in connection with our international operations and expansion, we might incur unanticipated liabilities or we might otherwise suffer harm to our business generally.

***If we are not successful in sustaining and expanding our international business, we may incur additional losses and our revenue growth could be adversely affected.***

Our future results depend, in part, on our ability to sustain and expand our penetration of the international markets in which we currently operate and to expand into additional international markets. Our ability to expand internationally will depend upon our ability to deliver functionality and foreign language translations that reflect the needs of the international customers that we target and to successfully navigate the risks inherent in operating a business internationally, as discussed above. While we will need to invest significant resources in such expansion, it is possible that returns on such investments will not be achieved in the near future or at all in these less familiar competitive environments. In addition, we currently leverage reseller relationships to assist with marketing and selling our offerings, particularly in jurisdictions in which we have a limited presence. If we are unable to identify resellers or other partners or negotiate favorable terms, our international growth may be limited or more costly than we anticipate.

***Currency exchange rate fluctuations affect our results of operations, as reported in our financial statements.***

We report our financial results in U.S. dollars. We collect our revenue primarily in U.S. dollars and in euros. A portion of the cost of revenue, research and development, selling and marketing and general and administrative expenses of our Israeli operations are incurred in New Israeli Shekel ("NIS"). As a result, we are exposed to exchange rate risks that may materially and adversely affect our financial results. If the NIS appreciates against the U.S. dollar or the euro, or if the value of the NIS declines against the U.S. dollar or the euro, at a time when the rate of inflation in the cost of Israeli goods and services exceeds the rate of decline in the relative value of the NIS, then the U.S. dollar-denominated cost of our operations in Israel would increase and our results of operations could be materially and adversely affected. We cannot predict any future trends in the rate of inflation in Israel or the rate of depreciation (if any) of the NIS against the U.S. dollar or the euro, and our ability to hedge our exposure to currency exchange rate fluctuations may be limited.

***A portion of our revenue is generated by sales to government entities, which are subject to a number of challenges and risks.***

Sales to government entities are subject to a number of risks. Selling to government entities can be highly competitive, expensive, and time-consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. Government certification requirements for products like ours may change, thereby restricting our ability to sell into the U.S. federal government, U.S. state governments, or non-U.S. government sectors until we have attained the revised certification. Government demand and payment for our offerings may be affected by public sector budgetary cycles and funding authorizations, with funding reductions or delays adversely affecting public sector demand for our products. Additionally, any actual or perceived privacy, data protection, or data security incident, or

even any perceived defect with regard to our practices or measures in these areas, may negatively impact public sector demand for our products.

Additionally, we rely on certain partners to provide technical support services to certain of our government entity customers to resolve any issues relating to our products. If our partners do not effectively assist our government entity customers in deploying our products, succeed in helping our government entity customers quickly resolve post-deployment issues, or provide effective ongoing support, our ability to sell additional products to new and existing government entity customers would be adversely affected and our reputation could be damaged.

Government entities may have statutory, contractual, or other legal rights to terminate contracts with us for convenience or due to a default, and any such termination may adversely affect our future results of operations. Governments routinely investigate and audit government contractors' administrative processes, and any unfavorable audit could result in the government refusing to continue buying our subscriptions, a reduction of revenue, or fines or civil or criminal liability if the audit uncovers improper or illegal activities, which could adversely affect our results of operations in a material way.

***If we are unable to consummate acquisitions at our historical rate and at acceptable prices, and to enter into other strategic transactions and relationships that support our long-term strategy, our growth rate and the trading price of our common stock could be negatively affected. These transactions and relationships also subject us to certain risks.***

As part of our business strategy, we may acquire or make investments in complementary companies, products or technologies, and enter into other strategic transactions and relationships in the ordinary course. Our ability to grow our revenues, earnings and cash flow at or above our historic rates depends in part upon our ability to identify and successfully acquire and integrate businesses at acceptable prices, realize anticipated synergies and make appropriate investments that support our long-term strategy. We may not be able to consummate acquisitions at rates similar to the past, which could adversely impact our growth rate and the trading price of our common stock. Promising acquisitions, investments and other strategic transactions are difficult to identify and complete for a number of reasons, including high valuations, competition among prospective buyers, the availability of affordable funding in the capital markets and the need to satisfy applicable closing conditions and obtain applicable antitrust and other regulatory approvals on acceptable terms. In addition, competition for acquisitions, investments and other strategic transactions may result in higher purchase prices or other terms less economically favorable to us. Changes in accounting or regulatory requirements or instability in the credit markets could also adversely impact our ability to consummate these transactions on acceptable terms or at all.

In addition, even if we are able to consummate acquisitions and enter into other strategic transactions and relationships, these transactions and relationships involve a number of financial, accounting, managerial, operational, legal, compliance and other risks and challenges, including the following, any of which could negatively affect our growth rate and the trading price of our common stock, and may have a material adverse effect on our business, financial condition and results of operations:

- Any business, technology, product or solution that we acquire or invest in could under-perform relative to our expectations and the price that we paid or not perform in accordance with our anticipated timetable, or we could fail to operate any such business or deploy any such technology, product or solution profitably.
- We may incur or assume significant debt in connection with our acquisitions and other strategic transactions and relationships, which could also cause a deterioration of our credit ratings, result in increased borrowing costs and interest expense and diminish our future access to the capital markets.
- Acquisitions and other strategic transactions and relationships could cause our financial results to differ from our own or the investment community's expectations in any given period, or over the long-term.



- Pre-closing and post-closing earnings charges could adversely impact operating results in any given period, and the impact may be substantially different from period to period.
- Acquisitions and other strategic transactions and relationships could create demands on our management, operational resources and financial and internal control systems that we are unable to effectively address.
- We could experience difficulty in integrating personnel, operations and financial and other controls and systems and retaining key employees and customers.
- We may be unable to achieve cost savings or other synergies anticipated in connection with an acquisition or other strategic transaction or relationship.
- We may assume unknown liabilities, known contingent liabilities that become realized, known liabilities that prove greater than anticipated, internal control deficiencies or exposure to regulatory sanctions resulting from the acquired company's or investee's activities and the realization of any of these liabilities or deficiencies may increase our expenses, adversely affect our financial position and/or cause us to fail to meet our public financial reporting obligations.
- In connection with acquisitions and other strategic transactions and relationships, we often enter into post-closing financial arrangements such as purchase price adjustments, earn-out obligations and indemnification obligations, which may have unpredictable financial results.
- As a result of our acquisitions, we have recorded significant goodwill and other assets on our balance sheet and if we are not able to realize the value of these assets, or if the fair value of our investments declines, we may be required to incur impairment charges.
- We may have interests that diverge from those of our strategic partners and we may not be able to direct the management and operations of the strategic relationship in the manner we believe is most appropriate, exposing us to additional risk.
- Investing in or making loans to early-stage companies often entails a high degree of risk, and we may not achieve the strategic, technological, financial or commercial benefits we anticipate; we may lose our investment or fail to recoup our loan; or our investment may be illiquid for a greater-than-expected period of time.

#### **Risks Related to Information Technology, Intellectual Property and Data Security and Privacy**

***A real or perceived bug, defect, security vulnerability, error, or other performance failure involving our platform, products or solutions could cause us to lose revenue, damage our reputation, and expose us to liability.***

Our platform, products and solutions are inherently complex and, despite extensive testing and quality control, have in the past and may in the future contain bugs, defects, security vulnerabilities, errors, or other performance failures, especially when first introduced, or otherwise not perform as intended. Any such bug, defect, security vulnerability, error, or other performance failure could cause damage to our reputation, loss of customers or revenue, order cancellations, service terminations, and lack of market acceptance of our offerings. As the use of our offerings among new and existing customers expands, particularly to more sensitive, secure, or mission critical uses, we may be subject to increased scrutiny, potential reputational risk, or potential liability should our offerings fail to perform as contemplated in such deployments. We have in the past and may in the future need to issue corrective releases of our software to fix these defects, errors or performance failures, which could require us to allocate significant research and development and customer support resources to address these problems. Despite our efforts, such corrections may take longer to develop and release than we or our customers anticipate and expect.

Any limitation of liability provision contained in an agreement with a customer, user, third-party vendor, service provider, or partner may not be enforceable, adequate or effective as a result of existing or future applicable law or judicial decisions, and may not function to limit our liability arising from regulatory enforcement or other specific circumstances. The sale and support of our offerings entail the risk of liability claims, which could be substantial in light of the use of our offerings in enterprise-wide environments. In addition, our insurance against any such liability may not be adequate to cover a potential claim, and may be subject to exclusions, or subject us to the risk that the insurer will deny coverage as to any future claim or exclude from our coverage such claims in policy renewals, increase our fees or deductibles or impose co-insurance requirements. Any such bugs, defects, security vulnerabilities, errors, or other performance failures in our platform, products or solutions, including as a result of denial of claims by our insurer or the successful assertion of claims by others against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, including our financial condition, results of operations and reputation.

***If we or our third-party service providers experience a security breach, data loss or other compromise, including if unauthorized parties obtain access to our customers' data, our reputation may be harmed, demand for our platform, products and solutions may be reduced, and we may incur significant liabilities.***

Our business platform, products and solutions involve the collection, storage, processing, transmission and other use of data, including certain confidential, sensitive, and personal information. Any security breach, data loss, or other compromise, including those resulting from a cybersecurity attack, phishing attack, or any unauthorized access, unauthorized usage, virus or similar breach or disruption could result in the loss or destruction of or unauthorized access to, or use, alteration, disclosure, or acquisition of, data, damage to our reputation, litigation, regulatory investigations, or other liabilities. These attacks may come from individual hackers, criminal groups, and state-sponsored organizations. If our security measures are breached as a result of third-party action, employee error or negligence, a defect or bug in our offerings or those of our third-party service providers, malfeasance or otherwise and, as a result, someone obtains unauthorized access to any data, including our confidential, sensitive, or personal information or the confidential, sensitive, or personal information of our customers, or other persons, or any of these types of information is lost, destroyed, or used, altered, disclosed, or acquired without authorization, our reputation may be damaged, our business may suffer, and we could incur significant liability, including under applicable data privacy and security laws and regulations. Even the perception of inadequate security may damage our reputation and negatively impact our ability to win new customers and retain and receive timely payments from existing customers. Further, we could be required to expend significant capital and other resources to protect against and address any data security incident or breach, which may not be covered or fully covered by our insurance and which may involve payments for investigations, forensic analyses, regulatory compliance, breach notification, legal advice, public relations advice, system repair or replacement, or other services.

In addition, we do not directly control content that our customers store or use in our products. If our customers use our products for the transmission or storage of personal, confidential, sensitive, or other information about individuals and our security measures are or are believed to have been breached as a result of third-party action, employee error, malfeasance or otherwise, our reputation could be damaged, our business may suffer, and we could incur significant liability.

We engage third-party vendors and service providers to store and otherwise process some of our and our customers' data, including personal, confidential, sensitive, and other information about individuals. Our vendors and service providers may also be the targets of cyberattacks, malicious software, phishing schemes, and fraud. Our ability to monitor our vendors and service providers' data security is limited, and, in any event, third parties may be able to circumvent those security measures, resulting in the unauthorized access to, misuse, acquisition, disclosure, loss, alteration, or destruction of our and our customers' data, including confidential, sensitive, and other information about individuals.

Techniques used to sabotage or obtain unauthorized access to systems or networks are constantly evolving and, in some instances, are not identified until after they have been launched against a target. We and our service providers may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative and mitigating measures. If we are unable to efficiently and effectively maintain and upgrade our system safeguards, we may incur unexpected costs and certain of our systems may become more vulnerable to unauthorized access or disruption. Any of the foregoing could have a material adverse effect on our business, including our financial condition, results of operations and reputation.

***Incorrect implementation or use of, or our customers' failure to update, our software could result in customer dissatisfaction and negatively affect our business, financial condition, results of operations and growth prospects.***

Our platform, products and solutions are often operated in large-scale, complex information technology environments. Our customers require training and experience in the proper use of, and the benefits that can be derived from, our offerings in order to maximize their potential. If users of our offerings do not implement, use, or update them correctly or as intended, actual or perceived inadequate performance and/or security vulnerabilities may result. Because our customers rely on our software to manage a wide range of operations, the incorrect implementation or use of, or our customers' failure to update, our software, or our failure to train customers on how to use our software productively, may result in customer dissatisfaction and negative publicity, which may adversely affect our reputation and brand. Our failure to effectively provide training and implementation services to our customers could result in lost opportunities for follow-on sales to these customers and decrease subscriptions by new customers, which would adversely affect our business, financial condition, results of operations and growth prospects.

***Insufficient investment in, or interruptions or performance problems associated with, our technology and infrastructure, including in connection with our ongoing transition to a public cloud infrastructure, and our reliance on technologies from third parties, may adversely affect our business operations and financial results.***

Customers of our offerings need to be able to access our platform at any time, without interruption or degradation of performance. As a result of the increase in usage we experienced as a result of the COVID-19 pandemic, in the third quarter of 2020, we accelerated our existing plans to move from our own data centers to a public cloud infrastructure with the goal of providing improved stability, reliability, scalability and elasticity for our offerings. This transition is complex and time-consuming and involves risks inherent in the conversion to a new system, including potential loss of information and disruption to our normal operations. We may discover deficiencies in our design, implementation or maintenance of our new cloud-based systems that could adversely affect our business, financial condition and results of operations. For example, we experienced an initial period of unstable service during the first few months of this transition, causing us to fall below the service-level commitments in our customer agreements. Though service has since stabilized, we cannot guarantee that we will not experience similar instability in the future. Furthermore, we cannot yet know the ultimate impact of this or any similar future event on our customer relationships, and it is possible customers may be less inclined to renew their subscriptions following the expiration of their current terms.

In addition, third-party cloud providers run their own platforms that we access, and we are, therefore, vulnerable to their service interruptions and any changes in their product offerings. Any limitation on the capacity of our third-party hosting services could impede our ability to onboard new customers or expand the usage of our existing customers, which could adversely affect our business, financial condition and results of operations. In addition, any incident affecting our third-party hosting services' infrastructure that may be caused by cyber-attacks, computer viruses, malware, systems failures or other technical malfunctions, natural disasters, fire, flood, severe storm, earthquake, power loss, telecommunications failures, terrorist or other attacks, protests or riots, and other similar events beyond our control could negatively affect our cloud-based offerings. It is also possible that our customers and regulators would seek to hold us accountable for any breach of security affecting a third-party cloud provider's

infrastructure and we may incur significant liability in investigating such an incident and responding to any claims, investigations, or proceedings made or initiated by those customers, regulators, and other third parties. We may not be able to recover a material portion of such liabilities from any of our third-party cloud providers. It may also become increasingly difficult to maintain and improve our performance, especially during peak usage times, as our software becomes more complex and the usage of our software increases. Moreover, our insurance may not be adequate to cover such liability and may be subject to exclusions. Any of the above circumstances or events may adversely affect our business, financial condition and results of operations.

In addition, our website and internal technology infrastructure may experience performance issues due to a variety of factors, including infrastructure changes, human or software errors, website or third-party hosting disruptions, capacity constraints, technical failures, natural disasters, or fraud, denial-of-service, or other security attacks. Our use and distribution of open source software may increase this risk, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code, including with respect to security vulnerabilities or bugs. If our website is unavailable or our customers are unable to order subscriptions or services or download our offerings within a reasonable period of time or at all, our business could be adversely affected. We expect to continue to make significant investments to maintain and improve website performance and to enable rapid releases of new features, integrations, capabilities and other enhancements for our offerings. To the extent that we do not effectively upgrade our systems as needed and continually develop our technology to accommodate actual and anticipated changes in technology, our business, financial condition and results of operations may be adversely affected.

In the event that our service agreements with our third-party hosting services are terminated, or there is a lapse of service, elimination of services or features that we utilize, interruption of internet service provider connectivity or damage to our providers' facilities, we could experience interruptions in access to our platform as well as significant delays and additional expense in arranging or creating new facilities and services and/or re-architecting our cloud-based offerings for deployment on a different cloud infrastructure service provider, which could adversely affect our business, financial condition and results of operations. Upon the termination or expiration of such service agreements, we cannot guarantee that adequate third-party hosting services will be available to us on commercially acceptable terms or within adequate timelines from the same or different hosting services providers or at all.

We also rely on cloud technologies from third parties in order to operate critical functions of our business, including financial management services, relationship management services, and lead generation management services. If these services become unavailable due to extended outages or interruptions or because they are no longer available on commercially reasonable terms or prices, our expenses could increase, our ability to manage our finances could be interrupted, our processes for managing sales of our products and supporting our customers could be impaired, and our ability to generate and manage sales leads could be weakened until equivalent services are identified, obtained, and implemented. Even if such services are available, we may not be able to identify, obtain and implement such services in time to avoid disruption to our business, and such services may only be available on a more costly basis or otherwise less favorable terms. Any of the foregoing could have a material adverse effect on our business, including our financial condition, results of operations and reputation.

***Failure to protect our proprietary technology, or to obtain, maintain, protect and enforce sufficiently broad intellectual property rights therein, could substantially harm our business, financial condition and results of operations.***

Our success depends to a significant degree on our ability to protect our proprietary technology, methodologies, know-how, and brand. We rely on a combination of trademarks, copyrights, patents, trade secret laws, contractual restrictions, and other intellectual property laws and confidentiality procedures to establish and protect our proprietary rights. However, we make a version of our Media Services, Kaltura CE, available to the public at no charge under an open source license, contribute other source code to

open source projects under open source licenses, and release internal software projects under open source licenses, and anticipate continuing to do so in the future. Because the source code for Kaltura CE and any other software we contribute to open source projects or distribute under open source licenses is publicly available, our ability to monetize and protect our intellectual property rights with respect to such source code may be limited or, in some cases, lost entirely. Our competitors or other third parties could access such source code and use it to create software and service offerings that compete with ours. While software can, in some cases, be protected under copyright law, in order to bring a copyright infringement lawsuit in the United States, the copyright must first be registered. We have chosen not to register any copyrights, and rely on trade secret protection in addition to unregistered copyrights to protect our proprietary software. Accordingly, the remedies and damages available to us for unauthorized use of our software may be limited.

Further, the steps we take to protect our intellectual property and proprietary rights may be inadequate. We may not be able to register our intellectual property rights in all jurisdictions where we conduct or anticipate conducting business, and may experience conflicts with third parties who contest our applications to register our intellectual property. Even if registered or issued, we cannot guarantee that our trademarks, patents, copyrights or other intellectual property or proprietary rights will be of sufficient scope or strength to provide us with any meaningful protection or commercial advantage. We will not be able to protect our intellectual property and proprietary rights if we are unable to enforce our rights or if we do not detect infringement, misappropriation, dilution or other unauthorized use or violation thereof. If we fail to defend and protect our intellectual property rights adequately, our competitors and other third parties may gain access to our proprietary technology, information and know-how, reverse-engineer our software, and infringe upon or dilute the value of our brand, and our business may be harmed. In addition, obtaining, maintaining, defending, and enforcing our intellectual property rights might entail significant expense. Any patents, trademarks, copyrights, or other intellectual property rights that we have or may obtain may be challenged by others or invalidated through administrative process or litigation. Even if we continue to seek patent protection in the future, we may be unable to obtain further patent protection for our technology. In addition, any patents issued in the future may not provide us with competitive advantages, may be designed around by our competitors, or may be successfully challenged by third parties. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain.

We may be unable to prevent third parties from acquiring domain names or trademarks that are similar to, infringe upon, dilute or diminish the value of our trademarks and other proprietary rights. Additionally, our trademarks may be opposed, otherwise challenged or declared invalid, unenforceable or generic, or determined to be infringing on or dilutive of other marks. We may not be able to protect our rights in these trademarks, which we need in order to build name recognition with customers. If third parties succeed in registering or developing common law rights in such trademarks and we are not successful in challenging such third-party rights, or if our trademark rights are successfully challenged, we may not be able to use our trademarks to commercialize our products in certain relevant jurisdictions.

Despite our precautions, it may be possible for unauthorized third parties to copy our products and use information that we regard as proprietary to create offerings that compete with ours. Effective patent, trademark, copyright, and trade secret protection may not be available to us in every country in which our products are available. The laws of some countries may not be as protective of intellectual property rights as those in the United States, and mechanisms for enforcement of intellectual property rights may be inadequate. As we continue to expand our international activities, our exposure to unauthorized copying and use of our products and proprietary information will likely increase. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon, diluting, misappropriating or otherwise violating our intellectual property rights.

We have devoted substantial resources to the development of our technology, business operations and business plans. We attempt to protect our intellectual property and proprietary information, including trade secrets, by implementing administrative, technical and physical practices, including source code access controls, to secure our proprietary information. We also seek to enter into confidentiality, non-

compete, proprietary, and inventions assignment agreements with our employees, consultants and contractors, and enter into confidentiality agreements with other parties, such as licensees and customers. However, such agreements may not be self-executing, and there can be no guarantee that all applicable parties have executed such agreements. No assurance can be given that these practices or agreements will be effective in controlling access to and distribution of our proprietary information, or in providing adequate remedies in the event of unauthorized access or distribution, especially in certain states and countries, including Israel, Russia and Belarus, that are less willing to enforce such agreements or otherwise provide protection for trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our products, and in such cases we would not be able to assert trade secret rights against such parties. We also employ individuals who were previously employed at other companies in our field, and our efforts to ensure that such individuals do not use the proprietary information or know-how of others in their work for us may not prevent others from claiming that we or our employees or independent contractors have used or disclosed intellectual property, including trade secrets or other proprietary information, of a former employer or other third parties. Litigation may be necessary to defend against any such claims. If we are unsuccessful in defending against any such claims, we may be liable for damages or prevented from using certain intellectual property, which in turn could materially adversely affect our business, financial condition or results of operations; even if we are successful in defending against such claims, litigation could result in substantial costs and distract management and other employees.

In order to protect our intellectual property and proprietary rights and to monitor for and take action against any infringement, misappropriation or other violations thereof, we may be required to spend significant resources. Litigation may be necessary to enforce and protect our trade secrets and other intellectual property and proprietary rights, which could be costly, time-consuming, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, our efforts to enforce our intellectual property and proprietary rights may be met with defenses, counterclaims, and countersuits attacking the ownership, scope, validity and enforceability of such rights. Our inability to protect our proprietary technology or our brand against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our offerings or impair their functionality, delay introductions of new offerings, result in our substituting inferior or more costly technologies into our offerings, or injure our reputation. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and growth prospects.

***We could incur substantial costs and otherwise suffer harm as a result of any claim of infringement, misappropriation or other violation of another party's intellectual property or proprietary rights.***

In recent years, there has been significant litigation involving patents and other intellectual property and proprietary rights in the software industry. We do not currently have a large patent portfolio, which could prevent us from deterring patent infringement claims, as we may not be able credibly to threaten patent infringement counter-claims. Our competitors and others may now and in the future have significantly larger and more mature patent portfolios than we have. Even a large patent portfolio may not serve as a deterrent to litigation by certain third parties, some of whose sole or primary business is to assert patent claims and some of whom have sent letters to and/or filed suit alleging infringement against us or some of our customers. We could incur substantial costs in prosecuting or defending any intellectual property litigation. If we sue to enforce our rights or are sued by a third party claiming that our offerings infringe, misappropriate or violate their rights, the litigation could be expensive and could divert management attention and resources away from our core business operations. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our common stock.

Any intellectual property litigation to which we might become a party, or for which we are required to provide indemnification, may require us to do one or more of the following:

- cease selling or using offerings that incorporate or are otherwise covered by the intellectual property rights that we allegedly infringe, misappropriate or otherwise violate;
- make substantial payments for legal fees, settlement payments or other costs or damages, including potentially treble damages if we are found liable for willful infringement;
- obtain a license to sell or use the relevant technology, which may not be available on reasonable terms or at all, may be non-exclusive and thereby allow our competitors and other parties access to the same technology, and may require the payment of substantial licensing, royalty or other fees; or
- redesign the allegedly infringing offerings to avoid infringement, misappropriation or other violation, which could be costly, time-consuming or impossible.

If we are required to make substantial payments or undertake or suffer any of the other actions and consequences noted above as a result of any intellectual property infringement, misappropriation or violation claims against us or any obligation to indemnify our customers for such claims, such payments, actions and consequences could materially and adversely affect our business, financial condition, results of operations and growth prospects.

***We may become subject to claims for remuneration or royalties for assigned service invention rights by our employees and consultants, which could result in litigation and would adversely affect our business.***

A significant portion of our intellectual property has been developed by our employees and consultants in the course of their engagement with us. Under the Israeli Patent Law, 5727-1967 (the "Patent Law"), inventions conceived by an employee during the scope of his or her employment relationship with a company are regarded as "service inventions," which belong to the employer, absent a specific agreement stating otherwise. The Patent Law also provides that absent an agreement providing otherwise, the Israeli Compensation and Royalties Committee (the "Committee"), a body constituted under the Patent Law, shall determine whether the employee is entitled to remuneration for his or her inventions. Case law clarifies that the right to receive consideration for "service inventions" can be waived by the employee and that such waiver does not necessarily have to be explicit. The Committee will examine, on a case-by-case basis, the general contractual framework between the parties, using interpretation rules of the general Israeli contract laws. Further, the Committee has not yet determined one specific formula for calculating this remuneration, but rather uses the criteria specified in the Patent Law. Although we generally seek to enter into assignment-of-invention agreements with our employees and consultants pursuant to which such individuals assign to us all rights to any inventions created in the scope of their employment or engagement with us, we cannot guarantee that all such agreements are self-executing or have been entered into by all applicable individuals. Even when such agreements include provisions regarding the assignment and waiver of rights to additional compensation in respect of inventions created within the course of their employment or consulting relationship with us, including in respect of service inventions, we cannot guarantee that such provisions will be upheld by Israeli courts, as a result of uncertainty under Israeli law with respect to the efficacy of such provisions. We may face claims demanding remuneration in consideration for assigned inventions, which could require us to pay additional remuneration or royalties to our current and former employees and consultants, or be forced to litigate such claims, which could negatively affect our business.

***Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement, misappropriation, violation, and other losses.***

Our agreements with customers and other third parties may include indemnification provisions under which we agree to indemnify them for losses suffered or incurred as a result of claims of intellectual

property infringement, misappropriation or violation, damages caused by us to property or persons, or other liabilities relating to or arising from our software, services or other contractual obligations. Large indemnity payments could adversely affect our business, financial condition and results of operations. Although we normally seek to contractually limit our liability with respect to such indemnity obligations, we do not and may not in the future have a cap on our liability in certain agreements, which could result in substantial liability. Substantial indemnity payments under such agreements could harm our business, financial condition and results of operations. Any dispute with a customer or other third party with respect to such obligations could have adverse effects on our relationship with that customer, other existing customers and new customers, and other parties, and could harm our reputation, business, financial condition and results of operations.

***Our use of open source software could negatively affect our ability to sell our offerings and subject us to possible litigation.***

Our offerings incorporate open source software, and we expect to continue to incorporate open source software in our offerings in the future. Few of the licenses applicable to open source software have been interpreted by courts, and there is a risk that these licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our offerings. Some open source licenses may subject us to certain requirements, including requirements that we offer additional portions of our solutions for reduced or no cost, that we make publicly available at no charge the source code for modifications or derivative works we create based upon, incorporating, linking to or using the open source software (which could include valuable proprietary code), and that we license such modifications or derivative works under the terms of applicable open source licenses. If an author or other third party that distributes such open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our offerings that contain the open source software and required to comply with onerous conditions or restrictions on these offerings, which could disrupt the distribution and sale of these offerings. In addition, there have been claims challenging the ownership rights in open source software against companies that incorporate open source software into their products, and the licensors of such open source software provide no warranties or indemnities with respect to such claims. In any of these events, we and our customers could be required to seek licenses from third parties in order to continue offering our platform, products and solutions, which may not be available on reasonable terms or at all, and to re-engineer our offerings or discontinue the sale of our offerings in the event re-engineering cannot be accomplished on a timely basis or at all.

***We are subject to stringent and changing laws, regulations, standards, and contractual obligations related to privacy, data protection, and data security. Our actual or perceived failure to comply with such obligations could adversely affect our business.***

We receive, collect, store, process, transfer, and otherwise use personally identifiable and other sensitive information about individuals and other data relating to users of our offerings, our employees and contractors, and other persons. We have legal and contractual obligations regarding the protection of confidentiality and appropriate use of certain data, including personally identifiable and other sensitive information about individuals. We are subject to numerous federal, state, local, and international laws, directives, and regulations regarding privacy, data protection, and data security and the collection, storing, sharing, use, processing, transfer, disclosure, disposal and protection of information about individuals and other data, the scope of which are changing, subject to differing interpretations, and may be inconsistent among jurisdictions or conflict with other legal and regulatory requirements. We are also subject to certain contractual obligations to third parties related to privacy, data protection and data security. We strive to comply with our applicable data privacy and security policies, regulations, contractual obligations, and other legal obligations relating to privacy, data protection, and data security. However, the regulatory framework for privacy, data protection and data security worldwide is, and is likely to remain for the foreseeable future, uncertain and complex, and it is possible that these or other actual or alleged obligations may be interpreted and applied in a manner that we do not anticipate or that



is inconsistent from one jurisdiction to another and may conflict with other legal obligations or our practices. Further, any significant change to applicable laws, regulations or industry practices regarding the collection, use, retention, security, processing, transfer or disclosure of data, or their interpretation, or any changes regarding the manner in which the consent of users or other data subjects for the collection, use, retention, security, processing, transfer or disclosure of such data must be obtained, could increase our costs and require us to modify our services and features, possibly in a material manner, which we may be unable to complete, and may limit our ability to receive, collect, store, process, transfer, and otherwise use user data or develop new services and features.

If we are found in violation of any applicable laws or regulations relating to privacy, data protection, or security, our business may be materially and adversely affected and we would likely have to change our business practices and potentially the services and features, integrations or other capabilities of our offerings. In addition, these laws and regulations could impose significant costs on us and could constrain our ability to use and process data in a commercially desirable manner. In addition, if a breach of data security were to occur or be alleged to have occurred, if any violation of laws and regulations relating to privacy, data protection or data security were to be alleged, or if we were to discover any actual or alleged defect in our safeguards or practices relating to privacy, data protection, or data security, our solutions may be perceived as less desirable and our business, financial condition, results of operations and growth prospects could be materially and adversely affected.

We also expect that there will continue to be new laws, regulations, and industry standards concerning privacy, data protection, and information security proposed and enacted in various jurisdictions. For example, the California Consumer Privacy Act (“CCPA”), which came into force in 2020, provides new data privacy rights for California consumers and new operational requirements for covered companies. Specifically, the CCPA mandates that covered companies provide new disclosures to California consumers and afford such consumers new data privacy rights that include, among other things, the right to request a copy from a covered company of the personal information collected about them, the right to request deletion of such personal information, and the right to request to opt-out of certain sales of such personal information. The California Attorney General can enforce the CCPA, including seeking an injunction and civil penalties for violations. The CCPA also provides a private right of action for certain data breaches that is expected to increase data breach litigation. Additionally, a new privacy law, the California Privacy Rights Act (“CPRA”), was approved by California voters in the November 3, 2020 election. The CPRA generally takes effect on January 1, 2023 and significantly modifies the CCPA, including by expanding consumers’ rights with respect to certain personal information and creating a new state agency to oversee implementation and enforcement efforts, potentially resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. Some observers have noted the CCPA and CPRA could mark the beginning of a trend toward more stringent privacy legislation in the United States, which could also increase our potential liability and adversely affect our business. For example, the CCPA has encouraged “copycat” or other similar laws to be considered and proposed in other states across the country, such as in Virginia, New Hampshire, Illinois and Nebraska. This legislation may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment in resources to compliance programs, could impact strategies and availability of previously useful data and could result in increased compliance costs and/or changes in business practices and policies.

Various U.S. federal privacy laws are potentially relevant to our business, including the Federal Trade Commission Act, Controlling the Assault of Non-Solicited Pornography and Marketing Act, the Family Educational Rights and Privacy Act, the Children’s Online Privacy Protection Act, and the Telephone Consumer Protection Act. Any actual or perceived failure to comply with these laws could result in a costly investigation or litigation resulting in potentially significant liability, injunctions and other consequences, loss of trust by our users, and a material and adverse impact on our reputation and business.

In addition, the data protection landscape in the EU is continually evolving, resulting in possible significant operational costs for internal compliance and risks to our business. The EU adopted the

General Data Protection Regulation (“GDPR”), which became effective in May 2018, and contains numerous requirements and changes from previously existing EU laws, including more robust obligations on data processors and heavier documentation requirements for data protection compliance programs by companies.

Among other requirements, the GDPR regulates the transfer of personal data subject to the GDPR to third countries that have not been found to provide adequate protection to such personal data, including the United States. Recent legal developments in Europe have created complexity and uncertainty regarding such transfers. For instance, on July 16, 2020, the Court of Justice of the European Union (the “CJEU”) invalidated the EU-U.S. Privacy Shield Framework (the “Privacy Shield”) under which personal data could be transferred from the European Economic Area to U.S. entities who had self-certified under the Privacy Shield scheme. While the CJEU upheld the adequacy of the standard contractual clauses (a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism and potential alternative to the Privacy Shield), it made clear that reliance on such clauses alone may not necessarily be sufficient in all circumstances. Use of the standard contractual clauses must now be assessed on a case-by-case basis taking into account the legal regime applicable in the destination country, including, in particular, applicable surveillance laws and rights of individuals, and additional measures and/or contractual provisions may need to be put in place; however, the nature of these additional measures is currently uncertain. The CJEU also states that if a competent supervisory authority believes that the standard contractual clauses cannot be complied with in the destination country and that the required level of protection cannot be secured by other means, such supervisory authority is under an obligation to suspend or prohibit that transfer.

Additionally, the GDPR greatly increased the European Commission’s jurisdictional reach of its laws and added a broad array of requirements for handling personal data. EU member states are tasked under the GDPR to enact, and have enacted, certain implementing legislation that adds to and/or further interprets the GDPR requirements and potentially extends our obligations and potential liability for failing to meet such obligations. The GDPR, together with national legislation, regulations and guidelines of the EU member states governing the processing of personal data, impose strict obligations and restrictions on the ability to collect, use, retain, protect, disclose, transfer and otherwise process personal data. In particular, the GDPR includes obligations and restrictions concerning the consent and rights of individuals to whom the personal data relates, security breach notifications and the security and confidentiality of personal data.

Failure to comply with the GDPR could result in penalties for noncompliance (including possible fines of up to the greater of €20 million and 4% of our global annual turnover for the preceding financial year for the most serious violations, as well as the right to compensation for financial or non-financial damages claimed by individuals under Article 82 of the GDPR).

In addition to the GDPR, the European Commission has another draft regulation in the approval process that focuses on a person’s right to conduct a private life. The proposed legislation, known as the Regulation of Privacy and Electronic Communications (“ePrivacy Regulation”), would replace the current ePrivacy Directive. While the text of the ePrivacy Regulation is still under development, a recent European court decision and regulators’ recent guidance are driving increased attention to cookies and tracking technologies. If regulators start to enforce the strict approach in recent guidance, this could lead to substantial costs, require significant systems changes, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins, increase costs and subject us to additional liabilities. Regulation of cookies and similar technologies may lead to broader restrictions on our marketing and personalization activities and may negatively impact our efforts to understand users.

Further, in March 2017, the United Kingdom formally notified the European Council of its intention to leave the EU pursuant to Article 50 of the Treaty on European Union (“Brexit”). The United Kingdom ceased to be an EU Member State on January 31, 2020, but enacted a Data Protection Act substantially implementing the GDPR (“U.K. GDPR”), effective in May 2018, which was further amended to align more

substantially with the GDPR following Brexit. It is unclear how U.K. data protection laws or regulations will develop in the medium to longer term and how data transfers to and from the United Kingdom will be regulated. Some countries also are considering or have enacted legislation requiring local storage and processing of data that could increase the cost and complexity of delivering our services. Beginning in 2021 when the transitional period following Brexit expired, we are required to comply with both the GDPR and the U.K. GDPR, with each regime having the ability to fine up to the greater of €20 million (in the case of the GDPR) or £17 million (in the case of the U.K. GDPR) and 4% of total annual revenue. The relationship between the United Kingdom and the EU in relation to certain aspects of data protection law remains unclear, including, for example, how data transfers between EU member states and the United Kingdom will be treated and the role of the United Kingdom's Information Commissioner's Office following the end of the transitional period. These changes could lead to additional costs and increase our overall risk exposure.

In addition, failure to comply with the Israeli Privacy Protection Law 5741-1981, and its regulations as well as the guidelines of the Israeli Privacy Protection Authority, may expose us to administrative fines, civil claims (including class actions) and in certain cases criminal liability. Current pending legislation may result in a change of the current enforcement measures and sanctions.

Any failure or perceived failure by us to comply with our posted privacy policies, our privacy-related obligations to users or other third parties, or any other legal obligations or regulatory requirements relating to privacy, data protection, or data security, may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us by consumer advocacy groups, or others and could result in significant liability, cause our users to lose trust in us, and otherwise materially and adversely affect our reputation and business. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations, other obligations, and policies that are applicable to the businesses of our users may limit the adoption and use of, and reduce the overall demand for, our platform. Additionally, if third parties we work with violate applicable laws, regulations or contractual obligations, such violations may put our users' data at risk, could result in governmental investigations or enforcement actions, fines, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our users to lose trust in us, and otherwise materially and adversely affect our reputation and business. Further, public scrutiny of, or complaints about, technology companies or their data handling or data protection practices, even if unrelated to our business, industry or operations, may lead to increased scrutiny of technology companies, including us, and may cause government agencies to enact additional regulatory requirements, or to modify their enforcement or investigation activities, which may increase our costs and risks. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

***We rely on software and services licensed from other parties. The loss of software or services from third parties could increase our costs and limit the features available in our platform, products and solutions.***

Components of our offerings include various types of software and services licensed from unaffiliated parties. If any of the software or services we license from others or functional equivalents thereof were either no longer available to us or no longer offered on commercially reasonable terms, we would be required to either redesign the offerings that include such software or services to function with software or services available from other parties or develop these components ourselves, which we may not be able to do without incurring increased costs, experiencing delays in our product launches and the release of new offerings, or at all. Furthermore, we might be forced to temporarily limit the features available in our current or future products and solutions. If we fail to maintain or renegotiate any of these software or service licenses, we could face significant delays and diversion of resources in attempting to license and integrate functional equivalents. We and our customers may also be subject to suits by parties claiming infringement, misappropriation or other violation of third-party intellectual property or proprietary rights due to the reliance by our solutions on such third-party software and services, such third-party software and services may contain bugs or other errors that cause our own offerings to malfunction, and our agreements with such third parties may not contain any, or adequate, warranties, indemnities or other

protective provisions on our behalf. Any of the foregoing could materially and adversely affect our business, financial condition and results of operations.

#### **Risks Related to our Debt, Liquidity and Capitalization**

***Our failure to raise additional capital or generate the significant capital necessary to expand our operations and invest in new offerings could reduce our ability to compete and could adversely affect our business.***

Historically, we have funded our operations and capital expenditures primarily through net cash provided by operating activities, equity issuances and borrowings under our long-term debt arrangements. Although we currently anticipate that our net cash provided by operating activities, cash on hand and availability under our Revolving Credit Facility will be adequate to meet our operating, investing and financing needs for at least the next twelve months, we may require additional financing. We evaluate financing opportunities from time to time, and our ability to obtain financing will depend, among other things, on our development efforts, business plans, operating performance, and condition of the capital markets at the time we seek financing. We cannot assure you 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 or equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of our common stock, and our stockholders may experience dilution.

If we need additional capital and cannot raise it on acceptable terms, we may not be able to, among other things:

- develop or enhance our platform, products or solutions;
- continue to expand our research and development and sales and marketing organizations;
- acquire complementary technologies, products or businesses;
- expand operations in the United States or internationally;
- hire, train, and retain employees; or
- respond to competitive pressures or unanticipated working capital requirements.

Our failure to have sufficient capital to do any of these things could adversely affect our business, financial condition and results of operations, and our ability to execute our growth strategy.

***Our indebtedness could adversely affect our ability to raise additional capital to fund operations, limit our ability to react to changes in the economy or our industry and prevent us from meeting our financial obligations.***

As of December 31, 2020, we had approximately \$28.2 million of borrowings (net of \$0.2 million of unamortized issuance costs) outstanding under our Prior Term Loan Facility and approximately \$20.0 million of borrowings outstanding under our Prior Revolving Credit Facility. In January 2021, we (i) repaid all amounts outstanding under our Prior Credit Facilities and terminated all outstanding commitments thereunder, and (ii) entered into a new credit agreement with one of our existing lenders providing for the Term Loan Facility and the Revolving Credit Facility as described elsewhere in this prospectus under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities." As of March 1, 2021, we had approximately \$39.5 million of borrowings outstanding under the Term Loan Facility (net of \$0.5 million of unamortized issuance costs), and approximately \$9.9 million of borrowings outstanding under the Revolving Credit Facility (net of \$0.1 million of unamortized issuance costs), with no additional borrowings available thereunder. If we cannot generate sufficient cash flow from operations to service our debt, we may need to further refinance our debt, dispose of assets or issue equity to obtain necessary funds. We do not know whether we will be

able to do any of this on a timely basis, on terms satisfactory to us, or at all. Our indebtedness could have important consequences, including:

- our ability to obtain additional debt or equity financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes may be limited;
- a portion of our cash flows from operations will be dedicated to the payment of principal and interest on the indebtedness and will not be available for other purposes, including operations, capital expenditures and future business opportunities;
- certain of our borrowings are at variable rates of interest, exposing us to the risk of increased interest rates;
- our ability to adjust to changing market conditions may be limited and may place us at a competitive disadvantage compared to less-leveraged competitors; and
- we may be vulnerable during a downturn in general economic conditions or in our business, or may be unable to carry on capital spending that is important to our growth.

In addition, the agreement governing our Credit Facilities contains, and any agreements evidencing or governing other future indebtedness may also contain, certain restrictive covenants that limit or otherwise restrict our ability, among other things, to:

- create, issue, incur, assume, become liable in respect of or suffer to exist any debt or liens;
- consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve, or dispose of all or substantially all of our or their respective property or business;
- dispose of property or, in the case of our subsidiaries, issue or sell any shares of such subsidiary's capital stock;
- repay, prepay, redeem, purchase, retire or defease subordinated debt;
- declare or pay dividends or make certain other restricted payments;
- make certain investments;
- enter into transactions with affiliates;
- enter into new lines of business; and
- make certain amendments to our or their respective organizational documents or certain material contracts.

The agreement governing our Credit Facilities also contains, and any agreements evidencing or governing other future indebtedness may also contain, certain financial covenants and financial reporting requirements, as described elsewhere in this prospectus under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities." Our ability to comply with these covenants and restrictions may be affected by events and factors beyond our control. We may not be able to generate sufficient recurring revenue or cash flow or maintain sufficient liquidity to meet the financial covenants or pay the principal and interest under our Credit Facilities when required. If we fail to make payments under our Credit Facilities or otherwise experience an event of default thereunder, the lending banks would be permitted to take certain actions, including terminating all outstanding commitments and declaring all amounts due under our Credit Facilities to be immediately due and payable, including all outstanding borrowings, accrued and unpaid interest thereon, and prepayment premiums with respect to such borrowings and any terminated commitments. In addition, the lenders would have the right to proceed against the collateral we granted to them, which includes substantially all of our assets. The occurrence of any of these events could have a material adverse effect

on our business, financial condition and results of operations. Furthermore, our future working capital, borrowings, or equity financing could be unavailable to repay or refinance the amounts outstanding under our Credit Facilities. In the event of a liquidation, our lenders would be repaid all outstanding principal and interest prior to distribution of assets to unsecured creditors, and the holders of our common stock would receive a portion of any liquidation proceeds only if all of our creditors, including our lenders, were first repaid in full.

#### **Risks Related to Other Legal, Regulatory and Tax Matters**

***Legal, political, and economic uncertainty surrounding the exit of the United Kingdom from the European Union may be a source of instability to international markets, create significant currency fluctuations, adversely affect our operations in the United Kingdom and pose additional risks to our business, financial condition and results of operations.***

In connection with Brexit, the United Kingdom formally withdrew from the European Union and ratified a trade and cooperation agreement governing its future relationship with the European Union. The agreement, which is being applied provisionally from January 1, 2021 until it is ratified by the European Parliament and the Council of the European Union, addresses trade, economic arrangements, law enforcement, judicial cooperation and a governance framework including procedures for dispute resolution, among other things. Because the agreement merely sets forth a framework in many respects and will require complex additional bilateral negotiations between the United Kingdom and the European Union as both parties continue to work on the rules for implementation, significant political and economic uncertainty remains about how the precise terms of the relationship between the parties will differ from the terms before withdrawal.

These developments and the continued uncertainty regarding the terms of the relationship between the United Kingdom and the European Union post-Brexit have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates and credit ratings have been and may continue to be subject to increased market volatility. Lack of clarity about future U.K. laws and regulations as the United Kingdom determines which EU laws to replace or replicate, including financial laws and regulations, tax and free trade agreements, tax and customs laws, intellectual property rights, environmental, health and safety laws and regulations, immigration laws, employment laws and transport laws could increase the costs of doing business in the United Kingdom and depress economic activity. Additionally, the need to comply with any applicable regulatory changes will likely increase costs for us and our existing and potential customers located in the United Kingdom, which could negatively affect demand for our offerings and the ability of customers to make payments under their agreements with us. Any of these factors could have a significant adverse effect on our business, financial condition, results of operations and prospects.

***We are subject to various governmental export control, trade sanctions, and import laws and regulations that could impair our ability to compete in international markets or subject us to liability if we violate these controls.***

In some cases, our software is subject to export control laws and regulations, including the Export Administration Regulations administered by the U.S. Department of Commerce, the Israeli Control of Products and Services Decree (Engagement in Encryption), 5735-1974, and the Israeli Law of Regulation of Security Exports, 5767-2007, and our activities may be subject to trade and economic sanctions, including those administered by OFAC (collectively, "Trade Controls"). As such, a license may be required to export or re-export our products, or provide related services, to certain countries and end users, as well as for certain end uses. Further, our offerings that incorporate encryption functionality may be subject to special controls applying to encryption items and/or certain reporting requirements.

While we have procedures in place designed to ensure our compliance with Trade Controls, we cannot guarantee that these procedures will be successfully followed, and failure to comply could subject us to both civil and criminal penalties, including substantial fines, possible incarceration of responsible individuals for willful violations, possible loss of our export or import privileges, and reputational harm. Further, the process for obtaining necessary licenses may be time-consuming or unsuccessful, potentially causing delays in sales or losses of sales opportunities. Trade Controls are complex and dynamic regimes, and monitoring and ensuring compliance can be challenging, particularly given that our offerings are widely distributed throughout the world and are available for download without registration. Although we have no knowledge that our activities have resulted in violations of Trade Controls, any failure by us or our partners to comply with applicable laws and regulations would have negative consequences for us, including reputational harm, government investigations, and penalties.

In addition, various countries regulate the import of certain encryption technology, including through import permit and license requirements, and have enacted laws that could limit our ability to distribute our offerings or the ability of our customers or end users to implement our offerings in those countries. Changes in our offerings or changes in export and import regulations in such countries may create delays in the introduction of our offerings into international markets, prevent our end-customers with international operations from deploying our offerings globally or, in some cases, prevent or delay the export or import of our offerings to certain countries, governments, or persons altogether. Any change in export or import laws or regulations, economic sanctions or related legislation, shift in the enforcement or scope of existing export, import or sanctions laws or regulations, or change in the countries, governments, persons, or technologies targeted by such export, import or sanctions laws or regulations, could result in decreased use of our offerings by, or in our decreased ability to export or sell our offerings to, existing or potential customers with international operations. Any decreased use of our offerings or limitation on our ability to export to or sell our offerings in international markets could adversely affect our business, financial condition and results of operations, and our ability to execute our growth strategy.

***Changes in laws and regulations related to the internet, changes in the internet infrastructure itself, or increases in the cost of internet connectivity and network access may diminish the demand for our offerings and could harm our business.***

The future success of our business depends upon the continued use of the internet as a primary medium for commerce, communication, and business applications. Federal, state, or foreign governmental bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the internet as a commercial medium. The adoption of any laws or regulations that could reduce the growth, popularity, or use of the internet, including laws or practices limiting internet neutrality, could decrease the demand for our offerings, increase our cost of doing business, and adversely affect our results of operations. Changes in these laws or regulations could require us to modify our offerings, or certain aspects of our offerings, in order to comply with these changes. In addition, government agencies or private organizations have imposed and may impose additional taxes, fees, or other charges for accessing the internet or commerce conducted via the internet. These laws or charges could limit the growth of internet-related commerce or communications generally or result in reductions in the demand for internet-based products such as ours. In addition, the use of the internet as a business tool could be harmed due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility, and quality of service. Further, our platform depends on the quality of our customers' and end users' access to the internet.

On June 11, 2018, the repeal of the Federal Communications Commission's (the "FCC"), "net neutrality" rules took effect and returned to a "light-touch" regulatory framework. The prior rules were designed to ensure that all online content is treated the same by internet service providers and other companies that provide broadband services. Additionally, on September 30, 2018, California enacted the California internet Consumer Protection and Net Neutrality Act of 2018, making California the fourth state to enact a state-level net neutrality law since the FCC repealed its nationwide regulations, mandating that all broadband services in California must be provided in accordance with state net neutrality

requirements. The U.S. Department of Justice has sued to block the law going into effect, and California has agreed to delay enforcement until the resolution of the FCC's repeal of the federal rules. A number of other states are considering legislation or executive actions that would regulate the conduct of broadband providers. We cannot predict whether the FCC order or state initiatives will be modified, overturned, or vacated by legal action of the court, federal legislation or the FCC. With the repeal of net neutrality rules in effect, we could incur greater operating expenses, which could harm our results of operations.

As the internet continues to experience growth in the number of users, frequency of use, and amount of data transmitted, the internet infrastructure that we and our customers and end users rely on may be unable to support the demands placed upon it. The failure of the internet infrastructure that we or our customers and end users rely on, even for a short period of time, could adversely affect our business, financial condition and results of operations. In addition, the performance of the internet and its acceptance as a business tool has been harmed by "viruses," "worms" and similar malicious programs and the internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If the use of the internet is adversely affected by these issues, demand for our offerings could decline.

Internet access is frequently provided by companies that have significant market power and the ability to take actions that degrade, disrupt, or increase the cost of user access to our offerings. As demand for online media increases, there can be no assurance that internet and network service providers will continue to price their network access services on reasonable terms. The distribution of online media requires delivery of digital content files and providers of network access and distribution may change their business models and increase their prices significantly, which could slow the widespread adoption of such services. We could incur greater operating expenses and our customer acquisition and retention could be negatively impacted if network operators:

- implement usage-based pricing;
- discount pricing for competitive products;
- otherwise materially change their pricing rates or schemes;
- charge us to deliver our traffic at certain levels or at all;
- throttle traffic based on its source or type;
- implement bandwidth caps or other usage restrictions; or
- otherwise try to monetize or control access to their networks.

In order for our services to be successful, there must be a reasonable price model in place to allow for the continuous distribution of digital media files. We have limited or no control over the extent to which any of these circumstances may occur, and if network access or distribution prices rise, our business, financial condition and results of operations would likely be adversely affected.

***Our business may be adversely affected by third-party claims, including by governmental bodies, regarding the content and advertising distributed through our offerings.***

We rely on our customers to secure the rights to redistribute content over the internet, and we do not screen the content that is distributed through our offerings. There is no assurance that our customers have licensed all rights necessary for distribution, including internet distribution. Other parties may claim certain rights in the content of our customers.

In the event that our customers do not have the necessary distribution rights related to content, we may be required to cease distributing such content, or we may be subject to lawsuits and claims of damages for infringement of such rights. If these claims arise with frequency, the likelihood of our business being adversely affected would rise significantly. In some cases, we may have rights to



indemnification or claims against our customers if they do not have appropriate distribution rights related to specific content items, however there is no assurance that we would be successful in any such claim.

We do not screen the content that is distributed through our offerings. Content may be distributed through our platform that is illegal or unlawful under international, federal, state or local laws or the laws of other countries. We may face lawsuits, claims or even criminal charges for such distribution, and we may be subject to civil, regulatory or criminal sanctions and damages for such distribution. Any such claims or investigations could adversely affect our business, financial condition and results of operations.

***Actions by governments to restrict access to our offerings in their countries or to require us to disclose or provide access to information in our possession could harm our business, financial condition and results of operations.***

Our business depend on the ability of our customers and end users to access the internet, and our offerings could be blocked or restricted in some countries for various reasons. Further, it is possible that governments of one or more foreign countries may seek to limit access to, or certain features of, our offerings in their countries, or impose other restrictions that may affect the availability of our offerings, or certain features of our offerings, in their countries for an extended period of time or indefinitely. For example, Russia and China are among a number of countries that have recently blocked certain online services, including AWS (which is our cloud hosting provider), making it very difficult for such services to access those markets. In addition, governments in certain countries may seek to restrict or prohibit access to our offerings if they consider us to be in violation of their laws (including privacy laws) and may require us to disclose or provide access to information in our possession. If we fail to anticipate developments in the law or fail for any reason to comply with relevant law, our offerings could be further blocked or restricted and we could be exposed to significant liability that could harm our business. In the event that access to our offerings is restricted, in whole or in part, in one or more countries, or our competitors are able to successfully penetrate geographic markets that we cannot access, our ability to add new customers or renew or expand the value of our existing customers' subscriptions may be adversely affected, which could have a material adverse effect on our business, financial condition and results of operations.

***Failure to comply with anti-bribery, anti-corruption, anti-money laundering laws, and similar laws, could subject us to penalties and other adverse consequences.***

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, the United Kingdom Bribery Act 2010, the Proceeds of Crime Act 2002, Chapter 9 (sub-chapter 5) of the Israeli Criminal Law, 5737-1977, the Israeli Prohibition on Money Laundering Law, 5760-2000 and other anti-bribery and anti-money laundering laws in countries outside of the United States in which we conduct our activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees, and their third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector.

We sometimes leverage third parties to sell our offerings and conduct our business abroad. We and our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and may be held liable for the corrupt or other illegal activities of these third-party business partners and intermediaries, our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. We cannot assure you that our employees and agents will not take actions in violation of applicable law, for which we may be ultimately held responsible. As we increase our international sales and business operations, our risks under these laws are likely to increase.

Any actual or alleged violation of the FCPA or other applicable anti-bribery, anti-corruption or anti-money laundering laws could result in whistleblower complaints, sanctions, settlements, prosecution,

enforcement actions, fines, damages, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions, or suspension or debarment from U.S. government contracts, any of which would adversely affect our reputation, as well as our business, financial condition, results of operations and growth prospects. Responding to any investigation or action would likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. In addition, the U.S. government may seek to hold us liable for successor liability for FCPA violations committed by companies in which we invest or that we acquire.

***Changes in financial accounting standards or practices may cause adverse, unexpected financial reporting fluctuations and affect our results of operations.***

The accounting rules and regulations that we must comply with are complex and subject to interpretation by the Financial Accounting Standards Board (the "FASB"), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. Recent actions and public comments from the FASB and the SEC have focused on the integrity of financial reporting and internal controls. In addition, many companies' accounting policies are being subject to heightened scrutiny by regulators and the public. Further, the accounting rules and regulations are continually changing in ways that could materially impact our financial statements.

We cannot predict the impact of future changes to accounting principles or our accounting policies on our financial statements going forward, which could have a significant effect on our reported financial results and could affect the reporting of transactions completed before the announcement of the change. In addition, if we were to change our critical accounting estimates, including those related to the recognition of subscription revenue and other revenue sources, our operating results could be significantly affected.

***Changes in U.S. and foreign tax laws could have a material adverse effect on our business, cash flow, results of operations or financial conditions.***

We are subject to taxation in several countries, including the United States and Israel; changes in tax laws or challenges to our tax positions could adversely affect our business, results of operations, and financial condition. As such, we are subject to tax laws, regulations, and policies of the U.S. federal, state, and local governments and of comparable taxing authorities in foreign jurisdictions. Changes in tax laws, including the U.S. federal tax legislation enacted in 2017, commonly referred to as the Tax Cuts and Jobs Act of 2017, as well as other factors, could cause us to experience fluctuations in our tax obligations and effective tax rates in the future and otherwise adversely affect our tax positions and/or our tax liabilities. There can be no assurance that our effective tax rates, tax payments, tax credits, or incentives will not be adversely affected by changes in tax laws in various jurisdictions.

***Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could expose us to greater than anticipated tax liabilities.***

The tax laws applicable to our business, including the laws of the United States, Israel, and other jurisdictions, are subject to interpretation, and certain jurisdictions may aggressively interpret their laws in an effort to raise additional tax revenue. The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for valuing developed technology or intercompany arrangements or our revenue recognition policies, which could increase our worldwide effective tax rate and adversely affect our financial position and results of operations. It is possible that tax authorities may disagree with certain positions we have taken, and any adverse outcome of such a review or audit could have a negative effect on our business, financial condition and results of operations. Further, the determination of our worldwide provision for income taxes and other tax liabilities requires significant judgment by management, and there are 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 consolidated financial statements and may materially affect our financial results in the period or periods for which such determination is made.

***Our corporate structure and intercompany arrangements are subject to the tax laws of various jurisdictions, and we could be obligated to pay additional taxes, which would adversely affect our results of operations.***

Based on our current corporate structure, we are subject to taxation in several jurisdictions around the world with increasingly complex tax laws, the application of which can be uncertain. The amount of taxes we pay in these jurisdictions could increase substantially as a result of changes in the applicable tax principles, including increased tax rates, new tax laws or revised interpretations of existing tax laws and precedents. The authorities in these jurisdictions could review our tax returns or require us to file tax returns in jurisdictions in which we are not currently filing, and could impose additional tax, interest, and penalties. These authorities could also claim that various withholding requirements apply to us or our subsidiaries, assert that benefits of tax treaties are not available to us or our subsidiaries, or challenge our methodologies for valuing developed technology or intercompany arrangements, including our transfer pricing. The relevant taxing authorities may determine that the manner in which we operate our business does not achieve the intended tax consequences. If such a disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties. Such authorities could claim that various withholding requirements apply to us or our subsidiaries or assert that benefits of tax treaties are not available to us or our subsidiaries. Any increase in the amount of taxes we pay or that are imposed on us could increase our worldwide effective tax rate and adversely affect our business, financial condition and results of operations.

***We could be required to collect additional sales, use, value added, digital services or other similar taxes or be subject to other liabilities that may increase the costs our clients would have to pay for our offerings and adversely affect our results of operations.***

We collect sales, value added and other similar taxes in a number of jurisdictions. One or more U.S. states or countries may seek to impose incremental or new sales, use, value added, digital services, or other tax collection obligations on us. Further, an increasing number of U.S. states have considered or adopted laws that attempt to impose tax collection obligations on out-of-state companies. Additionally, the Supreme Court of the United States has ruled that online sellers can be required to collect sales and use tax despite not having a physical presence in the state of the customer. As a result, U.S. states and local governments may adopt, or begin to enforce, laws requiring us to calculate, collect, and remit taxes on sales in their jurisdictions, even if we have no physical presence in that jurisdiction. A successful assertion by one or more U.S. states requiring us to collect taxes where we presently do not do so, or to collect more taxes in a jurisdiction in which we currently do collect some taxes, could result in substantial liabilities, including taxes on past sales, as well as interest and penalties. Furthermore, certain jurisdictions, such as the United Kingdom and France, have recently introduced a digital services tax, which is generally a tax on gross revenue generated from users or customers located in those jurisdictions, and other jurisdictions have enacted or are considering enacting similar laws. A successful assertion that we should have been or should currently be collecting additional sales, use, value added, digital services or other similar taxes in a particular jurisdiction could, among other things, result in substantial tax payments, create significant administrative burdens for us, discourage potential customers from subscribing to our platform due to the incremental cost of any such sales or other related taxes, or otherwise adversely affect our business.

***Our ability to use our net operating loss carryforwards to offset future taxable income may be subject to certain limitations.***

As of December 31, 2020, we had U.S. federal net operating loss carryforwards of approximately \$217.5 million and U.S. state net operating loss carryforwards of approximately \$122.5 million, which may be utilized against future income taxes. Limitations imposed by the applicable jurisdictions on our ability to utilize net operating loss carryforwards, including with respect to the net operating loss carryforwards of companies that we have acquired or may acquire in the future, could cause us to become an income tax payer earlier than we would become otherwise if such limitations were not in effect and could cause such net operating loss carryforwards to expire unused, in each case reducing or eliminating the benefit of

such net operating loss carryforwards. This offering, as well as future changes in our stock ownership, could result in an ownership change that subjects us to limitations on our ability to utilize net operating loss forwards to offset future income. Furthermore, we may not be able to generate sufficient taxable income to utilize our net operating loss carryforwards before they expire. If any of these events occur, we may not derive some or all of the expected benefits from our net operating loss carryforwards. Also, any available net operating loss carryforwards would have value only to the extent there is income in the future against which such net operating loss carryforwards may be offset. For these reasons, we may not be able to realize a tax benefit from the use of our net operating loss carryforwards, whether or not we attain profitability. We have recorded a full valuation allowance related to our carryforwards due to the uncertainty of the ultimate realization of the future benefits of those assets.

#### **Risks Related to Our Operations in Israel**

##### ***Political, economic and military conditions in Israel could materially and adversely affect our business.***

We have offices near Tel Aviv, Israel where our primary research and development, human resources, and certain other finance and administrative activities are based. In addition, a number of our officers and directors, as well as our co-founders, are residents of Israel. As of December 31, 2020, we had 378 full-time employees in Israel. Accordingly, political, economic and military conditions in Israel and the surrounding region may directly affect our business and operations. Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its neighboring countries, as well as terrorist acts committed within Israel by hostile elements. In recent years, Israel has been engaged in sporadic armed conflicts with Hamas, an Islamist terrorist group that controls the Gaza Strip, with Hezbollah, an Islamist terrorist group that controls large portions of southern Lebanon, and with Iranian-backed military forces in Syria. In addition, Iran has threatened to attack Israel and may be developing nuclear weapons. Some of these hostilities were accompanied by missiles being fired against civilian targets in various parts of Israel, including areas in which our employees, and some of our consultants are located, and negatively affected business conditions in Israel. Any hostilities, armed conflicts, terrorist activities involving Israel or the interruption or curtailment of trade between Israel and its trading partners, or any political instability in the region could adversely affect business conditions and our results of operations and could make it more difficult for us to raise capital. Specifically, our operations could be disrupted by the obligations of our personnel to perform military service. Many of our employees based in Israel may be called upon to perform military reserve duty and, in emergency circumstances, may be called to immediate and unlimited active duty. If this were to occur, our operations could be disrupted by the absence of a significant number of employees, which could materially adversely affect our business and results of operations. Parties with whom we do business have sometimes declined to travel to Israel during periods of heightened unrest or tension, forcing us to make alternative arrangements when necessary in order to meet our business partners face to face. In addition, the political and security situation in Israel may result in parties with whom we have agreements involving performance in Israel claiming that they are not obligated to perform their commitments under those agreements pursuant to force majeure provisions in such agreements.

Continued hostilities between Israel and its neighbors and any future armed conflict, terrorist activity or political instability in the region could adversely affect our operations in Israel and adversely affect the market price of our common stock. An escalation of tensions or violence might result in a significant downturn in the economic or financial condition of Israel, which could have a material adverse effect on our operations in Israel and our business.

Our commercial insurance does not cover losses that may occur as a result of events associated with war and terrorism. Although the Israeli government currently covers the reinstatement value of direct damages that are caused by terrorist attacks or acts of war, we cannot assure you that this government coverage will be maintained or that it will sufficiently cover our potential damages. Any losses or damages incurred by us could have a material adverse effect on our business. Any armed conflicts or political

instability in the region would likely negatively affect business conditions and could adversely affect our results of operations.

Further, in the past, the State of Israel and Israeli companies have been subjected to economic boycotts. Several countries still restrict business with the State of Israel and with Israeli companies. These restrictive laws and policies may have an adverse impact on our operating results, financial condition or the expansion of our business. A campaign of boycotts, divestment and sanctions has been undertaken against Israel, which could also adversely impact our business.

Israel's most recent general elections were held on April 9, 2019, September 17, 2019 and March 2, 2020. The next general elections are scheduled to be held on March 23, 2021. Uncertainty surrounding future elections and/or the results of such elections in Israel may continue and the political situation in Israel may further deteriorate. Actual or perceived political instability in Israel or any negative changes in the political environment, may individually or in the aggregate adversely affect the Israeli economy and, in turn, our business, financial condition, results of operations and growth prospects.

***Certain tax benefits that are available to us require us to continue to meet various conditions and may be terminated or reduced in the future, which could increase our costs and taxes.***

Some of our operations in Israel may entitle us to certain tax benefits under the Law for the Encouragement of Capital Investments, 5719-1959, or the Investment Law. If we do not meet the requirements for maintaining these benefits, they may be reduced or cancelled and the relevant operations would be subject to Israeli corporate tax at the standard rate, which is set at 23% in 2020 and thereafter. In addition to being subject to the standard corporate tax rate, we could be required to refund any tax benefits that we have already received, plus interest and penalties thereon. Even if we continue to meet the relevant requirements, the tax benefits that our current "Preferred Enterprise" is entitled to may not be continued in the future at their current levels or at all. If these tax benefits were reduced or eliminated, the amount of taxes that we pay would likely increase, as all of our operations would consequently be subject to corporate tax at the standard rate, which could adversely affect our results of operations. Additionally, if we increase our activities outside of Israel, for example, by way of acquisitions, our increased activities may not be eligible for inclusion in Israeli tax benefits programs.

#### **Risks Related to this Offering and Ownership of our Common Stock**

***The market price for our common stock may be volatile or may decline regardless of our operating performance, and you may not be able to resell your shares at or above the initial public offering price.***

The market price of our common stock may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, many of which are beyond our control, including:

- actual or anticipated changes or fluctuations in our results of operations;
- the guidance we may provide to analysts and investors from time to time, and any changes in, or our failure to perform in line with, such guidance;
- announcements by us or our competitors of new offerings or new or terminated contracts, commercial relationships or capital commitments;
- industry or financial analyst or investor reaction to our press releases, other public announcements, and filings with the SEC;
- rumors and market speculation involving us or other companies in our industry;
- future sales or expected future sales of our common stock;
- investor perceptions of us and the industries in which we operate;

- price and volume fluctuations in the overall stock market from time to time;
- changes in operating performance and stock market valuations of other technology companies generally, or those in our industry in particular;
- failure of industry or financial analysts to maintain coverage of us, the issuance of new or updated reports or recommendations by any analysts who follow our company, or our failure to meet the expectations of investors;
- actual or anticipated developments in our business or our competitors' businesses or the competitive landscape generally;
- litigation involving us, other companies in our industry or both, or investigations by regulators into our operations or those of our competitors;
- developments or disputes concerning our intellectual property or proprietary rights or our solutions, or third-party intellectual or proprietary rights;
- announced or completed acquisitions of businesses or technologies, or other strategic transactions by us or our competitors;
- actual or perceived breaches of, or failures relating to, privacy, data protection or data security;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- actual or anticipated changes in our management or our board of directors;
- general economic conditions and slow or negative growth of our target markets; and
- other events or factors, including those resulting from war, incidents of terrorism or responses to these events.

Furthermore, the stock market has experienced extreme volatility that in some cases has been unrelated or disproportionate to the operating performance of particular companies. These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our stockholders were to bring a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business.

***No public market for our common stock currently exists, and an active public trading market may not develop or be sustained following this offering.***

Prior to this offering, there has been no public market for our common stock. An active public trading market for our common stock may not develop following the closing of this offering or, if developed, it may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. The initial public offering price of our common stock will be determined by negotiations between us and the underwriters and may not be indicative of prices that will prevail in the open market following the closing of this offering. The market price of our common stock may decline below the initial public offering price, and you may not be able to resell your shares of our common stock at or above the initial offering price, or at all. The lack of an active trading market may also reduce the fair value of your shares. An inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to acquire other companies or technologies by using our common stock as consideration.

***After this offering, our principal stockholders will continue to have significant influence over us.***

After the closing of this offering, our principal stockholders each holding more than 5% of our outstanding common stock will collectively beneficially own approximately 59.0% of our outstanding common stock (or approximately 57.4% of our outstanding common stock if the underwriters' option to purchase additional shares is exercised in full). See "Principal and Selling Stockholders." These stockholders or their affiliates will be able to exert significant influence over us and, if acting together, will be able to control matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, including a merger, consolidation or sale of all or substantially all of our assets and the issuance or redemption of equity interests in certain circumstances. The interests of these stockholders may not always coincide with, and in some cases may conflict with, our interests and the interests of our other stockholders. For instance, these stockholders could attempt to delay or prevent a change in control of our company, even if such change in control would benefit our other stockholders, which could deprive our stockholders of an opportunity to receive a premium for their common stock. This concentration of ownership may also affect the prevailing market price of our common stock due to investors' perceptions that conflicts of interest may exist or arise. As a result, this concentration of ownership may not be in your best interests.

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

The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our common stock and enable access to the public equity markets for us and our stockholders. We intend to use the net proceeds from this offering for general corporate purposes, including working capital, operating expenses and capital expenditures. Accordingly, we will have broad discretion in the application of the net proceeds from this offering, and you will not have the opportunity as part of your investment decision to assess whether such net proceeds are being used appropriately. Investors will need to rely upon the judgment of our management with respect to the use of such net proceeds. Pending their use, we may invest our proceeds in a manner that does not produce income or that loses value. Our investments may not yield a favorable return to our investors and may adversely affect the price of our common stock.

***You will experience immediate and substantial dilution in the net tangible book value of the common stock you purchase in this offering and may experience further dilution in the future.***

The initial public offering price of our common stock is substantially higher than the pro forma as adjusted net tangible book value per share of our common stock. If you purchase common stock in this offering, you will suffer immediate dilution of \$13.53 per share, representing the difference between our pro forma as adjusted net tangible book value per share as of December 31, 2020 and the assumed initial public offering price of \$15.00 per share. We also have a significant number of outstanding options to purchase shares of our common stock with exercise prices that are below the assumed initial public offering price of our common stock. To the extent these options or the Newrow Warrant are exercised, you will experience further dilution. See the section of this prospectus titled "Dilution" for additional information.

***Future sales of substantial amounts of our common stock in the public markets, or the perception that such sales might occur, could reduce the price that our common stock might otherwise attain.***

Future sales of a substantial number of shares of our common stock in the public market, particularly sales by our directors, executive officers, and significant stockholders, or the perception that these sales could occur, could adversely affect the market price of our common stock and may make it more difficult for you to sell your common stock at a time and price that you deem appropriate. Upon the closing of this offering, based on the number of shares of our common stock outstanding as of December 31, 2020 and after giving effect to the Preferred Stock Conversion, the Warrant Exercises and the Selling Stockholder Option Exercises, we will have an aggregate of 123,075,914 shares of our common stock outstanding.

This includes 23,500,000 shares of common stock that we and the selling stockholders are selling in this offering, which may be resold in the public market immediately without restriction, unless purchased by our affiliates. Substantially all of the remaining shares are currently restricted as a result of securities laws or restrictions in market stand-off provisions or the lock-up agreements described elsewhere in this prospectus under the caption "Underwriting" (which may be waived at any time, with or without notice, by Goldman Sachs & Co. LLC and BofA Securities, Inc.)

The lock-up period, which we expect will expire 150 days after the date of this prospectus, has a potential partial release date following the 60th day after the date of this prospectus. If the last reported closing price of our common stock on the Nasdaq Global Select Market is at least 30% greater than the initial public offering price per share set forth on the cover page of this prospectus for at least 10 trading days out of any 15 consecutive trading day period ending on or after the 60th day after the date of this prospectus (the last trading day of such 15 trading day period, the "Early Release Determination Date"), the terms of the lock-up agreement to which any holder of our capital stock is subject will expire at the opening of trading three trading days after the Early Release Determination Date with respect to 20% of the aggregate number of shares of common stock and shares of common stock underlying securities convertible into, or exchangeable or exercisable for, common stock held, as of the date of this prospectus, by such holder for which all vesting conditions are satisfied as of the Early Release Determination Date. We expect that all shares of common stock subject to a lock-up agreement and not released pursuant to this partial release will otherwise be released 150 days after the date of this prospectus and will be able to be sold unless held by one of our affiliates, in which case the resale of such securities will generally be subject to volume limitations and other requirements under Rule 144 of the Securities Act. See "Shares Eligible for Future Sale."

In addition, following the closing of this offering and the expiration of the lock-up period described above, holders of an aggregate of approximately 91,350,498 shares of our common stock, based on the number of shares outstanding as of December 31, 2020 (after giving effect to the Preferred Stock Conversion, the Warrant Exercises and the Selling Stockholder Option Exercises), will be entitled to certain rights with respect to the registration of these shares under the Securities Act pursuant to our Investors' Rights Agreement. We also intend to register the offer and sale of all common stock that we may issue from time to time under our equity compensation plans. Once we register these shares, they will be freely tradable in the public market, subject to the volume limitations under Rule 144 of the Securities Act in the case of our affiliates and the lock-up agreements or market stand-off provisions referred to above and described in the "Underwriting" and "Shares Eligible for Future Sale" sections of this prospectus.

The market price of our common stock may drop significantly when the restrictions on resale by our existing stockholders lapse, including in the event of a partial release under the lock-up agreement, when we register the sale of our stockholders' remaining shares of our common stock, or if there is an expectation that such a lapse of resale restrictions or registration of shares will occur. A decline in the trading price of our common stock might impede our ability to raise capital through the issuance of additional shares of our common stock or other equity securities and may impair your ability to sell shares of our common stock at a price higher than the price you paid for them or at all.

***Your ownership and voting power may be diluted by the issuance of additional shares of our common stock in connection with financings, acquisitions, investments, our equity incentive plans or otherwise.***

After this offering, we will have 876,924,086 shares of common stock authorized but unissued, based on the number of shares of our common stock outstanding as of December 31, 2020, and after giving effect to the Preferred Stock Conversion, the Warrant Exercises and the Selling Stockholder Option Exercises. Subject to compliance with applicable rules and regulations, we may issue common stock or securities convertible into common stock from time to time for the consideration and on the terms and conditions established by our board of directors in its sole discretion, whether in connection with a financing, acquisition, investment, our equity incentive plans or otherwise. As of December 31, 2020, we



had 31,849,374 shares of our common stock issuable upon the exercise of outstanding options at a weighted average exercise price of \$3.87 per share, 13,554,754 of which were vested as of such date (excluding, in each case, the 132,030 shares of common stock to be issued in connection with the Selling Stockholder Option Exercises), and 24,610 additional shares of our common stock reserved for future issuance under our Prior Plans. See "Executive Compensation." Any additional shares of common stock that we issue, including under our 2021 Plan or other equity incentive plans that we may adopt in the future, or in connection with the exercise of the Newrow Warrant, would dilute the percentage ownership and voting power held by the investors who purchase common stock in this offering. In the future, we may also issue additional securities if we need to raise capital, including, but not limited to, in connection with acquisitions, which could constitute a material portion of our then-outstanding shares of common stock. Any such issuance could substantially dilute the ownership and voting power of our existing stockholders and cause the market price of our common stock to decline.

***We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.***

Our Post-IPO Certificate of Incorporation will authorize us to issue one or more series of preferred stock. Our board of directors will have the authority to determine the preferences, limitations, and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend, and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of our company, discouraging bids for our common stock at a premium to the market price, and materially and adversely affect the market price and the voting and other rights of the holders of our common stock.

***Anti-takeover provisions in our governing documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management, and depress the market price of our common stock.***

We are a Delaware corporation, and the anti-takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of us, even if a change of control would be beneficial to our existing stockholders. In addition, our Post-IPO Certificate of Incorporation and Post-IPO Bylaws will contain provisions that could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by our board of directors, including transactions in which stockholders might otherwise receive a premium for their shares. Among others, our Post-IPO Certificate of Incorporation and Post-IPO Bylaws will include the following provisions:

- the delegation to our board of directors of the exclusive right to expand the size of our board of directors and to elect directors to fill a vacancy created by any such expansion or the resignation, death or removal of a director, which will prevent stockholders from being able to fill vacancies on our board of directors;
- the division of our board of directors into three classes, with each class serving staggered three-year terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- limitations on convening special stockholder meetings, which could make it difficult for our stockholders to adopt desired governance changes;
- advance notice procedures, which apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company;

- a prohibition on stockholder action by written consent, which means that our stockholders will only be able to take action at a meeting of stockholders;
- a forum selection clause, which means certain litigation against us can only be brought in Delaware;
- no authorization of cumulative voting, which limits the ability of minority stockholders to elect director candidates;
- directors will only be able to be removed for cause and only by the affirmative vote of two-thirds of the then outstanding voting power of our capital stock;
- certain amendments to our Post-IPO Certificate of Incorporation and Post-IPO Bylaws will require the approval of two-thirds of the then outstanding voting power of our capital stock;
- the affirmative vote of two-thirds of the then-outstanding voting power of our capital stock, voting as a single class, will be required for stockholders to amend or adopt any provision of our Post-IPO Bylaws; and
- the authorization of undesignated or “blank check” preferred stock, the terms of which may be established and shares of which may be issued without further action by our stockholders, which could be used to significantly dilute the ownership and voting rights of a hostile acquirer.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management. In addition, as a Delaware corporation, we are also subject to Section 203 of the Delaware General Corporation Law (“DGCL”), which prevents stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations unless (i) prior to the time such stockholder became an interested stockholder, the board approved the transaction that resulted in such stockholder becoming an interested stockholder, (ii) upon consummation of the transaction that resulted in such stockholder becoming an interested stockholder, the interested stockholder owned 85% of the common stock or (iii) following board approval, the business combination receives the approval of the holders of at least two-thirds of our outstanding common stock not held by such interested stockholder.

Any provision of our Post-IPO Certificate of Incorporation, Post-IPO Bylaws or Delaware law that has the effect of delaying, preventing, or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if they are viewed by investors as discouraging future takeover attempts or other transactions that may be in the best interests of our stockholders or that may otherwise enable them to obtain a greater return on their investment, which may impair your ability to sell shares of our common stock at a price greater than the price you paid for them or at all.

***Our Post-IPO Certificate of Incorporation will provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for substantially all disputes between us and our stockholders, and federal district courts will be the sole and exclusive forum for Securities Act claims, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.***

Our Post-IPO Certificate of Incorporation will provide that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for: (a) any derivative action or proceeding brought on our behalf; (b) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers, employees or other agents to us or to our stockholders; (c) any action asserting a claim arising pursuant to the DGCL, our Post-IPO Certificate of Incorporation or Post-IPO Bylaws (as either may be amended and/or restated), or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware; or (d) any action

asserting a claim governed by the internal affairs doctrine. Under our Post-IPO Certificate of Incorporation, this exclusive forum provision will not apply to claims which are vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery of the State of Delaware, or for which the Court of Chancery of the State of Delaware does not have subject matter jurisdiction. For instance, the provision would not apply to actions arising under federal securities laws, including suits brought to enforce any liability or duty created by the Securities Act, Exchange Act, or the rules and regulations thereunder. Our Post-IPO Certificate of Incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. The choice of 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, employees or other agents, which may discourage such lawsuits against us and our directors, officers, employees and other agents. Alternatively, if a court were to find the choice of forum provisions contained in our Post-IPO Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition and results of operations.

***Our Post-IPO Certificate of Incorporation will provide that the doctrine of "corporate opportunity" will not apply with respect to any director or stockholder who is not employed by us or our subsidiaries.***

The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers or directors or other fiduciaries from personally benefiting from opportunities that belong to the corporation. Our Post-IPO Certificate of Incorporation will, to the fullest extent permitted from time to time by Delaware law, renounce any interest or expectancy that we otherwise would have in, and all rights to be offered an opportunity to participate in, any business opportunity that from time to time may be presented to any director or stockholder who is not employed by us or our subsidiaries (each such person, an "exempt person"). In addition, to the fullest extent permitted by law, if an exempt person acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or himself or its or his affiliates or for us or our subsidiaries, such exempt person will have no duty to communicate or offer such transaction or business opportunity to us or any of our subsidiaries and such exempt person may take any such opportunity for themselves or offer it to another person or entity.

As a result, certain of our stockholders, directors and their respective affiliates will not be prohibited from operating or investing in competing businesses. We therefore may find ourselves in competition with certain of our stockholders, directors or their respective affiliates, and we may not have knowledge of, or be able to pursue, transactions that could potentially be beneficial to us. Accordingly, we may lose a corporate opportunity or suffer competitive harm, which could negatively impact our business and growth prospects.

***Our management team has limited experience managing a public company, and the requirements of being a public company may strain our resources, divert management's attention, and affect our ability to attract and retain qualified board members.***

As a public company listed in the United States, we will incur significant additional legal, accounting, and other expenses. In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure, including regulations implemented by the SEC and The Nasdaq Stock Market LLC ("Nasdaq"), may increase legal and financial compliance costs, and make some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, and

as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies.

Most members of our management team have no experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage our transition to being a public company that is subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. Furthermore, we are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to establish the corporate infrastructure required of a public company and to comply with evolving laws, regulations and standards are likely to divert management's time and attention away from revenue-generating activities to compliance activities, which may prevent us from implementing our business strategy and growing our business. Moreover, we may not be successful in implementing these requirements. If we do not effectively and efficiently manage our transition into a public company and continue to develop and implement the right processes and tools to manage our changing enterprise and maintain our culture, our ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition and results of operations.

Additionally, as a public company, we may from time to time be subject to proposals by stockholders urging us to take certain corporate actions. If activist stockholder activity ensues, we may be required to incur additional costs to retain the services of professional advisors, management time and attention will be diverted from our core business operations, and perceived uncertainties as to our future direction, strategy or leadership may cause us to lose potential business opportunities and impair our brand and reputation, any of which could materially and adversely affect our business, financial condition and results of operations.

In addition to increasing our legal and financial compliance costs, the additional rules and regulations described above might also make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors, on committees of our board of directors or as members of our senior management team.

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

For so long as we remain an "emerging growth company" as defined in the JOBS Act, we may take advantage of certain exemptions from various requirements that are applicable to public companies that are not "emerging growth companies." These provisions include, among other exemptions, that:

- we are required to have only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure;
- we are not required to engage an auditor to report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act;
- we are not required to comply with any requirement that may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- we are not required to submit certain executive compensation matters to stockholder advisory votes, such as "say-on-pay," "say-on-frequency" and "say-on-golden parachutes;" and

- we are not required to disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer's compensation to median employee compensation.

We may take advantage of these exemptions until the last day of our fiscal year following the fifth anniversary of the closing of this offering or such earlier time that we are no longer an emerging growth company. We will cease to be an emerging growth company if (i) we have \$1.07 billion or more in annual revenue in any fiscal year, (ii) the market value of our common stock held by non-affiliates is at least \$700 million as of the end of our most recently completed second fiscal quarter, or (iii) we issue more than \$1.0 billion of non-convertible debt over a three-year period. We have elected to take advantage of certain of the reduced reporting and other obligations described above in the registration statement of which this prospectus forms a part, and intend to take advantage of reduced reporting requirements in the future for so long as we are able to do so. The JOBS Act also permits an emerging growth company like us to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use this extended transition period for complying with new or revised accounting standards until the earlier of the date we (x) are no longer an emerging growth company, or (y) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements and the reported results of operations contained therein may not be directly comparable to those of other public companies.

We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may decline or be more volatile.

***We do not anticipate paying dividends on our common stock in the foreseeable future. As a result, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.***

We have never declared or paid any cash dividends on our common stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We anticipate that we will retain all of our available funds and any future earnings for use in the operation and expansion of our business and the repayment of outstanding debt. Any future determination as to the payment of cash dividends will be at the discretion of our board of directors and will depend on, among other things, our business prospects, financial condition, results of operations, current and anticipated cash needs and availability, industry trends and other factors that our board of directors may consider to be relevant. Furthermore, because we are a holding company, our ability to pay dividends on our common stock will depend on our receipt of cash distributions and dividends from our direct and indirect wholly owned subsidiaries. In addition, our ability to pay cash dividends is currently restricted by the terms of the agreement governing our Credit Facilities. Our ability to pay cash dividends on our common stock in the future may also be limited by the terms of any preferred securities we may issue or financial and other covenants in any instruments or agreements governing any additional indebtedness we may incur in the future. Consequently, investors who purchase common stock in this offering may be unable to realize a return on their investment except by selling such shares after price appreciation, which may never occur. Our inability or decision not to pay dividends, particularly when others in our industry have elected to do so, could also adversely affect the market price of our common stock.

#### **General Risk Factors**

***Unfavorable conditions in our industry or the global economy or reductions in information technology spending could limit our ability to grow our business and negatively affect our results of operations.***

Our results of operations may vary based on the impact of changes in our industry and the global economy on us and our customers. Current or future economic uncertainties or downturns could adversely affect our business, financial condition and results of operations. Negative conditions in the

general economy both in the United States and abroad, including conditions resulting from changes in gross domestic product growth, financial, and credit market fluctuations, political turmoil, natural catastrophes, the ongoing COVID-19 pandemic, any other pandemic, epidemic or outbreak of infectious disease, warfare, protests and riots, and terrorist attacks on the United States, Europe, the Asia Pacific region, or elsewhere, could cause a decrease in business investments by our customers and potential customers, including spending on information technology, and negatively affect the growth of our business. To the extent our offerings are perceived by customers and potential customers as discretionary, our revenue may be disproportionately affected by delays or reductions in general information technology spending. Also, customers may choose to develop in-house software as an alternative to using our offerings. Moreover, competitors may respond to market conditions by lowering prices. We cannot predict the timing, strength or duration of any economic slowdown, instability or recovery, generally or within any particular industry. If the economic conditions of the general economy or markets in which we operate do not improve, or worsen from present levels, our business, financial condition and results of operations could be adversely affected.

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

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate. Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, including as a result of any of the risks described in this prospectus.

In addition, the variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of addressable users or companies covered by our market opportunity estimates will purchase our offerings or generate any particular level of revenue for us. In addition, our ability to expand in any of our target markets depends on a number of factors, including the cost, performance, and perceived value associated with our platform and those of our competitors. Even if the markets in which we compete meet the size estimates and growth forecasted in this prospectus, our business could fail to grow at similar rates, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties. Accordingly, the forecasts of market growth included in this prospectus should not be taken as indicative of our future growth.

***If industry or financial analysts do not publish research or reports about our business, or if they issue inaccurate or unfavorable research regarding our common stock, the market price and trading volume of our common stock could decline.***

The trading market for our common stock is influenced by the research and reports that industry or financial analysts publish about us and our business. We do not control these analysts or the content and opinions included in their reports. As a new public company, we may be slow to attract research coverage and the analysts who publish information about our common stock will have had relatively little experience with our company, which could affect their ability to accurately forecast our results and make it more likely that we fail to meet their estimates. In the event we obtain industry or financial analyst coverage, if any of the analysts who cover us issues an inaccurate or unfavorable opinion regarding our company, the market price of our common stock would likely decline. In addition, the share prices of many companies in the technology industry have declined significantly after those companies have failed to meet, or significantly exceed, the financial guidance they have publicly announced or the expectations of analysts and investors. If our financial results fail to meet, or significantly exceed, our announced guidance or the expectations of analysts or investors, analysts could downgrade our common stock or publish unfavorable research about us. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, our visibility in the financial markets could decrease, which in turn could cause the market price or trading volume of our common stock to decline.

***Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.***

Following the closing of this offering, we will be subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to provide reasonable assurance that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

***If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations could fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our common stock.***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as discussed in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue, and expenses that are not readily apparent from other sources. Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. All statements other than statements of historical facts contained in this prospectus may be forward-looking statements. Statements regarding our future results of operations and financial position, business strategy and plans and objectives of management for future operations, including among others, statements regarding future capital expenditures and debt service obligations, are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “anticipate,” “believe,” “estimate,” “expect,” “intend,” “predict,” “project,” “may,” “can,” “will,” “would,” “could,” “should,” “plan,” “potential,” “continue,” the negatives thereof and other similar expressions.

Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors (including those discussed elsewhere in this prospectus under “Risk Factors”) that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our ability to manage our growth effectively, sustain our historical growth rate in the future or achieve or maintain profitability;
- the impact of the COVID-19 pandemic on our business, financial condition and results of operations;
- the growth and expansion of the markets for our offerings and our ability to adapt and respond effectively to evolving market conditions;
- our future financial performance, including our expectations regarding our revenue, cost of revenue, gross margin, operating expenses, cash flow and deferred revenue;
- our estimates of, and future expectations regarding, our market opportunity;
- our ability to keep pace with technological and competitive developments and develop or otherwise introduce new products and solutions and enhancements to our existing offerings;
- our ability to maintain the interoperability of our offerings across devices, operating systems and third-party applications and to maintain and expand our relationships with third-party technology partners;
- the effects of increased competition in our target markets and our ability to compete effectively;
- our ability to attract and retain new customers and to expand within our existing customer base;
- the success of our sales and marketing operations, including our ability to realize efficiencies and reduce customer acquisition costs;
- the percentage of our remaining performance obligations that we expect to recognize as revenue;
- our ability to meet the service-level commitments under our customer agreements and the effects on our business if we are unable to do so;
- our relationships with, and dependence on, various third-party service providers;
- our dependence on our management team and other key employees;
- our ability to maintain and enhance awareness of our brand;
- our ability to offer high quality customer support;



- our ability to effectively develop and expand our marketing and sales capabilities;
- our ability to maintain the sales prices of our offerings and the effects of pricing fluctuations;
- the sustainability of, and fluctuations in, our gross margin;
- risks related to our international operations and our ability to expand our international business operations;
- the effects of currency exchange rate fluctuations on our results of operations;
- challenges and risks related to our sales to government entities;
- our ability to consummate acquisitions at our historical rate and at acceptable prices, to enter into other strategic transactions and relationships, and to manage the risks related to these transactions and arrangements;
- our ability to protect our proprietary technology, or to obtain, maintain, protect and enforce sufficiently broad intellectual property rights therein;
- our ability to maintain the security and availability of our platform, products and solutions;
- our ability to comply with current and future government regulations to which we are subject or may become subject in the future;
- changes in U.S. tax law, the stability of effective tax rates and adverse outcomes resulting from examination of our income or other tax returns;
- risks related to political, economic and military conditions in Israel;
- the effects of unfavorable conditions in our industry or the global economy or reductions in information technology spending; and
- factors that may affect the future trading prices of our common stock.

The forward-looking statements contained in this prospectus are only predictions. 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 business, financial condition and results of operations. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected 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 upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

Moreover, we operate in an evolving environment. New risks and uncertainties may emerge from time to time, and it is not possible for management to predict all risks and uncertainties that may cause our actual results to differ materially from those projected in our forward-looking statements. These forward-looking statements speak only as of the date of this prospectus. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this prospectus after we distribute this prospectus, whether as a result of any new information, future events, changed circumstances or otherwise.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement of which this prospectus forms a part with the understanding that our actual future results of operations, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by reference to these cautionary statements.

## USE OF PROCEEDS

We estimate that we will receive net proceeds from the sale of the shares of our common stock in this offering of approximately \$237.9 million, assuming an initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters' option to purchase additional shares of our common stock is exercised in full, we estimate that our net proceeds will be approximately \$287.1 million.

The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our common stock and enable access to the public equity markets for us and our stockholders. We intend to use the net proceeds from this offering for general corporate purposes, including working capital, research and development, sales and marketing activities, general administrative matters, operating expenses and capital expenditures.

We may also use a portion of the net proceeds from this offering to acquire or invest in businesses, products, services or technologies. However, we currently have no agreements or commitments for any material acquisitions or investments at this time.

As of the date of this prospectus, we cannot estimate with certainty the amount of net proceeds to be used for the purposes described above. We may find it necessary or advisable to use the net proceeds from this offering for other purposes, and we will have broad discretion in the application of such net proceeds. Pending the uses described above, we intend to invest the net proceeds of this offering in short-term, interest-bearing, investment-grade securities. We cannot predict whether the proceeds invested will yield a favorable return for us.

Each \$1.00 increase (decrease) in the assumed initial public offering price of \$15.00 per share would increase (decrease) the net proceeds to us from this offering by approximately \$16.2 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 the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million in the number of shares we are offering would increase (decrease) the net proceeds to us from this offering by approximately \$14.0 million, assuming the assumed initial public offering price stays the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

We will not receive any proceeds from the sale of shares of our common stock by the selling stockholders in this offering. We will, however, bear certain costs, other than the underwriting discounts and commissions, associated with the sale of these shares.

## DIVIDEND POLICY

We have never declared or paid any cash dividends on our common stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We anticipate that we will retain all of our available funds and any future earnings for use in the operation and expansion of our business and to make payments on our outstanding debt. Any future determination as to the payment of cash dividends will be at the discretion of our board of directors and will depend on, among other things, our business prospects, financial condition, results of operations, current and anticipated cash needs and availability, industry trends and other factors that our board of directors may consider to be relevant. Furthermore, because we are a holding company, our ability to pay dividends on our common stock will depend on our receipt of cash distributions and dividends from our direct and indirect wholly owned subsidiaries. In addition, our ability to pay cash dividends is currently restricted by the terms of the agreement governing our Credit Facilities. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities." Our ability to pay cash dividends on our common stock in the future may also be limited by the terms of any preferred securities we may issue or financial and other covenants in any instruments or agreements governing any additional indebtedness we may incur in the future.

Accordingly, you may need to sell your shares of common stock in order to realize a return on your investment, and you may not be able to sell your shares at or above the price you paid for them or at all. See "Risk Factors—Risks Related to this Offering and Ownership of Our Common Stock—We do not anticipate paying dividends on our common stock in the foreseeable future. As a result, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock."

## CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2020, as follows:

- on an actual basis;
- on a pro forma basis to give effect to (i) the Preferred Stock Conversion, (ii) the Warrant Exercises, (iii) our forgiveness of loans to certain of our directors and executive officers in connection with the public filing of the registration statement of which this prospectus forms a part, as described elsewhere in this prospectus under “Certain Relationships and Related Party Transactions—Director and Executive Officer Loans,” and (iv) the filing and effectiveness of our Post-IPO Certificate of Incorporation; and
- on a pro forma as adjusted basis to give further effect to (i) our issuance and sale of 17,400,000 shares of common stock in this offering at an assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, and (ii) our issuance of 132,030 shares of our common stock in connection with the Selling Stockholder Option Exercises and our receipt of \$0.2 million in aggregate proceeds in connection therewith.

Our capitalization following the closing of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this table in conjunction with the information contained in “Use of Proceeds,” “Selected Historical Consolidated Financial Data,” and “Management’s Discussion and Analysis of Financial Condition and Results of

Operations" as well as the consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	As of December 31, 2020		
	Actual	Pro Forma (unaudited)	Pro Forma As Adjusted <sup>(1)</sup> (unaudited)
	(dollar amounts in thousands)		
Cash and cash equivalents <sup>(2)</sup>	\$ 27,711	\$ 27,711	\$ 265,868
Debt (including current portion of long-term debt) <sup>(3)</sup>	\$ 48,160	\$ 48,160	\$ 48,160
Warrants to purchase preferred and common stock	\$ 56,780	\$ —	\$ —
Redeemable convertible preferred stock, par value \$0.0001 per share; 15,968,831 shares authorized, 15,779,322 shares issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma and pro forma as adjusted	\$ 158,191	\$ —	\$ —
Convertible preferred stock, par value \$0.0001 per share; 1,043,778 shares authorized, issued and outstanding, actual; no shares authorized, issued or outstanding, pro forma and pro forma as adjusted	\$ 1,921	\$ —	\$ —
Stockholders' (deficit) equity:			
Common stock, par value \$0.0001 per share; 157,500,000 shares authorized, 33,153,112 shares issued and 25,467,922 shares outstanding, actual; 1,000,000,000 shares authorized, 113,229,074 shares issued and 105,543,884 shares outstanding, pro forma; 1,000,000,000 shares authorized, 130,761,104 shares issued and 123,075,914 shares outstanding, pro forma as adjusted	2	11	12
Preferred stock, par value \$0.0001 per share; no shares authorized, issued and outstanding, actual; 20,000,000 shares authorized, no shares issued and no shares outstanding, pro forma and pro forma as adjusted	—	—	—
Additional paid-in capital	8,388	225,271	463,427
Accumulated deficit	(263,283)	(264,165)	(264,165)
Treasury stock - 7,685,190 shares of common stock, par value \$0.0001 per share	(4,881)	(4,881)	(4,881)
Receivables on account of stock	(882)	—	—
Total stockholders' (deficit) equity	\$ (260,656)	\$ (43,764)	\$ 194,393
Total capitalization	\$ 4,396	\$ 4,396	\$ 242,553

- (1) Each \$1.00 increase (decrease) in the assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately \$16.2 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted amount of each of cash and cash equivalents, additional paid-in capital, total stockholders' equity and total capitalization by approximately \$14.0 million, assuming the shares of our common stock offered by this prospectus are sold at the assumed initial public offering price of \$15.00 per

share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

- (2) Does not reflect certain cash payments we will be required to make to Special Situations Investing Group II, LLC, an affiliate of Goldman Sachs & Co. LLC, if the actual initial public offering price is less than or equal to the midpoint of the price range set forth on the cover page of this prospectus (or, conversely, cash payments Special Situations Investing Group II, LLC will be required to make to us if the actual initial public offering price is greater than such midpoint). See "Certain Relationships and Related Party Transactions--Transactions with Goldman Sachs & Co. LLC and Affiliates."
- (3) Total debt as of December 31, 2020 consisted of borrowings under our Prior Credit Facilities, net of unamortized issuance costs of \$0.2 million. In January 2021, we (i) repaid all amounts outstanding under our Prior Credit Facilities and terminated all outstanding commitments thereunder, and (ii) entered into a new credit agreement with one of our existing lenders providing for the Term Loan Facility and the Revolving Credit Facility. As of March 1, 2021, we had approximately \$39.5 million of borrowings outstanding under the Term Loan Facility (net of \$0.5 million of unamortized issuance costs), and approximately \$9.9 million of borrowings outstanding under the Revolving Credit Facility (net of \$0.1 million of unamortized issuance costs), with no additional borrowings available thereunder. For a discussion of our long-term debt, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources." Also see our consolidated financial statements and related notes thereto included elsewhere in this prospectus, which include all recorded liabilities.

The number of shares in the table above does not include:

- 31,849,374 shares of our common stock issuable upon the exercise of options outstanding as of December 31, 2020, at a weighted-average exercise price of \$3.87 per share, of which 13,554,754 options were vested (excluding, in each case, the 132,030 shares of common stock to be issued in connection with the Selling Stockholder Option Exercises);
- up to 613,255 shares of our common stock issuable upon the exercise of the Newrow Warrant;
- 24,610 additional shares of our common stock reserved for issuances under our Prior Plans as of December 31, 2020; and
- 8,500,000 shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus forms a part, as well as any automatic increases in the number of shares of our common stock reserved for future issuance under our 2021 Plan.

## DILUTION

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

As of December 31, 2020, our historical net tangible book value was \$(274.6) million, or \$(10.78) per share of our common stock. Net tangible book value per share represents the book value of our total tangible assets less the book value of our total liabilities, convertible preferred stock and redeemable convertible preferred stock, divided by the number of shares of our common stock outstanding as of December 31, 2020.

Our pro forma net tangible book value as of December 31, 2020 was \$(57.7) million, \$(0.55) per share of our common stock. Pro forma net tangible book value per share represents our net tangible book value divided by the number of shares of our common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion and the Warrant Exercises.

After giving further effect to (i) our sale of 17,400,000 shares of our common stock in this offering at an assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, and (ii) our issuance of 132,030 shares of our common stock in connection with the Selling Stockholder Option Exercises and our receipt of \$0.2 million in aggregate proceeds in connection therewith, our pro forma as adjusted net tangible book value as of December 31, 2020 would have been approximately \$180.5 million, or approximately \$1.47 per share. This amount represents an immediate increase in pro forma net tangible book value of \$2.02 per share to our existing stockholders and an immediate dilution in pro forma net tangible book value of approximately \$13.53 per share to new investors purchasing shares of our common stock in this offering. We determine dilution by subtracting our pro forma as adjusted net tangible book value per share after this offering from the amount of cash per common share paid by new investors in this offering.

The following table illustrates this dilution:

Assumed initial public offering price per share	\$	15.00
Historical net tangible book value per share as of December 31, 2020	\$	(10.78)
Increase in pro forma net tangible book value per share		<u>10.23</u>
Pro forma net tangible book value per share as of December 31, 2020		(0.55)
Increase in pro forma net tangible book value per share attributable to new investors participating in this offering		<u>2.02</u>
Pro forma as adjusted net tangible book value per share after this offering	\$	<u>1.47</u>
Dilution per share to new investors in this offering	\$	<u><u>13.53</u></u>

Each \$1.00 increase (decrease) in the assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the pro forma as adjusted net tangible book value per share after this offering by approximately \$0.14, and dilution per share to new investors by approximately \$0.86, 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 and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million shares in the number of shares offered by us would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by approximately \$0.10 per share and decrease (increase) the dilution to new investors by approximately \$0.10 per share, assuming the assumed initial public offering price remains the same, and after deducting the estimated underwriting discounts and commissions and the estimated offering expenses payable by us.



If the underwriters' option to purchase additional shares of our common stock is exercised in full, our pro forma as adjusted net tangible book value per share after this offering would be \$1.81, the increase in pro forma net tangible book value per share attributable to new investors would be \$2.36 and the dilution per share to new investors would be \$13.19, in each case assuming an initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

The following table summarizes, on the pro forma as adjusted basis described above, as of December 31, 2020, the differences between the number of shares purchased from us, the total consideration paid to us in cash and the average price per share that existing stockholders and new investors paid. The calculation below is based on an assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Average Price
	Number	Percent	Amount	Percent	Per Share
Existing stockholders	105,675,914	85.9 %	\$133,294,183	33.8%	\$1.26
New investors	17,400,000	14.1%	\$ 261,000,000	66.2%	\$15.00
<b>Total</b>	<b>123,075,914</b>	<b>100 %</b>	<b>\$394,294,183</b>	<b>100 %</b>	

The dilution information discussed above is illustrative only and will change based on the actual initial public offering price, the number of shares we sell and other terms of this offering that will be determined at pricing. Each \$1.00 increase (decrease) in the assumed initial public offering price of \$15.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the total consideration paid by new investors and the average price per share paid by new investors by \$17.4 million and \$1.00 per share, respectively. An increase (decrease) of 1.0 million shares in the number of shares offered by us would increase (decrease) the consideration paid by new investors by \$15.0 million.

If the underwriters exercise their option to purchase additional shares of our common stock in full:

- the percentage of shares of common stock held by existing stockholders will decrease to approximately 83.5% of the total number of shares of our common stock outstanding after this offering; and
- the number of shares held by new investors will increase to 20,925,000, or approximately 16.5% of the total number of shares of our common stock outstanding after this offering.

The foregoing tables and calculations are based on the number of shares of our common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion and the Warrant Exercises, as well as our issuance of 132,030 shares of our common stock in connection with the Selling Stockholder Option Exercises, and exclude:

- 31,849,374 shares of our common stock issuable upon the exercise of options outstanding as of December 31, 2020, at a weighted-average exercise price of \$3.87 per share, of which 13,554,754 options were vested (excluding, in each case, the 132,030 shares of common stock to be issued in connection with the Selling Stockholder Option Exercises);
- up to 613,255 shares of our common stock issuable upon the exercise of the Newrow Warrant;
- 24,610 additional shares of our common stock reserved for issuances under our Prior Plans as of December 31, 2020; and
- 8,500,000 shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective upon the effectiveness of the registration statement of which this prospectus

forms a part, as well as any automatic increases in the number of shares of our common stock reserved for future issuance under our 2021 Plan.

To the extent any of the outstanding options or warrants described above are exercised, new options are issued or we issue additional shares of common stock or other equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering. If all of the outstanding options or warrants described above had been exercised as of December 31, 2020, the pro forma as adjusted net tangible book value per share after this offering would be \$2.23, and total dilution per share to new investors would be \$12.77.

## SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

Set forth below are our selected historical consolidated financial data for the periods ending on and as of the dates indicated.

The consolidated statements of operations data for the years ended December 31, 2019 and 2020, and the consolidated balance sheet data as of December 31, 2019 and 2020 were derived from our audited consolidated financial statements included elsewhere in this prospectus.

Our historical results are not necessarily indicative of future results of operations. The selected historical consolidated financial data set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our historical consolidated financial statements and the notes thereto, included elsewhere in this prospectus.

	Year ended December 31,	
	2019	2020 <sup>(1)</sup>
	(As restated)	
	(dollar amounts in thousands except per share data)	
<b>Consolidated Statements of Operations Data:</b>		
Revenues:		
Subscription	\$ 84,725	\$ 104,064
Professional services	12,624	16,376
<b>Total revenues</b>	<b>97,349</b>	<b>120,440</b>
Cost of revenues:		
Subscription	18,669	28,486
Professional services	16,949	19,179
<b>Total cost of revenues</b>	<b>35,618</b>	<b>47,665</b>
Gross profit	61,731	72,775
Operating expenses:		
Research and development	24,216	29,567
Selling and marketing	25,515	29,475
General and administrative	14,779	22,222
<b>Total operating expenses</b>	<b>64,510</b>	<b>81,264</b>
Operating loss	2,779	8,489
Financial expenses (income), net	11,189	46,721
Loss before taxes on income	13,968	55,210
Provision for income taxes	1,604	3,553
Net loss	\$ 15,572	\$ 58,763
Net loss per share <sup>(2)</sup> :		
Basic and diluted	\$ 1.11	\$ 2.83
Weighted average shares of common stock used to compute net loss per share <sup>(2)</sup> :		
Basic and diluted	22,754,499	24,939,901
Pro forma net loss per share <sup>(2)</sup> :		
Basic and diluted		\$ 0.17
Weighted average shares of common stock used to compute pro forma net loss per share <sup>(2)</sup> :		
Basic and diluted		105,015,863

	As of December 31,	
	2019	2020 <sup>(1)</sup>
	(As restated)	
	(in thousands)	
<b>Consolidated Balance Sheet Data:</b>		
Cash and cash equivalents	\$ 26,538	\$ 27,711
<b>Total assets</b>	<b>72,818</b>	<b>90,954</b>
Total debt (including current portion of long-term debt) <sup>(3)</sup>	47,700	48,160
Warrants to purchase preferred and common stock	17,111	56,780
Convertible preferred stock	1,921	1,921
Redeemable convertible preferred stock	155,550	158,191
Total stockholders' deficit	\$ (210,281)	\$ (260,656)

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

(2) See Note 17 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our historical and pro forma basic and diluted net loss per share.

(3) Total debt as of December 31, 2019 consisted of borrowings under our Prior Credit Facilities, net of unamortized issuance costs of \$0.3 million. Total debt as of December 31, 2020 consisted of borrowings under our Prior Credit Facilities, net of unamortized issuance costs of \$0.2 million. In January 2021, we (i) repaid all amounts outstanding under our Prior Credit Facilities and terminated all outstanding commitments thereunder, and (ii) entered into a new credit agreement with one of our existing lenders providing for the Term Loan Facility and the Revolving Credit Facility. As of March 1, 2021, we had approximately \$39.5 million of borrowings outstanding under the Term Loan Facility (net of \$0.5 million of unamortized issuance costs), and approximately \$9.9 million of borrowings outstanding under the Revolving Credit Facility (net of \$0.1 million of unamortized issuance costs), with no additional borrowings available thereunder. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities." Also see our audited consolidated financial statements included elsewhere in this prospectus, which include all recorded liabilities.

## 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 together with "Selected Historical Consolidated Financial Data" and our audited consolidated financial statements and related notes included elsewhere in the prospectus. This discussion includes forward-looking statements that involve risks, uncertainties, and assumptions that could cause actual results to differ materially from management's expectations. Please see "Cautionary Note Regarding Forward-Looking Statements" for a discussion of the risks, uncertainties and assumptions relating to our forward-looking statements, as well as the information set forth under "Risk Factors."*

### Overview

Our mission is to power any video experience, for any organization. Our Video Experience Cloud offers live, real-time, and on-demand video products, including Video Portal, Town Halls, Video Messaging, Webinars, Virtual Events and Meetings. We also offer specialized industry solutions, including LMS Video (Learning Management System), Lecture Capture and Virtual Classroom for educational institutions, as well as a TV Solution for media and telecom companies. Underlying our products and solutions is a broad set of live, real-time, and on-demand Media Services consisting of Application Programming Interfaces ("APIs"), Software Development Kits ("SDKs"), and Experience Components, as well as our Video and TV Content Management Systems. Our Media Services are also used by other cloud platforms and companies to power video experiences and workflows for their own products. Our Video Experience Cloud is used by leading brands across all industries, reaching millions of users, at home, at school and at work, for communication, collaboration, training, marketing, sales, customer care, teaching, learning, and entertainment experiences. With our flexible offerings, customers can experience the benefits of video across a wide range of use cases, while customizing their deployments to meet their individual, dynamic needs.

Our business was founded in 2006. We launched our Media Services and Video Content Management System in 2008 and initially offered it as an Online Video Platform for online publishers and media companies. Since then, we have capitalized on our flexible and extendable platform architecture to expand into new products, industry solutions, and use cases:

- 2009: Brought to market our LMS Video solution and began selling to educational institutions
- 2011: Released our Video Portal product and started selling to enterprises
- 2013: Expanded into live video with the launch of our Town Halls product
- 2014: Launched our TV Content Management System for media and telecom companies, following the acquisition of Tvinci Ltd., a leading provider of an OTT TV platform
- 2017: Launched our Lecture Capture solution
- 2018: Launched our Video Messaging product
- 2018: Acquired certain of the assets of Rapt Media, Inc., an interactive personalized video startup
- 2020: Added real time conferencing capabilities to our Media Services following the acquisition of Newrow, Inc., a video conferencing and collaboration platform
- 2020: Released our Webinars, Virtual Events and Meetings products, as well as our Virtual Classroom and TV Solutions

We generate revenue primarily through the sale of SaaS and PaaS subscriptions, and additional revenue from term license subscriptions. We also generate revenue through the sale of professional services associated with the implementation of deployments for new and existing customers.

We organize our business into two reporting segments: (i) Enterprise, Education, and Technology (“EE&T”); and (ii) Media and Telecom (“M&T”). These segments share a common underlying platform consisting of our API-based architecture, as well as unified product development, operations, and administrative resources.

- **Enterprise, Education & Technology:** Includes revenues from all of our products, industry solutions for education customers, and Media Services (except for media and telecom customers), as well as associated professional services for those offerings. These solutions are generally sold through our EE&T sales teams. Subscription revenues are primarily generated on a per full-time equivalent basis for on-demand and live products and solutions, per host basis for real-time-conferencing products and solutions, and per participant basis for the Virtual Events product (which intersects on-demand, live, and real-time-conferencing video). Contracts are generally 12 to 24 months in length. Billing is primarily done on an annual basis. The average time it takes to implement EE&T offerings ranges from three to six months.
- **Media & Telecom:** Includes revenues from our TV Solution and Media Services for media and telecom customers, as well as associated professional services for those offerings. These offerings are generally sold through our media and telecom sales team. Revenues are generated on a per end-subscriber basis for telecom customers, and on a per video play basis for media customers. Contracts are generally two to five years in length. Billing is generally done on a quarterly or annual basis. It generally takes from nine to 12 months to implement M&T offerings. The upfront resources required for implementation of our Media & Telecom solutions generally exceed those of our other offerings, resulting in a longer period from initial booking to go-live and a higher proportion of professional services revenue as a percentage of overall revenue. Additionally, a higher proportion of revenue comes from customers who choose to license our offerings through private cloud and on premise deployments, which also impacts our gross margin. In the long-term, we expect the margins for this segment to improve due to the following: increasing the ratio of subscription revenue to professional services with scale, improved efficiencies of both production and professional services costs, and an increase in the proportion of revenues from media customers, which generally entail simpler deployments compared to telecom customers.

Reflected below is a summary of reportable segment revenue and reportable segment gross profit for the years ended December 31, 2019 and 2020.

	For the Year Ended December 31,	
	2019	2020 <sup>(1)</sup>
	(in thousands)	
<b>Revenue</b>		
Enterprise, Education & Technology	\$ 64,839	\$ 80,449
Media & Telecom	\$ 32,510	\$ 39,991
<b>Total Revenue</b>	<b>\$ 97,349</b>	<b>\$ 120,440</b>
<b>Gross Profit</b>		
Enterprise, Education & Technology	\$ 50,273	\$ 58,539
Media & Telecom	\$ 11,458	\$ 14,236
<b>Total Gross Profit</b>	<b>\$ 61,731</b>	<b>\$ 72,775</b>

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

We benefit from a land and expand strategy in which our customers increase their usage of our offerings and/or purchase additional offerings over time. Our ability to expand within our existing customer base is demonstrated by our Net Dollar Retention Rate. For the year ended December 31, 2020, our Net Dollar Retention Rate was 107%. We also grew our average ARR per customer by 21% in 2019 and by 12% in 2020, demonstrating our ability to land new customers with higher spending levels and increase revenue from our existing customers.

For any given year, a large majority of our revenue comes from existing customers, with whom we are in active dialogue and tend to have visibility into their expected usage of our offerings. For the year ended December 31, 2020, 81% of our revenue came from customers who were with us as of December 31, 2018.

We focus our selling efforts on large organizations and sell our solutions primarily through direct sales teams and account teams. We currently have four direct sales teams, grouped by offering type and target customers, and we leverage reseller relationships globally to help market and sell our products to customers worldwide, especially in areas in which we have a limited presence. We are investing in initiatives to more efficiently reach new customers and expand our partnerships with existing ones. For example, we recently launched the option to purchase our Webinars, Meetings and Virtual Classroom offerings directly from our website, allowing us to reduce our cost of customer acquisition, drive additional opportunities to our direct sales team, reach smaller customers, and broaden our target market.

Our business benefits from attractive unit economics. For the years ended December 31, 2018, 2019 and 2020, the lifetime value of our customers exceeded five, seven and eleven times the associated cost of acquiring them, respectively. For any given period, we define lifetime value of our customers as annualized recurring revenue new bookings (ARR (as defined below) from both new customers from the beginning of the given period and upsells to existing customers), multiplied by the gross margin on our recurring revenue, divided by percent gross churn (the percentage of existing subscription revenue that was either downgraded or cancelled in a given period). To calculate customer acquisition unit costs, we divide our selling and marketing expense with a one quarter lag to the calculation period by the gross profit generated from recurring revenue new bookings for the calculation period. Moreover, while our EE&T and M&T segments have different gross margin profiles, we believe their unit economics are similar.

### **Restatement of Consolidated Financial Statements**

We have restated our previously issued consolidated financial statements as of and for the year ended December 31, 2020. The determination to restate these financial statements was made by our management after its re-evaluation of the December 2020 estimate of the fair value of our common stock. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

### **Impact of COVID-19**

In December 2019, an outbreak of the COVID-19 disease was first identified and began to spread across the globe. In March 2020, the World Health Organization declared COVID-19 a pandemic, impacting many countries around the world, including where our end users and customers are located and the United States, Israel, United Kingdom, and Singapore where we have larger business operations. As a result of the COVID-19 pandemic, government authorities around the world have ordered schools and businesses to close, imposed restrictions on non-essential activities and required people to remain at home while instilling significant limitations on traveling and social gatherings.

In response to the pandemic, in the first quarter of 2020, we temporarily closed all of our offices, enabled our entire work force to work remotely and implemented travel restrictions for non-essential business. In the second quarter of 2020 we reopened select offices, however most of our employees continued to work remotely, a majority of whom continue to do so as of the date of this prospectus. The changes we have implemented to date have not materially affected and are not expected to materially affect our ability to operate our business, including our financial reporting systems.

In the second quarter of 2020, we experienced an increase in usage as people spent more time working and learning remotely due to the COVID-19 pandemic, thereby increasing demand from new and existing customers for our offerings, and contributing to an acceleration in our revenue growth when compared to prior periods. However, in some cases because the agreements for certain of our solutions, primarily in education, do not limit usage or increase pricing for usage in excess of a specified amount, the additional usage that we experienced in 2020 did not result in a corresponding increase in revenue. Additionally, in order to meet the needs of our customers in 2020, we accelerated our existing plans to move from our own data centers to a public cloud infrastructure in order to provide required stability, reliability, scalability, and elasticity. The combination of the increase in usage for certain of our solutions as described above, along with the migration from our own data centers to a public cloud infrastructure, contributed to a decrease in gross margins in 2020 to 60% from 63% in 2019. We are still in the process of scaling our network infrastructure and anticipate incurring additional costs in 2021 related thereto, which will negatively impact our gross margins.

Prior to the pandemic, the market demand for our solutions was growing at a robust rate, with numerous tailwinds for long-term growth, and that demand accelerated as a result of the pandemic. We believe that new and potential customers will continue to increase their use of video solutions across existing use cases such as remote working, teaching, marketing, and customer care, as well as nascent but growing use cases such as tele-services.

While the potential economic impact brought by, and the duration of, any pandemic, epidemic or outbreak of an infectious disease, including COVID-19, is difficult to assess or predict, the widespread COVID-19 pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity.

For additional information, see “Risk Factors—Risks Related to Our Business and Industry—The ongoing COVID-19 pandemic could adversely affect our business, financial condition and results of operations.”

## **Key Factors Affecting Our Performance**

### ***Expansion of our Platform***

We believe our platform is ideally suited for expansion across solutions, industries, and use cases. We have demonstrated this over time with the expansion of our platform across products, industry solutions, and use cases. For example, in 2020, we entered the real-time conferencing market with the introduction of our Webinars and Meetings products, as well as our Virtual Classroom industry solution, focused on learning, training and marketing. We believe these products present a significant long-term opportunity, and we intend to harness our growing presence with them, among other recently introduced offerings such as our Virtual Events product and our TV Solution. Additionally, we will continue to invest in new video products for training, communication and collaboration, sales, marketing and customer care, as we extend our platform into more industries. Following the success of our media & telecom and education applications, we intend to launch applications for industries such as telehealth, retail, government and smart cities, among others. We also intend to enhance our Media Services offerings with additional core capabilities and invest in areas such as content creation, personalization and interactivity, content aggregation and syndication, AI and smart monetization. We also intend to add these capabilities into our existing and new products and industry solutions. Our results of operations may reflect sustained high levels of investments to drive increased customer adoption and usage.

### ***Acquiring New Customers***

We are focused on continuing to grow the number of customers that use our solutions. While over the last several years we have not materially increased our sales and marketing spend or number of direct sales representatives, we plan to increase our investment in sales and marketing in order to grow our customer base going forward. We intend to grow our base of field sales representatives and customer



success managers, which we believe will drive both geographic and vertical expansion. Additionally, we are investing for the first time in inside sales and self-serve offerings and distribution channels. We believe this will enable us to efficiently acquire smaller customers across all industries – beyond enterprises into SMBs, beyond universities into K-12 schools, beyond tier 1 media and telecom companies to tier 2 and 3 media and telecom companies, and beyond providing Media Services to large technology companies to also addressing smaller technology firms and startups.

#### ***Increasing Revenue from Existing Customers***

We believe we have the opportunity to increase sales within our existing customer base through increased usage of our platform and the cross-selling of additional products and solutions. For the years ended December 31, 2019 and 2020, our Net Dollar Retention Rate was 105% and 107%, respectively, demonstrating our ability to expand within our existing customer base. In order for us to continue to increase revenue within our customer base, we will need to maintain engineering-level customer support and continue to introduce new products and features as well as innovative new use cases that are tailored to our customers' needs.

#### ***Continued Investment in Growth***

Although we have invested significantly in our business to date, we believe that we still have a significant market opportunity ahead of us. We intend to continue to make investments to support the growth and expansion of our business, to increase revenue, and to further scale our operations. We believe there is a significant opportunity to continue our growth. We plan to open offices internationally, hire sales and marketing employees in additional countries, and expand our presence in countries where we already operate. We expect to incur additional expenses as we expand to support this growth. Further, we expect to incur additional general and administrative expenses in connection with our transition to being a public company. We expect that our cost of revenue and operating expenses will fluctuate over time.

#### **Key Financial and Operating Metrics**

We measure our business using both financial and operating metrics. We use these metrics to assess the progress of our business, make decisions on where to allocate capital, time and technology investments, and assess the near-term and long-term performance of our business. The key financial and operating metrics we use are:

	<b>For the Year Ended December 31,</b>	
	<b>2019</b>	<b>2020</b>
	<b>(dollar amounts in thousands)</b>	
Annualized Recurring Revenue	\$ 91,135	\$ 116,643
Net Dollar Retention Rate	105 %	107 %
Remaining Performance Obligations	\$ 114,882	\$ 140,955

#### ***Annualized Recurring Revenue***

We use Annualized Recurring Revenue as a measure of our revenue trend and an indicator of our future revenue opportunity from existing recurring customer contracts. We calculate ARR by annualizing our recurring revenue for the most recently completed fiscal quarter. Recurring revenues are generated from SaaS and PaaS subscriptions, as well as term licenses for software installed on the customer's premises ("On-Prem"). For the SaaS and PaaS components, we calculate ARR by annualizing the actual recurring revenue recognized for the latest fiscal quarter. For the On-Prem component for which revenue recognition is not ratable across the license term, we calculate ARR for each contract by dividing the total contract value (excluding professional services) as of the last day of the specified period by the number of days in the contract term and then multiplying by 365. Recurring revenue excludes revenue from one-time

professional services and setup fees. ARR is not adjusted for the impact of any known or projected future customer cancellations, upgrades or downgrades or price increases or decreases.

The amount of actual revenue that we recognize over any 12-month period is likely to differ from ARR at the beginning of that period, sometimes significantly. This may occur due to new bookings, cancellations, upgrades or downgrades, pending renewals, professional services revenue and acquisitions or divestitures. ARR should be viewed independently of revenue as it is an operating metric and is not intended to be a replacement or forecast of revenue. Our calculation of ARR may differ from similarly titled metrics presented by other companies.

#### ***Net Dollar Retention Rate***

Our Net Dollar Retention Rate, which we use to measure our success in retaining and growing recurring revenue from our existing customers, compares our recognized recurring revenue from a set of customers across comparable periods. We calculate our Net Dollar Retention Rate for a given period as the recognized recurring revenue from the latest reported fiscal quarter from the set of customers whose revenue existed in the reported fiscal quarter from the prior year (the numerator), divided by recognized recurring revenue from such customers for the same fiscal quarter in the prior year (denominator). For annual periods, we report Net Dollar Retention Rate as the arithmetic average of the Net Dollar Retention Rate for all fiscal quarters included in the period. We consider subdivisions of the same legal entity (for example, divisions of a parent company or separate campuses that are part of the same state university system) to be a single customer for purposes of calculating our Net Dollar Retention Rate. Our calculation of Net Dollar Retention Rate for any fiscal period includes the positive recognized recurring revenue impacts of selling new services to existing customers and the negative recognized recurring revenue impacts of contraction and attrition among this set of customers. Our Net Dollar Retention Rate may fluctuate as a result of a number of factors, including the growing level of our revenue base, the level of penetration within our customer base, expansion of products and features, and our ability to retain our customers. Our calculation of Net Dollar Retention Rate may differ from similarly titled metrics presented by other companies.

#### ***Remaining Performance Obligations***

Remaining Performance Obligations represents the amount of contracted future revenue that has not yet been delivered, including both subscription and professional services revenues. Remaining Performance Obligations consists of both deferred revenue and contracted non-cancelable amounts that will be invoiced and recognized in future periods. As of December 31, 2020, our Remaining Performance Obligations was \$141.0 million, which consists of both billed consideration in the amount of \$51.4 million and unbilled consideration in the amount of \$89.6 million that we expect to invoice and recognize in future periods. We expect to recognize 63% of our Remaining Performance Obligations as revenue in the year ending December 31, 2021, and the remainder thereafter, in each case, in accordance with our revenue recognition policy; however, we cannot guarantee that any portion of our Remaining Performance Obligations will be recognized as revenue within the timeframe we expect or at all.

#### **Non-GAAP Financial Measures**

In addition to our results determined in accordance with GAAP, we believe that Adjusted EBITDA and Adjusted EBITDA margin, non-GAAP financial measures, are useful in evaluating the performance of our business.

We define EBITDA as net profit (loss) before interest expense, net, provision for income taxes and depreciation and amortization expense. Adjusted EBITDA is defined as EBITDA (as defined above) excluding non-cash stock-based compensation expense. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by total revenue.

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are supplemental measures of our performance, are not defined by or presented in accordance with GAAP, and should not be considered in

isolation or as an alternative to net profit (loss) or any other performance measure prepared in accordance with GAAP. Adjusted EBITDA and Adjusted EBITDA margin are presented because we believe that they provide useful supplemental information to investors and analysts regarding our operating performance and are frequently used by these parties in evaluating companies in our industry. By presenting Adjusted EBITDA and Adjusted EBITDA margin, we provide a basis for comparison of our business operations between periods by excluding items that we do not believe are indicative of our core operating performance. We believe that investors' understanding of our performance is enhanced by including these non-GAAP financial measures as a reasonable basis for comparing our ongoing results of operations. Additionally, our management uses Adjusted EBITDA and Adjusted EBITDA margin as supplemental measures of our performance because they assist us in comparing the operating performance of our business on a consistent basis between periods, as described above.

Although we use EBITDA, Adjusted EBITDA and Adjusted EBITDA margin as described above, EBITDA, Adjusted EBITDA and Adjusted EBITDA margin have significant limitations as analytical tools. See the section of this prospectus captioned "Prospectus Summary—Summary Historical Consolidated Financial and Other Data" for a discussion of the limitations of EBITDA, Adjusted EBITDA and Adjusted EBITDA margin and a reconciliation of EBITDA and Adjusted EBITDA to net loss, the most directly comparable GAAP performance measure, for the periods presented.

## **Components of Our Results of Operations**

### ***Revenue***

#### *Subscriptions*

Our revenues are mainly comprised of revenue from SaaS and PaaS subscriptions. SaaS and PaaS subscriptions provide access to our Video Experience Cloud which powers all types of video experiences: live, real-time, and on-demand video. We provide access to our platform either as a cloud-based service, which represent most of our SaaS and PaaS subscriptions, or, less commonly, as a term license to software installed on the customer's premises. Revenue from SaaS and PaaS subscriptions is recognized ratably over the time of the subscription, beginning from the date on which the customer is granted access to our Video Experience Cloud. Revenue from the sale of a term license is recognized at a point in time in which the license is delivered to the customer. Revenue from post-contract services included in On-Prem projects is recognized ratably over the time of the post-contract services.

#### *Professional Services*

Our revenue also includes professional services, which consist of consulting, integration and customization services, technical solution services and training related to our video experience. In some of our arrangements, professional services are accounted for as a separate performance obligation, and revenue is recognized upon rendering the service. In some of our SaaS and PaaS subscriptions, we determined that the professional services are solely set up activities that do not transfer goods or services to the customer and therefore are not accounted for as a separate performance obligation and are recognized ratably over the time of the subscription.

### ***Cost of Revenue***

Cost of subscriptions and professional services revenues primarily consist of costs related to supporting and hosting our product offerings and delivering our professional services. These costs include salaries, benefits, incentive compensation and stock-based compensation expenses related to the management of our data centers, our customer support team and our professional services staff. In addition to these expenses, we incur third-party service provider costs, such as cloud infrastructure, data center and content delivery network expenses, rent expenses, depreciation expenses and amortization of acquired intangible assets. We allocate overhead costs such as rent, utilities and supplies to all departments based on relative headcount.

The costs associated with providing professional services are significantly higher as a percentage of related revenue than the costs associated with delivering our subscriptions due to the labor costs of providing professional services. As such, the implementation and professional services costs relating to an arrangement with a new customer are more significant than the costs to renew an existing customer's license and support arrangement.

Cost of revenue increased in absolute dollars and as a percentage of total revenue from 2019 to 2020.

### **Gross Margins**

Gross margins have been and will continue to be affected by a variety of factors, including the average sales price of our products and services, volume growth, the mix of revenue between SaaS and PaaS subscriptions, software licenses, maintenance and support and professional services, onboarding of new media and telecom customers, hosting of major Virtual Events and changes in cloud infrastructure and personnel costs. In particular, the gross margins in our M&T segment are negatively impacted due to the resources required for implementation of our Media Services for TV experiences, which generally exceed those of our other offerings, resulting in a longer period from initial booking to go-live and a higher proportion of professional services revenue as a percentage of overall revenue. Additionally, a higher proportion of revenue comes from customers who choose to license our offerings through private cloud and on premise deployments, which also impacts our gross margin. In the long-term, we expect the margins for this segment to improve due to the following: increasing the ratio of subscription revenue to professional services with scale, improved efficiencies of both production and professional services costs, and an increase in the proportion of revenues from media customers, which generally entail simpler deployments compared to telecom customers. However, in the near and medium term, our gross margins in our M&T segment will vary from period to period based on the onboarding of new customers, as well as the timing and aggregate usage of our solutions by such customers. For the years ended December 31, 2019 and 2020, our gross margins were 63% (78% for subscriptions and (34)% for professional services) and 60% (73% for subscriptions and (17)% for professional services), respectively. For the same periods for our EE&T segment, gross margins were 78% (87% for subscriptions and (90)% for professional services) and 73% (81% for subscriptions and (33)% for professional services), respectively, and for our M&T segment, gross margins were 35% (54% for subscriptions and (13)% for professional services) and 36% (51% for subscriptions and (8)% for professional services), respectively.

In the second quarter of 2020, we experienced an increase in usage as people spent more time working and learning remotely due to the COVID-19 pandemic, thereby increasing demand from new and existing customers for our offerings, and contributing to an acceleration in our revenue growth when compared to prior periods. However, in some cases because the agreements for certain of our solutions, primarily in education, do not limit usage or increase pricing for usage in excess of a specified amount, the additional usage that we experience in 2020 did not result in a corresponding increase in revenue. Additionally, in order to meet the needs of our customers in 2020, we accelerated our existing plans to move from our own data centers to a public cloud infrastructure in order to provide required stability, reliability, scalability, and elasticity. The combination of the increase in usage for certain of our solutions as described above, along with the migration from our own data centers to a public cloud infrastructure, contributed to a decrease in gross margins in 2020 to 60% from 63% in 2019. We are still in the process of scaling our network infrastructure and anticipate incurring additional costs in 2021 related thereto, which will negatively impact our gross margins.

### **Operation Expenses**

#### *Research and Development*

Our research and development expenses consist primarily of costs incurred for personnel-related expenses for our technical staff, including salaries and other direct personnel-related costs. Additional expenses include consulting and professional fees for third-party development resources. We expect our

research and development expenses to increase in absolute dollars for the foreseeable future as we continue to dedicate substantial resources to develop, improve and expand the functionality of our solutions. Subsequent costs incurred for the development of future upgrades and enhancements, which are expected to result in additional functionality, may qualify for capitalization under internal-use software and therefore may cause research and development expenses to fluctuate.

#### *Selling and Marketing Expenses*

Our selling and marketing expenses consist primarily of personnel related costs for our sales and marketing functions, including salaries and other direct personnel-related costs. Additional expenses include marketing program costs and amortization of acquired customer relationships intangible assets. We expect our selling and marketing expenses will increase on an absolute dollar basis for the foreseeable future as we continue to increase investments to support our growth. We also anticipate that selling and marketing expenses will increase as a percentage of revenue in the near and medium-term.

#### *General and Administrative Expenses*

Our general and administrative expenses consist primarily of personnel-related costs for our executive, finance, human resources, information technology and legal functions, including salaries and other direct personnel-related costs. We expect general and administrative expense to increase on an absolute dollar basis for the foreseeable future as we continue to increase investments to support our growth and as a result of our becoming a public company.

We allocate overhead costs such as rent, utilities and supplies to all departments based on relative headcount to each operating expense category.

#### **Financial Expenses, Net**

Financial expenses, net consists of interest expense accrued or paid on our indebtedness, change in the warrants fair value, net of interest income earned on our cash balances. Financial expenses, net also includes foreign exchange gains and losses. We expect interest expense to vary each reporting period depending on the amount of outstanding indebtedness and prevailing interest rates.

We expect interest income will vary in each reporting period depending on our average cash balances during the period and applicable interest rates.

#### **Provision for Income Taxes**

We are subject to taxes in the United States as well as other tax jurisdictions or countries in which we conduct business. Earnings from our non-U.S. activities are subject to local country income tax and may be subject to current U.S. income tax. Due to cumulative losses, we maintain a valuation allowance against our deferred tax assets. We consider all available evidence, both positive and negative, in assessing the extent to which a valuation allowance should be applied against our deferred tax assets. Realization of our U.S. deferred tax assets depends upon future earnings, the timing and amount of which are uncertain. Our effective tax rate is affected by tax rates in foreign jurisdictions and the relative amounts of income we earn in those jurisdictions, as well as non-deductible expenses, such as share-based compensation, and changes in our valuation allowance.

#### **Results of Operations**

The following tables summarize key components of our results of operations for the periods presented. The period-to-period comparisons of our historical results are not necessarily indicative of the results that may be expected in the future.

**Comparison of the Years Ended December 31, 2019 and 2020**

	Year Ended December 31,		Period-over-Period Change	
	2019	2020 <sup>(1)</sup>	Dollar	Percentage
(As restated) (in thousands, except percentages)				
<b>Revenue:</b>				
Enterprise, Education & Technology	\$ 64,839	\$ 80,449	\$ 15,610	24 %
Media & Telecom	32,510	39,991	7,481	23 %
Total revenue	97,349	120,440	23,091	24 %
Cost of revenue	35,618	47,665	12,047	34 %
Total gross profit	61,731	72,775	11,044	18 %
<b>Operating expenses:</b>				
Research and development	24,216	29,567	5,351	22 %
Selling and marketing	25,515	29,475	3,960	16 %
General and administrative	14,779	22,222	7,443	50 %
Total operating expenses	64,510	81,264	16,754	26 %
Operating loss	(2,779)	(8,489)	(5,710)	205 %
Financial expenses, net	11,189	46,721	35,532	318 %
Loss before provision for income taxes	(13,968)	(55,210)	(41,242)	295 %
Provision for income taxes	1,604	3,553	1,949	122 %
Net loss	\$ (15,572)	\$ (58,763)	\$ (43,191)	277 %

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

**Segments**

We manage and report operating results through two reportable segments:

- **Enterprise, Education & Technology** (67% of 2019 and 2020 revenue): Our EE&T segment represents revenues from our products, industry solutions for education customers, and Media Services (except for M&T customers), as well as associated professional services for those offerings.
- **Media & Telecom** (33% of 2019 and 2020 revenue): Our M&T segment primarily represents revenues from our TV Solution and Media Services sold to media and telecom operators.

### Enterprise, Education & Technology

The following table presents our EE&T segment revenue and gross profit (loss) for the years indicated:

	Year Ended December 31,		Period-over-Period Change	
	2019	2020 <sup>(1)</sup>	Dollar	Percentage
(As restated)				
(in thousands, except percentages)				
<b>Enterprise, Education &amp; Technology revenue:</b>				
Subscription revenue	\$ 61,376	\$ 74,473	\$ 13,097	21 %
Professional services revenue	\$ 3,463	\$ 5,976	\$ 2,513	73 %
<b>Total Enterprise, Education &amp; Technology revenue</b>	<b>\$ 64,839</b>	<b>\$ 80,449</b>	<b>\$ 15,610</b>	<b>24 %</b>
<b>Enterprise, Education &amp; Technology gross profit:</b>				
Subscription gross profit	\$ 53,374	\$ 60,528	\$ 7,154	13 %
Professional services gross loss	\$ (3,101)	\$ (1,989)	\$ 1,112	(36)%
<b>Total Enterprise, Education &amp; Technology gross profit</b>	<b>\$ 50,273</b>	<b>\$ 58,539</b>	<b>\$ 8,266</b>	<b>16 %</b>

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

#### Enterprise, Education & Technology Revenue

Total EE&T revenue increased by \$15.6 million, or 24%, to \$80.4 million for the year ended December 31, 2020, from \$64.8 million in 2019. Approximately \$11.8 million of this increase was attributable to revenue from new customers, and the remaining \$3.8 million was attributable to growth from existing customers.

EE&T subscription revenue increased by \$13.1 million, or 21%, to \$74.5 million for the year ended December 31, 2020, from \$61.4 million in 2019.

EE&T professional services revenue increased by \$2.5 million, or 73%, to \$6.0 million for the year ended December 31, 2020, from \$3.5 million in 2019.

#### Enterprise, Education & Technology Gross Profit

EE&T gross profit increased by \$8.3 million, or 16%, to \$58.5 million for the year ended December 31, 2020, from \$50.3 million in 2019. This increase was mainly due to the \$15.6 million increase in revenue, offset in part by a 4.7% decrease in gross margin to 72.8% for the year ended December 31, 2020 from 77.5% in 2019. The decrease in gross margin was attributable primarily to an increase in cloud-related costs and third-party solutions driven by higher consumption and our migration to a public cloud infrastructure, as further described above under “—Components of our Results of Operations—Gross Margins.”

EE&T subscription gross profit increased by \$7.2 million, or 13%, to \$60.5 million for the year ended December 31, 2020, from \$53.4 million in 2019.

EE&T professional services gross loss decreased by \$1.1 million, or (36)%, to \$(2.0) million for the year ended December 31, 2020, from \$(3.1) million in 2019.

## Media & Telecom

The following table presents our M&T segment revenue and gross profit for the years indicated:

	Year Ended December 31,		Period-over-Period Change	
	2019	2020 <sup>(1)</sup>	Dollar	Percentage
	(As restated)			
	(in thousands, except percentages)			
<b>Media &amp; Telecom revenue:</b>				
Subscription revenue	\$ 23,349	\$ 29,591	\$ 6,242	27 %
Professional services revenue	\$ 9,161	\$ 10,400	\$ 1,239	14 %
<b>Total Media &amp; Telecom revenue</b>	<b>\$ 32,510</b>	<b>\$ 39,991</b>	<b>\$ 7,481</b>	<b>23 %</b>
<b>Media &amp; Telecom gross profit:</b>				
Subscription gross profit	\$ 12,682	\$ 15,050	\$ 2,368	19 %
Professional services gross loss	\$ (1,224)	\$ (814)	\$ 410	(33)%
<b>Total Media &amp; Telecom gross profit</b>	<b>\$ 11,458</b>	<b>\$ 14,236</b>	<b>\$ 2,778</b>	<b>24 %</b>

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

### Media & Telecom Revenue

M&T revenue increased by \$7.5 million, or 23%, to \$40.0 million for the year ended December 31, 2020, from \$32.5 million in 2019. Approximately \$6.2 million of this increase was attributable to growth from existing customers, and the remaining \$1.3 million was attributable to revenue from new customers.

M&T subscription revenue increased by \$6.2 million, or 27%, to \$29.6 million for the year ended December 31, 2020, from \$23.3 million in 2019.

M&T professional services revenue increased by \$1.2 million, or 14%, to \$10.4 million for the year ended December 31, 2020, from \$9.2 million in 2019.

### Media & Telecom Gross Profit

M&T gross profit increased by \$2.8 million, or 24%, to \$14.2 million for the year ended December 31, 2020, from \$11.5 million in 2019. This increase was mainly due to the \$7.5 million increase in revenue. Gross margin remained relatively flat at 35.6% for the year ended December 31, 2020, compared to 35.2% in 2019. While the blended gross margin remained relatively unchanged, subscription gross margin decreased to 50.9% for the year ended December 31, 2020 from 54.3% in 2019, which was offset by an increase in professional services gross margin to (7.8)% for the year ended December 31, 2020 from (13.4)% in 2019. The decrease in subscription gross margin was attributable primarily to an increase in cloud-related costs driven by higher consumption and our migration to a public cloud infrastructure, as further described above under “—Components of our Results of Operations—Gross Margins.”

M&T subscription gross profit increased by \$2.4 million, or 19%, to \$15.1 million for the year ended December 31, 2020, from \$12.7 million in 2019.

M&T professional services gross loss decreased by \$0.4 million, or (33)%, to \$(0.8) million for the year ended December 31, 2020, from \$(1.2) million in 2019.



## Operating Expenses

### Research and Development expenses

	Year Ended December 31,		Period-over-Period Change	
	2019	2020 <sup>(1)</sup>	Dollar	Percentage
	(As restated)			
	(in thousands, except percentages)			
Employee compensation	\$ 18,839	\$ 23,533	\$ 4,694	25 %
Subcontractors and Consultants	2,718	3,190	472	17 %
Other	2,659	2,844	185	7 %
Total research and development expenses	\$ 24,216	\$ 29,567	\$ 5,351	22 %

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

Research and development expenses increased by \$5.4 million, or 22%, to \$29.6 million for the year ended December 31, 2020, from \$24.2 million in 2019. The increase was primarily due to a \$4.7 million increase in compensation related to higher headcount and a \$0.5 million increase in subcontractors and consultants expenses.

### Selling and Marketing expenses

	Year Ended December 31,		Period-over-Period Change	
	2019	2020 <sup>(1)</sup>	Dollar	Percentage
	(As restated)			
	(in thousands, except percentages)			
Employee compensation & commission	\$ 18,589	\$ 23,236	\$ 4,647	25 %
Marketing expenses	2,156	3,143	987	46 %
Travel and entertainment	2,148	475	(1,673)	(78)%
Other	2,622	2,621	(1)	— %
Total selling and marketing expenses	\$ 25,515	\$ 29,475	\$ 3,960	16 %

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

Selling and marketing expenses increased by \$4.0 million, or 16%, to \$29.5 million for the year ended December 31, 2020, from \$25.5 million in 2019. The increase was primarily due to a \$3.7 million increase in compensation related to higher headcount, a \$0.9 million increase in amortization of deferred commission expense driven by higher bookings and a \$1.0 million increase in marketing expenses mainly due to a single large event. The increase was partially offset by a \$1.7 million decrease in travel and entertainment expense due to the ongoing COVID-19 pandemic.

General & Administrative

	Year Ended December 31,		Period-over-Period Change	
	2019	2020 <sup>(1)</sup>	Dollar	Percentage
		(As restated)		
		(in thousands, except percentages)		
Employee compensation	\$ 9,986	\$ 12,978	\$ 2,992	30%
Professional fees and insurance	978	1,507	529	54%
Travel and entertainment	658	163	(495)	(75)%
Abandonment of data center equipment	—	3,969	3,969	— %
Other	3,157	3,605	448	14%
Total general and administrative expenses	\$ 14,779	\$ 22,222	\$ 7,443	50%

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

General and administrative expenses increased by \$7.4 million, or 50%, to \$22.2 million for the year ended December 31, 2020, from \$14.8 million in 2019. The increase was primarily due to a \$4.0 million one-time expense related to the abandonment of data center equipment, a \$3.0 million increase in compensation related to higher headcount and a \$0.5 million increase in professional fees and insurance mainly related to various legal fees. The increase was partially offset by a \$0.5 million decrease in travel and entertainment expense due to the ongoing COVID-19 pandemic.

**Financial Expenses, net**

Financial expenses, net increased by \$35.5 million, or 318%, to \$46.7 million for the year ended December 31, 2020, from \$11.2 million in 2019. The increase was primarily due to an increase of \$36.2 million in remeasurement of warrants to fair value.

**Provision for Income Taxes**

Provision for income taxes increased by \$1.9 million, to \$3.6 million for the year ended December 31, 2020, from \$1.6 million in 2019, representing an effective tax rate of (6)% in 2020 and (11)% in 2019. The increase in the effective tax rate for 2020 was primarily due to increased tax liability related to income generated by our subsidiaries organized under the laws of Israel and the United Kingdom.

**Quarterly Results of Operations**

The following tables set forth our unaudited quarterly consolidated statements of operations data for each of the quarters indicated, as well as the percentage that each line item represents of our total revenue for each quarter presented. The information for each quarter has been prepared on a basis consistent with our audited consolidated financial statements included elsewhere in this prospectus and reflects, in the opinion of management, all adjustments, consisting only of normal and recurring adjustments, that are necessary for a fair statement of this financial information. You should read the following information in conjunction with the other information set forth under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the information set forth in our consolidated financial statements and the accompanying notes thereto included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected for any future period, and the results for any quarter are not necessarily indicative of results that may be expected for a full year or any other period.

	Three Months Ended							
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
	(in thousands)							
<b>Revenue:</b>								
Subscription	\$ 19,302	\$ 21,116	\$ 20,708	\$ 23,599	\$ 23,204	\$ 24,969	\$ 26,888	\$ 29,003
Professional Services	2,923	2,716	3,420	3,565	2,702	3,780	3,720	6,174
Total revenue	22,225	23,832	24,128	27,164	25,906	28,749	30,608	35,177
<b>Cost of revenue:</b>								
Subscription <sup>(1)(2)</sup>	4,188	4,580	4,653	5,248	5,684	6,352	7,700	8,750
Professional Services <sup>(1)(2)</sup>	3,827	4,183	4,412	4,527	4,732	4,436	4,814	5,197
Total cost of revenue	8,015	8,763	9,065	9,775	10,416	10,788	12,514	13,947
Gross profit	14,210	15,069	15,063	17,389	15,490	17,961	18,094	21,230
<b>Operating expenses:</b>								
Research and Development <sup>(1)</sup>	5,545	5,832	6,239	6,600	6,779	6,489	7,275	9,024
Sales and Marketing <sup>(1)(2)</sup>	6,094	6,570	6,439	6,412	8,279	6,521	6,651	8,024
General and Administrative <sup>(1)</sup>	3,499	3,452	3,659	4,169	4,355	3,828	8,579	5,460
Total operating expenses	15,138	15,854	16,337	17,181	19,413	16,838	22,505	22,508
Operating (loss) profit	(928)	(785)	(1,274)	208	(3,923)	1,123	(4,411)	(1,278)
Financial expenses (income), net	1,780	6,308	1,675	1,426	(291)	11,575	1,525	33,912
Loss before provision for income taxes	(2,708)	(7,093)	(2,949)	(1,218)	(3,632)	(10,452)	(5,936)	(35,190)
Provision for income taxes	428	445	284	447	1,352	554	498	1,149
Net loss	\$ (3,136)	\$ (7,538)	\$ (3,233)	\$ (1,665)	\$ (4,984)	\$ (11,006)	\$ (6,434)	\$ (36,339)

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

	Three Months Ended							
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
	(in thousands)							
Cost of Subscription	16	12	14	13	15	27	21	34
Cost of Professional Services	42	38	42	41	37	66	42	93
Research and Development expense	110	136	175	196	141	284	256	570
Sales and Marketing expense	88	85	82	74	82	364	341	852
General and Administrative expense	285	287	272	314	387	393	373	736
Total stock based compensation expense	\$ 541	\$ 558	\$ 585	\$ 638	\$ 662	\$ 1,134	\$ 1,033	\$ 2,285

(2) Includes amortization expenses of acquired intangible assets as follows:

	Three Months Ended							
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
	(in thousands)							
Cost of Subscription	\$ —	\$ —	\$ —	\$ —	\$ 6	\$ 106	\$ 107	\$ 107
Cost of Professional Services	73	73	73	72	52	53	53	53
Sales and Marketing expense	82	84	85	88	92	97	92	99
Total amortization of intangible assets	<u>\$ 155</u>	<u>\$ 157</u>	<u>\$ 158</u>	<u>\$ 160</u>	<u>\$ 150</u>	<u>\$ 256</u>	<u>\$ 252</u>	<u>\$ 259</u>

The following table sets forth our results of operations as a percentage of total revenue for each period presented above.

	Three Months Ended							
	March 31, 2019	June 30, 2019	September 30, 2019	December 31, 2019	March 31, 2020	June 30, 2020	September 30, 2020	December 31, 2020
Revenue:								
Subscription	87 %	89 %	86 %	87 %	90 %	87 %	88 %	82 %
Professional Services	13 %	11 %	14 %	13 %	10 %	13 %	12 %	18 %
Total revenue	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Cost of revenue:								
Subscription	19 %	19 %	19 %	19 %	22 %	22 %	25 %	25 %
Professional Services	17 %	18 %	18 %	17 %	18 %	15 %	16 %	15 %
Total cost of revenue	36 %	37 %	37 %	36 %	40 %	37 %	41 %	40 %
Gross profit	64 %	63 %	63 %	64 %	60 %	63 %	59 %	60 %
Operating expenses:								
Research and Development expense	25 %	24 %	26 %	24 %	26 %	23 %	24 %	26 %
Sales and Marketing expense	27 %	28 %	27 %	24 %	32 %	23 %	22 %	23 %
General and Administrative expense	16 %	14 %	15 %	15 %	17 %	13 %	28 %	16 %
Total operating expenses	68 %	66 %	68 %	63 %	75 %	59 %	74 %	65 %
Operating (loss) profit	(4)%	(3)%	(5)%	1 %	(15)%	4 %	(15)%	(5)%
Financial expenses (income), net	8 %	26 %	7 %	5 %	(1)%	40 %	5 %	96 %
Loss before provision for income taxes	(12)%	(29)%	(12)%	(4)%	(14)%	(36)%	(20)%	(101)%
Provision for income taxes	2 %	2 %	1 %	2 %	5 %	2 %	2 %	3 %
Net loss	<u>(14)%</u>	<u>(31)%</u>	<u>(13)%</u>	<u>(6)%</u>	<u>(19)%</u>	<u>(38)%</u>	<u>(22)%</u>	<u>(104)%</u>

#### Quarterly Revenue Trends

Our quarterly subscription revenue generally increased sequentially in the majority of the periods presented due to the growth from our existing customers and increases in revenue from new customers, with minor decreases in certain periods. These decreases were the result of one-time recognition of revenue from the sale of term licenses in the second and fourth quarters of 2019, which is recognized at the point in time in which the license is delivered to the customer. The majority of our subscription revenue is recognized ratably over the time of the subscription. Therefore, a substantial portion of the

revenue that we report in each period is attributable to the recognition of deferred revenue relating to sales we received during previous periods. Consequently, increases or decreases in renewals, customer expansion, or new sales in a period typically will not be fully reflected in our total subscription revenue for that period and will positively or negatively affect our revenue in future periods. Our quarterly professional services revenue generally increased for the periods presented, with minor decreases in certain periods as the timing for recognition of professional services revenue under certain of our arrangements occurs upon rendering the services.

#### ***Quarterly Cost of Revenue and Gross Margin Trends***

Our quarterly cost of revenue increased sequentially in each of the periods presented in order to support growth in our subscription and professional services revenue. Our quarterly gross margins remained relatively flat for each of the periods presented in 2019. For the periods presented in 2020, gross margins decreased compared to the corresponding prior year periods and then remained relatively flat in 2020. Gross margins decreased in the periods presented in 2020 compared to the corresponding prior year periods primarily due to increased cloud-related costs and third-party solutions driven by higher consumption as a result of the COVID-19 pandemic and our migration to a public cloud infrastructure, as further described above under “—Components of our Results of Operations—Gross Margins.”

#### ***Quarterly Operating Expense Trends***

Our quarterly operating expenses generally increased for the periods presented primarily due to increases in headcount and other personnel-related costs to support our growth. We experienced a decrease in total operating expenses during the second quarter of 2020 as compared to the first quarter of 2020 primarily as a result of a large one-time marketing event that took place during the first quarter of 2020. In addition, we also experienced lower costs resulting from temporary salary reductions, as well as lower costs related to facilities, marketing activities and business travel, all due to the COVID-19 pandemic. We also experienced a decrease in total operating expenses in the fourth quarter of 2020 as compared to the third quarter of 2020 primarily as a result of a one-time expense related to the abandonment of data center equipment, which was recorded in the third quarter of 2020. Excluding the first quarter of 2020 in which a one-time marketing event occurred, sales and marketing expenses remained relatively flat. In the fourth quarter of 2020, we began investing significantly in sales and marketing expenses to drive revenue growth, and we expect this trend to continue for the foreseeable future. We also intend to continue investing in research and development efforts for the foreseeable future as we focus on developing new features and enhancements to our product offerings. General and administrative expenses also increased in recent fiscal quarters due to increased costs related to preparing to be a public company, a trend we expect will continue for the foreseeable future.

#### ***Quarterly Financial Expenses (Income), Net Trends***

Excluding remeasurement of warrants to fair value, which occurred in the second quarter of 2019 and the first, second and fourth quarters of 2020, financial expenses remained relatively flat during the periods presented.

### **Liquidity and Capital Resources**

#### ***Overview***

Since our inception, we have financed our operations primarily through net cash provided by operating activities, equity issuances, and borrowings under our long-term debt arrangements. Our primary requirements for liquidity and capital are to finance working capital, capital expenditures and general corporate purposes. Our principal sources of liquidity following this offering are expected to be our cash and borrowings available under our Revolving Credit Facility. As of December 31, 2020, we had cash of \$27.7 million and no borrowings available under our Prior Revolving Credit Facility, which we refinanced in January of 2021.

We believe that our net cash provided by operating activities, cash on hand and availability under our Revolving Credit Facility will be adequate to meet our operating, investing and financing needs for at least the next 12 months. Our future capital requirements will depend on many factors, including our revenue growth, the timing and extent of investments to support such growth, the expansion of sales and marketing activities, increases in general and administrative costs and many other factors as described under "Risk Factors" and "—Key Factors Affecting Our Performance."

If necessary, we may borrow funds under our Revolving Credit Facility to finance our liquidity requirements, subject to customary borrowing conditions. To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that they will be obtained through the incurrence of additional indebtedness, additional equity financings or a combination of these potential sources of funds; however, such financing may not be available on favorable terms, or at all. In particular, the widespread COVID-19 pandemic has resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital. If we are unable to raise additional funds when desired, our business, financial condition and results of operations could be adversely affected.

#### **Credit Facilities**

In February 2011, we entered into a loan and security agreement with a financial institution which, as of December 31, 2019, provided for a \$20.0 million revolving credit facility (the "Prior Revolving Credit Facility"). The Prior Revolving Credit Facility was scheduled to mature on December 27, 2020 (which date was subsequently extended to January 17, 2021), and borrowings thereunder accrued interest at a floating rate per annum equal to the greater of (x) 0.5% above the prime rate, and (y) 4.75%, payable on a monthly basis. As of December 31, 2020, we had approximately \$20.0 million of borrowings outstanding under the Prior Revolving Credit Facility and no unused borrowing availability. The interest rate then in effect was 4.75%.

In April 2012, we entered into a loan and security agreement with an additional financial institution which, as subsequently amended and restated, provided for term loans in an aggregate principal amount of \$30.0 million (the "Prior Term Loan Facility" and, together with the Prior Revolving Credit Facility, the "Prior Credit Facilities"). The Prior Term Loan Facility was scheduled to mature on October 31, 2023, and borrowings thereunder accrued interest at a rate per annum equal to the base rate (defined as the greater of (x) the highest prime rate in effect during the applicable month, and (y) 2.50% above the highest three-month LIBOR rate in effect during the applicable month) plus a margin of 4.50%, subject to a 9.50% floor and a 12.00% maximum, payable on a monthly basis. As of December 31, 2020, we had approximately \$28.2 million outstanding under the Prior Term Loan Facility (net of unamortized issuance costs of \$0.2 million), and the interest rate then in effect was 9.5%.

In January 2021, we (i) repaid all amounts outstanding under our Prior Credit Facilities and terminated all outstanding commitments thereunder, and (ii) entered into a new credit agreement (the "Credit Agreement") with one of our existing lenders, which provides for a new senior secured term loan facility in the aggregate principal amount of \$40.0 million (the "Term Loan Facility") and a new senior secured revolving credit facility in the aggregate principal amount of \$10.0 million (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Credit Facilities"). The amount available for borrowing under the Revolving Credit Facility is limited to a borrowing base, which is equal to the product of (a) 600%, multiplied by (b) monthly Recurring Revenue for the most recently ended monthly period, multiplied by (c) the Retention Rate (in each case, as defined in the Credit Agreement). The Revolving Credit Facility includes a sub-facility for letters of credit in the aggregate availability amount of \$10.0 million and a swingline sub-facility in the aggregate availability amount of \$5.0 million, each of which reduces borrowing availability under the Revolving Credit Facility. We have the option to increase the commitments under the Revolving Credit Facility by up to \$25.0 million, subject to certain conditions.

Borrowings under the Credit Facilities are subject to interest, determined as follows: (a) Eurodollar loans accrue interest at a rate per annum equal to the Eurodollar rate determined for such day plus a

margin of 3.50% (the Eurodollar rate is calculated based on the applicable LIBOR for U.S. dollar deposits, subject to a 1.00% floor, divided by 1.00 minus the maximum effective reserve percentage for Eurocurrency funding), and (b) Alternate Base Rate ("ABR") loans accrue interest at a rate per annum equal to the ABR plus a margin of 2.50% (ABR is equal to the highest of (i) the prime rate and (ii) the Federal Funds Effective Rate plus 0.50%, subject to a 2.00% floor). In addition to paying interest on the principal amounts outstanding under the Credit Facilities, we are required to pay a commitment fee under the Revolving Credit Facility on unused amounts at a rate of 0.25% per annum. We are also required to pay customary letter of credit and agency fees.

We are required to prepay amounts outstanding under the Term Loan Facility with 100% of the net cash proceeds of any indebtedness incurred by us or any of our subsidiaries other than certain permitted indebtedness. In addition, we are required to prepay amounts outstanding under the Credit Facilities with the net cash proceeds of any Asset Sale or Recovery Event (each as defined in the Credit Agreement), subject to certain limited reinvestment rights.

Amounts outstanding under the Credit Facilities may be voluntarily prepaid at any time and from time to time, in whole or in part, without premium or penalty. All voluntary prepayments (other than ABR loans borrowed under the Revolving Credit Facility) must be accompanied by accrued and unpaid interest on the principal amount being prepaid and customary "breakage" costs, if any, with respect to prepayments of Eurodollar loans.

The Term Loan Facility is payable in consecutive quarterly installments on the last day of each fiscal quarter in an amount equal to (x) \$250,000 for installments payable on March 31, 2021 through December 31, 2021, (y) \$750,000 for installments payable on March 31, 2022 through December 31, 2022, and (z) \$1.5 million for installments payable on and after March 31, 2023. The remaining unpaid balance on the Term Loan Facility is due and payable on January 14, 2024, together with accrued and unpaid interest on the principal amount to be paid to, but excluding, the payment date. Borrowings under the Revolving Credit Facility do not amortize and are due and payable on January 14, 2024.

Our obligations under the Credit Facilities are currently guaranteed by Kaltura Europe Limited, and are required to be guaranteed by all of our future direct and indirect subsidiaries other than certain excluded subsidiaries and immaterial foreign subsidiaries. Our obligations and those of Kaltura Europe Limited are, and the obligations of any future guarantors are required to be, secured by a first priority lien on substantially all of our respective assets.

The Credit Agreement contains a number of covenants that, among other things and subject to certain exceptions, restrict our ability, and the ability of our subsidiaries, to:

- create, issue, incur, assume, become liable in respect of or suffer to exist any debt or liens;
- consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve, or dispose of all or substantially all of our or their respective property or business;
- dispose of property or, in the case of our subsidiaries, issue or sell any shares of such subsidiary's capital stock;
- repay, prepay, redeem, purchase, retire or defease subordinated debt;
- declare or pay dividends or make certain other restricted payments;
- make certain investments;
- enter into transactions with affiliates;
- enter into new lines of business; and

- make certain amendments to our or their respective organizational documents or certain material contracts.

The Credit Agreement also contains certain financial covenants that require us to maintain a minimum amount of Annualized Recurring Revenue (as defined in the Credit Agreement) as of the last day of each fiscal quarter (which minimum amount increases through the fiscal quarter ending December 31, 2023), and Liquidity (as defined in the Credit Agreement) of at least \$10 million as of the last day of any calendar month.

The Credit Agreement also contains certain customary representations and warranties and affirmative covenants, and certain reporting obligations. In addition, the lenders under the Credit Facilities will be permitted to accelerate all outstanding borrowings and other obligations, terminate outstanding commitments and exercise other specified remedies upon the occurrence of certain events of default (subject to certain grace periods and exceptions), which include, among other things, payment defaults, breaches of representations and warranties, covenant defaults, certain cross-defaults and cross-accelerations to other indebtedness, certain events of bankruptcy and insolvency, certain judgments and Change of Control events. "Change of Control" is defined as (a) any "person" or "group" (as defined in Sections 13(d) and 14(d) of the Exchange Act) becoming the beneficial owner of 40% or more of the ordinary voting power for the election of our directors, (b) during any 24-month period, a majority of the members of our board of directors ceasing to be composed of individuals (i) who were members thereof on the first day of such period, (ii) whose election or nomination thereto was approved by individuals referred to in the foregoing clause constituting at least a majority of such board, or (iii) whose election or nomination thereto was approved by individuals referred to in the foregoing clauses (i) and (ii) constituting at least a majority of such board; or (c) at any time, if we cease to own and control 100% of each class of outstanding capital stock of each guarantor free and clear of all liens (other than certain permitted liens).

As of March 1, 2021, we had approximately \$39.5 million of borrowings outstanding under the Term Loan Facility (net of \$0.5 million of unamortized issuance costs), and the interest rate then in effect was 4.5%.

As of March 1, 2021, we had approximately \$9.9 million of borrowings outstanding under the Revolving Credit Facility (net of \$0.1 million of unamortized issuance costs), and no additional borrowings available thereunder. The interest rate then in effect was 4.5%.

The foregoing summary describes the material provisions of our Credit Facilities, but may not contain all information that is important to you. We urge you to read the provisions of the Credit Agreement and the other agreements governing the Credit Facilities, which have been filed as exhibits to the registration statement of which this prospectus forms a part.



## Cash Flows

The following table summarizes our cash flows for the periods presented:

	Year Ended December 31,	
	2019	2020 <sup>(1)</sup>
	(As restated)	
	(in thousands)	
Net cash provided by operating activities	\$ 370	\$ 5,804
Net cash used in investing activities	(2,732)	(2,746)
Net cash provided by (used in) financing activities	300	(1,847)
Net (decrease) increase in cash, cash equivalents, and restricted cash	(2,062)	1,211
Cash, cash equivalents, and restricted cash at beginning of period	29,206	27,144
Cash, cash equivalents and restricted cash at end of period	\$ 27,144	\$ 28,355

(1) Our consolidated financial statements have been restated. See Note 20 to our consolidated financial statements included elsewhere in this prospectus.

### Operating Activities

Net cash flows provided by operating activities increased by \$5.4 million for the year ended December 31, 2020 as compared to the year ended December 31, 2019.

Net cash provided by operating activities of \$0.4 million for the year ended December 31, 2019 was primarily due to \$15.6 million in incremental net loss, adjusted for non-cash charges of \$12.5 million, and net cash inflows of \$3.5 million provided by changes in our operating assets and liabilities. Non-cash charges primarily consisted of remeasurement of warrants to fair value of \$5.3 million, depreciation and amortization of \$4.5 million, and stock-based compensation expenses of \$2.3 million. The main drivers of net cash inflows were derived from the changes in operating assets and liabilities and were related to a decrease in trade receivables of \$6.2 million and an aggregate increase in trade payables and employees accruals of \$3.5 million, partially offset by an addition to deferred contract acquisition costs of \$3.3 million, a decrease in accrued expenses of \$1.5 million and a decrease in deferred revenue of \$1.3 million.

Net cash provided by operating activities of \$5.8 million for the year ended December 31, 2020 was primarily due to \$58.8 million in incremental net loss, adjusted for non-cash charges of \$54.6 million, and net cash inflows of \$10.0 million provided by changes in our operating assets and liabilities. Non-cash charges primarily consisted of remeasurement of warrants to fair value of \$41.5 million, depreciation, amortization and abandonment costs of \$7.7 million, and stock-based compensation expenses of \$5.1 million. The main drivers of net cash inflows were derived from the changes in operating assets and liabilities and were related to an increase in deferred revenue of \$12.3 million and an aggregate increase in employees accruals, trade payables and accrued expenses and other liabilities of \$13.5 million, partially offset by an addition to deferred contract acquisition costs of \$8.7 million, an increase in trade receivables of \$6.3 million and an increase in prepaid expenses and other assets of \$0.9 million.

### Investing Activities

Net cash flows used in investing activities remained flat at \$2.7 million for the years ended December 31, 2019 and 2020.

Net cash used in investing activities of \$2.7 million for the year ended December 31, 2019 was related to capital expenditures of \$2.2 million, capitalized internal-use software of \$0.3 million, and a purchase of intangible assets of \$0.2 million.

Net cash used in investing activities of \$2.7 million for the year ended December 31, 2020 was related to capitalized internal-use software of \$1.8 million, capital expenditures of \$1.1 million, and a purchase of intangible assets of \$0.2 million, partially offset by net cash acquired in a business combination of \$0.4 million.

#### Financing Activities

Net cash flows provided by financing activities decreased by \$2.1 million for the year ended December 31, 2020 as compared to the year ended December 31, 2019.

Net cash provided by financing activities of \$0.3 million for the year ended December 31, 2019 was primarily related to net proceeds from long-term loans of \$3.0 million and proceeds from exercise of stock options of \$0.1 million, partially offset by repayment of finance lease liabilities of \$2.8 million.

Net cash used in financing activities of \$1.8 million for the year ended December 31, 2020 was primarily related to repayment of finance lease liabilities of \$2.3 million and payments of deferred offering costs of \$0.1 million, partially offset by net proceeds from long-term loans of \$0.3 million and proceeds from exercise of stock options of \$0.3 million.

#### Contractual Obligations and Commitments

The following table summarizes our contractual obligations and commitments as of December 31, 2020:

	Payments Due by Year				
	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
	(in thousands)				
Debt obligations <sup>(1)</sup>	\$ 52,334	\$ 32,312	\$ 20,022	\$ —	\$ —
Operating lease obligations <sup>(2)</sup>	2,603	1,936	667	—	—
Capital lease obligations <sup>(3)</sup>	1,924	1,781	143	—	—
Purchase obligations <sup>(4)</sup>	44,716	9,527	35,189	—	—
<b>Total</b>	<b>\$ 101,577</b>	<b>\$ 45,556</b>	<b>\$ 56,021</b>	<b>\$ —</b>	<b>\$ —</b>

(1) Represents borrowings outstanding under our Prior Credit Facilities as of December 31, 2020, together with estimated interest payments thereon based on the interest rates in effect for such indebtedness as of December 31, 2020. See “—Liquidity and Capital Resources—Credit Facilities.”

(2) Represents minimum lease payments under our non-cancelable operating leases for certain real property and equipment.

(3) Represents minimum lease payments under capital leases together with estimated interest payments thereon based on the interest rates in effect as of December 31, 2020.

(4) Includes \$40.0 million of remaining non-cancelable contractual commitments as of December 31, 2020 related to one of our third-party cloud infrastructure agreements, under which we committed to spend an aggregate of at least \$40.0 million between January 2021 and December 2024 with a minimum purchase commitment of \$7.0 million during any year. Other purchase obligations represent total future minimum payments under contracts with marketing related activities and other vendors.

We reported other liabilities of \$3.9 million in our consolidated balance sheet at December 31, 2020, which principally consists of unrecognized tax benefits (see Note 15 to our consolidated financial statements included elsewhere in this prospectus). We have excluded these liabilities from the contractual obligations table above. A variety of factors could affect the timing of payments for the liabilities related to unrecognized tax benefits. Therefore, we cannot reasonably estimate the timing of such payments.

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

In addition, subsequent to December 31, 2020, we (i) repaid all amounts outstanding under our Prior Credit Facilities and terminated all outstanding commitments thereunder, and (ii) entered into a new credit agreement with one of our existing lenders providing for the Term Loan Facility and the Revolving Credit Facility, as described above under “—Liquidity and Capital Resources—Credit Facilities.”

#### **Off-Balance Sheet Arrangements**

We did not have any off-balance sheet arrangements as of December 31, 2020.

#### **Critical Accounting Policies and Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Our management believes that the estimates, judgment and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

We believe that the accounting policies described below require management's most difficult, subjective or complex judgments. Judgments or uncertainties affecting the application of these policies may result in materially different amounts being reported under different conditions or using different assumptions. Accordingly, we believe these are the most critical to aid in fully understanding and evaluating our financial condition and results of operations. See Note 2 to the audited consolidated financial statements included elsewhere in this prospectus for additional information regarding these and our other significant accounting policies.

##### ***Revenue recognition***

On January 1, 2019, we adopted ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), using the modified retrospective method applied to those contracts that were not completed as of January 1, 2019. Results for reporting periods beginning after January 1, 2019 are presented under ASU No. 2014-09.

We provide subscriptions to our Video Experience Cloud, which powers live, real-time and on-demand video experiences. We provide access to our platform either as a cloud-based service (“SaaS and PaaS”) or, less commonly, as On-Prem.

Revenue from SaaS and PaaS subscriptions is recognized ratably over the time of the subscription, beginning from the date in which the customer is granted access to the subscription. Revenue from the sale of a term license is recognized at a point in time in which the license is delivered to the customer.

Revenue from post-contract services (“PCS”) included in On-Prem projects is recognized ratably over the time of the PCS.

In some of our arrangements, professional services are accounted for as a separate performance obligation, and revenue will be recognized upon rendering the service. However, in some of our SaaS and PaaS arrangements we determined that the professional services are solely set up activities that do not transfer goods or services to the customer and therefore are not accounted for as a separate performance obligation.

Our contracts usually include a fixed amount of consideration, as well as variable consideration for overage usage that, in most cases, is not considered probable at the inception of the contract. Revenue accounted for as variable consideration for overages usage is recognized when the uncertainty is resolved, usually when the customer exceeds its committed usage threshold (i.e., overages are consumed) and the overages are invoiced. In addition, we have elected to apply the practical expedient

for financing component for transactions in which the difference between the payment date and the revenue recognition timing is up to 12 months.

When applicable, we allocate the transaction price between the separate performance obligations according to their standalone selling price ("SSP") which is based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions, we estimate the SSP taking into account available information, including, but not limited to, pricing practices, market conditions and the economic life of the software.

We receive payments from customers based upon contractual billing schedules, usually net 30 days from the invoice date.

We record accounts receivable and related contract liabilities for non-cancelable contracts with customers when the right to consideration is unconditional.

#### **Contract costs**

Some of the sales commissions and bonuses earned by our employees and management are considered incremental and recoverable costs of obtaining a contract with a customer. Sales commissions and bonuses for new contracts are deferred and then amortized on a straight-line basis over a period of benefit that we have estimated to be five years. This period of benefit was determined by taking into consideration the technology's useful life and other factors. Sales bonuses for renewal contracts are deferred and then amortized on a straight-line basis over the related contractual renewal period. We classify deferred product costs as current or long-term based on the timing of when we expect to recognize the expense.

Amortization of sales commissions are consistent with the pattern of revenue recognition of each performance obligation and are included mainly in selling and marketing expenses in the consolidated statements of operations. We chose to apply the practical expedient in ASC Topic 606 to expense costs as incurred for sales commissions when the amortization period would have been one year or less.

We capitalize costs incurred to fulfill its contracts when the costs relate directly to a contract and are expected to generate resources that will be used to satisfy the performance obligation under the contract and are expected to be recovered through revenue generated under the contract. Costs to fulfill contracts are expensed to cost of revenue on a straight-line basis over a period of five years.

#### **Stock-based compensation**

##### *Service-based awards*

We account for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"). ASC 718 requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award is recognized as an expense over the requisite service periods in our consolidated statements of comprehensive income.

We selected the Black-Scholes option-pricing model as the most appropriate fair value method for its option awards. The option-pricing model requires a number of assumptions, of which the most significant are the fair value of our common stock, the expected stock price volatility, expected option term, risk-free interest rates and expected dividend yield.

The fair value of common stock underlying the options has historically been determined by management and our board of directors. Because there has been no public market for our common stock, our board of directors has determined fair value of a share of common stock at the time of grant of the option by considering a number of objective and subjective factors including financing investment rounds, operating and financial performance, the lack of liquidity of stock capital and general and industry specific economic outlook, amongst other factors. The fair value of the underlying common stock will be

determined by our board of directors until such time as our common stock is listed on an established stock exchange. Our board of directors determined the fair value of our common stock based on valuations performed using the OPM for the year ended December 31, 2020.

We recognize compensation cost for options and stock awards that have a graded vesting schedule on a straight-line basis over the requisite service period for the entire award.

#### *Market-based awards*

We have granted three of our executives stock options that vest only upon the satisfaction of market-based conditions. The market-based conditions reflect specific prices for our common stock, which must be exceeded for each tranche of the grant to vest.

For market-based awards, we determine the grant date fair value utilizing a Monte Carlo simulation model, which incorporates various assumptions including expected stock price volatility, risk-free interest rates, expected exercise behavior for vested options, expected date of a qualifying event and expected form and timing of a liquidity event. We estimate the volatility of the common stock on the date of grant based on the weighted average historical stock price volatility of comparable publicly-traded companies. Because the option does not qualify as "plain vanilla" per SEC Staff Accounting Bulletin 107, the expected term cannot be estimated based on the simplified model described in the Bulletin. In order to address the term, the Monte Carlo simulation model includes an assumption about the price level at which vested options are expected to be exercised (the "Sub Optimal Exercise" factor). The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant. The rate used is based on the expected term of the option.

We recognize compensation expenses for the value of our market-based awards based on the accelerated attribution method over the estimated requisite service period of each of the awards. We have determined that there is no explicit or implicit service period for the awards, and therefore the requisite service period is based on the derived service period. The derived service period is the term calculated in the Monte Carlo valuation model as described above. The derived service period is the median duration of the simulated price paths in which the option tranche vests, which is determined by the above assumptions.

#### *Common stock valuation*

The fair value of common stock was determined by our board of directors, with input from management, and taking into account the most recent valuation from an independent third-party valuation specialist. These valuations were determined in accordance with the guidelines outlined in the American Institute of Certified Public Accountants Accounting and Valuation Guide: Valuation of Privately-Held-Company Equity Securities Issued as Compensation. The assumptions we used in the valuation models were based on future expectations combined with management judgment. Numerous objective and subjective factors were considered in the determination of the fair value of our common stock as of the date of each option grant, including the following factors:

- contemporaneous valuations performed at periodic intervals by an independent third-party specialist;
- the likelihood and timing of achieving a liquidity event, such as an initial public offering or sale;
- the liquidation preferences, rights, and privileges of our preferred stocks relative to our common stock;
- the nature and history of our business;
- the general economic conditions and our industry outlook;
- our overall financial condition;

- our earning capacity;
- our dividend history;
- the existence of goodwill or other intangible value within our business;
- the prior sales of interests in the business and the size of the interest being valued;
- the market price of equity interest in companies engaged in the same or a similar lines of business; and
- adjustments necessary to recognize a lack of marketability of the common stock.

In valuing our common stock, absent an arm's-length current/recent round of financing, the fair value of our business, or equity value, was determined using both the income approach and market approach.

The income approach estimates value based on the expectation of future cash flows that the company will generate. These future cash flows are discounted to their present values using a discount rate based on the capital rates of return for comparable publicly traded companies and are adjusted to reflect the risks inherent in the Company's cash flows relative to those inherent in the companies utilized in the discount rate calculation.

The market approach estimates value based on a comparison of the company to comparable public companies in a similar line of business. From the comparable companies, representative market value multiples are determined and then applied to the Company's financial results to estimate the Company's value.

The resulting equity value was then allocated to each share class using an Option Pricing Model ("OPM"). Under the OPM, preferred and common stock are treated as a series of call options, with the preferred stocks having an exercise price based on the liquidation preference of the respective preferred share. The OPM operates through a series of Black-Scholes-Merton option pricing models, with the exercise prices of the options representing the upper and lower bounds of the proceed ranges that a security holder would receive upon a liquidity event. The strike prices occur at break points where the allocation of firm value changes among the various security holders. The common stock are presumed to have value only if funds available for distribution to shareholders exceed the value of the respective liquidation preferences at the time of a liquidity event.

Beginning in July 2016, we used a hybrid approach whereby we used an OPM to model the proceeds to the various shares, options, and warrants in case of a sale. As preferred shares convert to common shares in case of an initial public offering, we used a fully-diluted share analysis, taking into account in-the-money options and warrants, to model the proceeds to the various securities in case of an initial public offering. In each period, we estimated the likelihood of a liquidity event taking the form of an initial public offering rather than a sale and weighted the results of the two analyses accordingly.

Beginning in June 2019, we continued using a hybrid approach with a separate analysis for an initial public offering exit and sale exit. For the initial public offering analysis, we built a separate OPM, assuming the conversion of preferred shares and using breakpoints that reflected the expected exercise of options and warrants.

For each valuation date, after the common stock value was determined, a discount for lack of marketability ("DLOM") was applied to arrive at the fair value of the common stock on a non-marketable basis. A DLOM is applied in order to reflect the lack of a recognized market for a closely held interest and the fact that a non-controlling equity interest may not be readily transferable. A market participant purchasing this share would recognize this illiquidity associated with the shares, which would reduce the overall fair value. The discount for lack of marketability was determined using a put option as a proxy for measuring discounts for lack of marketability of securities.

We also considered any secondary transactions involving our capital shares. In our evaluation of those transactions, we considered the facts and circumstances of each transaction to determine the extent to which they represented a fair value exchange. Factors considered include:

- transaction volume;
- proximity in time to other transactions as well as the valuation date;
- frequency of similar transactions;
- whether the transactions occurred between willing and unrelated parties; and
- whether the transactions involved parties with sufficient access to our financial information from which to make an informed decision on price.

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

On December 24, 2020, our board of directors awarded options to purchase shares of our common stock (the "December Awards"). However, in light of the difference between the estimated price range for this offering and the fair value used for these stock options, in order to determine the appropriate stock-based compensation expense for these stock options for financial reporting purposes, we re-evaluated our initial estimate of the fair value of our common stock. As a result of our re-evaluation, we determined that, solely for financial reporting purposes, the fair value of our common stock was higher than the fair value of our common stock determined in good faith by our board of directors for the December Awards. We determined the fair value per share of our common stock for financial reporting purposes was \$7.79 and \$7.16 as of December 31, 2020 and December 24, 2020, respectively. Accordingly, we retrospectively adjusted the fair value per share of our common stock for financial reporting purposes as of the date of the December Awards. Accordingly, the stock-based compensation expense related to these options will result in material increases in our operating expenses in future periods. For additional information regarding the re-evaluation of the December Awards, see Notes 2v, 14 and 20 to our consolidated financial statements included elsewhere in this prospectus.

Upon the closing of this offering, our common stock will be publicly traded, and we will rely on the closing price of our common stock as reported on the date of grant to determine the fair value of our common stock.

#### **Recent Accounting Pronouncements**

Please see Note 2 to our audited consolidated financial statements included elsewhere in this prospectus for information regarding recent accounting pronouncements.

#### **Jumpstart Our Business Startups Act of 2012**

Under the JOBS Act, an "emerging growth company" can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an "emerging growth company" to delay the adoption of new or revised accounting standards that have different transition dates for public and private companies until those standards would otherwise apply to private companies. We meet the definition of an "emerging growth company" and have elected to use this extended transition period for complying with new or revised accounting standards until the earlier of the date we (x) are no longer an emerging growth company, or (y) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements

and the reported results of operations contained therein may not be directly comparable to those of other public companies.

#### **Quantitative and Qualitative Disclosures about Market Risk**

We are exposed to market risk from changes in exchange rates, interest rates and inflation. All of these market risks arise in the ordinary course of business, as we do not engage in speculative trading activities. The following analysis provides additional information regarding these risks.

##### ***Foreign Currency and Exchange Risk***

Our revenue and expenses are primarily denominated in U.S. dollars. Our functional currency is the U.S. dollar. Our sales are mainly denominated in U.S. dollars and Euros. A significant portion of our operating costs are in Israel, consisting principally of salaries and related personnel expenses, and facility expenses, which are denominated in NIS. This foreign currency exposure gives rise to market risk associated with exchange rate movements of the U.S. dollar against the NIS and Euros. Furthermore, we anticipate that a significant portion of our expenses will continue to be denominated in NIS. We do not hedge against currency risk. A hypothetical 10% change in foreign currency exchange rates applicable to our business would have had an impact on our results due to NIS of \$5.0 million and \$6.1 million and due to Euros of \$2.7 million and \$2.8 million for the years ended December 31, 2019 and 2020, respectively.

##### ***Interest Rate Risk***

As of December 31, 2019 and 2020, we had outstanding floating rate debt obligations of \$48.0 million and \$48.3 million, respectively (consisting, in each case, of the outstanding principal balance under our credit facilities). Accordingly, fluctuations in market interest rates may increase or decrease our interest expense which will, in turn, increase or decrease our net income and cash flow. We seek to manage exposure to adverse interest rate changes through our normal operating and financing activities. At this time, we do not use derivative instruments to mitigate our interest rate risk. A hypothetical 10% change in interest rates during the years presented would have resulted in a change to annual interest expense of \$0.4 million for each of the years ended December 31, 2019 and 2020.

##### ***Impact of Inflation***

While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we do not believe inflation has had a material effect on our historical results of operations and financial condition. However, if our costs were to become subject to significant inflationary pressures, we may not be able to fully offset higher costs through price increases or other corrective measures, and our inability or failure to do so could adversely affect our business, financial condition and results of operations.



## A LETTER FROM RON YEKUTIEL

Dear prospective investors,

Thank you for considering an investment in Kaltura. You'll find an overview of our business and its financial results in this prospectus, yet it is my strong belief that the drive and motivation behind the company, as well as its values and culture, are as important when deciding to invest. For this reason I'd like to share with you my personal perspective of who we are, what inspires and motivates us, and why I believe Kaltura represents an exciting investment opportunity.

### **Kaltura - Open, Flexible, and Collaborative**

In late 2006 Dr. Shay David, Eran Etam, Dr. Michal Tsur, and I embarked on a quest to build a meaningful and impactful business together. It was the time when Amazon gave birth to Cloud Computing and Apple unveiled the iPhone. Information Technology was just starting its transition from powering large corporations through server rooms and clunky computers, to boosting all organizations, straight from the cloud to the growing proliferation of smart devices.

Having each founded trailblazing startups prior to Kaltura, we were all very excited and passionate about harnessing the huge potential in what we felt would become a massive digital transformation. But even before deciding on which sector we should enter and which products we would build, we all agreed that we should embark on a mission that would promote access for all, democratization, and pluralism. Our first action therefore was to define, pledge and commit to a set of founding values that would represent this quest. After careful thought, we chose Openness, Flexibility, and Collaboration to act as our north star.

So that we always remember to stay true to these principles, we called our new company "Kaltura" - a word which resembles the word Culture in many languages, and we gave it a colorful sunny logo that also represented to us our ideals of diversity and inclusion. With our quest defined and with founding values in place, we then turned to think about what our company would actually do.

Fourteen years later, I am proud to say that we, alongside hundreds of fellow Kalturaians, have created an incredible company which is powering digital transformation for leading organizations all around the world, and are propelling and promoting access, democratization, and pluralism for millions of people at work, home, and school. We have stayed true and focused on our founding values of openness, flexibility, and collaboration. These values are written on the walls of our offices around the world and they underpin our products, technology architecture, and go-to-market strategy, and are at the heart of our HR practices and outspoken commitment for inclusion, diversity, equality and of doing good while doing well.

### **Powering Any Video Experience, For Any Organization**

But let's go back to the fall of 2006. YouTube was acquired by Google after becoming the world's fastest growing website, delivering 100 million video views per day. The online video revolution was afoot, and the four of us were immediately inspired and intrigued by the potential of this new and exciting medium to support our quest of promoting access for all, democratization, and pluralism.

We were certain that online video would rapidly advance beyond its initial use for short-form entertainment and user-generated-content. We believed wholeheartedly that, with the rise of cloud computing and smart devices, it would not be long before organizations around the world would embrace a 'video-first' strategy for engaging internal and external constituents, making video the main medium used for onboarding, training, communication, collaboration, marketing, sales, and customer care. We envisioned video powering mission-critical services across a multitude of industry solutions, including internet-powered television, online education, remote healthcare, branchless banking, e-commerce, smart cities and much more.

A question was then ignited in our minds – what could we do to help turn this ‘videofied world’ vision into reality?

We quickly understood that the full promise of online video would NOT be realized by the mere launch of discrete, stand-alone, monolithic point solutions for organizations, but rather, by treating video as a new horizontal data type and enabling it to be easily and flexibly inserted into any product or workflow. We believed that what could be perceived as very different video products would actually rely on a similar set of core video capabilities, such as video creation, ingestion, transcoding, management, distribution, security, publishing, engaging, and analytics. We were also convinced that it was imperative for video to flow seamlessly across different products while minimizing content and metadata silos and disjointed workflows. We felt it was paramount for innovation coming from the wide array of video-tech providers to be integrated to seamlessly work together. Lastly, we envisaged live, on-demand, and real-time video converging together harmoniously to yield online experiences that would be hyper-engaging, interactive, and personalized.

It came down to a clear, deeply rooted realization: what organizations needed was a single horizontal video platform that would flexibly cater to all their video products and workflows - a video Lego™ kit of sort. Such platform should be based on a wide range of media services built upon APIs covering the entire on-demand, live, and real-time video life cycle and enable developers to easily build any video experience. It should also include a large set of flexible cross-industry products and industry-specific solutions that would be assembled atop of these media services, and enable easy customization and integration. Lastly it should include an independent software vendor marketplace that would allow it to easily integrate and be interoperable with third party video technology offerings.

We decided to build such a platform, which we called the Kaltura Video Experience Cloud, and set sail on our inspiring mission to Power Any Video Experience, for Any Organization.

### **Video Today**

As I write this letter to you, video has undoubtedly become mission-critical to people and organizations alike. It is ubiquitous, turning individuals into broadcasters, making every company a media company, enabling companies to utilize its power internally with employees, externally with customers, and very often also within its very own products and services.

In the fourteen years since we set out to build Kaltura, broadband, smartphones, cloud computing, and enterprise digital transformation have fueled video growth, bringing video close to a staggering 80% of total internet traffic<sup>1</sup>. And little could we have anticipated that in 2020, as the COVID-19 pandemic hit the world, video would become the essential communication tool for people and companies alike across sectors, geographies, and platforms. Video has become the glue that keeps companies working; it ensures employees can do their jobs even in challenging times; it keeps students in school – helping to secure their future; it enables news information to travel across countries; and powers physicians to collaborate and to provide medical services remotely. It facilitates a dialog, provides a foundation for communities’ liveliness, and presents endless opportunities for the future.

### **Kaltura Today**

Over the last decade we have been sharing the journey shoulder to shoulder with talented, dedicated, resilient, optimistic, and extremely hard working Kalturaians who are immensely committed to, and excited about, proliferating the use of video while advancing our shared core values of openness, flexibility, and collaboration.

We built our Kaltura video Lego™ kit piece by piece, patiently and thoughtfully. It now consists of hundreds of APIs governing live, on-demand, and real-time video. We provide them for companies to build their very own video experiences and have also used them ourselves to build our ten leading

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<sup>1</sup> According to Cisco’s Visual Networking Index.

products and industry solutions – and are already planning our next set of products and new industry solutions.

We are extremely proud to power over 1,000 organizations around the world and to be recognized as a leader by market research firms. Our customers and partners engage over 15 million<sup>2</sup> authenticated users at home, work, and school, catering to a multitude of use cases that boost collaboration, communication, sales, marketing, customer care, teaching & learning, and TV viewership and monetization. It is an honor and a great pleasure to cater to such a diversified set of leading customers that includes<sup>3</sup> 25% of the US Fortune 100, over 50% of the top US research universities, including 7 of the 8 ivy league schools, and we power more than 15 major Cloud TV initiatives for large media and telecom companies around the world.

#### **What's Next?**

As a horizontal platform with a multitude of possible applications and a vast market to which we can cater, this is just the beginning! Many of our customers are growing organically through increased adoption and usage. We are also finally accelerating our investment in sales and marketing on the heels of already establishing market leadership across several large markets, and we are doing so with very attractive unit economics and proven operational efficiency. We recently started commercializing our new and exciting products and solutions from 2020 (Webinars, Virtual Events, Meetings, Virtual Classroom and TV Solution), and plan to follow with much more innovation (e.g., develop advanced video AI tools, as well as new industry solutions for telehealth, retail, government, and smart cities, among others). We are also planning to go down-market and cater to smaller customers including SMEs with new self-serve and low-touch products for companies and developers, and to do so with the support of new channel distribution partners. The opportunities for growth are bountiful!

I am honored and privileged to have led Kaltura since its inception and am very excited about what the future holds. I would like to personally invite you to join us on our open, flexible, and collaborative journey to power any video experience for any organization and by doing so, also promote access, democratization, and pluralism around the world.

Onward and upward!

Ron Yekutiel  
Cofounder, Chairman & CEO

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<sup>2</sup> For the year ended December 31, 2020.

<sup>3</sup> As of December 31, 2020.

## BUSINESS

*This summary highlights information contained elsewhere in this prospectus and may not contain all of the information you should consider before investing in our common stock. Before making an investment decision, you should read this entire prospectus, including our consolidated financial statements and the related notes included elsewhere herein. You should also carefully consider the information set forth under "Risk Factors" beginning on page 19. In addition, certain statements in this prospectus include forward-looking information that is subject to risks and uncertainties. See "Cautionary Note Regarding Forward-Looking Statements."*

*In this prospectus, unless the context otherwise requires or where otherwise indicated, the terms "we," "us," "our," the "Company" and "Kaltura" refer to Kaltura, Inc., together with its consolidated subsidiaries as a combined entity.*

### Overview

Our mission is to power any video experience, for any organization. Our Video Experience Cloud offers live, real-time, and on-demand video products including Video Portal, Town Halls, Video Messaging, Webinars, Virtual Events and Meetings. We also offer specialized industry solutions, including LMS Video (Learning Management System), Lecture Capture and Virtual Classroom for educational institutions, as well as a TV Solution for media and telecom companies. Underlying our products and solutions is a broad set of live, real-time, and on-demand Media Services consisting of Application Programming Interfaces ("APIs"), Software Development Kits ("SDKs"), and Experience Components, as well as our Video and TV Content Management Systems. Our Media Services are also used by other cloud platforms and companies to power video experiences and workflows for their own products. Our Video Experience Cloud is used by leading brands across all industries, reaching millions of users, at home, at school and at work, for communication, collaboration, training, marketing, sales, customer care, teaching, learning, and entertainment experiences. With our flexible offerings, customers can experience the benefits of video across a wide range of use cases, while customizing their deployments to meet their individual, dynamic needs.

Video is everywhere. It has become a driving force for online interactions and engagement, and has revolutionized how we communicate, work, learn, and entertain. According to Cisco's Visual Networking Index, 82% of the world's internet protocol ("IP") traffic will be IP video by 2022. For businesses, video sits at the heart of digital transformation, with organizations increasingly embracing video solutions to better engage with customers and employees. Video adoption has been further fueled by the availability of broadband, increased penetration of smartphones, rise of over-the-top streaming ("OTT") and cloud technologies, consumerization of enterprise technology, elevation of video to strategic and mission-critical use cases, the entry of younger professionals into the workforce and the growth in remote and distributed workforces. Furthermore, we believe the COVID-19 pandemic has accelerated the use and adoption of video.

Our vision and technology are differentiated in the market, addressing video as a unique data type that can, and should be, handled by a unified horizontal technology stack that powers all live, real-time, and on-demand video use cases while avoiding silos and disjointed workflows, and maximizing engagement, interactivity and the collection of data. To do so, we developed a wide array of Media Services that empower the building of any live, real-time and on-demand video experiences, and assembled with them our broad portfolio of video products for communication, collaboration, training, sales, marketing, and customer care, as well as our specialized industry solutions, currently for education and media and telecom companies.

During the year ended December 31, 2020, more than 15 million authenticated users interacted with our products and solutions at home, at work and at school. As of December 31, 2020, we had grown our repository of media assets to over 100 million.

Our Video Experience Cloud powers a wide array of video applications across industries and use cases. Our core offerings consist of various Software-as-a-Service (“SaaS”) products and solutions and a Platform-as-a-Service (“PaaS”) offering, including:

- **Video Products** – Video Portal, Town Halls, Video Messaging, Webinars, Virtual Events and Meetings. Customers leverage these products for video-based communication, collaboration, training, and customer experience (marketing, sales, and customer care).
- **Video Industry Solutions** – LMS Video (Learning Management System), Lecture Capture and Virtual Classroom for educational institutions to support and enhance in-class and remote teaching and learning. We also offer a TV Solution for media companies and telecom operators, allowing them to provide OTT advertising and subscription-based live and on-demand TV services for entertainment experiences.
- **Media Services** – Live, real-time, and on-demand video APIs, SDKs, and Experience Components as well as Video and TV Content Management Systems that govern the entire lifecycle of video, enabling customers to build any video experience and workflow. Our Media Services also serve as a foundation for our products and industry solutions. Our APIs and SDKs address: media ingestion, creation, editing, files transcoding, live transcoding, real-time video, publishing, streaming, distribution, recording and scheduling, video enrichment, search, management, monitoring, engagement, video and image transformation, access control, user management, analytics, multi-tenancy, security, digital rights management, and media repurposing at scale. Our Experience Components include video player, video editor, video accessibility tools, video capture tools, large files upload SDKs, interactive video editor, quizzing, hot-spots, polling, native mobile and TV SDKs, video applications framework, embedded live stream app, and embedded WebRTC meeting components.

As of December 31, 2020, we had approximately 1,000 customers from a wide range of industries, including financial services, high technology, healthcare, education, public sector, media and telecommunications. Among our customers are 25 of the US Fortune 100, more than 50% of U.S. R1 educational institutions, including seven of the eight Ivy League schools and some of the largest global media companies and telecom operators. This subset of customers accounted for approximately 39% of our revenue for the year ended December 31, 2020. Most of our top customers leverage several Kaltura products for a range of use cases across their organization. Between December 31, 2018 and December 31, 2020, we expanded our base of customers with ARR greater than \$100,000 from 178 to 235, and the number of customers with ARR greater than \$1.0 million from 4 to 12. As of December 31, 2020, 50% of our customers had purchased three or more of our offerings (including our Media Services, Products, and Industry Solutions).

We were recognized as a Representative Vendor in the 2020 Gartner Market Guide for Enterprise Video Content Management. We have been included in Gartner research reports on this since 2013, where we were listed as a Leader for 5 consecutive times in the Magic Quadrant for Enterprise Video Content Management report and ranked highest in all Use Cases in the last-published Critical Capabilities for Enterprise Video Content Management report. Gartner discontinued publication of this Magic Quadrant report in 2018 and of this Critical Capabilities report in 2019. We were also recognized in the 2020 Gartner Magic Quadrant for Meeting Solutions, after having only entered the market earlier that year. As of January 25, 2021, we ranked 4.6/5 for Meeting Solutions and 4.4/5 for Enterprise Video Content Management by customers on Gartner Peer Insights, based on 43 and 26 reviews, respectively. In 2016, Forrester cited Kaltura as a Leader in their report, The Forrester Wave™: Online Video Platforms for Sales and Marketing, Q4, 2016.

To date, we have invested primarily in increasing the scope and depth of our offerings. At the same time, we have accelerated our year-over-year revenue growth from 12% in 2018 to 18% in 2019 and 24% in 2020, and from 23% in the fourth quarter of 2019 (unaudited) to 30% in the fourth quarter of 2020 (unaudited). We have accomplished this growth without materially increasing our sales and marketing

spend over the same period. Additionally, for the years ended December 31, 2019 and 2020, we generated net losses of \$15.6 million and \$58.8 million, respectively, and had Adjusted EBITDA of \$4.0 million and \$4.3 million, respectively, following negative Adjusted EBITDA in both 2017 and 2018. See "Prospectus Summary—Summary Historical Consolidated Financial and Other Data" for a discussion of the limitations of Adjusted EBITDA and a reconciliation of Adjusted EBITDA to net loss, the most directly comparable GAAP performance measure. We have also demonstrated attractive unit economics. We estimate that for the years ended December 31, 2018, 2019 and 2020, the lifetime value of our customers exceeded five, seven and eleven times the cost of acquiring them, respectively. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview" for additional information on how we calculate the lifetime value of our customers and the cost of acquiring them.

Our platform provides a differentiated and comprehensive value proposition for our customers. Additionally, we believe the demand for video offerings has reached an inflection point, with several trends driving strong demand for video applications. We intend to continue expanding our Video Experience Cloud with new Media Services, as well as new products and industry solutions. We also plan to increase our sales and marketing investment to capture the significant market opportunity ahead of us, including increasing the size and reach of our direct sales team, and investing in self-serve products and channel partnerships to expand our presence with smaller customers across all industries.

### Key Trends Impacting the Video Market

The nature of video consumption has transformed in recent years. Several major trends have played a role in this evolution:

- **Availability of Broadband:** The availability of internet-based services has increased in recent years, with global telecom operators increasing investment in next-generation mobile networks to reach previously underpenetrated regions and enhance performance in existing ones. This, coupled with the decreasing price of broadband, has accelerated the use of internet-based services such as video across a global audience.
- **Broad Penetration of Smartphones:** Billions of people around the world use smartphones today, equipped with sophisticated technology which allow them to create, watch, and transmit video anytime and anywhere.
- **Rise of OTT and Cloud Technologies:** Television has left its original home within cable and satellite networks and TV set-top boxes and is now being delivered from the cloud as an internet-based service to any device. OTT video technology has enabled content providers to bypass the traditional distribution value chain and reach consumers directly without relying on network owners as the middleman.
- **Consumerization of Enterprise Technology:** Employees in today's businesses expect consumer-like experiences with enterprise technology, expanding their use case of technology at work from simply exchanging information and data, to interacting, socializing, and learning. This has accelerated the use of video for both internal and external use cases, including for example the use of Video Portal, Town Halls, Video Messaging, Webinars, Virtual Events and Meetings.
- **Elevation of Video to Strategic and Mission-Critical Use Cases:** Video has transcended its initial use for entertainment to become a mission-critical tool leveraged by organizations across all industries. This includes companies adding video experiences to their own products and services. For example, healthcare providers are increasingly turning to video to engage with patients, prescribe medications, and deliver treatments.
- **Heightened Focus on Customer and Employee Engagement:** Businesses today are focused on finding new and creative ways to connect with their customers and employees. Management teams are pushing to develop new applications and services which maximize the use of data and analytics to create interactive, personalized solutions and drive engagement. According to a

survey performed by Hubspot in 2017, video on landing pages is capable of increasing conversion rates by over 80%, and 90% of customers say videos help them make buying decisions.

- **COVID-19 Pandemic Accelerating Preexisting Trends:** We believe the COVID-19 pandemic has accelerated the use of video for numerous use cases, including remote learning, remote work, virtual events, remote healthcare, consumer communication, e-commerce and online entertainment. According to a survey performed by McKinsey in July-August 2020, the amount of revenue attributable to video-related interactions has increased by 69% since April 2020. We believe that the COVID-19 pandemic has accelerated preexisting trends, with video experiences poised to be a key element of online interactions for decades to come.

### Limitations of Existing Video Solutions

While various video solutions exist in the market today, we believe they are mostly discrete inflexible point solutions that suffer from a lack of modularity, extendibility, and interoperability; offer limited breadth and depth of functionality, data insights, and end-user engagement; and do not provide the required cloud-based enterprise-grade reliability, scalability, compliance, and security. As a result, these offerings limit the ability of customers to maximize the benefits of video technology for their businesses and are also too costly and require significant time to value.

- **Discrete Point Solutions:** Most existing video solution providers lack a complete and unified platform for all video solutions across technologies (live, real-time and on-demand), devices, and use cases. As a result, businesses are faced with the complexity of working with multiple vendors to meet their video needs, often leading to a lack of cohesiveness across offerings, silos of content and disjointed workflows, and security and monitoring concerns. This further limits their applicability for use cases which would benefit from combined workflows.
- **Inflexible Offerings:** Many existing video solutions are turnkey applications that provide little by way of integration and customization. Their inflexible architecture often inhibits existing vendors' ability to innovate quickly and extend the offering to keep up with the rapidly growing and evolving needs for video. Additionally, existing vendors provide few tools for businesses to build their own advanced video workflows and products.
- **Limited Integration with Ecosystem:** Most existing video solution providers have few integrations with third-party platforms, and therefore offer limited interoperability and a non-streamlined and disjointed end-user experience.
- **Limited Analytics Capabilities:** Existing solutions often lack the robust analytics tools that enable interactivity and personalization. This limits the ability of businesses to make data-driven business decisions, further translating to limited end user engagement and a lower return on investment.
- **Not Optimized for End Users:** The interfaces of existing solutions are often not intuitive, and do not generate an immersive and engaging end-user experience across devices.
- **Not Built for the Cloud:** Many existing offerings are not cloud-native and instead rely on legacy on-premise deployments to deliver their solutions, limiting their ability to innovate quickly and provide video seamlessly across devices. This also creates operational complexities for customers managing multiple video solutions and limits their ability to leverage economies of scale.
- **Insufficient Support of Enterprise Standards:** Many existing offerings lack the scale, security, and compliance needed by today's enterprises, and also lack the development, contribution, and support for industry standards that promote openness, interoperability, and accessibility. This creates a growing risk for businesses that are using video for mission-critical use cases at scale.

- **Unnecessary Costs:** Existing solutions frequently require extensive implementation, hardware maintenance and custom integrations with other video solutions and adjacent tools, often resulting in excess costs for the customer.

### Kaltura's Video Experience Cloud

Our Video Experience Cloud powers all types of video experiences: live, real-time, and on-demand. We designed it from the ground up using API-based building blocks which govern the entire video lifecycle and provide the foundation for our video applications. We believe our Video Experience Cloud is differentiated by the following characteristics:

- **Single Platform for All Video Experiences:** Our horizontal Video Experience Cloud acts as a "one stop shop" for video experiences across multiple use cases and industries, enabling our customers to increase agility, reduce operational complexity, and avoid the content and data silos generated by having several fragmented and disjointed point solutions. This allows us to consolidate the market for video-based applications, and lead the convergence of experiences across live, real-time, and on-demand video.
- **Open, Flexible Architecture:** Our products and solutions are interoperable and can be easily customized, extended and connected to other platforms and third-party offerings, allowing our customers to leverage external innovation as well. This also allows us to innovate efficiently and quickly and be a pioneer in the industry with many features, products and solutions. Since our founding in 2006, we have expanded the breadth and depth of our offerings from a limited set of Media Services and a Video Content Management System, to a leading platform spanning across most live, real-time, and on-demand video experiences today.
- **Ecosystem:** We have built a rich ecosystem of over 125 technology partners, extending our experiences with AI, video creation, and network optimization, among others. We make our partners' solutions available to our customers through our marketplace, complete with a variety of plugins and out-of-the-box integrations with our platform. This ecosystem further simplifies our customers' workflows, enabling them to weave video capabilities into non-video workflows and discover new technologies to further enhance their own offerings, ultimately increasing their satisfaction and stickiness with our platform.
- **Analytics:** Our platform offers powerful analytics across multiple dimensions, including insights related to engagement, time and seasonality comparisons, bottleneck identification, and congestion detection. These features help companies maximize the use of the data they are gathering across video channels, and better guide workflows associated with subscription. They also enable us to generate a significant amount of valuable data, which, when coupled with our proprietary AI/ML-powered analytics capabilities, drives further usage of our platform, creating a powerful virtuous cycle.
- **Significant Benefits to End Users:** Our customers' use of our offerings provides several benefits to their end users at home, at work, and at school, including:
  - immersive, interactive and engaging experiences;
  - intuitive and consistent user interface across devices;
  - personalization driven by insightful and rich analytics;
  - customization and integration with other workflows enabling consolidated and seamless user experiences;
  - quality of service, security, and compliance; and
  - flexibility for developers to build customized solutions incorporating video technology.



- **Cloud-Agnostic:** While most of our customers use our public cloud products and solutions, our solutions can be deployed across any private, public, or hybrid cloud environment, as well as on-premise, providing our customers with complete flexibility around their deployment.
- **Enterprise-Grade:** Our platform offers enterprise-grade reliability, security, and scalability, allowing us to support mission-critical workflows for experiences of any scale. We also offer proactive monitoring and various tiers of customer support. For customers that rely on Kaltura to power TV experiences, we offer service availability commitments of up to 99.995%, the highest industry benchmark required by major media and telecom customers. Additionally, we are a leader in the market with the development, contribution, and support for industry standards such as MPEG-DASH, LTI, Caliper and Open Video Capture standards by IMS Global Learning Consortium. We maintain compliance with accessibility standards, such as 508, CVAA, and WCAG 2.0 AA, and issued a self-disclosing Voluntary Product Accessibility Template ("VPAT") to ensure we adhere to the highest standards.
- **Cost Efficiency:** Our horizontal flexible, scalable, and extendable platform is cost-efficient to deploy, operate, maintain, and to keep abreast of emerging trends and needs.

### Our Opportunity

We address a global market which includes on-demand, live, and real-time video experiences. We estimate our total addressable market in 2020 is approximately \$55 billion, including approximately \$39 billion from the real-time-conferencing market, which we entered in 2020 with the addition of real-time-conferencing capabilities into our Media Services and the launch of our Webinars, Virtual Events and Meetings products and our Virtual Classroom industry solution.

To calculate these figures, for our Enterprise and Technology addressable market, we first identify the number of enterprises (defined as businesses that generate revenue of at least \$1 billion) and mid-market businesses (defined as those that generate revenue of greater than \$50 million and less than \$1 billion) in each major geography. For our Education addressable market, we estimate the total number of higher education and K-12 institutions in each major geography. For our Media & Telecom addressable market, we estimate the total number of telecom operators and media companies in each major geography. For each addressable market, we multiply the total number of customers in each major geography by our estimate for the average annualized recurring revenue per customer in that major geography after having achieved broad implementation of our offerings, using internal company data and estimates. We then sum the total opportunity across each of these addressable markets.

We believe we have developed leading offerings for the on-demand and live markets and, with our planned increase in sales and marketing spend, that we are well-positioned to increase our relatively small share within each of these markets. Moreover, we entered the real-time conferencing market in 2020 with a differentiated set of offerings and have seen strong traction to date. We believe that the on-demand, live, and real-time conferencing markets are converging, and that this is a trend that we are well positioned to capitalize on given the breadth of our platform.

Over time, we expect our market opportunity to grow, driven by increased global spend on video software solutions and our expansion into additional technologies and industries, such as telehealth, retail, smart cities, and government.

### Growth Strategies

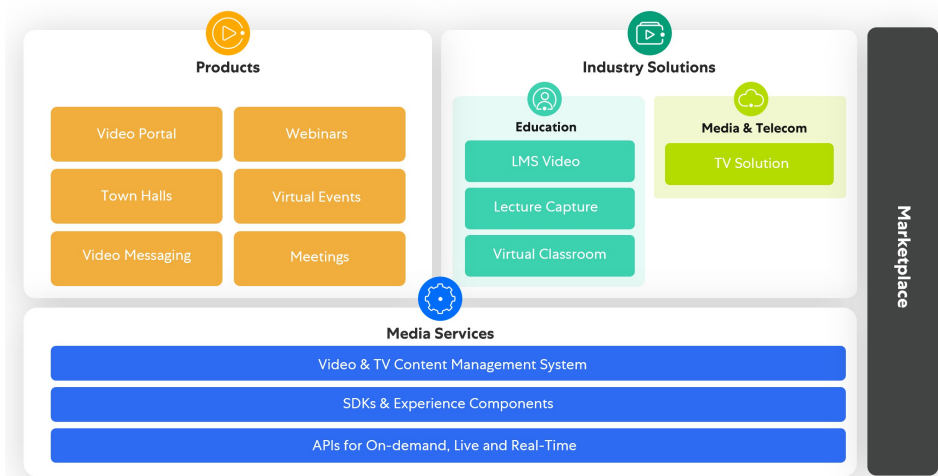
We intend to drive significant growth by executing on the following key strategies:

- **Acquire New Customers:** We believe we have a significant opportunity to expand our presence with Fortune Global 2000 companies and other global enterprises. Going forward, we plan to increase our investment in sales and marketing to capitalize on our significant market opportunity and on the strong sales efficiency unit economics that we have demonstrated. We intend to grow

our base of field sales representatives and customer success managers, which we believe will drive both geographic and vertical expansion. Additionally, we are investing for the first time in inside sales, self-serve offerings, and distribution channels. We believe this will enable us to expand our presence across all industries – beyond enterprises into SMBs, beyond universities into K-12 schools, beyond tier 1 media and telecom companies to tier 2 and 3 media and telecom companies, and beyond providing Media Services to large technology companies to also addressing smaller technology firms and startups.

- **Extend Product Leadership:** We believe our platform is ideally suited for expansion across products, solutions, industries, and use cases. We will continue to invest in new technologies and harness existing ones. We intend to continue to invest in our solutions across multiple dimensions:
  - **Recent Product and Solution Introductions:** In 2020, we entered the real-time-conferencing market with the introduction of our Webinars and Meetings products, as well as our Virtual Classroom industry solution, focused on learning, training, and marketing. We believe these products present a significant long-term opportunity, and we intend to harness our growing presence with them, among other recently introduced offerings such as our Virtual Events product and our TV Solution.
  - **New Offerings,** including:
    - **Products:** We will continue to invest in new video products for training, communication and collaboration, marketing, sales and customer care.
    - **Industry Solutions:** We believe there is a significant opportunity to extend our platform into more industries. Following the success of our media & telecom and education applications, we intend to launch applications for industries such as telehealth, retail, government, and smart cities, among others.
    - **Media Services:** We intend to enhance our Media Services offerings with additional core capabilities and invest in areas such as content creation, personalization and interactivity, content aggregation and syndication, AI and smart monetization. We also intend to add these capabilities into our existing and new products and industry solutions.
- **Increase Revenue from Existing Customers:** We plan to continue to increase sales within our existing customer base through increased usage of our platform and the cross-selling of additional products and solutions. For the year ended December 31, 2020, our Net Dollar Retention Rate was 107%, demonstrating our ability to expand within our existing customer base.
- **Augment our Platform Offering through Partnerships and Opportunistic M&A:** We plan to increase the breadth of partnerships with our technology partners, further allowing us to provide the most comprehensive video solutions to our customers. Additionally, we intend to continue to explore potential transactions that could enhance our capabilities or increase the scope of our technology footprint.

## The Kaltura Video Experience Cloud



Video experiences are the driving force for online interactions, at home, at work and at school. Our Video Experience Cloud powers all types of video experiences: live, real-time, and on-demand, engaging millions of end users daily. We designed our Video Experience Cloud from the ground up using API-based building blocks which govern the entire video lifecycle and provide the foundation for our video applications.

Our Media Services, which include our Video and TV Content Management Systems and our video APIs, underpin our products and industry solutions, addressing all Media Services required for creation, transcoding, management, security, distribution, publishing, and analytics across live, real-time, and on demand video experiences. We believe this offering sets us apart by enabling ease of integration and customization, and by allowing us to innovate at a very high pace. Our Media Services are also offered to technology companies and developers in the form of a PaaS that includes APIs, SDKs, and Experience Components.

Companies across all industries use our Video Portal, Town Halls, Video Messaging, Webinars, Virtual Events and Meetings products for communication, collaboration, training, and customer experience (marketing, sales, and customer care). Our industry solutions are used by educational institutions for in-class and remote teaching and learning, and by media and telecom companies to power TV and entertainment experiences.

### Kaltura Media Services

- APIs, SDKs, and Experience Components:** These offerings include a comprehensive set of cloud video services addressing creation, ingestion, transcoding, management, security, editing, distribution, publishing, engagement, monetization, monitoring, multi-tenancy, and analyzing of video, audio, and images at scale. We also offer SDKs and Experience Components (a cluster of APIs that together form a software component with a front-end experience, such as a video player, live Q&A widget, online video editor, or polling tool) for fast development of advanced experiences, such as for video creation, capture, playback, webcasting, conferencing, or editing.

These offerings not only serve as the video engine and experience layer of our own products and industry solutions, but are also offered to our customers to enable them to build their own video workflows and products. Our Media Services also serve technology partners within our marketplace who build plugins to our platform and enable our and their customers to leverage their value-add services such as for advanced media creation, AI, transcription, and delivery. Our Media Services are used today primarily by technology and healthcare companies; however, we believe they have potential applications across all industries.

- **Video and TV Content Management Systems:** Kaltura Video and TV Content Management Systems are a market leading multi-tenant media content management systems ("CMS"). Our Video CMS offers integrations with social business applications, learning management systems, marketing automation systems, content management systems, and video conferencing solutions. It also provides users with a Video Player Studio to design and configure lightweight, fast, and customizable video players for optimal viewing experiences on any device. Furthermore, it offers video AI and enrichment tools for captions, translations, and auto-chaptering. Our Video CMS also offers deep analytics built in, as well as support for Caliper and xAPI along with reporting APIs. Users can leverage our Video CMS' extensible service framework for connecting third-party video enrichment services, as well as a centralized dashboard to manage workflows and budgets across services and departments. Our TV CMS serves as the administration console for our full-service offering which enables the launch and operation of a robust and scalable end-to-end, full-feature TV service. It enables Pay-TV and content providers to manage offers, content catalogs, users, devices and payments, handle marketing campaigns, and collect business intelligence to initiate data-driven decisions to optimize the business outcomes of their TV service. It also offers users a consistent and continuous viewing experience across devices, with TV apps available on Android TV streamers, Android TV STB, Apple TV, Web browsers, iOS, and Android mobile devices and tablets, as well as LG and Samsung Smart TVs.

#### Kaltura Video Products

- **Video Portal:** Kaltura Video Portal is a market-leading enterprise video portal for watching, searching, creating, and engaging with live, real-time, and on-demand rich media content. This customizable portal can be used for learning and development, knowledge sharing and collaboration, as well as internal and external communication. It allows users, based on their permissions, to create, upload, share, search, browse, respond to quizzes, and watch live, real-time, and on-demand videos, video presentations, screencasts, conferencing recordings, and other rich media content, with full user management and moderation capabilities that enforce compliance and governance.
- **Town Halls:** Kaltura Town Halls enables customers to easily broadcast with confidence any event of any size, whether for departmental meetings, town halls, and executive communication. Users can go live from their studio or directly from their desktop or video conferencing solutions. Customers choose whether to use external encoders and studio production, or self-serve broadcasting to reduce production overhead and scale their live events. Users can also optimize bandwidth usage with flexible network delivery options including eCDN, P2P, dual-delivery, and more. Kaltura Town Halls also enables customers to broadcast video conferencing sessions via integrations with WebEx, Zoom, Skype for Business and others, while leveraging Kaltura Town Halls' capabilities for achieving scale, network optimization, engagement, and analytics.
- **Video Messaging:** Kaltura Video Messaging empowers customers to easily create personalized video messages that can be more effective at getting recipients' attention. Our Video Messaging allows senders to track exactly when their recipients watch their videos. Customers use video messages for sales emails to increase conversions, for internal communications that change behavior, and for executive messaging that truly connects with employees.

- **Webinars:** Kaltura Webinars offers branded webinars with interactive tools to engage audiences. It provides customers with a brandable solution to ensure consistent brand messaging and customizable management to fit different needs. Additionally, Webinars offers interactive tools with rich video playback, polls, and other features, as well as integrated, advanced analytics to track engagement and connect to marketing automation workflows. Furthermore, via Kaltura Webinars, users can scale to any audience with live broadcast, without the need to plan or incur more cost, and its rich media recordings are immediately ready for reuse in embeddable galleries and for distribution to social channels.
- **Virtual Events:** Kaltura Virtual Events is a fully customizable virtual events platform designed to support differentiated experiences at scale, supporting live, simulated live, real-time, and on-demand experiences, with unique networking and engagement functionality. Kaltura Virtual Events supports any event size and type, creating dedicated journeys for all attendee types, flexible sponsor packages, and robust analytics.
- **Meetings:** Kaltura Meetings allows customers to launch engaging collaboration spaces with one click. It is used across various internal and external use cases, including internal brainstorming sessions, meetings with customers, and more. Kaltura Meetings features various tools that enable efficiency and productivity, including an interactive whiteboard, shared notes, chat, and shared content playlist.

#### **Kaltura Industry Solutions – Education**

- **LMS Video:** Kaltura Learning Management Systems (“LMS”) Video allows customers to experience rich media as a native part of their LMS workflows by embedding video creation, publishing, search, playback, editing, captioning, analytics, and quizzing anywhere within the learning environment (course content, assignments, discussions, and more). These products enable customers to organize media repositories within course media galleries, personal user spaces, and instructor repositories for collaboration, reuse, and sharing of content. Quiz results and video engagement metrics can be seamlessly integrated into LMS gradebooks or analytics features. Kaltura LMS Video is available for various systems, including Moodle, Blackboard, Sakai, Canvas, and Brightspace.
- **Lecture Capture:** Kaltura Lecture Capture is a capture tool to record lectures and classrooms and make recordings available to students via Kaltura's platform. Lectures and classes can be captured from multiple different devices. Kaltura Lecture Capture allows users to automatically publish course capture recordings to LMS courses, and videos can be enriched with captioning, interactive video quizzes, and advanced metadata. Users can leverage advanced analytics on viewership with user-level heatmaps, insights on engagement, and comparative analysis. Furthermore, they can use learning tools such as video quizzes, dynamic layers, hotspots, and interactive video paths to increase engagement. Customers can also leverage Lecture Capture for automated transcription, editing, advanced analytics, and metadata extraction.
- **Virtual Classroom:** Kaltura Virtual Classroom offers a persistent virtual learning environment focused on engagement, interaction, and analytics. It enables users to join virtual classrooms with one click where participants interact face-to-face from any device, with no downloads or installations required. Kaltura Virtual Classroom offers collaboration and moderation tools, including whiteboard, quizzes, breakout rooms, and Q&A. Furthermore, Kaltura Virtual Classroom includes integrations to all leading LMS platforms and provides a white-label solution that can be customized to match each instructor's class management style.

#### **Kaltura Industry Solutions – Media & Telecom**

- **TV Solution:** Our TV Solution is a turn-key solution powering TV operators to maximize their revenues, drive conversion and increase customer retention while providing the ability to conduct experiments and evaluate new monetization techniques. Geared towards medium-size media

companies and operators, who do not need the level of customization required by tier-1 companies, Kaltura TV Solution contains all the required modules out-of-the-box to manage the TV service offering: content packages, pricing, discounts and coupons (in multiple currencies), support for free trials, seasonal pass and Pay-Per-View, box sets, Electronic-Sell-Through, and Advertising, Subscription, and Transactional offerings, as well as the user interface and apps for consumers.

## Customers

As of December 31, 2020, we served approximately 1,000 customers, including several of the world's leading brands across multiple industries, including financial services, high technology, healthcare, education, public sector, media and telecommunications. We serve 25 of the US Fortune 100, and more than 50% of U.S. R1 educational institutions, including seven of the eight Ivy League schools. Additionally, our solutions power 15 major global TV initiatives.

Our customers are global, spanning 48 countries, and during the year ended December 31, 2020, our technology reached end users in over 150 countries. For the year ended December 31, 2020, approximately 61% of our revenue was generated from customers in the Americas, 31% from customers in EMEA and 8% from customers in APAC. We have sold our products to customers of all sizes, selling to large global enterprises as well as more recently to SMBs.

A representative list of our customers is set forth below:

- Technology: Oracle, Berlitz, Chegg, Stride, Powtoon, HealthStream
- Financial: Goldman Sachs, Wells Fargo, Bloomberg, Standard Chartered
- Education: University of Indiana, Utah Education Network, Regents of the University of Minnesota (through its Office of Information Technology), Houston Community College, Cornell, Oregon State University, Purdue University
- Media & Telecom: Vodafone, Flipkart, YLE, Zee Entertainment Enterprises Limited, O'Reilly Media, Watch Brasil, EYZ Media
- Automotive and Manufacturing: BOSCH, General Motors
- Professional Services & Consulting: Accenture

## Case Studies

The following are representative examples of how some of our customers have benefited from adopting Kaltura:

### Oracle

**Situation:** Oracle is a leading technology company with more than 130,000 global employees. Oracle needed a video collaboration space to allow easy creation, sharing, search and management of video and rich media content. Furthermore, Oracle needed an external facing video hub, to share customer and partner video-based knowledge, as well as allow partners to easily contribute video content. Also, Oracle, as a leading SaaS company, was interested in amplifying its intelligent content platform with support for video as a data type.

**Solution:** Oracle selected Kaltura and launched a branded video portal dubbed OTube for all global employees, as well as an external-facing VideoHub for partners and customers. Additionally, Oracle signed a strategic Media Services deal with Kaltura to power video in OCE's Intelligent Content Platform.

**Benefits:** As a result of using Kaltura across a wide range of use cases, Oracle experienced increased collaboration across teams, higher satisfaction from Partners, and the ability to reach over

130,000 employees around the globe with executive messaging in a more personal and approachable way.

#### **Vodafone**

**Situation:** Vodafone operates mobile and fixed networks in 21 countries and partners with mobile networks in 48 more. As of September 30, 2020, Vodafone had over 300 million mobile customers, more than 27 million fixed broadband customers, over 22 million TV customers, and connected more than 112 million internet of things devices.

Vodafone was looking to deliver advanced super-aggregation multi-screen TV experiences across all its global footprint. Their vision was to operate a multi-country TV service that relies on a single common cloud-based platform, while maintaining carrier-grade service availability and improving business outcomes. To accomplish this goal, Vodafone had to undergo multiple migrations from diverse on-prem legacy systems.

**Solution:** Vodafone partnered with Kaltura to deliver its global TV services, utilizing private cloud infrastructure. Kaltura-powered services are live in 9 countries, with additional markets being under deployment. Vodafone TV ("VTV") relies on Kaltura's single common cloud-based platform, that enables it to reduce time-to-market by 60% and launch VTV in a new country in seven months.

**Benefits:** Kaltura transformed VTV, from a monolithic and hardware-centric architecture, with expensive on-prem deployments and CPE that varies per market, into an elastic multi-tenant SaaS operation, lowering the costs per subscriber by 50%. This transformation included multiple migrations of legacy TV systems. Kaltura enabled Vodafone to offer personalized cross-device experiences, combined with time-shifted viewing and Cloud TV super aggregation, that blends together local live and on-demand content with a broad variety of OTT services, which results in increase of their subscribers NPS and average revenue per user.

#### **Berlitz**

**Situation:** Catering worldwide language-tutoring for B2C and B2B for over 140 years, Berlitz was looking to add an online and virtual platform to its face-to-face learning centers and mode of operation. They were looking for a platform that would be easy to use, tailored to their needs and would scale. It would also have to integrate into their new digital learning infrastructure, including their LMS.

**Solution:** Berlitz integrated Kaltura Virtual Classrooms into its ecosystem. Berlitz offers its users virtual classrooms with all Kaltura interactive tools, such as the digital whiteboard, intimate breakout rooms, and quizzes. Teachers can also record lessons, share screen, and display any content, whether web, in the-cloud or stored locally, without leaving the classroom.

**Benefits:** Berlitz launched in rather short time-to-market with an integrated solution, saving them a significant amount of time and effort, while benefiting from the engaging and interactive features designed especially for education in the Kaltura Virtual Classroom product, further contributing to its product and experience leadership in the market.

#### **Indiana University**

**Situation:** Indiana University is a top U.S. university with over 114,000 students and 9,000 faculty in nine U.S. campuses (plus five more international gateway offices). The university was looking for a video platform to power their online learning programs and resources, as well as an automatic lecture recording tool that would be hassle-free for their busy professors.

**Solution:** Indiana University deployed the Kaltura video portal, lecture capture and LMS video products, which can be found in more than 850 classrooms and are used by over 85,000 students. Indiana University also leverages Kaltura for automated captioning, transcoding, and publishing for easy content discoverability and accessibility.

**Benefits:** Indiana University enjoys the benefit of Kaltura video both on campus and off, with integrated lecture capture workflows in classrooms, as well as video in the Canvas LMS for remote teaching and learning, all video is ingested into Indiana's centralized repository for automated captioning, transcoding, publishing, and management, driving better learning results, higher student satisfaction and retention.

#### **Stride (Formerly K12)**

**Situation:** Stride is a premier provider of K-12 education for students, schools, and districts, including career learning services through middle and high school curriculum. Providing a solution to the widening skills gap in the workplace and student loan crisis, Stride equips students with real world skills for in-demand jobs with career learning. For adult learners, Stride delivers professional skills training in healthcare and technology, as well as staffing and talent development for Fortune 500 companies. Stride was looking to integrate a virtual classroom experience into its digital learning infrastructure, including its LMS and portal.

**Solution:** Stride integrated Kaltura Virtual Classrooms into its leading remote education service. Stride offers its users virtual classrooms with all Kaltura interactive learning tools, such as digital whiteboards, breakout rooms, quizzes, polls, video playback, presentation and screen-sharing, and more.

**Benefits:** Stride benefits from the engaging and interactive features designed especially for education in the Kaltura Virtual Classroom product, further contributing to its learning experiences and leadership in the market.

#### **Powtoon**

**Situation:** Powtoon is a leading visual communication platform used by over 30 million people, including thousands of SMBs worldwide, top-rated and Ivy League universities, and 96% of Fortune 500 companies. You can find their animations, presentations and videos in product launches, digital and broadcast ads, tutorials, educational resources, and more. Powtoon adds a spark of awesomeness to everyday communications by turning content into materials that people want to watch and engage with.

**Solution:** Powtoon uses Kaltura's Media Services to support its rapid growth - evident in new users, videos created, and adoption by enterprises and universities - to power hosting, collaboration, publishing, and analytics across different use cases. Powtoon is also a Kaltura Premier Partner, bringing video, slides, and animation creation tools to Kaltura's Enterprise & Education customers through our platform.

**Benefits:** Thanks to the deep partnership with Kaltura, Powtoon managed to deliver advanced enterprise-grade video capabilities to their visual communications suite, paving the way for rapid growth and innovation.

#### **Sales & Marketing**

Our sales organization is primarily comprised of direct sales and account teams that focus mainly on acquisition, retention, and growth of large customers, including Fortune Global 2000 organizations. We currently have four direct sales and account teams, as noted below. Each of our teams sells the following offerings:

- M&T team, which sells our Media Services and TV Solution to media and telecom companies.
- Education team, which sells our Media Services, Video Products and specialized education industry solutions to universities and K-12 institutions.
- Technology team, which sells our Media Services and Video Products to technology companies who want to integrate our offerings into their own video workflows and products.



- “All Other Enterprises” team, which sells our Media Services and Video Products to all other customers (as well as sells our Video Products to our M&T customers).

Additionally, we leverage reseller relationships globally to help market and sell our products to customers worldwide, especially in areas in which we have a limited presence.

We are investing in initiatives to more efficiently reach new customers and expand our partnerships with existing ones. For example, we recently launched the option to purchase our Webinars, Meetings and Virtual Classroom offerings directly from our website, allowing us to reduce our cost of customer acquisition, drive additional opportunities to our direct sales team, reach smaller customers, and broaden our target market.

Our marketing efforts are focused on creating preference for our brand, and driving leads to Kaltura through thought leadership, participation in industry events, analyst and press coverage, customer referrals, community work, customer user groups, and our customer event “Kaltura Connect.” We also leverage digital campaigns and make free trials available for many of our products to drive engagement and conversion.

### **Research & Development**

Our business has been driven by constant innovation, anticipating trends ahead of other participants in the market. We believe we are one of the first organizations to recognize the importance and mission-critical nature of video experiences, and the subsequent need for Media Services that allow both us and our customers to support any video experience and workflow. Our ability to be a leader in our target markets and rapidly introduce new applications depends on the constant expansion of our Media Services, and the development of new products and industry solutions that rely on them.

We work closely with our customers to address their growing needs for video experiences across all areas of operation. Our engineers aim to stay on the cutting edge of video experiences and have released over 100 new and enhanced features a year, on average for the last several years. We estimate that our research and development employees dedicate at least 25% of their time to addressing customer-requested features that would be valuable across our customer base.

Our main research and development facility is located near Tel Aviv, Israel, which we believe is a strategic advantage for us, allowing us to leverage a talented pool of engineers and product experts.

### **Technology & Operations**

We believe our unique specialized Video Experience Cloud and technology enable a high level of reliability, scalability, performance, and security. Our cloud platform was specifically designed to address the entire lifecycle of video, addressing the need for intense computing resources for encoding, processing, synchronization, and delivery, as well as a higher level of bandwidth and network utilization and performance. We have addressed this in our platform design and development from the start. Our SaaS and PaaS offerings are deployed on AWS across several regions, including in Virginia, Oregon, Canada, Ireland, Frankfurt, Singapore, and Australia. In each region we are deployed on several availability zones for improved availability and resilience.

Our technology and platform are cloud agnostic, allowing us to also offer private cloud, on-premise, and hybrid deployment options. While the great majority of our customers are deployed on our AWS public cloud infrastructure, some customers are hosted on separate and dedicated AWS private cloud environments that are also managed by us. Some customers have a hybrid cloud deployment, running our platform from the public cloud alongside a locally hosted Kaltura Enterprise CDN service or with locally hosted content storage. We also cater to self-hosted on-premise customers that deploy the same Kaltura Video Experience Cloud fully on their own infrastructure, and manage it for themselves.

Our cloud operation teams are responsible for maintaining and upgrading our production environments, and for our system availability service-level agreements which vary from 99.9% to 99.995% (depending on the service).

Our customer care teams are located around the world and operate on a “follow-the-sun” model, providing 24/7 service and ensuring that issues with our products and platform are addressed quickly, and according to our service level agreements.

Our Video Operations Center (“VOC”) is responsible for monitoring our applications and services 24/7, responding to system alerts, and managing incidents.

### **Partner Ecosystem**

We have built an ecosystem consisting of over 125 partners that have integrated with our solutions, and extend our products and platform capabilities with creation, AI, transcripts, and delivery capabilities. We make our partners’ solutions available to our customers through our marketplace, complete with a variety of plugins and out-of-the-box integrations with our platform. This ecosystem further simplifies our customers’ workflows, enabling them to weave video capabilities into non-video workflows and discover new technologies to further enhance their own offerings, ultimately increasing their satisfaction and stickiness with our platform. It also allows us to test new experiences and components with our customers and determine which of the partnerships or technologies are strategic to our business.

We also leverage a network of value-add resellers that add additional services or integrations to our products, helping us drive the acquisition of new customers around the world, notably those in regions in which we do not have significant presence.

We also maintain relationships with cloud partners, most notably Amazon Web Services (“AWS”). We are an AWS Technology Partner and certified as an AWS competency partner in Education and Digital Workspace, with validated qualifications in Public Sector. Additionally, our offerings are available in the AWS marketplace.

### **Employees**

As of December 31, 2020, we had 584 employees operating across 22 countries on five continents.

Our average employee tenure is three years. Nearly 50% of new hires are employee referrals, and 97% of employees state that they understand how their jobs contribute to our overall goals, showing high engagement with the firm.

We are committed to ensuring a culture of diversity, equality, and inclusion. Our culture embraces our employees’ differences in age, race, gender and gender identity, sexual orientation, and nationality.

Our employees are not represented by a labor union in respect to their employment or covered by a collective bargaining agreement. We have not experienced any work stoppages and largely consider our relationship with our employees to be good and mutually beneficial.

### **Competition**

We believe our technology positions us well to compete with other video solution providers. Our key competitors vary based on market and industry.

- Our main competitors for **Kaltura Media Services** (including **Kaltura Video Content Management System**) are Microsoft/Azure Media Services, Amazon/AWS Media Services, and Twilio
- Our main competitors for **Kaltura Video Portal, Town Halls, and Video Messaging** are Microsoft Teams and Cisco (through their partnership with Vbrick)

- Our main competitors for Kaltura **Webinars and Meetings** are Zoom, Cisco/Webex, and Adobe/Connect
- Our main competitors for **Kaltura Virtual Events** are Intrado, and Hopin
- Our main competitors for our **Education Solutions (Kaltura LMS Video, Lecture Capture, and Virtual Classroom)** are Zoom, Microsoft/Teams, and Cisco/Webex
- Our main competitors for our **Media & Telecom Solution (Kaltura TV Content Management System and TV Solution)** are Synamedia (formerly under Cisco), MediaKind (formerly under Ericsson), and Comcast Technology Solutions (part of Comcast)

We believe the principal competitive factors in our markets include, but are not limited to:

- breadth and scale of products, solutions, and Media Services;
- ability to provide a cross-organization video platform with multiple interoperable video solutions;
- ability to support converging experiences across live, real time, and on-demand video;
- flexibility to build and support custom workflows using video technology;
- ease of customization and integration with other products;
- quality of service and customer satisfaction;
- flexibility of deployment options;
- ability to innovate quickly;
- data capabilities, including advanced analytics and AI;
- enterprise-grade reliability, security, and scalability;
- cost of implementation and ongoing use;
- brand recognition; and
- corporate culture.

We believe that we compare favorably on the basis of the factors listed above. However, many of our competitors have substantially greater financial, technical, and marketing resources; relationships with large vendor partners; larger global presence; larger customer bases; longer operating histories; greater brand recognition; larger and more mature intellectual property portfolios; and more established relationships in the industry than we do. Furthermore, new entrants not currently considered to be competitors may enter the market through acquisitions, partnerships, or strategic relationships. See "Risk Factors—Risks Related to Our Business and Industry—The markets in which we compete are nascent and highly fragmented, and we may not be able to compete successfully against current and future competitors, some of whom have greater financial, technical, and other resources than we do. If we do not compete successfully, our business, financial condition and results of operations could be harmed."

### **Intellectual Property**

Intellectual property is an important aspect of our business and we seek protection for our intellectual property rights as appropriate. To establish and protect our proprietary rights, we rely on a combination of patent, copyright, trade secret and trademark laws, know-how and continuing innovation, and contractual restrictions such as confidentiality agreements, licenses, and intellectual property assignment agreements.

As of December 31, 2020, we owned nine issued U.S. patents and eleven non-U.S. patents and patent applications. The issued U.S. patents are expected to expire between 2028 and 2035.

We pursue the registration of our domain names, trademarks and service marks in the United States and in certain locations outside the United States. To protect our brand, we file trademark registrations in the United States and in some other jurisdictions. As of December 31, 2020, we owned five registered trademarks in the United States and three registered trademarks in foreign jurisdictions, including the European Union and Brazil, that we consider material to the marketing of our products, including the “Kaltura” name and logo.

We generally seek to enter into confidentiality agreements and proprietary rights agreements with our employees and consultants and to control access to, and distribution of, our proprietary information. However, we cannot guarantee that all applicable parties have executed such agreements. Such agreements can also be breached, and we may not have adequate remedies for such breach.

Intellectual property laws, procedures, and restrictions provide only limited protection, and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed, misappropriated or otherwise violated. Furthermore, the laws of certain countries do not protect intellectual property and proprietary rights to the same extent as the laws of the United States, and we therefore may be unable to protect our proprietary technology in certain jurisdictions. Moreover, our platform and many of our products and services incorporate software components licensed to the general public under open-source software licenses. We obtain some components from software developed and released by contributors to independent open-source components of our platform. Open-source licenses grant licensees broad permissions to use, copy, modify and redistribute certain components of our platform. As a result, open-source development and licensing practices can limit the value of our proprietary software assets.

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy or obtain and use our technology to develop products and services with the same functionality as our platform. Policing unauthorized use of our technology is difficult. Our competitors could also independently develop technologies like ours, and our intellectual property rights may not be broad enough for us to prevent competitors from selling products and services incorporating those technologies. For more information regarding the risks relating to intellectual property, see “Risk Factors—Risks Related to Information Technology, Intellectual Property and Data Security and Privacy.”

#### **Facilities**

Our headquarters are located in New York, NY, where we lease approximately 11,683 square feet of office space pursuant to a sublease expiring in March 2022. We also lease approximately 3,860 square meters (approximately 41,549 square feet) of office space in Ramat Gan, Israel, where our primary research and development, human resources, and certain other finance and administrative activities are based. The lease for our research and development center expires in May 2022. We also subscribe for co-working office spaces in St. Louis, Memphis, Sydney, Singapore, London, Lisbon, and Jerusalem. We lease all our facilities and do not own real estate property. We believe that our current facilities are adequate to meet our current needs for the immediate future.

#### **Legal Proceedings**

From time to time, we are involved in various legal proceedings arising from the normal course of business activities. We are not presently a party to any litigation the outcome of which, we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, cash flows or financial condition. Defending such proceedings is costly and can impose a significant burden on management and employees. We may receive unfavorable preliminary or interim rulings in the course of litigation, and there can be no assurances that favorable final outcomes will be obtained.

## MANAGEMENT

### Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of the date of this prospectus.

Name	Age	Position with Company
<i>Executive Officers</i>		
Ron Yekutiel	48	Chairman, Chief Executive Officer and Director
Yaron Garmazi	56	Chief Financial Officer
Michal Tsur	48	President, Chief Marketing Officer and General Manager, Technology Sector
Sergei Liakhovetsky	51	Chief Technology Officer
<i>Non-Employee Directors</i>		
Narendra K. Gupta	72	Director
Richard Levandov	66	Director
Shay David	48	Director
Ronen Faier	50	Director Nominee*
Naama Halevi Davidov	49	Director Nominee*

\* To be elected to our board of directors effective upon the effectiveness of the registration statement of which this prospectus forms a part.

### Executive Officers

**Ron Yekutiel** is one of our co-founders and has served as our Chief Executive Officer and as Chairman of our board of directors since October 2006. Prior to Kaltura, Mr. Yekutiel co-founded VisualGate Systems Inc., a video surveillance company, in 2003, and co-founded and lead GPSoft Ltd and the Destinator business unit in Paradigm Advanced Technologies Inc., a GPS navigation and tracking company, in 2001. Mr. Yekutiel serves as a member of the board of directors of Kaltura Asia Pte Ltd., an affiliate of Kaltura, Inc., and as a member of the board of directors of various private companies. He received a Master of Business Administration with honors from the Wharton School of the University of Pennsylvania in 2005. Mr. Yekutiel was selected to serve on our board of directors because of the perspective and experience he provides as our co-founder and Chief Executive Officer, as well as his extensive experience with technology companies.

**Yaron Garmazi** has served as our Chief Financial Officer since May 2017. Prior to joining Kaltura, Mr. Garmazi served as the Chief Executive Officer of Milestone Sport Ltd., a sports technology company, from 2016 to 2017, and as the Chief Financial Officer of Kontera, an online advertising company, from 2007 to 2011. He is a Certified Public Accountant (ISR) and received a Bachelor of Arts in Accounting and Business Management from the Tel Aviv College of Management in 1993.

**Michal Tsur** is one of our co-founders and has served as our President and Chief Marketing Officer since 2006 and as our General Manager, Technology Sector since 2016. Prior to Kaltura, Dr. Tsur was a co-founder and Vice President of Cyota, Inc., an online security and anti-fraud solutions company, from 1999 to 2005. Dr. Tsur was a post-doctoral fellow at Yale Law School from 2005 to 2006, and received a Doctoral degree from New York University in 2005 and a Bachelor of Arts in Law and Economics from the Hebrew University of Jerusalem in 1996.

**Sergei Liakhovetsky** has served as our Chief Technology Officer since May 2019. Prior to joining Kaltura, Mr. Liakhovetsky spent twenty years at Amdocs Inc., a telecommunication software and services company, where he held various roles, including Head of Open Networks Business Unit, Technology and

Vice President of Software Engineering, Open Networks. He received a Bachelor of Arts in Computer Science from the Academic College of Tel-Aviv-Yafo in 1997.

#### **Non-Employee Directors**

**Narendra K. Gupta** has served as a member of our board of directors since September 2010. Mr. Gupta co-founded Nexus Venture Partners, a venture capital fund focused on investments in the United States and India, in 2006 and has served as Managing Director since its founding. Before Nexus Venture Partners, Mr. Gupta served in various executive positions, including founder, President, CEO and Chairman of Integrated Systems Inc., an information technology services company, from 1980 to 2000. Mr. Gupta currently serves as a member of the board of directors of Pubmatic, Inc., a cloud infrastructure company, and previously served on the boards of directors of Red Hat Inc., an open source software solutions company, Wind River Systems, Inc., a software company, and Tibco Software Inc., an enterprise software company. He also serves as a member of the Board of Trustees of the California Institute of Technology. Mr. Gupta received a Ph.D. in Engineering from Stanford University in 1974, a Master of Science in Engineering from the California Institute of Technology in 1970 and a Bachelor of Technology in Engineering from the Indian Institute of Technology, Delhi in 1969. Mr. Gupta was selected to serve on our board of directors because of his experience as a current and former executive and board member of a number of technology-related public companies and as an investor in global companies, his global expertise, industry and public company board experience, as well as his science and technology expertise.

**Richard Levandov** has served as a member of our board of directors since 2007. Mr. Levandov has also served as a general partner at Avalon Ventures, a venture capital firm, since 2007 and as a general partner at Masthead Venture Partners, a venture capital firm, since 1999. Mr. Levandov currently sits on the board of directors of both Avalon Ventures and Masthead Venture Partners. He received a Bachelor of Science in Management from Binghamton University in 1976. Mr. Levandov was selected to serve on our board of directors because of his extensive experience in the venture capital industry.

**Shay David** is one of our co-founders and has served as a member of our board of directors since October 2006. Dr. David previously held various roles with us, including President and General Manager of Media and Telecom from 2016 to 2019, and Chief Revenue Officer from 2012 to 2015. He co-founded Retrain.ai, an artificial intelligence company, in August 2020 and has served as its Chief Executive Officer and Chairman of the board of directors since its founding. Dr. David also currently serves on the board of directors of King Alfred School Society, a co-educational independent day school. He was a post-doctoral fellow at Yale Law School from 2007 to 2008, and received a Ph.D. in Science and Technology from Cornell University in 2008, a Master of Arts from New York University in 2003 and a Bachelor of Science in Computer Science Philosophy from Tel Aviv University in 2001. Dr. David was selected to serve on our board of directors because of the perspective and experience he provides as our co-founder and his extensive experience in the media and technology fields.

**Ronen Faier** has been nominated to serve on our board of directors. Mr. Faier has served as the Chief Financial Officer of SolarEdge Technologies, Inc., an energy management company, since January 2011. Prior to his role at SolarEdge, Mr. Faier has served in various executive positions at publicly traded companies such as SanDisk Corporation, a manufacturing company, VocalTec Communications, Inc., a telecom equipment provider, and msystems Ltd., a flash storage device company. Mr. Faier is a Certified Public Accountant in Israel. He received a Master's of Business Administration from Tel Aviv University in 2000 and a Bachelor of Arts in Accounting and Economics from the Hebrew University of Jerusalem in 1996. Mr. Faier was selected to serve on our board of directors because of his extensive financial and public company experience.

**Naama Halevi Davidov** has been nominated to serve on our board of directors. Dr. Halevi Davidov has served as a Financial Advisor to Healthy IO Ltd., a manufacturer and marketer of medical equipment, since March 2019 and to Gloat Ltd., a talent marketplace platform, since March 2020. Prior to that, Dr. Halevi Davidov served as our Chief Financial Officer from November 2012 to August 2017. Dr. Halevi

Davidov has also served on the board of our subsidiary, Kaltura Asia Pte Ltd. since February 2015. Dr. Halevi Davidov is a Certified Public Accountant in Israel. She received a Ph.D. in Strategy from Tel Aviv University in 2012, a Master's in Business Administration from Tel Aviv University in 2002 and Bachelor of Arts in Accounting and Economics from Tel Aviv University in 2000. Dr. Halevi Davidov was selected to serve on our board of directors because of her extensive knowledge of and experience with corporate financial strategy.

#### **Family Relationships**

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

#### **Board Composition and Election of Directors**

The existing members of our board of directors were elected pursuant to the provisions of the sixth amended and restated voting agreement (the "Voting Agreement"), dated as of July 22, 2016, by and among us and certain of our stockholders, pursuant to which the stockholders party thereto agreed to vote all of their respective shares of common stock, convertible preferred stock, redeemable convertible preferred stock or other voting securities, as the case may be, so as to elect the individuals designated from time to time by certain of our stockholders. In accordance with the Voting Agreement, Dr. Halevi Davidov was designated by Point 406 Ventures I, L.P., Mr. Faier was designated by Sapphire Ventures Fund II, L.P., Mr. Gupta was designated by Nexus India Capital II, LP, Mr. Levandov was designated by Avalon Ventures VII, L.P., and Mr. Yekutieli and Dr. David were designated by holders of a majority of the issued and outstanding common stock.

The provisions of the Voting Agreement described above will no longer be in effect upon the closing of this offering, and there will be no other contractual obligations regarding the election of our directors. Each of our current directors will continue to serve until the election and qualification of his or her successor, or his or her earlier death, resignation or removal.

#### **Classified Board of Directors**

Upon the closing of this offering, our board of directors will be composed of six members. In accordance with our Post-IPO Certificate of Incorporation, which will be in effect upon the closing of this offering, our board of directors will be divided into three classes of directors. At each annual meeting of stockholders, a class of directors will be elected for a three-year term to succeed the class whose terms are then expiring, to serve from the time of election and qualification until the third annual meeting following their election or until their earlier death, resignation or removal. Upon the closing of this offering, our directors will be divided among the three classes as follows:

The Class I directors will be Narendra K Gupta and Ron Yekutieli, and their terms will expire at our first annual meeting of stockholders following this offering.

The Class II directors will be Ronen Faier and Richard Levandov, and their terms will expire at our second annual meeting of stockholders following this offering.

The Class III directors will be Shay David and Naama Halevi Davidov, and their terms will expire at our third annual meeting of stockholders following this offering.

Our Post-IPO Certificate of Incorporation will provide that the authorized number of directors may be changed only by resolution of our board of directors. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the 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. See the section of this prospectus captioned "Description of Capital Stock—Anti-takeover Provisions—Post-IPO Certificate of Incorporation and Post-IPO Bylaws" for a discussion of

these and other anti-takeover provisions found in our Post-IPO Certificate of Incorporation and Post-IPO Bylaws, which will be in effect upon the closing of this offering.

#### **Director Independence**

We have applied to have our common stock listed on the Nasdaq Global Select Market. Under the listing rules of The Nasdaq Stock Market LLC (the "Nasdaq rules"), independent directors must comprise a majority of a listed company's board of directors within one year following the listing date of the company's securities. Under the Nasdaq rules, a director will only qualify as an "independent director" if that company's board of directors affirmatively determines that such person does not have a relationship with the company that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

In connection with this offering, our board of directors has undertaken a review of its composition, the composition of its committees and the independence of our directors and considered whether any director has a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, including family relationships, our board of directors has determined that none of Naama Halevi Davidov, Ronen Faier, Narendra K. Gupta and Richard Levandov, representing four of our six directors, has a relationship 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 Nasdaq rules. In making this determination, our board of directors considered the relationships that each non-employee director has with us and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our common stock, convertible preferred stock and/or redeemable convertible preferred stock by certain non-employee directors and the relationships of certain non-employee directors with certain of our significant stockholders.

#### **Board Committees**

Our board of directors has an audit committee, a compensation committee and a nominating and corporate governance committee, each of which has the composition and the responsibilities described below. In addition, from time to time, special committees may be established under the direction of our board of directors when necessary to address specific issues.

Each of the audit committee, the compensation committee and the nominating and corporate governance committee will operate under a written charter that will be approved by our board of directors in connection with this offering. A copy of each of the audit committee, the compensation committee and the nominating and corporate governance committee charters will be available on our corporate website at [www.kaltura.com](http://www.kaltura.com) upon the closing of this offering. The information contained on or that can be accessed through our website is not incorporated by reference into this prospectus, and you should not consider such information to be part of this prospectus.

##### ***Audit Committee***

Our audit committee oversees our corporate accounting and financial reporting process and assists our board of directors in monitoring our financial systems. Our audit committee will be responsible for, among other things:

- appointing, compensating, retaining and overseeing the work of our independent auditor and any other registered public accounting firm engaged for the purpose of preparing or issuing an audit report or related work or performing other audit, review or attest services for us;
- discussing with our independent auditor any audit problems or difficulties and management's response;



- pre-approving all audit and non-audit services provided to us by our independent auditor (other than those provided pursuant to appropriate preapproval policies established by the committee or exempt from such requirement under SEC rules);
- reviewing and discussing our annual and quarterly financial statements with management and our independent auditor;
- discussing and overseeing our policies with respect to risk assessment and risk management; and
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding accounting, internal accounting controls or auditing matters, and for the confidential and anonymous submission by our employees of concerns regarding questionable accounting or auditing matters.

Effective at the time of effectiveness of the registration statement of which this prospectus forms a part, our audit committee will consist of Messrs. Faier and Levandov and Dr. Halevi Davidov, with Mr. Faier serving as chair. All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and the Nasdaq rules. Our board of directors has affirmatively determined that Messrs. Faier and Levandov and Dr. Halevi Davidov meet the definition of "independent director" under Rule 10A-3 of the Exchange Act and the Nasdaq rules for purposes of serving on the audit committee. In addition, our board of directors has determined that Messrs. Faier and Levandov and Dr. Halevi Davidov will qualify as an "audit committee financial expert," as such term is defined in Item 407(d)(5) of Regulation S-K and have the requisite accounting or related financial management expertise and financial sophistication under the applicable rules and regulations of the Nasdaq.

#### **Compensation Committee**

Our compensation committee oversees our compensation policies, plans and benefits programs. Our compensation committee will be responsible for, among other things:

- reviewing and approving, or recommending for approval by our board of directors, the compensation of our Chief Executive Officer and our other executive officers;
- reviewing and making recommendations to our board of directors regarding director compensation;
- reviewing and approving or making recommendations to our board of directors regarding our incentive compensation and equity-based plans and arrangements; and
- appointing and overseeing any compensation consultants.

Effective at the time of effectiveness of the registration statement of which this prospectus forms a part, our compensation committee will consist of Messrs. Gupta and Faier and Dr. Halevi Davidov, with Mr. Gupta serving as chair. Our board of directors has determined that Messrs. Gupta and Faier and Dr. Halevi Davidov meet the definition of "independent director" under the applicable Nasdaq rules for purposes of serving on the compensation committee, and are "non-employee directors" as defined in Section 16b-3 of the Exchange Act.

### ***Nominating and Corporate Governance Committee***

Our nominating and corporate governance committee oversees and assists our board of directors in reviewing and recommending nominees for election as directors. Our nominating and corporate governance committee will be responsible for, among other things:

- identifying individuals qualified to become members of our board of directors, consistent with criteria approved by our board of directors;
- recommending to our board of directors the nominees for election to our board of directors at annual meetings of our stockholders;
- overseeing the periodic self-evaluations of our board of directors; and
- developing and recommending to our board of directors a set of corporate governance guidelines and principles.

Effective at the time of effectiveness of the registration statement of which this prospectus forms a part, our nominating and corporate governance committee will consist of Messrs. Gupta and Levandov with Mr. Gupta serving as chair. Our board of directors has determined that Messrs. Gupta and Levandov meet the definition of "independent director" under applicable Nasdaq rules for purposes of serving on the nominating and corporate governance committee.

### **Board Leadership Structure**

Our board of directors is currently chaired by Mr. Yekutieli. Our corporate governance guidelines, which will be in effect upon the effectiveness of the registration statement of which this prospectus forms a part, provide that, if the chairperson of our board of directors is a member of management or does not otherwise qualify as independent, the independent members of our board of directors may elect among themselves a lead independent director. Effective at the time of effectiveness of the registration statement of which this prospectus forms a part, Mr. Gupta will serve as our lead independent director. The lead independent director's responsibilities include, but are not limited to: presiding over all meetings of the board of directors at which the chairman is not present, including any executive sessions of the independent directors; approving board meeting schedules and agendas; and acting as the liaison between the independent directors on the one hand and the chief executive officer and chairman of our board of directors on the other. Our corporate governance guidelines further provide the flexibility for our board of directors to modify our leadership structure in the future as it deems appropriate.

### **Role of the Board in Risk Oversight**

Our board of directors has an active role, as a whole and also at the committee level, in overseeing the management of our risks. Our board of directors is responsible for general oversight of risks and regular review of information regarding our risks, including credit risks, liquidity risks and operational risks. The compensation committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements. The audit committee is responsible for overseeing the management of risks relating to accounting matters and financial reporting. The nominating and corporate governance committee is responsible for overseeing the management of risks associated with the independence of our board of directors and potential conflicts of interest. Although each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire board of directors is regularly informed through discussions with committee members and regular reports from management about such risks, as well as the actions taken by management to adequately address those risks. Our board of directors believes its administration of its risk oversight function has not negatively affected our board of directors' leadership structure.

**Code of Business Conduct and Ethics**

Our board of directors has adopted a written Code of Business Conduct and Ethics that applies to our directors, officers (including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) and employees, which will become effective at the time of effectiveness of the registration statement of which this prospectus forms a part. Following this offering, a current copy of the Code of Business Conduct and Ethics will be posted on the investor section of our website. We intend to post any material amendments or waivers of our Code of Business Conduct and Ethics that apply to our executive officers on this website.

**Compensation Committee Interlocks and Insider Participation**

None of the members of our compensation committee is an executive officer or one of our other employees. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of any entity that has one or more executive officers serving on our board of directors or compensation committee.

## EXECUTIVE COMPENSATION

This section discusses the material components of the executive compensation program for our executive officers who are named in the "Summary Compensation Table" below. In 2020, our "named executive officers" and their positions were as follows:

- Ron Yekutiel, Chairman, Chief Executive Officer and Director;
- Michal Tsur, President, Chief Marketing Officer and General Manager, Technology Sector; and
- Yaron Garmazi, Chief Financial Officer

This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations, and determinations regarding future compensation programs. Actual compensation programs that we adopt following the completion of the IPO may differ materially from the currently planned programs summarized in this discussion.

### Summary Compensation Table

The following table presents all of the compensation awarded to, earned by or paid to our named executive officers for the year ended December 31, 2020.

Name and Principal Position	Year	Salary (\$) <sup>(1)(2)</sup>	Option Awards (\$) <sup>(4)</sup>	Non-Equity Incentive Plan Compensation (\$) <sup>(2)(5)</sup>	All Other Compensation(\$) <sup>(6)</sup>	Total
Ron Yekutiel <i>Chairman, Chief Executive Officer and Director</i>	2020	390,066 <sup>(3)</sup>	21,571,580	329,582 <sup>(3)</sup>	57,709	22,348,937
Michal Tsur <i>President, Chief Marketing Officer and General Manager, Technology Sector</i>	2020	233,012	5,392,895	223,047	55,285	5,904,239
Yaron Garmazi <i>Chief Financial Officer</i>	2020	271,537	2,311,241	173,281	66,633	2,822,692

(1) For 2020, compensation amounts received in non-U.S. currency have been converted into U.S. dollars using an exchange rate of 0.29 U.S. dollar per NIS (which was the average exchange rate for 2020).

(2) Amounts reflect the salary and bonus decreases in effect for each named executive officer during 2020. For additional information, see "Base Salaries" and "2020 Bonuses" below.

(3) Amounts also reflect the base fees paid and bonuses earned pursuant to Mr. Yekutiel's U.S. Consulting Agreement and U.K. Consulting Agreement (each as defined below).

(4) Amounts reflect the full grant-date fair value of options granted during 2020 computed in accordance with ASC Topic 718, rather than the amounts paid to or realized by the named individual. We provide information regarding the assumptions used to calculate the value of all option awards made to executive officers in Note 2(v) and Note 14 to our consolidated financial statements included elsewhere in this prospectus. The stock option awards granted to each of our named executive officers consisted of at-the-money options and premium options.

(5) Amounts reflect the amounts earned by the executives under their respective employment agreements (and consulting agreements for Mr. Yekutiel) pursuant to the Company's annual performance bonus program for the 2020 fiscal year. For additional information on these payments, see "2020 Bonuses" below.

(6) Amounts reflect: for Mr. Yekutiel, (i) a Company-paid car allowance and related expenses of \$11,216 and an associated tax gross up of \$12,929, (ii) a \$10,005 contribution by the Company for an Israeli education fund, (iii) a contribution of \$1,143 for an Israeli disability fund, (iv) a meal allowance of \$2,353, (v) a contribution of \$8,182 to an Israeli pension fund, (vi) a contribution of \$769 by the Company as recuperation pay and (vii) a contribution

of \$11,112 by the Company to an Israeli severance fund; for Dr. Tsur, (i) a contribution of \$17,476 by the Company for an Israeli education fund, (ii) a contribution of \$1,418 for an Israeli disability fund, (iii) a meal allowance of \$2,353, (iv) a contribution of \$13,859 to an Israeli pension fund, (v) a contribution of \$769 by the Company as recuperation pay and (vi) a contribution of \$19,410 by the Company to an Israeli severance fund; and for Mr. Garmazi, (i) a contribution of \$20,365 by the Company for an Israeli education fund, (ii) a contribution of \$7,023 to an Israeli disability fund, (iii) a meal allowance of \$2,353, (iv) a contribution of \$13,577 to an Israeli pension fund, (v) a contribution of \$696 by the Company as recuperation pay and (vi) a contribution of \$22,619 by the Company to an Israeli severance fund.

#### ***Elements of the Company's Executive Compensation Program***

For the year ended December 31, 2020, the compensation for each named executive officer generally consisted of a base salary, performance-based bonus, standard employee benefits, and stock option awards under the Prior Plans. These elements (and the amounts of compensation and benefits under each element) were selected because we believe they are necessary to help us attract and retain executive talent which is fundamental to our success. Below is a more detailed summary of the current executive compensation program as it relates to our named executive officers.

#### ***Base Salaries***

The named executive officers receive a monthly salary to compensate them for services rendered to our Company. The monthly salary payable to each named executive officer is intended to provide a fixed component of compensation reflecting the executive's skill set, experience, role, and responsibilities. Each named executive officer's initial salary was provided in his or her employment agreement.

On April 16, 2020, in response to the COVID-19 pandemic, we imposed a reduction on the monthly salaries for certain of our employees, including our named executive officers. The monthly salaries paid to Mr. Yekutiel and Dr. Tsur were reduced by 20% and the monthly salary paid to Mr. Garmazi was reduced by 10%. Half of such monthly salary reductions were cancelled effective as of July 1, 2020 and monthly salaries were restored fully to pre-COVID-19 amounts effective October 1, 2020.

The actual salaries paid to each named executive officer for 2020 are set forth above in the Summary Compensation Table in the column entitled "Salary."

Effective as of January 1, 2021, our board of directors increased the base annual salaries of Mr. Yekutiel, Dr. Tsur and Mr. Garmazi to NIS 495,600, NIS 1,020,000 and NIS 1,080,000, respectively. Mr. Yekutiel will also be entitled to receive base fees of \$120,696 under his U.S. Consulting Agreement and \$181,056 under his U.K. Consulting Agreement (each as defined below).

#### ***Bonus Compensation***

##### *2020 Bonuses*

We maintain a cash-based incentive compensation program in which certain of our employees, including our named executive officers, are eligible to receive bonuses based on Company performance goals (the "MBO"). Such awards are designed to incentivize our named executive officers with a variable level of compensation that is based on performance measures established by our board of directors.

Under the MBO, each of our named executive officers were entitled to receive 70% of their on-target annual bonuses in monthly installments throughout the year, with final incentive awards earned based on actual performance for the year. The Company evaluates performance achievement in August, following which monthly bonus amounts may be adjusted to reflect projected performance. Following the end of the applicable year, the board of directors evaluates final achievement. The board of directors reviews the interim amounts already paid to executives against the actual amount of incentive payments earned and the applicable named executive officers receive a payout of the difference. If any overpayments to our named executive officers occur, those amounts will be deducted from future payments such executives are entitled to receive from the Company.

In response to the COVID-19 pandemic, we imposed a temporary target bonus reduction on certain of our employees, including our named executive officers. From April 16, 2020 to July 1, 2020, Mr. Yekutiel and Dr. Tsur's 2020 MBO monthly bonus payments were reduced by 20% and Mr. Garmazi's was reduced by 10%. On July 1, 2020, half of such reductions were cancelled. Monthly bonus payments were fully restored to pre-COVID-19 amounts effective October 1, 2020.

Pursuant to their respective employment agreements, Mr. Yekutiel, Dr. Tsur and Mr. Garmazi are eligible to receive annual bonuses of \$100,209, \$174,760 and \$135,769, as well as additional bonuses based on "stretch" performance targets of up to \$24,109, \$50,486 and \$39,222, respectively, for 2020, taking into account the temporary reductions due to the COVID-19 pandemic. In addition, pursuant to his US Consulting Agreement (as defined below), Mr. Yekutiel was eligible to earn an annual bonus of \$63,933 and an additional bonus based on "stretch" performance targets of up to \$27,704, as well as an annual bonus of \$95,611 and an additional bonus based on "stretch" performance targets of up to \$23,013 pursuant to his U.K. Consulting Agreement (as defined below). As a result, for 2020 Mr. Yekutiel, Dr. Tsur and Mr. Garmazi had aggregate bonus opportunities of \$334,579, \$225,246 and \$174,991, respectively.

Based on achievement of Company financial and operational metrics under the MBO, our board of directors awarded Mr. Yekutiel, Dr. Tsur and Mr. Garmazi 2020 bonuses pursuant to their respective employment agreements equal to an aggregate of \$121,659, \$223,047 and \$173,281, respectively. In addition, Mr. Yekutiel earned aggregate bonuses of \$91,637 pursuant to his U.S. Consulting Agreement and \$116,286 pursuant to his U.K. Consulting Agreement based on the achievement of the applicable performance targets for 2020. The actual bonuses earned by each named executive officer for 2020 are set forth above in the Summary Compensation Table in the column entitled "Non-Equity Incentive Plan Compensation."

Effective for 2021, our board of directors determined that Mr. Yekutiel, Dr. Tsur and Mr. Garmazi are eligible to receive annual bonuses under their respective employment agreements of NIS 434,400, NIS 765,000 and NIS 810,000, as well as additional bonuses based on "stretch" performance targets of up to NIS 141,600, NIS 286,875 and NIS 303,750, respectively. As a result, Mr. Yekutiel, Dr. Tsur and Mr. Garmazi will have aggregate bonus opportunities under their respective employment agreements of NIS 576,000, NIS 1,051,875 and NIS 1,113,750, respectively. In addition, Mr. Yekutiel will be eligible to earn an annual bonus of \$103,400 and an additional bonus based on "stretch" performance targets of up to \$51,700 under his U.S. Consulting Agreement, as well as an annual bonus of \$131,607 and an additional bonus based on "stretch" performance targets of up to \$42,900 pursuant to his U.K. Consulting Agreement.

### **Equity Compensation**

#### *Stock Option Plans and Outstanding Awards*

We maintain the 2007 Stock Option Plan and the 2007 Israeli Share Option Plan, collectively referred to as the 2007 Plans, and the 2017 Equity Incentive Plan, referred to as the 2017 Plan, in order to facilitate the grant of equity incentives to directors, employees (including our named executive officers), consultants and other service providers of our Company and affiliates to obtain and retain services of these individuals, which is essential to our long-term success. We have only granted stock options to our eligible service providers under the 2007 Plans and 2017 Plan. The 2007 Plans were frozen as to new grants upon the effectiveness of the 2017 Plan. Any unvested shares underlying stock options granted pursuant to the 2007 Plans remain outstanding and continue to vest in accordance with their terms.

Pursuant to the 2007 Plans, Mr. Yekutiel and Dr. Tsur were granted awards of: (i) 819,000 options each, granted on July 25, 2012 with an exercise price of \$0.08 per share, all of which are already vested, and (ii) 2,436,439 options and 730,930, respectively, granted on October 16, 2013 with an exercise price of \$0.17 per share, all of which are already vested.

Pursuant to the 2017 Plan, Mr. Yekutiel, Dr. Tsur and Mr. Garmazi were granted awards of 1,219,500, 459,000 and 10,800 stock options, respectively, granted on August 14, 2018 with an exercise price of \$1.58 per share. Mr. Garmazi received an additional award of 972,000 stock options granted on November 6, 2017 with an exercise price of \$1.72 per share. Upon the occurrence of a Change in Control, such options held by Mr. Yekutiel and Dr. Tsur will accelerate and vest in full; provided that, if Mr. Garmazi is terminated by the Company without Cause within 12 months of such a Change in Control, his options will also accelerate and vest in full.

For purposes of these options, "Change in Control" means the occurrence of any of the following: (a) an acquisition of the Company by another entity by means of any transaction or series of related transactions (including, without limitation, any reorganization, merger or consolidation, or sale of more than 50% of the outstanding voting stock of the Company), or (b) a sale of all or substantially all of the assets of the Company, subject to the executive's continued employment through such Change in Control.

On December 24, 2020, we granted stock options under the 2017 Plan to each of our named executive officers, half of which vest based on the passage of time and half of which vest based on performance. Mr. Yekutiel received an aggregate of 6,300,000 options, Dr. Tsur received an aggregate of 1,575,000 options and Mr. Garmazi received an aggregate of 675,000 options. The time-based options were granted with an exercise price of \$4.99 per share and vest in ratable quarterly installments over a period of 36 months such that such options are fully vested three years from the vesting commencement date of April 1, 2021, subject to the executive's continued service through the applicable vesting dates. In the event the executive's employment is terminated for any reason other than for Cause (as defined in the 2017 Plan) or by the Executive for Good Reason within 12 months of a Merger Transaction (as defined in the 2017 Plan), such time-based options will accelerate and vest in full upon such termination of employment; provided that, in the event a Merger Transaction is consummated following March 31, 2022, Mr. Yekutiel's and Dr. Tsur's time-based options will immediately accelerate and vest in full upon the consummation of such Merger Transaction.

For purposes of these options, "Good Reason" means any of the following: (x) unless agreed to otherwise by the executive, the failure by the Company (or by such entity that employs the executive) to provide the executive with all or part of his agreed upon salary and/or any other benefits required under law and/or any other material breach by the Company (or by such entity that employs the executive) of any provision of the applicable employment agreement which breach, in each case, is not cured within 5 days after the receipt of written notice by the Company (or by such entity that employs the executive) of a description of such breach, if the breach is curable; (y) a reduction resulting in the value of the executive's salary and/or the monetary value of the executive's benefits, of more than 12.5%, unless such reductions are made in the same proportion as part of across-the-board salary reductions for substantially all other employees with a similar level; (z) a substantial diminution in the nature or status of the executive's responsibilities, duties, titles or reporting level (unless otherwise agreed to by the executive), provided, however, that notwithstanding the foregoing, for purposes of this subsection (z), a substantial diminution in such nature or status shall not exist in the event that due to a Merger Transaction the executive has authority and responsibility over a division, subsidiary or entity that is substantially similar in size to the division, subsidiary or entity over which the executive had authority and responsibility immediately prior to such Merger Transaction.

The December 2020 performance-based options were granted at a premium exercise price of \$13.34 per share and vest based on the achievement of specific share price targets such that 25% of the award will vest upon the fair market value of a share of common stock increasing fifty percent (50%) above the exercise price; an additional 25% of such award will vest upon the fair market value of a share increasing one-hundred percent (100%) above the exercise price; an additional 25% will vest upon the fair market value of a share increasing one-hundred and fifty percent (150%) above the exercise price; and the remaining 25% of the award will vest upon the fair market value increasing two-hundred percent (200%) above the exercise price (which fair market value, in each case, while the Company remains a privately-held company, will be determined using an independent valuation analysis approved by the board of

directors, or, following the completion of this offering, will be determined based upon the average trading price of our common stock over a 90-consecutive-day period), subject to the executive's continued service through the applicable vesting dates.

The share totals and exercise prices set forth above reflect adjustment made in connection with the 1-to-4.5 forward stock split of our common stock effected on March 19, 2021.

#### *2021 Plan*

In connection with this offering, we have adopted, and our stockholders have approved, the 2021 Incentive Award Plan, referred to below as the 2021 Plan, in order to facilitate the grant of cash and equity incentives to directors, employees (including our named executive officers) and consultants of our Company and certain of its affiliates and to enable our Company and certain of its affiliates to obtain and retain services of these individuals, which is essential to our long-term success. For additional information about the 2021 Plan, see "—Incentive Arrangements—2021 Incentive Award Plan" below.

#### ***Other Elements of Compensation***

##### ***Retirement Plans***

Our Israeli employees, including our named executive officers, are eligible to receive retirement benefits under the provident fund in Israel.

##### ***Employee Benefits and Perquisites***

###### *Health/Welfare Plans*

Generally, benefits available to our Israel-based employees are available to all employees on the same basis, which include annual vacation leave, sick leave, recuperation pay, transportation expense reimbursement, education fund and other customary or mandatory social benefits in Israel. We make monthly contributions to funds administered by financial institutions for certain pension and severance liabilities on behalf of each of our Israel-based employees, including our Israel-based named executive officers, subject to certain conditions. The amount of these contributions is based on a percentage of the employee's salary, taking into account any monthly salary. Generally, Company contributions are made to a manager's insurance policy, a pension fund, or a combination thereof (based on the employee's personal choice), as well as contributions to disability insurance.

The majority of our Israel-based employees are subject to an arrangement in accordance with Section 14 of the Israeli Severance Pay Law, 5723-1963 (the "Severance Pay Law" and a "Section 14 Arrangement"), pursuant to which an employer and an employee may agree, as part of the employee's employment agreement, that the employer will make a monthly contribution, equal to 8.33% of the employee's monthly salary, to a special severance fund for the benefit of the employee. Upon the termination of the employee's employment (regardless of whether such termination was initiated by the employer or the employee), the aggregate contributions accrued in the severance fund will be released to the employee, in lieu of severance pay.

In the absence of such Section 14 Arrangement, the employer must still contribute, on a monthly basis, a certain percentage from the employee's monthly salary to a special severance fund for the benefit of the employee. However, in the event of such employee's dismissal by the employer, the employer has to pay such employees severance pay in an amount equal to the difference between the last monthly salary of the relevant employee multiplied by the number years of employment, and the amounts accrued in the above-mentioned funds.

Mr. Yekutiel receives a car allowance from the Company. The actual car allowance amounts paid to Mr. Yekutiel for 2020 is set forth above in the Summary Compensation Table in the column entitled "All Other Compensation."



We believe the benefits and perquisites described above are necessary and appropriate to provide a competitive compensation package to our named executive officers.

#### Tax Gross-Ups

Mr. Yekutiel received a tax gross-up of \$12,929 associated with the car allowance paid to him by the Company. In general, no other named executive officers received tax gross-ups from the Company. However, immediately prior to the first public filing of the registration statement of which this prospectus forms a part, the full outstanding principal amount of, and accrued and unpaid interest on, loans between certain of our executives, including Mr. Yekutiel and Dr. Tsur, and the Company, were automatically forgiven in accordance with the terms of the applicable loan agreements. In connection with such loan forgiveness, we expect to make tax gross-up payments to Mr. Yekutiel and Dr. Tsur of approximately \$308,482 and \$197,910, respectively. For additional information, see "Certain Relationships and Related Party Transactions—Director and Executive Officer Loans."

#### Outstanding Equity Awards at Fiscal Year-End

The following table represents information regarding outstanding equity awards held by our named executive officers as of December 31, 2020. The share totals and exercise prices set forth below reflect adjustment made in connection with the 1-to-4.5 forward stock split of our common stock effected on March 19, 2021.

Name	Grant Date	Option Awards				
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date
Ron Yekutiel	7/25/12 <sup>(1)</sup>	170,626	—	—	0.08	7/24/22
	10/16/13 <sup>(1)</sup>	1,522,773	—	—	0.17	10/15/23
	8/14/18 <sup>(2)</sup>	612,621	147,879	—	1.58	8/14/28
	8/14/18 <sup>(2)</sup>	369,747	89,253	—	1.58	8/14/28
	12/24/20 <sup>(3)</sup>	—	3,150,000	—	4.99	12/23/30
	12/24/20 <sup>(4)</sup>	—	3,150,000	3,150,000	13.34	12/23/30
Michal Tsur	7/25/12 <sup>(1)</sup>	170,626	—	—	0.08	7/24/22
	10/16/13 <sup>(1)</sup>	456,831	—	—	0.17	10/14/33
	8/14/18 <sup>(2)</sup>	369,747	89,253	—	1.58	8/14/28
	12/24/20 <sup>(3)</sup>	—	787,500	—	4.99	12/23/30
	12/24/20 <sup>(4)</sup>	—	787,500	787,500	13.34	12/23/30
Yaron Garmazi	11/6/17 <sup>(5)</sup>	891,000	81,000	—	1.72	11/5/27
	8/14/18 <sup>(5)</sup>	6,525	4,275	—	1.58	8/14/28
	12/24/2020 <sup>(3)</sup>	—	337,500	—	4.99	12/23/30
	12/24/2020 <sup>(4)</sup>	—	337,500	337,500	13.34	12/23/30

(1) The options vest in forty-eight ratable monthly installments such that the award is fully vested four years after the vesting commencement date (February 15, 2012 for the 2012 option grants and October 16, 2013 for the 2013 option grants), subject to the executive's continued service through the applicable vesting dates. These options are fully vested.

(2) The options vest as to one-third of the options upon the first anniversary of the grant date, with the remaining two-thirds vesting in ratable monthly installments over the following two year period such that the award is fully

vested three years after the vesting commencement date of July 1, 2018, subject to the executive's continued service through the applicable vesting dates.

- (3) These options vest in twelve quarterly installments such that the award is fully vested three years after the vesting commencement date of April 1, 2021, subject to the executive's continued service through the applicable vesting dates.
- (4) These options vest based on the achievement of specified increases in the fair market value of a share such that 25% of the award will vest upon the fair market value of a share of common stock increasing fifty percent (50%) above the per share exercise price (\$13.34); an additional 25% of such award will vest upon the fair market value of a share increasing one-hundred percent (100%) above the per share exercise price; an additional 25% will vest upon the fair market value of a share increasing one-hundred and fifty percent (150%) above the per share exercise price; and the remaining 25% of the award will vest upon the fair market value increasing two-hundred percent (200%) above the per share exercise price.
- (5) These options vest as to 25% of such options on the first anniversary of the vesting commencement date (April 18, 2017 and July 1, 2018, respectively), with the remaining 75% of such options vesting in ratable monthly installments over the following thirty-six months, subject to the executive's continued service through the applicable vesting dates.

## **Executive Compensation Arrangements**

### ***Ron Yekutiel***

#### *Employment Agreement*

On May 1, 2012, Kaltura Ltd. entered into an employment agreement with Mr. Yekutiel, which was subsequently amended on November 4, 2018 and again on December 30, 2019 (the "Yekutiel Employment Agreement"), providing for his employment as Chief Executive Officer of the Company. Mr. Yekutiel's employment with the Company is at-will. The Company may decide to terminate Mr. Yekutiel's employment at any time with 90 days' prior written notice of termination. During those 90 days, the Company must pay Mr. Yekutiel an amount equal to 90 days' of his annual base salary. Mr. Yekutiel may decide to terminate his employment at any time with 60 days' notice. During those 60 days, the Company must pay Mr. Yekutiel an amount equal to 60 days' of his annual base salary.

The Yekutiel Employment Agreement provides that Mr. Yekutiel is entitled to a monthly salary of NIS 41,000 and is eligible to earn a maximum annual performance bonus of NIS 369,600 and an additional annual stretch performance bonus of up to NIS 88,920, based on the achievement of certain goals and objectives defined by the Company. For additional information on the 2020 bonuses see "Bonus Compensation—2020 Bonuses" above.

Pursuant to the Yekutiel Employment Agreement, Mr. Yekutiel participates in a manager's insurance policy, a pension fund, or a combination thereof (based on his personal choice), up to a total of 15.83% of his determining salary, of which 8.33% is a severance pay component contributed to a severance fund and up to 7.5% of which is applied to pension payments and disability insurance. The Yekutiel Employment Agreement is not subject to a Section 14 Arrangement and, accordingly, upon termination of Mr. Yekutiel's employment by the Company without Cause, the Company will have to pay Mr. Yekutiel a supplemental payment for severance equal to one month of his salary as of the date of termination multiplied by the number of his years of employment with the Company minus the aggregate contributions accrued in his severance fund (which will be released to Mr. Yekutiel at such time). In addition, the Company contributes 7.5% of Mr. Yekutiel's monthly salary to an education fund, to which Mr. Yekutiel also contributes 2.5% of his monthly salary. Pursuant to the Yekutiel Employment Agreement, Mr. Yekutiel is also entitled to a monthly housing allowance of NIS 12,380. The Company ceased providing the housing allowance to Mr. Yekutiel in 2018.

"Cause" is defined in the Yekutiel Employment Agreement generally as (i) conviction of any felony involving moral turpitude or affecting the Company or its subsidiaries; (ii) any refusal to carry out a reasonable directive of the board of directors which involves the business of the Company or its subsidiaries and was capable of being lawfully performed; (iii) embezzlement of funds of the Company, its parent Company or its subsidiaries; (iv) ownership, direct or indirect, of an interest in a person or entity

(other than a minority interest in a publicly traded Company) in competition with the products or services of the Company or its parent Company, or its subsidiaries, including those products or services contemplated in a plan adopted by the board of directors of the Company or its subsidiaries; (v) any breach of the executive's fiduciary duties or duties of care to the Company (except for conduct taken in good faith); (vi) any material breach of the Yekutiel Employment Agreement by the executive.

#### *Consulting Agreements*

Mr. Yekutiel is also party to a consulting agreement with Kaltura, Inc. providing for his position as Chairman of the Board of Directors of the Company (the "U.S. Consulting Agreement") and a consulting agreement with Kaltura Europe Limited providing for corporate and business development services he renders to the Company's United Kingdom business (the "U.K. Consulting Agreement").

On November 1, 2006, we entered into the U.S. Consulting Agreement with Mr. Yekutiel, as was subsequently amended effective January 1, 2018 and January 1, 2020, pursuant to the which Mr. Yekutiel will render services as Chairman of the Board of Directors of the Company. Pursuant to the terms of the U.S. Consulting Agreement, Mr. Yekutiel is entitled to a monthly fee for his services of \$9,167 and is eligible to earn a maximum annual performance bonus of \$68,500 and an additional stretch performance bonus of up to \$29,683, based on the achievement of certain performance objectives established by the board of directors of the Company or its delegate. The U.S. Consulting Agreement provides that Mr. Yekutiel will be subject to a perpetual confidentiality covenant.

Effective May 1, 2014, we entered into the U.K. Consulting Agreement with Mr. Yekutiel, as was subsequently amended effective January 1, 2018 and January 1, 2020. Pursuant to the U.K. Consulting Agreement, Mr. Yekutiel is entitled to a monthly fee for his services of \$13,750 and is eligible to earn a maximum annual performance bonus of \$102,440 and an additional stretch performance bonus of up to \$24,657, based on the achievement of certain performance objectives established by the board of directors of the Company or its delegate.

#### *Michal Tsur*

On January 1, 2007, the Company entered into an employment agreement with Dr. Tsur, which was subsequently amended on May 28, 2015, March 18, 2018 and again on December 30, 2019 (the "Tsur Employment Agreement"), providing for her employment as President and Chief Operating Officer (which title was subsequently changed to President, Chief Marketing Officer and General Manager, Technology Sector by the Company). Dr. Tsur's employment with the Company is at-will. The Company may decide to terminate Dr. Tsur's employment at any time with 90 days' prior written notice of termination. During those 90 days, the Company must pay Dr. Tsur an amount equal to 90 days' of her annual base salary. Dr. Tsur may decide to terminate her employment at any time with 60 days' notice. During those 60 days, the Company must pay Dr. Tsur an amount equal to 60 days' of her annual base salary.

The Tsur Employment Agreement provides that Dr. Tsur is entitled to a monthly salary of NIS 71,618, and is eligible to earn a maximum annual performance bonus of NIS 644,564 and additional annual performance stretch bonus of up to NIS 186,207, based on Dr. Tsur's and the Company's attainment of certain goals and objectives defined by the Company. For additional information on the 2020 bonuses see "Bonus Compensation—2020 Bonuses" above.

Pursuant to the Tsur Employment Agreement, Dr. Tsur participates in a manager's insurance policy, a pension fund, or a combination thereof (based on her personal choice), up to a total of 15.83% of her determining salary, of which 8.33% is a severance pay component contributed to a severance fund and up to 7.5% of which is applied to pension payments and disability insurance. The Tsur Employment Agreement is not subject to a Section 14 Arrangement and, accordingly, upon termination of Dr. Tsur's employment by the Company without Cause, the Company will have to pay Dr. Tsur a supplemental payment for severance equal to one month of her salary as of the date of termination multiplied by the number of her years of employment with the Company minus the aggregate contributions accrued in her severance fund (which will be released to Dr. Tsur at such time). In addition, the Company contributes

7.5% of Dr. Tsur's monthly salary to an education fund, to which Dr. Tsur also contributes 2.5% of her monthly salary.

"Cause" is defined in the Tsur Employment Agreement generally as (i) conviction of any felony involving moral turpitude or affecting the Company or its subsidiaries; (ii) any refusal to carry out a reasonable directive of the board of directors which involves the business of the Company or its subsidiaries and was capable of being lawfully performed; (iii) embezzlement of funds of the Company, its parent Company or its subsidiaries; (iv) ownership, direct or indirect, of an interest in a person or entity (other than a minority interest in a publicly traded Company) in competition with the products or services of the Company or its parent Company, or its subsidiaries, including those products or services contemplated in a plan adopted by the board of directors of the Company or its subsidiaries; (v) any breach of the executive's fiduciary duties or duties of care to the Company (except for conduct taken in good faith); (vi) any material breach of the Tsur Employment Agreement by the executive.

#### ***Yaron Garmazi***

On June 18, 2017, the Company entered into an employment agreement with Mr. Garmazi, which was subsequently amended on September 27, 2018, and again on December 30, 2019 (the "Garmazi Employment Agreement"), providing for his employment as Chief Financial Officer. Mr. Garmazi's employment with the Company is at-will and either party may terminate the Garmazi Employment Agreement at any time with 60 days' prior written notice of termination. The Company may decide to terminate Mr. Garmazi's employment effective as of such notice and instead pay Mr. Garmazi an amount equal to 60 days' of his monthly salary.

The Garmazi Employment Agreement provides that Mr. Garmazi is entitled to a monthly salary of NIS 80,581 and is eligible to earn a maximum annual performance bonus of NIS 483,488 and an additional annual stretch performance bonus of up to NIS 139,674, based on Mr. Garmazi's and the Company's attainment of certain goals and objectives defined by the Company. For additional information on the 2020 bonuses see "Bonus Compensation—2020 Bonuses" above.

The Garmazi Employment Agreement also provides that Mr. Garmazi is entitled to use of a company car (though Mr. Garmazi did not use a company car in 2020).

Pursuant to the Garmazi Employment Agreement, Mr. Garmazi participates in a manager's insurance policy, a pension fund, or a combination (based on his personal choice), up to a total of 15.83% of his determining salary, of which 8.33% is a severance pay component contributed to a severance fund and up to 7.5% of which is applied to pension payments and disability insurance. In the event Mr. Garmazi's employment is terminated for any reason other than for Cause, he will be entitled to receive all amounts accrued in his severance fund or policy to which the Company's severance contributions were paid during his employment, which payment is intended to satisfy the Company's obligations under the respective Section 14 Arrangement. In addition, the Company contributes 7.5% of Mr. Garmazi's monthly salary to an education fund, to which Mr. Garmazi also contributes 2.5% of his monthly salary.

Pursuant to the Garmazi Employment Agreement, Mr. Garmazi is subject to 12 month post-termination non-competition and non-solicitation covenants as well as confidentiality covenants.

"Cause" is defined in the Garmazi Employment Agreement generally as (i) the executive's breach of trust or fiduciary duties, including but not limited to theft, embezzlement, self-dealing, or breach of the provisions of the Company's Non-Competition, Proprietary Information and Inventions Agreement signed by the executive; (ii) any willful failure to perform or failure to perform competently any of the executive's material functions or duties under the Garmazi Employment Agreement (including violation of the Company's regulations, work-rules, policies, procedures and objectives, as shall be in effect from time to time), or other breach of the Garmazi Employment Agreement, which, if capable of cure, was not cured within five days of receipt by the executive of written notice thereof; (iii) an event in which the executive deliberately or gross negligently causes harm to the Company's business affairs or reputation; (iv) conviction of, or entry of any plea of guilty or nolo contendere by the executive for any felony or other

lesser crime that would require removal from his or her position at the Company (e.g. any alcohol or drug related misdemeanor); (v) personal dishonesty; (vi) willful misconduct; (vii) other cause justifying termination or dismissal without severance payment under applicable law; or (viii) if the executive has provided the Company with false information about past career and/or education during the recruiting phase.

### **Director Compensation**

No non-employee directors received compensation for their service on our board of directors in 2020.

In connection with this offering, we have adopted, and our stockholders have approved, the initial terms of our non-employee director compensation policy. Pursuant to this non-employee director compensation policy, each non-employee director will receive an annual retainer of \$30,000. In addition, the non-employee director serving as lead director of the board will receive an additional annual retainer of \$15,000 and non-employee directors serving on committees of our board of directors will receive the following additional annual fees, each earned on a quarterly basis: the chairperson of our audit committee will receive an additional annual fee of \$20,000, and other members of our audit committee will receive an additional annual fee of \$10,000; the chairperson of our compensation committee will receive an additional annual fee of \$10,000 and other members of our compensation committee will receive an additional annual fee of \$5,000; and the chairperson of our nominating and governance committee will receive an additional annual fee of \$8,000, and other members of our nominating and governance committee will receive an additional annual fee of \$4,000. Each director will receive an annual restricted stock unit award with a grant date value of \$180,000 (with prorated awards made to directors who join on a date other than an annual meeting following the first annual meeting after the closing of this offering), which will generally vest in full on the day immediately prior to the date of our annual shareholder meeting immediately following the date of grant, subject to the non-employee director continuing in service through such meeting date. The equity awards granted pursuant to this policy will accelerate and vest in full upon a change in control (as defined in the 2021 Plan).

### **Equity Plans**

#### ***Existing Equity Plans***

We currently maintain our 2007 Plans and 2017 Plan, as described above, which we refer to in this prospectus as the "Prior Plans." After the closing of this offering and following the effectiveness of the 2021 Plan, no further grants will be made under the Prior Plans.

#### ***2021 Incentive Award Plan***

In connection with this offering, we have adopted, and our stockholders have approved, the 2021 Plan, under which we may grant cash and equity incentive awards to eligible service providers in order to attract, motivate and retain the talent for which we compete. The material terms of the 2021 Plan are summarized below.

#### ***Eligibility and Administration***

Our employees, directors and other eligible service providers, and employees, directors and other eligible service providers of our parents and subsidiaries are eligible to receive awards under the 2021 Plan. The 2021 Plan is expected to be administered by our board of directors with respect to awards to non-employee directors and by our compensation committee with respect to other participants, each of which may delegate its duties and responsibilities to committees of our directors and/or officers (referred to collectively as the plan administrator below), subject to certain limitations that may be imposed under Section 16 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and/or stock exchange rules, as applicable. The plan administrator has the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of, the 2021

Plan, subject to its express terms and conditions. The plan administrator will also set the terms and conditions of all awards under the 2021 Plan, including any vesting and vesting acceleration conditions.

#### *Limitation on Awards and Shares Available*

The maximum number of shares of our common stock available for issuance under the 2021 Plan is equal to the sum of (i) 8,500,000 shares of our common stock, (ii) any shares which remain available for issuance under the Prior Plans as of the effective date of the 2021 Plan, (iii) an annual increase on the first day of each year beginning in 2022 and ending in and including 2031, equal to the lesser of (A) five percent (5%) of the outstanding shares of our common stock on the last day of the immediately preceding fiscal year and (B) such lesser amount as determined by our board of directors, and (iv) any shares of our common stock subject to awards under the Prior Plans which are forfeited or lapse unexercised and which following the effective date are not issued under such plan; provided, however, no more than 85,000,000 shares may be issued upon the exercise of incentive stock options, or ISOs. The share reserve formula under the 2021 Plan is intended to provide us with the continuing ability to grant equity awards to eligible employees, directors and consultants for the ten-year term of the 2021 Plan.

Awards granted under the 2021 Plan upon the assumption of, or in substitution for, outstanding equity awards previously granted by an entity in connection with a corporate transaction, such as a merger, combination, consolidation or acquisition of property or stock will not reduce the shares authorized for grant under the 2021 Plan. The maximum grant date fair value of cash and equity awards granted to any non-employee director pursuant to the 2021 Plan during any calendar year is \$750,000.

#### *Awards*

The 2021 Plan provides for the grant of stock options, including ISOs, and nonqualified stock options, or NSOs, restricted stock, dividend equivalents, stock payments, restricted stock units, or RSUs, other incentive awards, SARs, and cash awards. Certain awards under the 2021 Plan may constitute or provide for a deferral of compensation, subject to Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards. All awards under the 2021 Plan will be set forth in award agreements, which will detail all terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. Awards other than cash awards generally will be settled in shares of our common stock, but the plan administrator may provide for cash settlement of any award. A brief description of each award type follows.

Stock Options. Stock options provide for the purchase of shares of our common stock in the future at an exercise price set on the grant date. ISOs, by contrast to NSOs, may provide tax deferral beyond exercise and favorable capital gains tax treatment to their holders if certain holding period and other requirements of the Code are satisfied. The exercise price of a stock option may not be less than 100% of the fair market value of the underlying share on the date of grant (or 110% in the case of ISOs granted to certain significant stockholders), except with respect to certain substitute options granted in connection with a corporate transaction. The term of a stock option may not be longer than ten years (or five years in the case of ISOs granted to certain significant stockholders).

SARs. SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The exercise price of a SAR may not be less than 100% of the fair market value of the underlying share on the date of grant (except with respect to certain substitute SARs granted in connection with a corporate transaction) and the term of a SAR may not be longer than ten years.

Restricted Stock and RSUs. Restricted stock is an award of nontransferable shares of our common stock that remain forfeitable unless and until specified conditions are met, and which may be subject to a purchase price. RSUs are contractual promises to deliver shares of our common stock in the future, which may also remain forfeitable unless and until specified conditions are met. Delivery of the shares underlying RSUs may be deferred under the terms of the award or at the election of the participant, if the plan administrator permits such a deferral.

Stock Payments, Other Incentive Awards and Cash Awards. Stock payments are awards of fully vested shares of our common stock that may, but need not, be made in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. Other incentive awards are awards other than those enumerated in this summary that are denominated in, linked to or derived from shares of our common stock or value metrics related to our shares, and may remain forfeitable unless and until specified conditions are met. Cash awards are cash incentive bonuses subject to performance goals.

Dividend Equivalents. Dividend equivalents represent the right to receive the equivalent value of dividends paid on shares of our common stock and may be granted alone or in tandem with awards other than stock options or SARs. Dividend equivalents are credited as of dividend record dates during the period between the date an award is granted and the date such award vests, is exercised, is distributed or expires, as determined by the plan administrator.

#### *Vesting*

Vesting conditions determined by the plan administrator may apply to each award and may include continued service, performance and/or other conditions.

#### *Certain Transactions*

The plan administrator has broad discretion to take action under the 2021 Plan, as well as make adjustments to the terms and conditions of existing and future awards, to prevent the dilution or enlargement of intended benefits and facilitate necessary or desirable changes in the event of certain transactions and events affecting our common stock, such as stock dividends, stock splits, mergers, acquisitions, consolidations and other corporate transactions. In addition, in the event of certain non-reciprocal transactions with our stockholders known as "equity restructurings," the plan administrator will make equitable adjustments to the 2021 Plan and outstanding awards. In the event of a "change in control" of the company (as defined in the 2021 Plan), to the extent that the surviving entity declines to continue, convert, assume or replace outstanding awards, then the plan administrator may provide that all such awards will terminate in exchange for cash or other consideration, or become fully vested and exercisable in connection with the transaction. Upon or in anticipation of a change in control, the plan administrator may cause any outstanding awards to terminate at a specified time in the future and give the participant the right to exercise such awards during a period of time determined by the plan administrator in its sole discretion. Individual award agreements may provide for additional accelerated vesting and payment provisions.

#### *Foreign Participants, Claw-Back Provisions, Transferability, and Participant Payments*

The plan administrator may modify award terms, establish subplans and/or adjust other terms and conditions of awards, subject to the share limits described above, in order to facilitate grants of awards subject to the laws and/or stock exchange rules of countries outside of the United States. The 2021 Plan will include an appendix for Israeli taxpayers pursuant to which tax-qualified options may be granted to eligible employees under Section 102 of the Israeli Income Tax Ordinance. All awards will be subject to the provisions of any claw-back policy implemented by us to the extent set forth in such claw-back policy and/or in the applicable award agreement. With limited exceptions for estate planning, domestic relations orders, certain beneficiary designations and the laws of descent and distribution, awards under the 2021 Plan are generally non-transferable, and are exercisable only by the participant. With regard to tax withholding, exercise price and purchase price obligations arising in connection with awards under the 2021 Plan, the plan administrator may, in its discretion, accept cash or check, provide for net withholding of shares, allow shares of our common stock that meet specified conditions to be repurchased, allow a "market sell order" or such other consideration as it deems suitable.

#### *Plan Amendment and Termination*

Our board of directors may amend or terminate the 2021 Plan at any time; however, except in connection with certain changes in our capital structure, stockholder approval will be required for any amendment that increases the number of shares available under the 2021 Plan. No award may be granted pursuant to the 2021 Plan after the tenth anniversary of the earlier of (i) the date on which our board of directors adopts the 2021 Plan and (ii) the date on which our stockholders approve the 2021 Plan.



## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following includes a summary of transactions since January 1, 2018 to which we have been a party in which the amount involved exceeded or will exceed \$120,000, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements, which are described under "Executive Compensation." We also describe below certain other transactions with our directors, executive officers and stockholders.

### Director and Executive Officer Loans

From time to time, we have entered into loan agreements with certain of our directors and executive officers to finance their exercise of options to purchase shares of our common stock.

The following table summarizes each loan to our directors and executive officers having a principal amount outstanding as of December 31, 2020 in excess of \$120,000, including the date it was issued; its principal amount; the number of shares acquired pursuant to the option exercise (adjusted to reflect the 1-to-4.5 forward stock split of our common stock effected on March 19, 2021); the aggregate principal amount of indebtedness outstanding thereunder as of December 31, 2020; and the applicable interest rate. As of December 31, 2020, no principal or interest payments had been made with respect to any of the loans listed below. The full outstanding principal amount of, and accrued and unpaid interest on, each director and/or officer's loan was automatically forgiven immediately prior to the first public filing of the registration statement of which this prospectus forms a part in accordance with the terms of the applicable loan agreement. In connection with such loans, we anticipate making tax gross-up payments to Mr. Yekutiel, Dr. Tsur and Dr. David of \$0.3 million, \$0.2 million and \$0.2 million, respectively.

	Issue Date	Principal Amount	Number of Shares Acquired	Principal Amount Outstanding as of December 31, 2020	Interest Rate (per annum)
<b>Executive Officers</b>					
Ron Yekutiel	May 15, 2015	\$0.3 million	2,150,077	\$0.3 million	0.5%
Michal Tsur	May 15, 2015	\$0.2 million	1,510,510	\$0.2 million	0.5%
<b>Directors</b>					
Shay David	May 15, 2015	\$0.2 million	1,510,510	\$0.2 million	0.5%

### Transactions with Goldman Sachs & Co. LLC and Affiliates

Special Situations Investing Group II, LLC, an affiliate of Goldman Sachs & Co. LLC (for purposes of this section, "SSIG"), holds a warrant to purchase shares of our common stock, which we refer to in this prospectus as the "GS Warrant." The GS Warrant will automatically exercise on a cashless basis immediately prior to the closing of this offering in accordance with its terms. The GS Warrant is initially issuable for 7,146,490 shares of our common stock at an exercise price of \$0.0001 per share; *provided* that the number of shares issuable upon the exercise of the GS Warrant in connection with an initial public offering is subject to certain adjustments based on the equity valuation implied by the midpoint of the price range set forth on the cover page of the preliminary prospectus related to such offering. After giving effect to such adjustments, we expect to issue 5,974,515 shares of our common stock to SSIG upon the automatic cashless exercise of the GS Warrant in connection with this offering.

SSIG also holds 1,666,667 shares of our Series F convertible preferred stock, all of which will convert into shares of common stock immediately prior to the closing of this offering. Pursuant to the terms of our certificate of incorporation, as currently in effect, the number of shares of common stock into which such shares will convert in connection with an initial public offering is determined using a price per share equal to 102% of the midpoint of the price range set forth on the cover page of the preliminary prospectus.

related to such offering. As a result, after giving effect to certain adjustments in connection with the 1-to-4.5 forward stock split we effected on March 19, 2021, we expect to issue 5,164,537 shares of common stock to SSIG upon the conversion of our Series F convertible preferred stock in connection with this offering.

Pursuant to the terms of the GS Warrant and, in the case of our Series F convertible preferred stock, our certificate of incorporation, as currently in effect, we will be required to make certain cash payments to SSIG if the initial public offering price per share at which shares of our common stock are sold in this offering (the "Actual IPO Price") is less than the price per share used to calculate the number of shares issuable upon the automatic cashless exercise of the GS Warrant or the conversion of our Series F convertible preferred stock, as the case may be (the "Estimated Price"). Conversely, if the Actual IPO Price is greater than the Estimated Price, SSIG will be required to make certain cash payments to us. The following table sets forth the aggregate cash payments we expect to be required to make to SSIG assuming an Actual IPO Price equal to the midpoint of the price range set forth on the cover page of this prospectus and at certain potential prices below such midpoint:

Actual IPO Price	Payment Amount
\$15.00	\$1,536,975
\$14.00	\$7,136,775
\$13.00	\$13,598,550
\$12.00	\$21,137,565
\$11.00	\$30,047,895

In addition, Mr. Holger Staude, a Managing Director of Goldman Sachs & Co. LLC, served as a member of our board of directors from July 2016 to February 2021. Goldman Sachs & Co. LLC is acting as an underwriter in this offering and will receive underwriting discounts and commissions as described elsewhere in this prospectus under the caption "Underwriting."

#### Investors' Rights Agreement

In July 2016, we entered into a sixth amended and restated investors' rights agreement (the "Investors' Rights Agreement") with certain of our investors, including each holder of more than 5% of our capital stock and certain of our directors and executive officers (or, in some cases, entities affiliated therewith). The Investors' Rights Agreement provides for certain registration rights relating to the registrable securities held by such investors. See "Description of Capital Stock—Registration Rights" for additional information. Subject to certain exceptions and limitations, in the event we issue additional equity securities or other securities that are or may become convertible or exchangeable into or exercisable for equity securities, the Investors' Rights Agreement provides the investors party thereto with a right of first offer to purchase up to that portion of such securities which equals the proportion that the shares of our common stock issued and held, or issuable upon the conversion and/or exercise of all shares of our convertible preferred stock, redeemable convertible preferred stock and other derivative securities then held by such investor, bears to the total number of shares of our common stock then outstanding (assuming the conversion and/or exercise of all shares of our convertible preferred stock, redeemable convertible preferred stock and other derivative securities then outstanding). Any investors fully exercising such right will also have the right to purchase up to their pro rata share of any securities not purchased by other investors. This right of first offer does not apply to this offering and will terminate on the effective date of the registration statement of which this prospectus forms a part (provided that, with respect to Special Situations Investing Group II, LLC, the right of first offer will terminate upon the closing of this offering).

#### Voting Agreement

We are party to the Voting Agreement, pursuant to which Special Situations Investing Group II, LLC, Sapphire Ventures Fund II, L.P., Nexus India Capital II, LP, Point 406 Ventures I, L.P. and Avalon

Ventures VII, L.P., have certain designation rights with respect to the individuals to be elected to our board of directors. See “Management—Board Composition and Election of Directors.” The Voting Agreement will terminate by its terms in connection with the closing of this offering, and none of our stockholders will have any continuing rights thereunder regarding the election or designation of members of our board of directors.

#### **Right of First Refusal and Co-Sale Agreement**

In July 2016, we entered into a sixth amended and restated right of first refusal and co-sale agreement (the “Right of First Refusal and Co-Sale Agreement”) with certain of our investors, including each holder of more than 5% of our capital stock and certain of our directors and executive officers (or, in some cases, entities affiliated therewith), pursuant to which we have a right of first refusal in respect of certain sales of securities by the investors party thereto. To the extent we do not exercise such right in full, such investors are granted certain rights of first refusal and co-sale in respect of such sale. The Right of First Refusal and Co-Sale Agreement will terminate in connection with the closing of this offering.

#### **Employment Agreements**

We have entered into employment agreements with our named executive officers. For more information regarding the agreements with our named executive officers, see “Executive Compensation.”

#### **Indemnification Agreements**

We intend to enter into indemnification agreements with each of our directors and executive officers. These agreements, among other things, require us or will require us to indemnify each director (and in certain cases their related investment funds) and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys’ fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person’s services as a director or executive officer. For further information, see “Executive Compensation.”

#### **Equity Awards to Executive Officers and Directors**

We have granted stock options and other equity awards to our executive officers and directors as more fully described in the section entitled “Executive Compensation.”

#### **Policies and Procedures for Related Person Transactions**

Our board of directors has adopted a written related person transaction policy, to be effective at the time of effectiveness of the registration statement of which this prospectus forms a part, setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we were or are to be a participant, where the amount involved exceeds \$120,000 in any fiscal year and a related person had, has or will have a direct or indirect material interest, including without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our audit committee is tasked to consider all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm’s length transaction and the extent of the related person’s interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

## PRINCIPAL AND SELLING STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our common stock, as of December 31, 2020, and as adjusted to reflect the sale of common stock by us and the selling stockholders in this offering, by:

- each person or group of affiliated persons known by us to beneficially own more than 5% of our common stock;
- each of our named executive officers;
- each of our directors;
- all of our executive officers and directors as a group; and
- each of the other selling stockholders.

The number of shares beneficially owned by each stockholder is determined under rules issued by the SEC. Under these rules, a person is deemed to be a “beneficial” owner of a security if that person has or shares voting power or investment power, which includes the power to dispose of or to direct the disposition of such security. Except as indicated in the footnotes below, we believe, based on the information furnished to us, that the individuals and entities named in the table below have sole voting and investment power with respect to all shares of common stock beneficially owned by them, subject to any applicable community property laws.

Percentage ownership of our common stock before this offering is based on 105,543,884 shares of our common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion and the Warrant Exercises. Percentage ownership of our common stock after this offering is based on 123,075,914 shares of our common stock outstanding as of December 31, 2020, after giving effect to the Preferred Stock Conversion and the Warrant Exercises, as described above, and our issuance of shares of our common stock in this offering, or 126,600,914 shares of our common stock if the underwriters’ option to purchase additional shares of our common stock is exercised in full (including, in each case, 132,030 shares of our common stock to be issued in connection with the Selling Stockholder Option Exercises). In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options, warrants or other rights held by such person that are currently exercisable or that will become exercisable within 60 days of December 31, 2020 are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person. See “Underwriting.” Unless noted otherwise, the address of all listed stockholders is 250 Park Avenue South, 10th Floor, New York, New York 10003.

Name of beneficial owner	Common stock beneficially owned before this offering		Shares of common stock to be sold in this offering	Common stock beneficially owned after this offering			
	Number	%		No exercise of option		Full exercise of option	
				Number	%	Number	%
<b>5% stockholders:</b>							
Entities affiliated with Point 406 Ventures <sup>(1)**</sup>	17,567,626	16.6%	878,382	16,689,244	13.6%	16,689,244	13.2%
Nexus India Capital II, L.P. <sup>(2)**</sup>	16,053,858	15.2	802,692	15,251,166	12.4	15,251,166	12.0
Avalon Ventures VII, L.P. <sup>(3)**</sup>	8,962,708	8.5	448,132	8,514,576	6.9	8,514,576	6.7
Intel Capital Corporation <sup>(4)**</sup>	8,040,721	7.6	402,036	7,638,685	6.2	7,638,685	6.0
Sapphire Ventures Fund II, L.P. <sup>(5)**</sup>	7,980,295	7.6	399,014	7,581,281	6.2	7,581,281	6.0
Special Situations Investing Group II, LLC <sup>(6)**</sup>	11,139,052	10.6	566,784	10,572,268	8.6	10,572,268	8.4
<b>Named executive officers and directors:</b>							
Ron Yekutieli <sup>(7)**</sup>	7,562,425	7.0	1,084,792	6,477,633	5.1	6,477,633	5.0
Michal Tsur <sup>(8)**</sup>	5,180,917	4.9	601,942	4,578,975	3.7	4,578,975	3.6
Yaron Garmazi <sup>(9)**</sup>	938,700	*	132,030	806,670	*	806,670	*
Narendra K. Gupta <sup>(10)</sup>	16,053,858	15.2	802,692	15,251,166	12.4	15,251,166	12.0
Richard Levandov	—	—	—	—	—	—	—
Shay David <sup>(11)**</sup>	5,040,669	4.7	252,033	4,788,636	3.9	4,788,636	3.8
Ronen Faier	—	—	—	—	—	—	—
Naama Halevi Davidov <sup>(12)**</sup>	421,875	*	21,093	400,782	*	400,782	*
<b>All executive officers and directors as a group (9 individuals)<sup>(13)</sup></b>	<b>35,556,756</b>	<b>31.8</b>	<b>2,894,582</b>	<b>32,662,174</b>	<b>25.3</b>	<b>32,662,174</b>	<b>24.6</b>
<b>Other selling stockholders:</b>							
Commonfund Capital Venture Partners X, L.P.**	1,662,561	1.6	83,128	1,579,433	1.3	1,579,433	1.2
Eran Etam <sup>(14)**</sup>	5,002,420	4.7	261,596	4,740,824	3.8	4,740,824	3.7
Nokia Growth Partners III, L.P.**	2,660,098	2.5	133,004	2,527,094	2.1	2,527,094	2.0
Maniro Limited**	454,432	*	22,721	431,711	*	431,711	*
Sao Marcos Investimentos Ltd.**	90,886	*	4,544	86,342	*	86,342	*
SVB Financial Group <sup>(15)**</sup>	121,549	*	6,077	115,472	*	115,472	*

\* Less than 1%.

\*\* Represents a selling stockholder.

(1) Before giving effect to this offering, consists of (i) 16,511,787 shares of common stock held by Point 406 Ventures I, L.P. ("Ventures I L.P."), (ii) 80,464 shares of common stock held by Point 406 Ventures I-A, L.P. ("Ventures I-A L.P."), and (iii) 975,375 shares of common stock held by Point203X2SPV, LLC ("SPV LLC" and, together with Ventures I L.P. and Ventures I-A L.P., the "Point 406 Ventures Funds"). The shares of common stock to be sold in this offering consist of (i) 825,588 shares being offered by Ventures I L.P., (ii) 4,023 shares being offered by Ventures I-A L.P., and (iii) 48,771 shares being offered by SPV LLC. .406 Ventures I GP, L.P. ("Ventures GP") is the general partner of each of Ventures I L.P. and Ventures II-A L.P. and the manager of SPV LLC. .406 Ventures I GP, LLC is the general partner of Ventures GP. Maria Cirino and Liam Donohue are the managing members of .406 Ventures I GP, LLC and, as a result, may be deemed to share voting and investment power with respect to the shares held by the Point 406 Ventures Funds. The mailing address of each of the entities identified in this footnote is 470 Atlantic Ave., 12th Floor, Boston, MA 02110.

- (2) Nexus India Management II, L.P. ("Nexus Management") is the general partner of Nexus India Capital II, L.P. ("Nexus Capital"). The general partner of Nexus Management is Nexus India Master Management I, Ltd. ("Nexus Master"). Narendra K. Gupta, a member of our board of directors, holds sole voting and investment power in Nexus Master and, as a result, may be deemed to hold sole voting and investment power over the shares held by Nexus Capital. The registered office address for each of the entities identified in this footnote is c/o Conyers Trust Company (Cayman) Limited, Six, 2nd Floor, Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman, KY 1-111, Cayman Islands, and the mailing address for each such entity is 3000 Sand Hill Road, Building 1, Suite 260, Menlo Park, CA 94025.
- (3) Avalon Ventures VII GP LLC ("Avalon GP") is the general partner of Avalon Ventures VII, LP ("Avalon LP"). Kevin J. Kinsella and Stephen L. Tomlin are the managing members of Avalon Ventures GP and, as a result, may be deemed to share voting and investment power with respect to the shares held by Avalon LP. The mailing address of each of the entities identified in this footnote is 1134 Kline Street, La Jolla, CA 92037.
- (4) Intel Capital Corporation ("Intel Capital") is a wholly owned subsidiary of Intel Corporation, a public company with common stock listed on the Nasdaq Global Select Market. For purposes of Rule 13d-3 under the Exchange Act, voting and investment power with respect to the shares of common stock held of record by Intel Capital are deemed to be held by Intel Corporation's nine-person board of directors. Decisions of Intel Corporation's board of directors are made by majority vote and, as a result, no individual director acting alone has the ability to exercise voting or investment power with respect to these shares. The mailing address of Intel Corporation and Intel Capital Corporation is 2200 Mission College Blvd., M/S RNB 6-59, Santa Clara, CA 95054.
- (5) Sapphire Ventures (GPE) II, L.L.C. ("SAP GP") is the general partner of Sapphire Ventures Fund II, L.P. ("SAP LP"). Nino N. Marakovic, Richard Douglas Higgins, Jayendra Das, David A. Hartwig and Andreas Weiskam are the managing members of SAP GP and, as a result, may be deemed to share voting and investment power with respect to the shares held by SAP LP. The managing members each disclaim beneficial ownership of the securities reported herein, except to the extent of his or her pecuniary interest therein. The mailing address of each of the entities identified in this footnote is 3408 Hillview Avenue, Building 5, Palo Alto, CA 94304.
- (6) The shares are held of record by Special Situations Investing Group II, LLC, which is an affiliate of Goldman Sachs & Co. LLC, a New York limited liability company and a broker-dealer. Goldman Sachs & Co. LLC is a member of the New York Stock Exchange and other national exchanges. Goldman Sachs & Co. LLC is a direct and indirect wholly-owned subsidiary of The Goldman Sachs Group, Inc. ("GS Group"). GS Group is a public entity and its common stock is publicly traded on the New York Stock Exchange. The shares of common stock held by Special Situations Investing Group II, LLC were acquired in the ordinary course of its investment business and not for the purpose of resale or distribution. GS Group may be deemed to beneficially own the securities held by Special Situations Investing Group II, LLC. GS Group disclaims beneficial ownership of such securities except to the extent of its pecuniary interest therein. The mailing address for Special Situations Investing Group II, LLC is 200 West Street, New York, New York 10282.
- (7) Includes options to purchase 2,777,395 shares of common stock that are or will be immediately exercisable within 60 days of December 31, 2020.
- (8) Includes options to purchase 1,035,454 shares of common stock that are or will be immediately exercisable within 60 days of December 31, 2020.
- (9) Consists of options to purchase shares of common stock that are or will be immediately exercisable within 60 days of December 31, 2020.
- (10) Consists of shares of common stock held by Nexus India Capital II, L.P., which Mr. Gupta may be deemed to beneficially own. See footnote (2) above. All shares of common stock to be sold in this offering are being offered by Nexus India Capital II, L.P.
- (11) Consists of (i) 4,145,462 shares of common stock (1,285,510 of which are held of record by Dr. David and 2,859,952 of which are held of record by Good Choice LLC, of which Dr. David's wife is the managing director), and (ii) options to purchase 895,207 shares of common stock held by Dr. David that are or will be immediately exercisable within 60 days of December 31, 2020.
- (12) Includes options to purchase 247,500 shares of common stock that are or will be immediately exercisable within 60 days of December 31, 2020.
- (13) Includes options to purchase 6,252,568 shares of common stock that are or will be immediately exercisable within 60 days of December 31, 2020.
- (14) Includes options to purchase 856,957 shares of common stock that are or will be immediately exercisable within 60 days of December 31, 2020. Mr. Etam is one of our co-founders and previously served as our Chief Technology Officer. Mr. Etam currently serves as an employee and director of Kaltura, Ltd., one of our subsidiaries.
- (15) An affiliate of SVB Financial Group is an agent and lender under our Credit Facilities, and was previously the lender under our Prior Revolving Credit Facility.

## DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock and certain provisions of our Post-IPO Certificate of Incorporation and Post-IPO Bylaws are summaries and are qualified by reference to the Post-IPO Certificate of Incorporation and the Post-IPO Bylaws that will be in effect upon the closing of this offering. Copies of these documents will be filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of our common stock and preferred stock reflect changes to our capital structure that will occur upon the closing of this offering.

### General

Upon the closing of this offering, our authorized capital stock will consist of 1,020,000,000 shares, all with a par value of \$0.0001 per share, of which:

- 1,000,000,000 shares are designated as common stock; and
- 20,000,000 shares are designated as preferred stock.

### Common Stock

As of December 31, 2020, after giving effect to (i) the Preferred Stock Conversion, and (ii) the Warrant Exercises, we had outstanding 105,543,884 shares of common stock held of record by 256 stockholders.

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders and do not have cumulative voting rights. An election of directors by our stockholders shall be determined by a plurality of the votes cast by the stockholders entitled to vote on the election. Holders of common stock are entitled to receive proportionately any dividends as may be declared by our board of directors, subject to any preferential dividend rights of any series of preferred stock that we may designate and issue in the future.

In the event of our liquidation or dissolution, the holders of common stock are entitled to receive proportionately our net assets available for distribution to stockholders after the payment of all debts and other liabilities and subject to the prior rights of any outstanding preferred stock. Holders of common stock have no preemptive, subscription, redemption or conversion rights. Our outstanding shares of common stock are, and the shares offered by us in this offering will be, when issued and paid for, validly issued, fully paid and nonassessable. The rights, preferences and privileges of holders of common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

### Preferred Stock

As of December 31, 2020, after giving effect to the Series C Warrant Exercise, there were 16,850,111 shares of our convertible preferred stock and redeemable convertible preferred stock outstanding. Immediately prior to the closing of this offering, all outstanding shares of our convertible preferred stock and redeemable convertible preferred stock will convert into an aggregate of 73,490,034 shares of our common stock.

Under the terms of our Post-IPO Certificate of Incorporation, our board of directors is authorized to direct us to issue shares of preferred stock in one or more series without stockholder approval. Our board of directors has the discretion to determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock.

The purpose of authorizing our board of directors to issue preferred stock and determine its rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions, future financings and

other corporate purposes, could have the effect of making it more difficult for a third-party to acquire, or could discourage a third-party from seeking to acquire, a majority of our outstanding voting stock. Upon the closing of this offering, there will be no shares of preferred stock outstanding, and we have no present plans to issue any shares of preferred stock.

#### **Warrants**

As of December 31, 2020, we had warrants to purchase an aggregate of up to 189,505 shares of our redeemable convertible preferred stock outstanding, consisting of (i) the Series C Warrant, exercisable for up to 31,414 shares of our Series C convertible preferred stock at an exercise price of \$3.82 per share, (ii) the Series D Warrant, exercisable for up to 56,285 shares of our Series D convertible preferred stock at an exercise price of \$5.33 per share, and (iii) the Series E Warrants, exercisable for up to 32,841 shares of our Series E preferred stock at an exercise price of \$15.223 per share, and up to 68,965 shares of our Series E preferred stock at an exercise price of \$10.15 per share. In February 2021, the Series C Warrant was automatically exercised, on a cashless basis, for 27,011 shares of our Series C convertible preferred stock. The Series D Warrant and the Series E Warrants may be exercised at any time and from time to time, in whole or in part, prior to their respective expiration dates, *provided* that, if not previously exercised, each such warrant will be deemed to have been automatically exercised on a cashless basis immediately prior to its expiration. As described elsewhere in this prospectus, the Series D Warrant and the Series E Warrants will become exercisable for shares of our common stock as a result of the Preferred Stock Conversion and automatically exercised on a cashless basis immediately prior to the closing of this offering.

In addition, as of December 31, 2020, we had warrants to purchase shares of our common stock outstanding, consisting of (i) the Newrow Warrant, and (ii) the GS Warrant. The Newrow Warrant will remain outstanding following the closing of this offering and will be exercisable at any time, in whole or in part, for up to 613,255 shares of our common stock at an exercise price of \$0.0001 per share beginning in September 2022. Unless earlier exercised, the Newrow warrant will expire in March 2027. As described elsewhere in this prospectus, the GS Warrant will be automatically exercised on a cashless basis immediately prior to the closing of this offering. See "Certain Relationships and Related Party Transactions—Transactions With Goldman Sachs & Co. LLC and Affiliates."

#### **Options**

As of December 31, 2020, options to purchase 31,981,404 shares of our common stock were outstanding under our Prior Plans, of which 13,686,784 options were vested as of that date. In connection with the sale of shares by certain of the selling stockholders in this offering, 132,030 shares of our common stock will be issued upon exercise of options by such selling stockholders.

#### **Registration Rights**

The Investors' Rights Agreement grants the parties thereto certain registration rights in respect of the "registrable securities" held by them, which securities include (i) shares of our common stock issued upon the conversion and/or exercise of shares of our convertible preferred stock, redeemable convertible preferred stock or other securities acquired by the investors party thereto after the date of the Investors' Rights Agreement, (ii) shares of our common stock held by our founders and (iii) shares of our common stock issued as a dividend or other distribution in respect thereof, or in exchange therefor or replacement thereof. The registration of shares of our common stock pursuant to the exercise of these registration rights would enable the holders thereof to sell such shares without restriction under the Securities Act when the applicable registration statement is declared effective. Under the Investors' Rights Agreement, we will generally be required to pay all expenses relating to such registrations, including the reasonable fees and disbursements of one counsel for the participating holders, and the holders will be required to pay all underwriting discounts and commissions relating to the sale of their shares and stock transfer taxes. The Investors' Rights Agreement also includes customary covenants, indemnification provisions and procedural terms.



Following the closing of this offering, holders of approximately 91,350,498 shares of our common stock (including shares issuable upon the Preferred Stock Conversion and the Warrant Exercises) will be entitled to such registration rights pursuant to the Investors' Rights Agreement. These registration rights will terminate upon the earliest of (i) the date that is five years after the closing of this offering, (ii) the completion of certain liquidation events, (iii) the closing of certain corporate reorganizations or dispositions of all or substantially all of the assets of the Company and its subsidiaries taken as a whole and (iv) as to a given holder of registration rights, the date after the completion of this offering when such holder of registration rights and its affiliates can sell all of their shares pursuant to Rule 144 of the Securities Act during a 90-day period without registration. Under the Investors' Rights Agreement, we are generally required to pay all expenses (other than underwriting discounts and commissions and certain other expenses) related to any registration effected pursuant to the exercise of such registration rights.

#### ***Demand Registration Rights***

At any time after the earlier of (x) two years after the date of the Investors' Rights Agreement and (y) six months after the closing of this offering, the holders of a majority of the registrable securities then outstanding may request that we file a registration statement with respect to all or a portion of the outstanding registrable securities of such holders having an aggregate proposed offering price, net of underwriting discounts and commissions, of at least \$5 million. Generally, we are only obligated to effect up to two such registrations.

Once we are eligible to use a registration statement on Form S-3, the holders of at least 15% of the registrable securities then outstanding may request that we file a registration statement on Form S-3 with respect to all or a portion of the outstanding registrable securities of such holders having an aggregate proposed offering price, net of underwriting discounts and commissions, of at least \$5 million. These holders may make an unlimited number of requests for registration on a registration statement on Form S-3. However, we generally will not be required to effect a registration on Form S-3 if we have effected two or more such registrations within the twelve-month period preceding the date of the request.

The demand registration rights described above are subject to certain customary conditions and limitations, including, if the holders requesting registration intend to distribute their securities by means of an underwritten offering, the right of the underwriters to limit the number of shares included in any such registration under certain circumstances. Additionally, if we determine that it would be materially detrimental to us and our stockholders to effect any such demand registration, we have the right to defer such registration, not more than once in any twelve-month period, for a period of up to 120 days.

#### ***Piggyback Registration Rights***

In the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, in connection with the public offering of such securities, the holders of registrable securities party to the Investors' Rights Agreement will be entitled to certain "piggyback" registration rights allowing them to include all or a portion of their registrable securities in such registration, subject to certain marketing and other limitations. These "piggyback" registration rights do not apply to certain excluded registrations, including (i) registrations on 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 statement related to the issuance or resale of securities issued in such a transaction or (iii) any registration related to stock issued upon conversion of debt securities. As a result, whenever we propose to file a registration statement under the Securities Act, other than in connection with one of the foregoing excluded registrations, these holders will be entitled to notice of the registration and will have the right to include their registrable securities in the registration subject to certain limitations.

#### **Anti-Takeover Provisions**

Certain provisions of Delaware law, our Post-IPO Certificate of Incorporation and our Post-IPO Bylaws may have the effect of delaying, deferring, discouraging or preventing another person from

acquiring control of us. As discussed below, these provisions are intended to discourage coercive takeover practices and inadequate takeover bids, and to encourage persons seeking to acquire control of our company to first negotiate with our board of directors. These provisions may also have the effect of inhibiting fluctuations in the market price of our common stock that may result from actual or rumored takeover attempts, and could make it more difficult to accomplish or deter transactions that stockholders may otherwise consider to be in their or our best interest, including transactions that provide for payment of a premium over the market price of our common stock. We believe, however, that the benefits of the increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because negotiation of these proposals could result in an improvement of their terms.

#### ***Post-IPO Certificate of Incorporation and Post-IPO Bylaws***

Our Post-IPO Certificate of Incorporation and Post-IPO Bylaws will include a number of provisions that could deter hostile takeovers or delay or prevent changes in control of our board of directors or management team, including the following:

##### *Undesignated Preferred Stock*

Our board of directors will have the authority, without action by our stockholders, to issue up to 20,000,000 shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock would enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or other means.

##### *Elimination of Stockholder Action by Written Consent; Special Meetings of Stockholders*

Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of 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, is 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 of our stock entitled to vote thereon were present and voted, unless a corporation's certificate of incorporation provides otherwise. Our Post-IPO Certificate of Incorporation will provide that all stockholder actions must be effected at a duly called annual or special meeting of stockholders and not by written consent in lieu of a meeting. In addition, our Post-IPO Bylaws will provide that a special meeting of stockholders may be called only by the chair of our board of directors, our chief executive officer or president (in the absence of a chief executive officer), or by a resolution adopted by a majority of our board of directors. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.

##### *Advance Notice Requirements for Stockholder Proposals and Director Nominations*

Our Post-IPO Bylaws will establish advance notice procedures for stockholders seeking to bring business before an annual meeting of our stockholders or to nominate candidates for election as directors at an annual meeting of our stockholders. Our Post-IPO Bylaws will also specify certain requirements regarding the form and content of a stockholder's notice. These provisions might preclude our stockholders from bringing matters before an annual meeting of stockholders or from making nominations for directors at an annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

#### *Classified Board*

Our Post-IPO Certificate of Incorporation will provide that our board of directors is divided into three classes, Class I, Class II and Class III, with each class serving staggered terms. Our Post-IPO Certificate of Incorporation will further provide that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of the holders of at least two-thirds in voting power of the outstanding shares of stock entitled to vote in the election of directors. This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it will generally make it more difficult for stockholders to replace a majority of the members of our board of directors.

#### *Board of Directors Vacancies*

Subject to the rights of the holders of any series of preferred stock that we may designate and issue in the future, our Post-IPO Certificate of Incorporation and Post-IPO Bylaws will authorize our board of directors to fill vacant directorships, including newly created seats, and the number of directors constituting our board of directors will be permitted to be set only by a resolution adopted by our board of directors. These provisions would prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. This will make it more difficult to change the composition of our board of directors and will promote continuity of management.

#### *Stockholders Not Entitled to Cumulative Voting*

The DGCL provides that stockholders are not entitled to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our Post-IPO Certificate of Incorporation will not permit stockholders to cumulate their votes in the election of directors. Accordingly, the holders of a majority of the outstanding shares of our common stock entitled to vote in any election of directors will be able to elect all of the directors standing for election, if they choose, subject to the rights of the holders of any series of preferred stock that we may designate and issue in the future.

#### *Choice of Forum*

Our Post-IPO Certificate of Incorporation provides that, unless we consent in writing to the selection of an alternative form, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or other agents to us or to our stockholders; (3) any action asserting a claim against us arising pursuant to any provision of the DGCL or our Post-IPO Certificate of Incorporation or Post-IPO Bylaws (as either may be amended and/or restated) or as to which the Delaware General Corporation Law confers exclusive jurisdiction on the Court of Chancery of the State of Delaware; or (4) any action asserting a claim governed by the internal affairs doctrine. Under our Post-IPO Certificate of Incorporation, this exclusive forum provision will not apply to claims which are vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery of the State of Delaware, or for which the Court of Chancery of the State of Delaware does not have subject matter jurisdiction. For instance, the provision would not apply to actions arising under federal securities laws, including suits brought to enforce any liability or duty created by the Securities Act, Exchange Act, or the rules and regulations thereunder. Our Post-IPO Certificate of Incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Our Post-IPO Certificate of Incorporation also provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and to have consented to this choice of forum provision. By agreeing to this provision, however, stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. It is possible that a court of law could rule that the choice of forum provision

contained in our Post-IPO Certificate of Incorporation is inapplicable or unenforceable if it is challenged in a proceeding or otherwise.

*Amendment of Charter and Bylaw Provisions*

Our Post-IPO Certificate of Incorporation will further provide that the affirmative vote of holders of at least two-thirds in voting power of the outstanding shares of our capital stock entitled to vote thereon will be required to amend certain provisions of our Post-IPO Certificate of Incorporation, including provisions relating to the size and classification of our board of directors, the election and removal of directors, the prohibition on stockholder action by written consent and the ability of stockholders to call special meetings. The affirmative vote of holders of at least two-thirds in voting power of the outstanding shares of our capital stock entitled to vote thereon will be required to amend, alter or repeal our Post-IPO Bylaws, although our Post-IPO Bylaws may be amended by a simple majority vote of our board of directors.

**Section 203 of the Delaware General Corporation Law**

We are subject to Section 203 of the DGCL, 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, with the following exceptions:

- before such date, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon closing of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction began, excluding for purposes of determining the voting stock outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned by (1) persons who are directors and also officers and (2) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or after such date, the business combination is approved by our board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least 66<sup>2/3</sup>% of the outstanding voting stock that is not owned by the interested stockholder. In general, Section 203 defines business combination to include the following:
  - any merger or consolidation involving the corporation and the interested stockholder;
  - any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
  - subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
  - any transaction involving the corporation that has the effect of increasing the proportionate share of the stock or any class or series of the corporation beneficially owned by the interested stockholder; or
  - the receipt by the interested stockholder of the benefit of any loss, advances, guarantees, pledges or other financial benefits by or through the corporation.

In general, Section 203 defines an "interested stockholder" as an entity or person who, together with the person's affiliates and associates, beneficially owns, or within three years prior to the time of determination of interested stockholder status did own, 15% or more of the outstanding voting stock of the corporation.

## **Corporate Opportunity Doctrine**

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our Post-IPO Certificate of Incorporation will, to the fullest extent permitted from time to time by Delaware law, renounce any interest or expectancy that we otherwise would have in, and all rights to be offered an opportunity to participate in, any business opportunity that from time to time may be presented to any director or stockholder who is not employed by us or our subsidiaries (each such person, an "exempt person"). Our Post-IPO Certificate of Incorporation will provide that, to the fullest extent permitted by law, no exempt person will have any duty to refrain from (1) engaging in a corporate opportunity in the same or similar lines of business in which we or our subsidiaries now engage or propose to engage or (2) otherwise competing with us or our subsidiaries. In addition, to the fullest extent permitted by law, if an exempt person acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or himself or its or his affiliates or for us or our subsidiaries, such exempt person will have no duty to communicate or offer such transaction or business opportunity to us or any of our subsidiaries and such exempt person may take any such opportunity for themselves or offer it to another person or entity. To the fullest extent permitted by Delaware law, no potential transaction or business opportunity may be deemed to be a corporate opportunity of us or any of our subsidiaries unless (1) we or such subsidiary would be permitted to undertake such transaction or opportunity in accordance with our Post-IPO Certificate of Incorporation, (2) we or such subsidiary, at such time, have sufficient financial resources to undertake such transaction or opportunity, (3) we or such subsidiary have an interest or expectancy in such transaction or opportunity, and (4) such transaction or opportunity would be in the same or similar line of business in which we or such subsidiary are then engaged, or a line of business that is reasonably related to, or a reasonable extension of, such line of business.

## **Limitations on Liability and Indemnification Matters**

Our Post-IPO Certificate of Incorporation and Post-IPO Bylaws will provide that we will indemnify each of our directors and executive officers to the fullest extent permitted by the DGCL. Prior to the closing of this offering, we intend to enter into indemnification agreements with each of our directors and executive officers that may, in some cases, be broader than the specific indemnification provisions contained under Delaware law. Further, we will agree to indemnify each of our directors and executive officers against certain liabilities, costs and expenses, and we have purchased a policy of directors' and officers' liability insurance that insures our directors and executive officers against the cost of defense, settlement or payment of a judgment under certain circumstances. In addition, as permitted by Delaware law, our Post-IPO Certificate of Incorporation will include provisions that eliminate the personal liability of our directors for monetary damages resulting from breaches of certain fiduciary duties as a director. The effect of this provision is to restrict our rights and the rights of our stockholders in derivative suits to recover monetary damages against a director for breach of fiduciary duties as a director.

These provisions may be held not to be enforceable for violations of the federal securities laws of the United States.

## **Listing**

We have applied to list our common stock on the Nasdaq Global Select Market under the symbol "KLTR."

## **Transfer Agent and Registrar**

The transfer agent and registrar for our common stock is American Stock Transfer and Trust Company, LLC.

## SHARES ELIGIBLE FOR FUTURE SALE

Immediately prior to this offering, there was no public market for our common stock, and no predictions can be made about the effect, if any, that market sales of our common stock or the availability of such shares for sale will have on the market price prevailing from time to time. Nevertheless, future sales of our common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of our common stock and could impair our ability to raise capital through future sales of our securities. See "Risk Factors—Risks Related to this Offering and Ownership of our Common Stock—Future sales of substantial amounts of our common stock in the public markets, or the perception that such sales might occur, could reduce the price that our common stock might otherwise attain." Furthermore, although we have applied to list our common stock on the Nasdaq Global Select Market, we cannot assure you that there will be an active public trading market for our common stock.

Upon the closing of this offering, based on the number of shares of our common stock outstanding as of December 31, 2020 and after giving effect to (i) the Preferred Stock Conversion, (ii) the Warrant Exercises, and (iii) our issuance of 132,030 shares of our common stock in connection with the Selling Stockholder Option Exercises, we will have an aggregate of 123,075,914 shares of our common stock outstanding (or 126,600,914 shares of our common stock if the underwriters exercise in full their option to purchase additional shares). Of these shares of our common stock, all of the 23,500,000 shares sold in this offering (or 27,025,000 shares if the underwriters exercise in full their option to purchase additional shares) will be freely tradable without restriction or further registration under the Securities Act, except for any shares purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act, whose sales would be subject to the Rule 144 resale restrictions described below, other than the holding period requirement.

The remaining 99,575,914 shares of our common stock will be "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. We expect that substantially all of these shares will be subject to the lock-up period under the lock-up agreements described below. Upon expiration of the lock-up period, these shares will be available for sale in the public market, subject in some cases to applicable volume limitations under Rule 144.

### **Lock-Up Agreements and Market Stand-Off Provisions**

We and each of our directors and executive officers and holders of substantially all of our outstanding equity securities prior to this offering are subject to lock-up agreements or market stand-off provisions. The lock-up agreements, subject to certain customary exceptions, prohibit them from offering for sale, selling, contracting to sell, granting any option for the sale of, transferring or otherwise disposing of any shares of our common stock or securities convertible into, exchangeable for, exercisable for, or repayable with common stock, for 150 days after the date of this prospectus without first obtaining the written consent of Goldman Sachs & Co. LLC and BofA Securities, Inc. These agreements are also subject to a limited early release, as discussed below. Holders of outstanding options to purchase our common stock and holders of our common stock issued pursuant to option exercises are subject to market stand-off provisions in agreements with us that impose similar restrictions.

#### ***Limited Early Release***

The lock-up period described above has a potential partial release date following the 60th day after the date of this prospectus, subject to certain conditions described below. If the last reported closing price of our common stock on the Nasdaq Global Select Market is at least 30% greater than the initial public offering price per share set forth on the cover page of this prospectus for at least 10 trading days out of any 15 consecutive trading day period ending on or after the 60th day after the date of this prospectus (the last day of such 15-day period, the "Early Release Determination Date"), the terms of the lock-up agreement to which any holder of our capital stock is subject will expire at the opening of trading three

trading days after the Early Release Determination Date with respect to 20% of the aggregate number of shares of common stock and shares of common stock underlying securities convertible into, or exchangeable or exercisable for, common stock held, as of the date of this prospectus, by such holder for which all vesting conditions are satisfied as of the Early Release Determination Date.

All shares of common stock subject to a lock-up agreement and not released pursuant to the partial release described above will otherwise be released 150 days after the date of this prospectus.

Upon the complete expiration of the lock-up period, substantially all of the shares subject to such lock-up and market stand-off restrictions will become eligible for sale, subject to the limitations discussed above. For a further description of these lock-up agreements, please see "Underwriting."

#### **Rule 144**

##### ***Affiliate Resales of Restricted Securities***

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours, or who was an affiliate at any time during the 90 days before a sale, who has beneficially owned shares of our common stock for at least six months would be entitled to sell in "broker's transactions" or certain "riskless principal transactions" or to market makers, a number of shares within any three-month period that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately 1,230,759 shares of our common stock immediately after this offering; or
- the average weekly trading volume in shares of our common stock on the Nasdaq Global Select Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Affiliate resales under Rule 144 are also subject to the availability of current public information about us. In addition, if the number of shares being sold under Rule 144 by an affiliate during any three-month period exceeds 5,000 shares or has an aggregate sale price in excess of \$50,000, the seller must file a notice on Form 144 with the SEC and the Nasdaq Global Select Market concurrently with either the placing of a sale order with the broker or the execution directly with a market maker.

##### ***Non-Affiliate Resales of Restricted Securities***

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the three months preceding a sale, and who has beneficially owned shares of our common stock for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our shares for at least one year, such person can resell under Rule 144(b)(1) without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144.

#### **Rule 701**

In general, under Rule 701, any of an issuer's employees, directors, officers, consultants or advisors who purchases shares from the issuer in connection with a compensatory stock or option plan or other written agreement before the effective date of a registration statement under the Securities Act is entitled to sell such shares 90 days after such effective date in reliance on Rule 144. An affiliate of the issuer can resell shares in reliance on Rule 144 without having to comply with the holding period requirement, and non-affiliates of the issuer can resell shares in reliance on Rule 144 without having to comply with the current public information and holding period requirements.

The SEC has indicated that Rule 701 will apply to typical options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after an issuer becomes subject to the reporting requirements of the Exchange Act.

#### **Equity Plans**

We intend to file one or more registration statements on Form S-8 under the Securities Act to register all shares of our common stock subject to outstanding options and shares of our common stock issued or issuable under our incentive plans. We expect to file the registration statement covering shares offered pursuant to our incentive plans shortly after the date of this prospectus, permitting the resale of such shares by non-affiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market, subject to compliance with the resale provisions of Rule 144.

#### **Registration Rights**

Upon the closing of this offering, the holders of approximately 91,350,498 shares of our common stock or their transferees will be entitled to various rights with respect to the registration of these shares under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates. See "Description of Capital Stock—Registration Rights" for additional information. Shares covered by a registration statement will be eligible for sale in the public market upon the expiration or release from the terms of the lock-up agreement or market stand-off provisions to which they are subject.



## CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following discussion is a summary of certain U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the purchase, ownership and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the "IRS"), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder of our common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership and disposition of our common stock.

This discussion is limited to Non-U.S. Holders that hold our 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 U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax;
- persons holding our common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans;
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds; and
- persons subject to special tax accounting rules as a result of any item of gross income with respect to the stock being taken into account in an applicable financial statement.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly,

partnerships holding our common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

**THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.**

#### **Definition of a Non-U.S. Holder**

For purposes of this discussion, a “Non-U.S. Holder” is any beneficial owner of our common stock that is neither a “U.S. person” nor an entity 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 who is a 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 that (1) is subject to the primary supervision of a U.S. court and the control of one or more “United States persons” (within the meaning of Section 7701(a)(30) of the Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

#### **Distributions**

As described in the section entitled “Dividend Policy,” we do not anticipate declaring or paying dividends to holders of our common stock in the foreseeable future. However, if we do make distributions of cash or property on our 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 first be applied against and reduce a Non-U.S. Holder’s adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described below under “—Sale or Other Taxable Disposition.”

Subject to the discussion below on effectively connected income, dividends paid to a Non-U.S. Holder of our common stock 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, provided the Non-U.S. Holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate). A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies 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. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder’s conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such dividends are attributable), the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS

Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Any such effectively connected dividends will be subject to U.S. federal income tax on a net income basis at the regular graduated rates applicable to U.S. persons. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected dividends, as adjusted for certain items. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

#### **Sale or Other Taxable Disposition**

A Non-U.S. Holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such gain is attributable);
- 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 common stock constitutes a U.S. real property interest ("USRPI") by reason of our status as a U.S. real property holding corporation ("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 rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected gain, as adjusted for certain items.

Gain described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty), which may be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC. Because the determination of whether we are a USRPHC depends, however, on the fair market value of our USRPIs relative to the fair market value of our non-U.S. real property interests and our other business assets, there can be no assurance we currently are not a USRPHC or will not become one in the future. Even if we are or were to become a USRPHC, gain arising from the sale or other taxable disposition by a Non-U.S. Holder of our common stock will not be subject to U.S. federal income tax if our common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market, and such Non-U.S. Holder owned, actually and constructively, 5% or less of our common stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the Non-U.S. Holder's holding period.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

#### **Information Reporting and Backup Withholding**

Payments of dividends on our common stock will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any distributions on our common stock paid to the

Non-U.S. Holder, regardless of whether such distributions constitute dividends or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our common stock within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting, if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person, or the holder otherwise establishes an exemption. Proceeds of a disposition of our common stock conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

#### **Additional Withholding Tax on Payments Made to Foreign Accounts**

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or "FATCA") on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or (subject to the proposed Treasury Regulations discussed below) gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of stock on or after January 1, 2019, recently proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

## UNDERWRITING

We, the selling stockholders and the underwriters named below have entered into an underwriting agreement with respect to the shares of common stock being offered. Subject to certain conditions, each underwriter has severally agreed to purchase the number of shares indicated in the following table. Goldman Sachs & Co. LLC and BofA Securities, Inc. are the representatives of the underwriters.

Underwriters	Number of Shares
Goldman Sachs & Co. LLC	
BofA Securities, Inc.	
Wells Fargo Securities, LLC	
Deutsche Bank Securities Inc.	
Canaccord Genuity LLC	
JMP Securities LLC	
KeyBanc Capital Markets Inc.	
Needham & Company, LLC	
Oppenheimer & Co. Inc.	
Total	23,500,000

The underwriters are committed to take and pay for all of the shares being offered, if any are taken, other than the shares covered by the option described below unless and until this option is exercised.

The underwriters have an option to buy up to an additional 3,525,000 shares of common stock from us to cover sales by the underwriters of a greater number of shares than the total number set forth in the table above. They may exercise that option for 30 days. If any shares are purchased pursuant to this option, the underwriters will severally purchase shares in approximately the same proportion as set forth in the table above.

The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters by us and the selling stockholders. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase 3,525,000 additional shares from us.

### Paid by us

	No Exercise	Full Exercise
Per Share	\$	\$
Total	\$	\$

### Paid by the Selling Stockholders

	No Exercise	Full Exercise
Per Share	\$	\$
Total	\$	\$

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount of up to \$ \_\_\_\_\_ per share from the initial public offering price. After the initial offering of the shares, the representatives may change the offering price and the other selling terms. The offering of the shares by the underwriters is subject to receipt and acceptance and subject to the underwriters' right to reject any order in whole or in part.

We and our officers, directors, and holders of substantially all of our common stock have agreed with the underwriters, subject to certain exceptions, not to dispose of or hedge any of their common stock or securities convertible into or exchangeable for shares of common stock during the period from the date of this prospectus continuing through the date 150 days after the date of this prospectus (the "lock-up period"), except with the prior written consent of Goldman Sachs & Co. LLC and BofA Securities, Inc.

The restrictions described in the paragraph above relating to us do not apply, subject in certain cases to various conditions (including the transfer of the lock-up restrictions), to:

- shares to be sold pursuant to the underwriting agreement;
- the issuance of any shares of common stock upon the conversion or exercise of convertible preferred stock or warrants outstanding on the date of this prospectus in connection with this offering;
- the issuance of any shares or any securities or other awards convertible into, exercisable for, or that represent the right to receive, shares of common stock pursuant to any of our stock option plan, incentive plan or stock purchase plan or otherwise in equity compensation arrangements described in this prospectus;
- the issuance of any shares upon the conversion, exercise or exchange of convertible, exercisable or exchangeable securities outstanding on the date of this prospectus, in each case if such convertible, exercisable or exchangeable securities is described in this prospectus;
- the filing by us of any registration statement on Form S-8; or
- the issuance of any common stock or any securities convertible into or exchangeable for, or that represent the right to receive, shares of common stock issued in connection with any joint venture, commercial or collaborative relationship or the acquisition or license by the Company of the securities, businesses, property or other assets of another person or entity or pursuant to any employee benefit plan assumed by the Company in connection with any such acquisition, provided that the aggregate number of shares that the Company may sell or issue shall not exceed 5% of the total number of shares of common stock issued and outstanding on the closing date of this offering.

The restrictions described in the paragraph above relating to the officers, directors, and our stockholders do not apply, subject in certain cases to various conditions (including no filing requirements (other than certain filings on Form 5) and the transfer of the lock-up restrictions), to transfers or dispositions:

- as a bona fide gift or gifts or as a charitable contribution;
- to any trust for the direct or indirect benefit of the lock-up party or their immediate family, or if the lock-up party is a trust, to a trustor, trustee (or co-trustee) or beneficiary of the trust or to the estate of the beneficiary of such trust;
- in connection with the sale of common stock acquired in this Offering (other than any Company-directed shares acquired by an officer or director) or in open market transactions after this offering;
- to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity controlled or managed by the lock-up party or its affiliates, or as part of a distribution, transfer or disposition without consideration to the lock-up party's current or former stockholders, partners, members, beneficiaries or other equity holders, or to the estate of any such stockholder, partner, member, beneficiary or other equity holder;

- to the Company in connection with the exercise, vesting, exchange or settlement of any options, restricted stock units, warrants or other rights to acquire shares of common stock, including any security convertible into, or exercisable or exchangeable for, or that otherwise represents the right to receive, shares of common stock, which option, restricted stock unit, warrant or other right is granted pursuant to an employee benefit plan described in this prospectus (including, in each case, by way of “net” or “cashless” exercise and/or to cover withholding tax obligations);
- by will or intestacy;
- to any immediate family member;
- by operation of law or pursuant to a court or regulatory agency order or a settlement agreement related to the distribution of assets in connection with the dissolution of a marriage, domestic partnership or civil union;
- to the Company pursuant to agreements under which the Company has the option to repurchase such securities or a right of first refusal with respect to transfers of such securities, in each case upon death, disability or termination of service of the lock-up party; and
- in connection with the conversion of outstanding shares of the Company’s preferred stock into common stock as described in this prospectus, or any reclassification or conversion of the common stock.

Notwithstanding the foregoing, with respect to our officers, directors and holders of substantially all of our common stock, the lock-up period will end with respect to up to 20% of the aggregate number of shares of common stock, or any options or warrants to purchase any shares of common stock, or any securities convertible into, exchangeable for or that represent the right to receive shares of common stock held by the lock-up party if the last reported closing price of the common stock on the Nasdaq Global Select Market is at least 30% greater than the public offering price per share set forth on the cover page of this prospectus for at least 10 trading days out of any 15 consecutive trading day period ending on or after the 60th day after the date set forth on the cover page of the prospectus (the last day of such 15 day period, the “Early Release Determination Date”), and the lock-up party may sell or otherwise transfer beginning at the opening of trading three trading days after the Early Release Determination Date.

See “Shares Eligible for Future Sale” for a discussion of certain transfer restrictions.

Prior to the offering, there has been no public market for the shares of our common stock. The initial public offering price has been negotiated among us and the representatives. Among the factors to be considered in determining the initial public offering price of the shares, in addition to prevailing market conditions, will be our historical performance, estimates of our business potential and earnings prospects, an assessment of our management and the consideration of the above factors in relation to market valuation of companies in related businesses.

We have applied to list our common stock on the Nasdaq Global Select Market under the symbol “KLTR”.

In connection with the offering, the underwriters may purchase and sell shares of common stock in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering, and a short position represents the amount of such sales that have not been covered by subsequent purchases. A “covered short position” is a short position that is not greater than the amount of additional shares for which the underwriters’ option described above may be exercised. The underwriters may cover any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to cover the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the

price at which they may purchase additional shares pursuant to the option described above. "Naked" short sales are any short sales that create a short position greater than the amount of additional shares for which the option described above may be exercised. The underwriters must cover any such naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of our common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Purchases to cover a short position and stabilizing transactions, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of our common stock, and together with the imposition of the penalty bid, may stabilize, maintain or otherwise affect the market price of the common stock. As a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. The underwriters are not required to engage in these activities and may end any of these activities at any time. These transactions may be effected on the Nasdaq Global Select Market, in the over-the-counter market or otherwise.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately \$4.8 million. We have also agreed to reimburse the underwriters for certain FINRA-related expenses incurred by them in connection with the offering in an amount up to \$40,000.

We and the selling stockholders have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act. We have also agreed to indemnify the selling stockholders against certain liabilities, including liabilities under the Securities Act.

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the underwriters and their respective affiliates have provided, and may in the future provide, a variety of these services to us and to persons and entities with relationships with us, for which they received or will receive customary fees and expenses. See "Certain Relationships and Related Party Transactions." Goldman Sachs & Co. LLC and BofA Securities, Inc. are customers of our video products.

In the ordinary course of their various business activities, the underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of ours (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with us. The underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

#### **European Economic Area and United Kingdom**

In relation to each Member State of the European Economic Area and the United Kingdom (each a "Relevant State"), no shares of common stock (the "Shares") have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in



relation to the Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any Shares at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Shares shall require the Issuer or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

#### **United Kingdom**

Each underwriter severally represents, warrants and agrees that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (FSMA)) in connection with the issue or sale of the Shares in circumstances in which Section 21(1) of FSMA does not apply to us; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving the United Kingdom.

#### **Canada**

The securities may be sold in Canada 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 form, 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 of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

## Hong Kong

The shares may not be offered or sold in Hong Kong by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong) ("Companies (Winding Up and Miscellaneous Provisions) Ordinance") or which do not constitute an invitation to the public within the meaning of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) ("Securities and Futures Ordinance"), or (ii) to "professional investors" as defined in the Securities and Futures Ordinance and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance, and no advertisement, invitation or document relating to the shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" in Hong Kong as defined in the Securities and Futures Ordinance and any rules made thereunder.

## Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined under Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA")) under Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, 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 conditions set forth in the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person that 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, the securities (as defined in Section 239(1) of the SFA) of that corporation shall not be transferable for six months after that corporation has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer in that corporation's securities pursuant to Section 275(1A) of the SFA, (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore ("Regulation 32").

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole purpose is to hold investments and each beneficiary of the trust is an accredited investor, the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable for six months after that trust has acquired the shares under Section 275 of the SFA except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), (2) where such transfer arises from an offer that is made on terms that such rights or interest are acquired at a consideration of not less than S\$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), (3) where no consideration is or will be given for the transfer, (4) where the transfer is by operation of law, (5) as specified in Section 276(7) of the SFA, or (6) as specified in Regulation 32.

## **Switzerland**

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("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 (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("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 ("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 ("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 (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 (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.

#### **Japan**

The securities have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended), or the FIEA. The securities may not be offered or sold, directly or indirectly, in Japan or to or for the benefit of any resident of Japan (including any person resident in Japan or any corporation or other entity organized under the laws of Japan) or to others for reoffering or resale, directly or indirectly, in Japan or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of the FIEA and otherwise in compliance with any relevant laws and regulations of Japan.

#### **Israel**

The shares offered by this prospectus have not been approved or disapproved by the Israel Securities Authority (the "ISA"), nor have such shares been registered for sale in Israel. The shares may not be offered or sold, directly or indirectly, to the public in Israel, absent the publication of a prospectus that has been approved by the ISA. The ISA has not issued permits, approvals or licenses in connection with this offering or publishing this prospectus, nor has it authenticated the details included herein, confirmed their reliability or completeness, or rendered an opinion as to the quality of the shares being offered.

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Securities Law, and has not been filed with or approved by the ISA. In the State of Israel, this document may be distributed only to, and directed only at, and any offer of the common stocks is directed only at, (i) a limited number of persons in accordance with the Securities Law and (ii) investors listed in the first addendum, or the Addendum, to the Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals," each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors will be required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

## LEGAL MATTERS

The validity of the shares of our common stock offered hereby will be passed upon for us by Latham & Watkins LLP, New York, New York. Certain legal matters will be passed upon for the underwriters by Davis Polk & Wardwell LLP, New York, New York.

## EXPERTS

Our consolidated financial statements as of and for the years ended December 31, 2019 and 2020, appearing in this prospectus and the registration statement of which it forms a part, have been audited by Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance on such report given on the authority of such firm as experts in accounting and auditing.

## WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed therewith. For further information about us and the shares of common stock offered hereby, we refer you to the registration statement and the exhibits and schedules filed thereto. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement. The SEC maintains an Internet website that contains reports, proxy statements and other information about registrants, like us, that file electronically with the SEC. The address of that site is [www.sec.gov](http://www.sec.gov).

Upon the effectiveness of the registration statement, we will be subject to the informational requirements of the Exchange Act, and, in accordance with the Exchange Act, will file reports, proxy and information statements and other information with the SEC. Such annual, quarterly and special reports, proxy and information statements and other information can be inspected and copied at the locations set forth above. We intend to make this information available on the investor relations section of our website, which is located at [www.kaltura.com](http://www.kaltura.com). Information on, or accessible through, our website is not part of this prospectus.

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**Report of Independent Registered Public Accounting Firm  
To the Stockholders and the Board of Directors of Kaltura, Inc.**

**Opinion on the Financial Statements**

We have audited the accompanying consolidated balance sheets of Kaltura, Inc. and subsidiaries (the Company) as of December 31, 2019 and 2020, the related consolidated statements of operations, changes in convertible and redeemable convertible preferred stock and stockholders' deficit and cash flows for each of the two years in the period ended December 31, 2020, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019 and 2020, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

**Restatement of the 2020 Consolidated Financial Statements**

As discussed in Note 20 to the financial statements, the accompanying 2020 consolidated financial statements have been restated to correct misstatements.

**Basis for Opinion**

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting 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.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KOST FORER GABBAY & KASIERER  
A Member of Ernst & Young Global

We have served as the Company's auditor since 2007.

Tel-Aviv, Israel

March 1, 2021, except for the stock split discussed in Note 14e and the effects of the restatement discussed in Note 20 as to which the date is March 23, 2021.

## CONSOLIDATED BALANCE SHEET

U.S. dollars in thousands

	December 31,		Pro Forma Stockholders' Deficit as of December 31, 2020
	2019	2020 (As restated)	
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and cash equivalents	\$ 26,538	\$ 27,711	\$ 27,711
Trade receivables	10,829	17,134	17,134
Prepaid expenses and other current assets	1,769	2,769	2,769
Deferred contract acquisition and fulfillment costs, current	3,504	5,848	5,848
<b>Total current assets</b>	<b>42,640</b>	<b>53,462</b>	<b>53,462</b>
<b>NONCURRENT ASSETS:</b>			
Property and equipment, net	7,808	4,147	4,147
Other assets, noncurrent	2,378	3,564	3,564
Deferred contract acquisition and fulfillment costs, noncurrent	9,504	15,876	15,876
Intangible assets, net	1,107	2,835	2,835
Goodwill	9,381	11,070	11,070
<b>Total noncurrent assets</b>	<b>30,178</b>	<b>37,492</b>	<b>37,492</b>
<b>TOTAL ASSETS</b>	<b>\$ 72,818</b>	<b>\$ 90,954</b>	<b>\$ 90,954</b>
<b>LIABILITIES, CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT</b>			
<b>CURRENT LIABILITIES:</b>			
Current portion of long-term loans	\$ 19,520	\$ 1,000	\$ 1,000
Current portion of long-term lease liabilities	2,337	1,738	1,738
Trade payables	2,662	5,045	5,045
Employees and payroll accruals	10,224	16,275	16,275
Accrued expenses and other current liabilities	5,122	11,251	11,251
Deferred revenue, current	36,720	47,685	47,685
<b>Total current liabilities</b>	<b>76,585</b>	<b>82,994</b>	<b>82,994</b>
<b>NONCURRENT LIABILITIES:</b>			
Deferred revenue, noncurrent	216	1,858	1,858
Long-term loans, net of current portion	28,180	47,160	47,160
Long-term lease liabilities, net of current portion	1,764	142	142
Other liabilities, noncurrent	1,772	2,564	2,564
Warrants to purchase preferred and common stock	17,111	56,780	—
<b>Total noncurrent liabilities</b>	<b>49,043</b>	<b>108,504</b>	<b>51,724</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 125,628</b>	<b>\$ 191,498</b>	<b>134,718</b>

The accompanying notes are an integral part of the consolidated financial statements.



## CONSOLIDATED BALANCE SHEET

U.S. dollars in thousands (except share and per share data)

	December 31,		Pro Forma Stockholders' Deficit as of December 31, 2020
	2019	2020 (As restated)	
<b>COMMITMENTS AND CONTINGENCIES (Note 10)</b>			
Convertible preferred stock, \$ 0.0001 par value per share - 1,043,778 shares authorized, issued and outstanding as of December 31, 2019 and 2020; aggregate liquidation preference of \$ 1,921 as of December 31, 2019 and 2020; no shares issued and outstanding as of December 31, 2020, pro forma (unaudited)	1,921	1,921	—
Redeemable convertible preferred stock, \$ 0.0001 par value per share - 15,968,831 shares authorized as of December 31, 2019 and 2020, 15,779,322 issued and outstanding as of December 31, 2019 and 2020; aggregate liquidation preference of \$ 173,266 and \$ 185,425 as of December 31, 2019 and 2020, respectively; no shares issued and outstanding as of December 31, 2020, pro forma (unaudited)	155,550	158,191	—
<b>Total</b> mezzanine equity	<b>157,471</b>	<b>160,112</b>	<b>—</b>
<b>STOCKHOLDERS' DEFICIT:</b>			
Common stock of \$ 0.0001 par value per share - 157,500,000 shares authorized as of December 31, 2019 and 2020; 30,645,159 and 33,153,112 shares issued as of December 31, 2019 and 2020, respectively; 22,959,969 and 25,467,922 shares outstanding as of December 31, 2019 and 2020, respectively; 113,229,074 shares issued and 105,543,884 shares outstanding as of December 31, 2020, pro forma (unaudited)	2	2	11
Treasury stock - 7,685,190 shares of common stock, \$0.0001 par value per share, as of December 31, 2019 and 2020	(4,881)	(4,881)	(4,881)
Additional paid-in capital	—	8,388	225,271
Receivables on account of stock	(882)	(882)	—
Accumulated deficit	(204,520)	(263,283)	(264,165)
<b>Total</b> stockholders' deficit	<b>(210,281)</b>	<b>(260,656)</b>	<b>(43,764)</b>
<b>LIABILITIES, CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT</b>	<b>\$ 72,818</b>	<b>\$ 90,954</b>	<b>\$ 90,954</b>

The accompanying notes are an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENTS OF OPERATIONS

U.S. dollars in thousands (except share and per share data)

	Year ended December 31,	
	2019	2020 (As restated)
Revenue:		
Subscription	\$ 84,725	\$ 104,064
Professional services	12,624	16,376
<u>Total revenue</u>	<u>97,349</u>	<u>120,440</u>
Cost of revenue:		
Subscription	18,669	28,486
Professional services	16,949	19,179
<u>Total cost of revenue</u>	<u>35,618</u>	<u>47,665</u>
Gross profit	61,731	72,775
Operating expenses:		
Research and development	24,216	29,567
Selling and marketing	25,515	29,475
General and administrative	14,779	22,222
<u>Total operating expenses</u>	<u>64,510</u>	<u>81,264</u>
Operating loss	2,779	8,489
Financial expenses, net	11,189	46,721
Loss before provision for income taxes	13,968	55,210
Provision for income taxes	1,604	3,553
Net loss	\$ 15,572	\$ 58,763
Net loss per share attributable to common stockholders, basic and diluted	\$ 1.11	\$ 2.83
Weighted-average stock used in computing net loss per share attributable to common stockholders, basic and diluted	22,754,499	24,939,901
Pro forma net loss per share attributable to common stockholders, basic and diluted	—	\$ 0.17
Weighted-average stock used in computing pro-forma net loss per share attributable to common stockholders, basic and diluted	—	105,015,863

The accompanying notes are an integral part of the consolidated financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT**  
**U.S. dollars in thousands (except share data)**

	Convertible preferred Stock		Redeemable convertible preferred Stock		Common stock		Treasury stock		Receivables on account of stock	Additional paid-in capital	Accumulated deficit	Total stockholders' deficit
	Number	Amount	Number	Amount	Number	Amount	Number	Amount				
Balance as of January 1, 2019	1,043,778	\$ 1,921	15,779,322	\$ 145,801	22,516,251	\$ 2	7,685,190	\$ (4,881)	\$ (882)	\$ —	\$ (190,274)	\$ (196,035)
Cumulative-effect adjustment for adoption of ASU 2014-09	—	—	—	—	—	—	—	—	—	—	8,606	8,606
Stock-based compensation expenses	—	—	—	—	—	—	—	—	—	2,322	—	2,322
Issuance of ordinary shares upon exercise of stock options	—	—	—	—	443,718	*)	—	—	—	147	—	147
Accretion of redeemable convertible preferred stock	—	—	—	9,749	—	—	—	—	—	(2,469)	(7,280)	(9,749)
Net loss	—	—	—	—	—	—	—	—	—	—	(15,572)	(15,572)
Balance as of December 31, 2019	1,043,778	1,921	15,779,322	155,550	22,959,969	2	7,685,190	(4,881)	(882)	—	(204,520)	(210,281)
Stock-based compensation expenses (as restated)	—	—	—	—	—	—	—	—	—	5,114	—	5,114
Issuance of ordinary shares upon exercise of stock options	—	—	—	—	1,281,438	*)	—	—	—	280	—	280
Reclassification to equity of warrant to purchase common stock	—	—	—	—	—	—	—	—	—	3,057	—	3,057
Issuance of ordinary shares upon business combination (**)	—	—	—	—	1,226,515	*)	—	—	—	2,578	—	2,578
Accretion of redeemable convertible preferred stock	—	—	—	2,641	—	—	—	—	—	(2,641)	—	(2,641)
Net loss (as restated)	—	—	—	—	—	—	—	—	—	—	(58,763)	(58,763)
Balance as of December 31, 2020 (as restated)	1,043,778	\$ 1,921	15,779,322	\$ 158,191	25,467,922	2	7,685,190	\$ (4,881)	\$ (882)	\$ 8,388	\$ (263,283)	\$ (260,656)

\*) Represents an amount lower than \$ 1.

\*\*) See Note 3.

The accompanying notes are an integral part of the consolidated financial statements.

## CONSOLIDATED STATEMENT OF CASH FLOWS

U.S. dollars in thousands

	Year ended December 31,	
	2019	2020 (As restated)
<b>Cash flows from operating activities:</b>		
Net loss	\$ (15,572)	\$ (58,763)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation, amortization and abandonment costs	4,490	7,677
Stock based compensation expenses	2,322	5,114
Increase in deferred contract acquisition and fulfillment costs	(3,300)	(8,716)
Change in fair value of warrants to purchase preferred and common stock	5,300	41,505
Non-cash interest expenses	407	263
Changes in operating assets and liabilities:		
Decrease (increase) in trade receivables	6,159	(6,274)
Increase in prepaid expenses and other current assets and other assets, noncurrent	(54)	(864)
Increase in trade payables	2,004	2,064
Increase (decrease) in accrued expenses and other current liabilities	(1,517)	4,964
Increase in employees and payroll accruals	1,435	5,886
Increase in Other liabilities, noncurrent	39	635
Increase (decrease) in deferred revenue	(1,343)	12,313
Net cash provided by operating activities	370	5,804
<b>Cash flows from investing activities:</b>		
Net cash acquired in business combination	—	383
Purchases of property and equipment	(2,239)	(1,118)
Capitalized internal-use software	(249)	(1,849)
Purchase of intangible assets	(244)	(162)
Net cash used in investing activities	(2,732)	(2,746)
<b>Cash flows from financing activities:</b>		
Proceeds from long-term loans, net of debt issuance cost	2,971	2,000
Repayment of long-term loans	—	(1,667)
Principal payments on finance leases	(2,818)	(2,354)
Proceeds from exercise of stock options	147	280
Payment of deferred offering costs	—	(106)
Net cash provided by (used in) financing activities	300	(1,847)
Net increase (decrease) in cash, cash equivalents and restricted cash	(2,062)	1,211
Cash, cash equivalents and restricted cash at the beginning of the year	29,206	27,144
Cash, cash equivalents and restricted cash at the end of the year	\$ 27,144	\$ 28,355
<b>(a) Supplemental disclosure of non-cash activity:</b>		
Purchase of property, equipment and intangible asset in credit	\$ 142	\$ 155
Purchase of property and equipment by capital lease	\$ 98	\$ —
Issuance of ordinary shares and warrant with respect to business combination	\$ —	\$ 3,799

**CONSOLIDATED STATEMENT OF CASH FLOWS**

U.S. dollars in thousands

	Year ended December 31,	
	2019	2020
Deferred offering costs incurred during the period included in trade payables and accrued expenses and other current liabilities	\$ —	\$ 976
<b>(b) Supplemental disclosure of cash flow information:</b>		
Cash paid for income taxes, net	\$ 1,073	\$ 1,210
Cash paid for interest	\$ 4,298	\$ 3,947
<b>(c) Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheet:</b>		
Cash and cash equivalents	\$ 26,538	\$ 27,711
Restricted cash included in other assets, noncurrent	\$ 606	\$ 644
Total cash, cash equivalents, and restricted cash	\$ 27,144	\$ 28,355

The accompanying notes are an integral part of the consolidated financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

U.S. dollars in thousands (except share and per share data)

**NOTE 1. GENERAL**

a. Kaltura, Inc. ("the Company") was incorporated in October 2006 and commenced operations in January 2007. The Company's business operations are allocated between two main segments, Enterprise, Education and Technology & Media and Telecom. The Company has developed a platform which is powering live, real-time, and on-demand video experiences. The Company's platform enables companies, educational institutions, and other organizations to cost-effectively launch advanced online video experiences, including Cloud TV solution, web video publishing, video-based teaching, learning and training, video-based marketing, and video-based collaboration. The Company's core offerings consist of various Software-as-a-Service ("SaaS") products and solutions and a Platform-as-a-Service ("PaaS").

b. The Company has established a number of foreign subsidiaries: Kaltura Europe Ltd. ("Kaltura Europe") in the UK, Kaltura Ltd. ("Kaltura Israel"), Kaltura Brasil Internet Video Software e Servicos Ltda. ("Kaltura Brazil"), Kaltura Asia Pte. Ltd. ("Kaltura Singapore") and Kaltura Germany GmbH ("Kaltura Germany"). Kaltura Israel is engaged mainly in research and development activity and the rest of the subsidiaries are engaged mainly in sales and pre-sales activities.

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

**a. Use of estimates:**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The Company evaluates on an ongoing basis its assumptions, including those related to contingencies, income tax uncertainties, stock-based compensation cost, fair value measurement of warrants, accretion of redeemable stocks, fair value and useful life of intangible assets, as well as in estimates used in applying the revenue recognition policy. The Company bases these estimates on historical and anticipated results, trends and various other assumptions that it believes are reasonable under the circumstances, including assumptions as to future events. Actual results could differ from those estimates.

The novel coronavirus ("COVID-19") pandemic has created, and may continue to create, significant uncertainty in macroeconomic conditions, and the extent of its impact on the Company's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and the impact on the Company's customers. The Company considered the impact of COVID-19 on the estimates and assumptions and determined that there were no material adverse impacts on the consolidated financial statements for the period ended December 31, 2020. As events continue to evolve and additional information becomes available, the Company's estimates and assumptions may change materially in future periods.

These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting periods.

**b. Financial statements in U.S. dollars:**

A majority of the Company's revenues are generated in U.S. dollars. In addition, the Company's equity financial facilities and convertible instruments were in U.S. dollars and a substantial portion of the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Company's costs are incurred in U.S. dollars. The Company's management believes that the U.S. dollar is the currency of the primary economic environment in which the Company operates. Thus, the functional and reporting currency of the Company and its subsidiaries is the U.S. dollar.

Accordingly, monetary accounts maintained in currencies other than the U.S. dollar are remeasured into U.S. dollars in accordance with Statement of the Accounting Standard Codification ("ASC") 830 "Foreign Currency Matters" ("ASC 830"). All transaction gains and losses of the remeasured monetary balance sheet items are reflected in the statements of operations as financial income or expenses, as appropriate.

**c. Principles of consolidation:**

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany transactions and balances have been eliminated upon consolidation.

**d. Unaudited Pro Forma Stockholders' deficit:**

The Company has presented unaudited pro forma stockholders' deficit as of December 31, 2020 in order to reflect the assumed effect on the balance sheet of (i) the assumed issuance of 5,974,515 shares of common stock pursuant to the automatic cashless exercise, immediately prior to the consummation of a qualified initial public offering ("IPO"), of a warrant to purchase shares of common stock held by Special Situations Investing Group II, LLC, an affiliate of Goldman Sachs & Co. LLC (the "GS Warrant") (the "GS Warrant Exercise"), (ii) the automatic conversion of the outstanding convertible preferred stock and redeemable convertible preferred stock into 73,490,034 shares of common stock immediately prior to the consummation of an IPO, (iii) the automatic cashless exercise, immediately prior to the closing of an IPO, of a warrant to purchase shares of Series D redeemable convertible preferred stock (the "Series D Warrant") and warrants to purchase shares of Series E redeemable convertible preferred stock (the "Series E Warrants") which, after giving effect to the Preferred Stock Conversion, will result in the issuance of 233,282 and 378,131 shares of common stock, respectively, based on an assumed IPO price of \$15.00 per share (the midpoint of the price range set forth on the cover page of this prospectus) (together with the GS Warrant Exercise, the "Warrant Exercises"), and (iv) the forgiveness of the Employee Loan Agreements (see also Note 14c).

**e. Cash and cash equivalents:**

Cash equivalents are short term, highly liquid investments that are readily convertible to cash with original maturities of three months or less, at the date acquired.

**f. Restricted cash:**

Restricted cash is primarily invested in deposits held to maturity, stated at cost, which also approximates their fair value, and are used as security for the Company's liabilities. These deposits are used mainly as security for rent payments, capital leases and the Company's credit cards. Restricted cash is presented in the balance sheet as part of other assets, noncurrent.

**g. Trade receivables:**

Trade receivables are recorded at the invoiced amount and amounts for which revenue has been recognized but not invoiced. The allowance for doubtful accounts is based on the Company's assessment of the collectability of accounts. The Company regularly reviews the adequacy of the allowance for doubtful accounts based on a combination of factors, including an assessment of the current customer's aging balance, the nature and size of the customer, the financial condition of the customer, and the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

amount of any receivables in dispute. There were no material write-offs for allowance of doubtful accounts recognized in the periods presented.

**h. Property and equipment, net:**

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets:

	Years
Computers and peripheral equipment	3
Office furniture and equipment	7-15
Leasehold improvements	Over the shorter of the related lease period or the life of the asset

**i. Impairment of long-lived assets:**

The long-lived assets of the Company are reviewed for impairment in accordance with ASC 360, "Property, Plant and Equipment" ("ASC 360"), whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. During 2019 and 2020, no impairment losses were identified.

**j. Intangible assets, net:**

Intangible assets consist primarily of customer relationships, technology and trade name. The intangible assets amortized over their estimated useful lives in proportion to the economic benefits realized. Intangible assets consist primarily of customer relationships, technology and trade name. The intangible assets are amortized over their estimated useful lives in proportion to the economic benefits realized.

Amortization for the intangible assets was recognized over the following periods:

	Years
Customer relationships	7-9
Technology	5-8
Tradename	10

**k. Goodwill:**

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in business combinations using the acquisition method of accounting, which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values.

Goodwill is subject to an impairment test at the reporting unit level on an annual basis (or more frequently if impairment indicators arise). The Company identified two reporting units based on the guidance of ASC 350, "Intangibles – Goodwill and Other". ASC 350 prescribes a two-phase process for impairment testing of goodwill. The first phase screens for impairment, while the second phase (if



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

necessary) measures impairment. Goodwill impairment is deemed to exist if the net book value of a reporting unit exceeds its estimated fair value. In such case, the second phase is then performed, and the Company measures impairment by comparing the carrying amount of the reporting unit's goodwill to the implied fair value of that goodwill. An impairment loss is recognized in an amount equal to the excess. As of December 31, 2019, the entire goodwill amount was allocated to the Media and Telecom segment. Following an acquisition in 2020, the acquired goodwill was allocated to the Enterprise, Education and Technology segment. For the years ended December 31, 2019 and 2020, no impairment was identified.

***l. Leases:***

Leases are classified at the inception date as either a capital lease or an operating lease. The Company assesses a lease to be a capital lease if any of the following conditions exist: a) ownership is transferred to the lessee by the end of the lease term, b) there is a bargain purchase option, c) the lease term is at least 75% of the property's estimated remaining economic life or d) the present value of the minimum lease payments at the beginning of the lease term is 90% or more of the fair value of the leased property to the lessor at the inception date. A capital lease is accounted for as if there were an acquisition of an asset and an incurrence of an obligation at the inception of the lease. The Company recorded capital lease agreements related mainly to servers and storage.

All other leases are accounted for as operating leases wherein rental payments are expensed on a straight line basis over the periods of their respective lease terms.

***m. Warrants to purchase preferred and common stock:***

Warrants to purchase the Company's redeemable convertible preferred stock are classified as a liability on the balance sheet and measured at fair value at each reporting date.

Warrants to purchase the Company's common stock are presented as equity, unless they are redeemable and classified as a liability.

For the warrants classified as a liability, the Company measures the warrants at fair value by applying the Option Pricing Method ("OPM") in each reporting period until they are exercised or expired, with changes in the fair value being recognized in the Company's statement of operations.

***n. Severance pay:***

The majority of Kaltura Israel's agreements with its employees in Israel are in accordance with section 14 of the Israeli Severance Pay Law. Upon contribution of the full amount of the employee's monthly salary and release of the policy to the employee, no additional legal obligation exists between the parties and no additional payments are made by the Company to the employee; therefore related assets and liabilities are not presented in the balance sheet.

For Kaltura Israel employees who are not subject to section 14, the Company calculated the liability for severance pay pursuant to the Severance Pay Law based on the most recent salary of these employees multiplied by the number of years of employment as of the balance sheet date. Kaltura Israel's liability for these employees is fully provided for via monthly deposits with severance pay funds, insurance policies and an accrual. The value of these deposits is recorded as an asset on the Company's balance sheet in other assets, noncurrent.

Severance expenses recorded in Kaltura Israel for the years ended December 31, 2019 and 2020 amounted to \$ 2,212 and \$ 2,565, respectively.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The Company's employees in the U.S. receive severance benefits in the event of an involuntary termination that increase in accordance with their tenure and base salary. The Company accounts for postemployment benefits in accordance with ASC Topic No. 712, Compensation – Nonretirement Postemployment Benefits. These benefits, primarily severance, are not accrued until the amount can be reasonably estimated.

Severance expenses recorded in the U.S. for the years ended December 31, 2019 and 2020 were immaterial.

***o. Israeli employees defined contribution plan:***

The Company has established a pension contribution plan with respect to Kaltura Israel employees. Under the plan, Kaltura Israel contributed up to 6.5% of each employee's monthly salary toward the plan. Employees are entitled to amounts accumulated in the plan upon reaching retirement age, subject to any applicable law.

Defined contribution pension plan expenses for the years ended December 31, 2019 and 2020 amounted to \$ 1,722 and \$ 2,061, respectively.

***p. Deferred offering costs:***

Deferred offering costs consist primarily of accounting, legal, and other fees related to the Company's proposed IPO. Upon consummation of the IPO, the deferred offering costs will be reclassified to stockholders' deficit and recorded against the proceeds from the offering. In the event the offering is aborted, deferred offering costs will be expensed. The Company capitalized \$1,082 of deferred offering costs within other assets, noncurrent in the consolidated balance sheet as of December 31, 2020. No offering costs were capitalized as of December 31, 2019.

***q. Revenue recognition:***

On January 1, 2019, the Company adopted ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606), using the modified retrospective method applied to those contracts that were not completed as of January 1, 2019. Results for reporting periods beginning after January 1, 2019 are presented under ASU No. 2014-09. The most significant impacts of the standard on the Company's financial statements were the accounting for revenue from term licenses and the accounting for costs to obtain a contract. In connection with the adoption of the new revenue recognition accounting standard, the Company decreased its accumulated deficit by \$ 8,606. Upon adoption, the Company deferred \$ 6,190 of previously expensed contract costs and accelerated the recognition of \$ 2,416 of deferred revenues.

Performance obligations and timing of revenue recognition

The Company provides Subscriptions to its Video Experience Cloud, which powers live, real-time, and on-demand video experiences. The Company provides access to its platform either as a cloud-based service ("SaaS" or "PaaS") or, less commonly, as a license to software installed on the customer's premises ("On-Prem") all together defined as subscriptions in the statement of operations.

Revenue from SaaS and PaaS subscriptions is recognized ratably over the time of the Subscription, beginning from the date in which the customer is granted access to the Subscription. Revenue from the sale of a term license is recognized at a point in time in which the license is delivered to the customer.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

U.S. dollars in thousands (except share and per share data)

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

Revenue from post-contract services ("PCS") included in On-Prem projects is recognized ratably over the time of the PCS.

In some of the Company's arrangements, Professional Services ("PS") are accounted for as a separate performance obligation, and revenue will be recognized upon rendering the service. However, in some of the Company's SaaS and PaaS arrangements the Company determined that the PS are solely set up activities that do not transfer goods or services to the customer and therefore are not accounted for as a separate performance obligation.

The Company's contracts usually include a fixed amount of consideration, as well as variable consideration for overage usage that, in most cases, is not considered probable at the inception of the contract. Revenue accounted for as variable consideration for overages usage is recognized when the uncertainty is resolved, usually when the customer exceeds its committed usage threshold (i.e., overages are consumed) and the overages are invoiced. In addition, the Company has elected to apply the practical expedient for financing component for transactions in which the difference between the payment date and the revenue recognition timing is up to 12 months.

When applicable, the Company allocates the transaction price between the separate performance obligations according to their standalone selling price ("SSP"), which is based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions, the Company estimates the SSP taking into account available information, including, but not limited to, pricing practices, market conditions, and the economic life of the software.

The Company receives payments from customers based upon contractual billing schedules, usually net 30 days from the invoice date.

The Company records trade receivables and related contract liabilities for non-cancelable contracts with customers when the right to consideration is unconditional.

**Contract costs**

Some of the sales commissions and bonuses earned by the Company's employees and management are considered incremental and recoverable costs of obtaining a contract with a customer. Sales commissions and bonuses for new contracts are deferred and then amortized consistently with the pattern of revenue recognition for each performance obligation for contracts for which the commissions were earned, mainly on a straight-line basis, over a period of benefit that the Company has estimated to be mainly five years. This period of benefit was determined by taking into consideration the technology's useful life and other factors.

Sales bonuses for renewal contracts are deferred and then amortized on a straight-line basis over the related contractual renewal period.

The Company classifies deferred costs as current or noncurrent based on the timing of when the Company expects to recognize the expense.

Amortization of sales commissions are consistent with the pattern of revenue recognition of each performance obligation and are included mainly in sales and marketing expense in the consolidated statements of operations.

The Company has applied the practical expedient in ASC 606 to expense costs as incurred for costs to obtain a contract with a customer when the amortization period would have been one year or less.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

U.S. dollars in thousands (except share and per share data)

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

The Company periodically reviews these deferred contract acquisition costs to determine whether events or changes in circumstances have occurred that could impact the period of benefit. There were no impairment losses recorded during the period presented.

The Company capitalizes costs incurred to fulfill its contracts when the costs relate directly to a contract and are expected to generate resources that will be used to satisfy the performance obligation under the contract and are expected to be recovered through revenues generated under the contract. Costs to fulfill contracts are expensed to cost of revenue on a straight-line basis over a period of five years which reflects the technological useful life.

**r. Cost of revenue:**

Cost of SaaS and PaaS subscription, support and professional services revenues primarily consists of costs related to supporting and hosting the Company's product offerings and delivery of its professional services.

These costs include salaries, benefits, incentive compensation and stock-based compensation expenses related to the management of the Company's data centers, the Company's customer support team and professional services staff.

In addition to these expenses, the Company incurs third-party service provider costs such as cloud infrastructure, data center and content delivery network expenses, rent expenses, depreciation expenses and amortization of acquired intangible assets and capitalized development costs. The Company allocates overhead costs such as rent, utilities and supplies to all departments based on relative headcount. As such, general overhead expenses are reflected in the cost of revenue in addition to each operating expense category.

**s. Research and development costs:**

Research and development costs are charged to the statements of operations as incurred, except to the extent that such costs are associated with internal-use software that qualifies for capitalization.

**t. Internal-use software:**

Costs incurred to develop internal-use software are capitalized and amortized over the estimated useful life of the software, which is generally five years. In accordance with ASC Topic, 350-40, "Internal-Use Software," capitalization of costs to develop internal-use software begins when preliminary development efforts are successfully completed, the Company has committed project funding and it is probable that the project will be completed, and the software will be used as intended. Costs related to the maintenance of internal-use software are expensed as incurred.

The Company periodically reviews internal-use software costs to determine whether the projects will be completed, placed in service, removed from service or replaced by other internally developed or third-party software. If the asset is not expected to provide any future benefit, the asset is retired, and any unamortized cost is expensed.

Capitalized internal-use software costs are recorded under property and equipment, net.

When events or changes in circumstances require, the Company assesses the likelihood of recovering the cost of internal-use software. If the net book value is not expected to be fully recoverable, internal-use software would be impaired to its fair value. During the years ended December 31, 2019 and

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

U.S. dollars in thousands (except share and per share data)

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

2020, the Company capitalized \$249 and \$1,893 of software development costs, respectively. No impairment was recorded for the years ended December 31, 2019 and 2020.

**u. Advertising costs:**

Advertising costs are expensed as incurred and include marketing activities, demand generation, events, public relations and brand-building activities. Advertising costs for the years ended December 31, 2019 and 2020 amounted to \$ 2,156 and \$ 3,143, respectively, and are included in sales and marketing expenses in the consolidated statements of operations.

**v. Stock-based compensation:***Service-based awards*

The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"). ASC 718 requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award is recognized as an expense over the requisite service periods in the Company's consolidated statements of operations.

The Company selected the Black-Scholes option-pricing model as the most appropriate fair value method for its option awards. The option-pricing model requires a number of assumptions, of which the most significant are the fair value of its common stock, the expected stock price volatility, expected option term, risk-free interest rates and expected dividend yield.

The fair value of common stock underlying the options has historically been determined by management and the Company's Board of Directors. Because there has been no public market for the Company's common stock, the Board of Directors has determined fair value of a common stock at the time of grant of the option by considering a number of objective and subjective factors including financing investment rounds, operating and financial performance, the lack of liquidity of stock capital and general and industry specific economic outlook, amongst other factors. The fair value of the underlying common stock will be determined by the Board of Directors until such time as the Company's common stocks are listed on an established stock exchange.

The Company's Board of Directors determined the fair value of common stock based on valuations performed using the OPM for the years ended December 31, 2019 and 2020.

The Company recognizes compensation cost for options and stock awards that have a graded vesting schedule and contain only service condition on a straight-line basis over the requisite service period for the entire award. Forfeitures are accounted for as they occur.

*Market-based awards*

The Company has granted three of its executives stock options that vest only upon the satisfaction of market-based conditions. The market-based conditions reflect specific prices for the Company's common stock, which must be exceeded for each tranche of the grant to vest.

For market-based awards, the Company determines the grant-date fair value utilizing a Monte Carlo simulation model, which incorporates various assumptions including expected stock price volatility, risk-free interest rates, expected exercise behavior for vested options, expected date of a qualifying event and expected form and timing of a liquidity event. The Company estimates the volatility of the common stock on the date of grant based on the weighted average historical stock price volatility of comparable publicly-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

traded companies. Because the option does not qualify as "plain vanilla" per SEC Staff Accounting Bulletin 107, the expected term cannot be estimated based on the simplified model described in the Bulletin. In order to address the term, the Monte Carlo simulation model includes an assumption about the price level at which vested options are expected to be exercised (the "Sub Optimal Exercise" factor). The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant. The rate used is based on the expected term of the option.

The Company recognizes compensation expenses for the value of its market-based awards based on the accelerated attribution method over the estimated requisite service period of each of the awards. The Company has determined that there is no explicit or implicit service period for the awards, and therefore the requisite service period is based on the derived service period. The derived service period is the term calculated in the Monte Carlo valuation model as described above. The derived service period is the median duration of the simulated price paths in which the option tranche vests, which is determined by the above assumptions.

**w. Business combination:**

The Company accounted for business combination in accordance with ASC 805, "Business combinations". ASC 805 requires recognition of assets acquired, liabilities assumed, and any non-controlling interest at the acquisition date, measured at fair values as of that date. Any excess of the fair value of net assets acquired over purchase price and any subsequent changes in estimated contingencies are to be recorded in earnings.

Acquisition related costs are expensed to the statement of operations in the period incurred.

**x. Income taxes:**

The Company accounts for income taxes in accordance with ASC 740, "Income Taxes". This codification prescribes the use of the asset and liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and for carry-forward tax losses. Deferred taxes are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740, "Income Taxes". Accounting guidance addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements, under which a company may recognize the 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 the consolidated financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. Accordingly, the Company reports a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return (see also Note 15).

**y. Net loss per share attributable to Common stockholders:**

The Company computes net loss per share using the two-class method required for participating securities. The two-class method requires income available to common stockholder for the period to be allocated between common stock and participating securities based upon their respective rights to receive

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

dividends as if all income for the period had been distributed. The Company considers its convertible preferred stock to be participating securities as the holders of the convertible preferred stock would be entitled to dividends that would be distributed to the holders of common stock, on a pro-rata basis, assuming the conversion of all outstanding shares of convertible preferred stock into common stock. These participating securities do not contractually require the holders of such stock to participate in the Company's losses. As such, net loss for the periods presented was not allocated to the Company's participating securities. The Company's basic net loss per share is calculated by dividing net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period, without consideration of potentially dilutive securities. The diluted net loss per share is calculated by giving effect to all potentially dilutive securities outstanding for the period using the treasury share method or the if-converted method based on the nature of such securities. Diluted net loss per share is the same as basic net loss per share in periods when the effects of potentially dilutive shares of common stock are anti-dilutive.

**z. Unaudited pro forma net loss per share attributable to Common stockholders**

The unaudited pro forma basic and diluted net loss per share attributable to common stockholders for the year ended December 31, 2020 has been prepared to give effect to the occurrence of (i) the Warrant Exercises, (ii) the Preferred Stock Conversion, (iii) the Series C Warrant Conversion (in each case, as defined in note 2(d) above), and (iv) the forgiveness of the Employee Loan Agreements (see also Note 14c). The Company has calculated unaudited pro forma basic and diluted net loss per share attributable to common stockholders giving effect to the impact of the foregoing events using the if-converted method, as though each such event had occurred as of the beginning of the period or the original date of issuance of the applicable security, if later. This calculation does not give effect to any shares of common stock to be issued in the IPO.

**aa. Concentration of credit risks:**

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, restricted cash and trade receivables.

The majority of the Company's and its subsidiaries' cash and cash equivalents and restricted cash are invested with major banks in Israel, the United Kingdom and the United States. Such investments in the United States may be in excess of insured limits and are not insured in other jurisdictions. However, in general these investments may be redeemed upon demand and therefore bear minimal risk.

The Company's trade receivables are geographically dispersed and derived from sales to customers mainly in the United States, Europe and Asia. Concentration of credit risk with respect to trade receivables is limited by credit limits, ongoing credit evaluation and account monitoring procedures.

Major customer data as a percentage of total revenues:

The following table sets forth a customer that represented 10% or more of the Company's total revenue in each of the periods set forth below:

	Year ended December 31,	
	2019	2020
Customer A (Media and Telecom)	12.01 %	11.60 %

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

**ab. Fair value of financial instruments:**

ASC 820, "Fair Value Measurements and Disclosures", defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Company uses various valuation approaches. ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

As a basis for considering such assumptions, ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

- Level 1 - Valuations based on quoted prices in active markets for identical assets that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.
- Level 2 - Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.
- Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The carrying amounts of cash and cash equivalents, restricted cash, trade receivables, prepaid expenses and other current assets, employees and payroll accruals, trade payables, accrued expenses and other current liabilities, current portion of long-term loans and current portion of long-term lease approximate their fair value due to the short-term maturities of such instruments.

**ac. Legal contingencies:**

From time to time, the Company or one of its subsidiaries become involved in legal proceedings or is subject to claims arising in its ordinary course of business. Such matters are generally subject to many uncertainties and outcomes and are not predictable with assurance. The Company accrues for contingencies when the loss is probable and it can reasonably estimate the amount of any such loss (see also Note 10).

**ad. Recently issued accounting pronouncements not yet adopted:**

As an "emerging growth company," the Jumpstart Our Business Startups Act ("JOBS Act") allows the Company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. The Company has elected to use this extended transition period under the JOBS Act. The adoption dates discussed below reflect this election.



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

U.S. dollars in thousands (except share and per share data)

**NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)**

In February 2016, the FASB issued ASU No. 2016-02, *Leases*, which would require lessees to put all leases on their balance sheets, whether operating or financing, while continuing to recognize the expenses on their income statements in a manner similar to current practice. The guidance states that a lessee would recognize a lease liability for the obligation to make lease payments and a right-to-use asset for the right to use the underlying asset for the lease term.

In June 2020, the FASB issued ASU No. 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*, which defers the effective date of ASU 2016-02 for non-public entities to fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. The guidance will be effective for the Company beginning January 1, 2022, and interim periods in fiscal years beginning January 1, 2023.

The Company is currently evaluating the effect that ASU 2016-02 will have on its consolidated financial statements and related disclosures.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the existing incurred loss impairment model with an expected credit loss model and requires a financial asset measured at amortized cost to be presented at the net amount expected to be collected. The guidance will be effective for the Company beginning January 1, 2023, and interim periods therein. Early adoption is permitted. The Company is currently evaluating the effect that ASU 2016-13 will have on its consolidated financial statements and related disclosures.

In January 2017, the FASB issued Accounting Standards Update No. 2017-04 (ASU 2017-04) "Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment." ASU 2017-04 eliminates step two of the goodwill impairment test and specifies that goodwill impairment should be measured by comparing the fair value of a reporting unit with its carrying amount. Additionally, the amount of goodwill allocated to each reporting unit with a zero or negative carrying amount of net assets should be disclosed. ASU 2017-04 is effective for annual or interim goodwill impairment tests performed in fiscal years beginning after December 15, 2020; early adoption is permitted.

The Company doesn't expect that ASU 2017-04 will have an impact on its consolidated financial statements and related disclosures.

In August 2018, the FASB issued ASU No. 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*, which aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software.

The new standard requires capitalized costs to be amortized on a straight-line basis generally over the term of the arrangement, and the financial statement presentation for these capitalized costs would be the same as that of the fees related to the hosting arrangements. The guidance will be effective for the Company beginning January 1, 2021, and interim periods in fiscal years beginning January 1, 2022. Early adoption is permitted. The Company is currently evaluating the effect that ASU 2018-15 will have on its consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which simplifies the accounting for income taxes by removing a variety of exceptions within the framework of ASC 740.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Cont.)

These exceptions include the exception to the incremental approach for intra-period tax allocation in the event of a loss from continuing operations and income or a gain from other items (such as other comprehensive income), and the exception to using general methodology for the interim period tax accounting for year-to-date losses that exceed anticipated losses.

The guidance will be effective for the Company beginning January 1, 2022, and interim periods in fiscal years beginning January 1, 2023. Early adoption is permitted. The Company is currently evaluating the effect that ASU 2019-12 will have on its consolidated financial statements and related disclosures.

## NOTE 3. ACQUISITIONS

In March 2020, the Company acquired all of the issued and outstanding capital stock of Newrow, Inc., a Delaware privately held corporation ("Newrow"), through a share exchange agreement. Newrow develops and sells real-time video communication software solutions. The acquisition is intended to support the Company's plans to continue strengthening its technological capabilities and the depth of its product offering. The acquisition has been accounted for as a business combination. The total purchase price was \$3,799 paid through issuance of 1,226,515 shares of the Company's common stock. In addition, there is a contingent consideration comprised of a warrant to purchase up to 613,255 shares of the Company's common stock subject to certain performance targets.

The Company accounted for this transaction as a business combination and allocated the purchase consideration to assets acquired and liabilities assumed based on preliminary estimated fair values, as presented in the following table:

	Amount
Common stock	\$ 2,578
Warrant to purchase common stock	1,221
<b>Total purchase consideration</b>	<b>\$ 3,799</b>
Goodwill	\$ 1,689
Identified intangible assets	2,483
Net liabilities assumed, net of cash acquired	(756)
Cash acquired	383
<b>Total</b>	<b>\$ 3,799</b>

Goodwill of \$1,689, none of which is deductible for tax purposes, was recorded in connection with the Newrow acquisition, and was primarily attributed to synergies arising from the acquisition and the value of the acquired workforce. The goodwill was allocated to the Enterprise, Education and Technology segment.

The following table presents details of the identified intangible assets acquired:

	Fair Value	Estimated Useful Life
Developed technology	\$ 2,130	5 years
Customers relationship	353	7 years
	<b>\$ 2,483</b>	

Transaction costs incurred by the Company in connection with the Newrow acquisition were approximately \$78 and \$91 as of December 31, 2019 and 2020, respectively and were recorded within

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 3. ACQUISITIONS (Cont.)

general and administrative expenses in the consolidated statements of operations. Pro-forma results of operations for this acquisition have not been presented because they are not material to the consolidated statements of operations.

## NOTE 4. PREPAID EXPENSES AND OTHER CURRENT ASSETS

	December 31,	
	2019	2020
Prepaid expenses	\$ 1,326	\$ 2,086
Government institutions	179	335
Deposit	177	292
Other	87	56
	<u>\$ 1,769</u>	<u>\$ 2,769</u>

## NOTE 5. PROPERTY AND EQUIPMENT, NET

Composition of property and equipment is as follows:

	December 31,	
	2019	2020
Cost:		
Computers and peripheral equipment	\$ 5,358	\$ 3,656
Office furniture and equipment	675	679
Leasehold improvements	472	516
Capital leases of computers and peripheral equipment	14,279	253
Internal use software	249	2,142
	<u>21,033</u>	<u>7,246</u>
Accumulated depreciation	(13,225)	(3,099)
Depreciated cost	<u>\$ 7,808</u>	<u>\$ 4,147</u>

Depreciation expenses for the years ended December 31, 2019 and 2020 were \$ 3,860 and \$ 2,791, respectively, out of which an amount of \$ 2,351 and \$ 1,477 relates to depreciation expenses of capital leases.

During the year ended December 31, 2020, the Company abandoned its data centers, recorded abandonment costs of \$3,969 in the statement of operations as general and administrative expenses, and disposed of total assets in the gross amount of \$ 16,886.

In 2019, the Company disposed a total of \$ 2,746 cost and accumulated depreciation of fully depreciated property and equipment.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 6. OTHER ASSETS, NONCURRENT

	December 31,	
	2019	2020
Restricted cash	\$ 606	\$ 644
Severance pay fund	1,515	1,673
Deferred offering costs	—	1,082
Other	257	165
	<u>\$ 2,378</u>	<u>\$ 3,564</u>

## NOTE 7. GOODWILL AND INTANGIBLE ASSETS, NET

## a. Intangible assets:

	December 31, 2019	
	Weighted average remaining useful life (in years)	Balance
Gross carrying amount:		
Technology	1.42	\$ 2,570
Customer relationship	2.19	1,825
Tradename	3.42	980
		<u>5,375</u>
Accumulated amortization and impairments:		
Technology		(2,221)
Customer relationship		(1,441)
Tradename		(606)
		<u>(4,268)</u>
Intangible assets, net		<u>\$ 1,107</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 7: GOODWILL AND INTANGIBLE ASSETS, NET (cont.)

	December 31, 2020	
	Weighted average remaining useful life (in years)	Balance
Gross carrying amount:		
Technology	3.98	\$ 4,700
Customer relationship	3.30	2,340
Tradename	2.42	980
		<u>8,020</u>
Accumulated amortization and impairments:		
Technology		(2,759)
Customer relationship		(1,706)
Tradename		(720)
		<u>(5,185)</u>
Intangible assets, net		<u>\$ 2,835</u>

During the year ended December 31, 2019 and 2020 the Company recorded amortization expenses in the amount of \$630 and \$917, respectively, included in cost of revenues and selling and marketing expenses in the statements of operations.

- b. The estimated future amortization expense of intangible assets as of December 31, 2020 is as follows:

	December 31,
2021	\$ 951
2022	641
2023	554
2024	689
	<u>\$ 2,835</u>

- c. In April 2018, the Company acquired some of the assets of Rapt Media, Inc. ("the Assets") for a consideration that will vary depending on the gains that the Assets derive during a three-year period following the closing date of the purchase of the Assets ("the Transaction").

The Transaction was accounted for as an asset acquisition. The Company recognizes an asset and liability simultaneously when revenue derived from the Assets is recognized. The liability is paid in two installments each year. The useful life of the Assets is four years from the Transaction's closing date. The Assets will enhance the Company's capabilities in the fields of personalized marketing, customer education, recruitment, learning and educational video experiences.

As of December 31, 2019 and 2020, with respect to the Transaction, the Company capitalized \$ 356 and \$ 518 respectively, that were recorded as intangible assets against the respective liability.

- d. Changes in goodwill for the years ending December 31, 2019 and 2020 were as follows:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 7: GOODWILL AND INTANGIBLE ASSETS, NET (cont.)

	Enterprise, Education and Technology	Media and Telecom	Total
Balance as of January 1, 2019	\$ —	\$ 9,381	\$ 9,381
Additions	—	—	—
Balance as of January 1, 2020	—	9,381	9,381
Goodwill acquired during the year	1,689	—	1,689
Balance as of December 31, 2020	<u>\$ 1,689</u>	<u>\$ 9,381</u>	<u>\$ 11,070</u>

## NOTE 8. LONG-TERM LOAN

a. In February 2011, the Company entered into a long-term loan and security agreement with a bank (the "2011 Loan Agreement"). During the years 2012-2018 the Company entered into several modifications, pursuant to which the long-term credit line was increased to an amount equal to \$ 20,000 out of which the Company drew an amount of \$ 15,000. Loan repayment date was extended from February 2017 to February 2020 in one installment.

During 2019, the Company drew an additional amount of \$ 3,000 as part of the Ninth Modification to the 2011 Loan Agreement.

In February 2020 the Company drew an additional amount of \$ 2,000 as part of the Ninth Modification to the 2011 Loan Agreement.

The outstanding principal amount accrues interest at a floating per annum rate equal to the prime rate.

As of December 31, 2020 the Company's outstanding loan balance was \$ 20,000.

b. In April 2012, the Company entered into a long-term loan and security agreement (the "Additional Loan Agreement"), which provided the Company a long-term line of credit. During the years 2012-2018 the Company entered into three modifications to the agreement, pursuant to which the long-term credit line was increased to an amount equal to \$ 30,000. The Company used the entire credit line pursuant to which the loan repayment date was extended to November 2020. Pursuant to the last amendment, the loan is to be repaid in 36 monthly equal installments.

The outstanding principal amount accrues interest at a floating per annum rate equal to four and a half percentage (4.5%) points above the prime rate, subject to a 9.50% floor and a 12.00% maximum.

As of December 31, 2020 the Company's outstanding loan balance under the Additional Loan Agreement was \$ 28,160.

c. Under the terms of the Additional Loan Agreement and the 2011 Loan Agreement, the Company is obligated to maintain certain covenants as defined therein. As of December 31, 2020 the Company met these covenants.

d. In January 2021, the Company refinanced all amounts outstanding under the existing loan agreements, terminated all outstanding commitments, and entered into a new credit agreement (the "Credit Agreement") with an existing lender, which provides for a new senior secured term loan facility in the aggregate principal amount of \$40,000 (the "Term Loan Facility") and a new senior secured revolving credit facility in the aggregate principal amount of \$10,000 (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Credit Facilities") (see also Note 21b).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 8. LONG-TERM LOAN (Cont.)

The aggregate principal annual maturities according to the Credit Facilities agreements (as amended after the balance sheet date) are as follows:

Year ended December 31,	
2021	\$ 1,000
2022	3,000
2023	6,000
2024	40,000
	<u>\$ 50,000</u>

e. The carrying amounts of the loans approximate their fair value.

## NOTE 9. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	December 31,	
	2019	2020
Accrued expenses	\$ 2,656	\$ 4,687
Accrued taxes	2,308	4,984
Other	158	1,580
	<u>\$ 5,122</u>	<u>\$ 11,251</u>

## NOTE 10. COMMITMENTS AND CONTINGENCIES

**a. Lease commitments:**

The Company is engaged in operating lease arrangements for its worldwide offices. Future minimum annual payments under non-cancelable operating leases for the period remaining subsequent to December 31, 2020, are as follows:

Year ended December 31,	Rental of premises
2021	1,936
2022	667
Total	<u>\$ 2,603</u>

Total rent expenses for the years ended December 31, 2019 and 2020 were \$ 2,121 and \$ 2,152, respectively.

**b. Legal claim:**

On February 11, 2019, a claim was filed in the U.S. District Court for Delaware against the Company by CoolTVNetwork.com, Inc. ("CoolTVNetwork"), alleging infringement of a U.S. Patent.

CoolTVNetwork raised certain claims and allegations which the Company has denied. The case remains pending. Management estimates that the cost to resolve this matter is not material to the financial condition, results of operations, or cash flows.

**c. Purchase commitment:**

The Company has entered into various non-cancelable agreements with third-party providers for use of mainly cloud and other services, under which it committed to minimum and fixed purchases through the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 10. COMMITMENTS AND CONTINGENCIES (Cont.)

year ending December 31, 2024. The following table presents details of the aggregate future non-cancelable purchase commitments under such agreements as of December 31, 2020:

Year ended December 31,	
2021	\$ 9,527
2022	8,451
2023	7,738
2024	19,000
Total purchase commitment	<u>\$ 44,716</u>

## NOTE 11. CAPITAL LEASES

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of December 31, 2020:

Year ended December 31,	
2021	\$ 1,781
2022	143
Total minimum lease payments	1,924
Less: Amount representing interest	44
Present value of net minimum lease payments	<u>\$ 1,880</u>

## NOTE 12. REVENUES FROM CONTRACTS WITH CUSTOMERS

a. The following table presents disaggregated revenue by category:

	Year Ended December 31, 2019			
	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 61,376	94.6 %	\$ 23,349	71.8 %
Professional Services	3,463	5.4 %	9,161	28.2 %
	<u>\$ 64,839</u>	<u>100 %</u>	<u>\$ 32,510</u>	<u>100 %</u>

	Year Ended December 31, 2020			
	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 74,473	92.6 %	\$ 29,591	74 %
Professional Services	5,976	7.4 %	10,400	26 %
	<u>\$ 80,449</u>	<u>100 %</u>	<u>\$ 39,991</u>	<u>100 %</u>

b. Contract Balances

Contract liabilities consist of deferred revenue. Revenue is deferred when the Company invoices in advance of performance under a contract. The current portion of the deferred revenue balance is recognized as revenue during the 12-month period after the balance sheet date. The noncurrent portion



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 12. REVENUES FROM CONTRACTS WITH CUSTOMERS (Cont.)

of the deferred revenue balance is recognized as revenue following the 12-month period after the balance sheet date.

Substantially all the revenue that was included in the deferred revenue, current as of January 1, 2020, was recognized as revenue during 2020.

**c. Remaining Performance Obligation**

The Company's remaining performance obligations are comprised of product and services revenue not yet delivered. As of December 31, 2020, the aggregate amount of the transaction price allocated to remaining performance obligations was \$140,955, which consists of both billed consideration in the amount of \$51,365 and unbilled consideration in the amount of \$89,590 that the Company expects to recognize as revenue and was yet recognized on the balance sheet. The Company expects to recognize 63% of its remaining performance obligations as revenue in the year ending December 31, 2021, and the remainder thereafter.

**d. Costs to Obtain a Contract**

The following table represents a rollforward of costs to obtain a contract:

	Year ended December 31	
	2019	2020
Beginning balance after the adoption of ASC 606	\$ 5,467	\$ 9,015
Additions to deferred contract acquisition costs during the period	5,926	11,997
Amortization of deferred contract acquisition costs	(2,378)	(3,329)
Ending balance	\$ 9,015	\$ 17,683
Deferred contract acquisition costs, current	\$ 2,603	\$ 4,788
Deferred contract acquisition costs, noncurrent	6,412	12,895
Total deferred costs to obtain a contract	\$ 9,015	\$ 17,683

**e. Costs to fulfill a Contract**

The following table represents a rollforward of costs to fulfill a contract:

	Year ended December 31	
	2019	2020
Beginning balance after adoption of ASC 606	\$ 4,241	\$ 3,993
Additions to deferred costs to fulfill a contract during the period	664	950
Amortization of deferred costs to fulfill a contract	(912)	(902)
Ending balance	\$ 3,993	\$ 4,041
Deferred fulfillment costs, current	\$ 901	\$ 1,060
Deferred fulfillment costs, noncurrent	3,092	2,981
Total deferred costs to fulfill a contract	\$ 3,993	\$ 4,041

## NOTE 13. FAIR VALUE MEASUREMENTS

a. In July 2016, as part of the Company's stock and warrant purchase agreement with a new investor, the Company issued the new investor a warrant to purchase 5,974,515 shares of common stock

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 13. FAIR VALUE MEASUREMENTS (Cont.)

of the Company (subject to certain adjustments, as described below) with an exercise price of \$0.0001 per share. The warrant expires in July 2026.

The warrant is exercisable immediately prior to the occurrence of a Triggering Event (as such term is defined in the warrant agreement), or in connection with an exercise of co-sale rights. If the warrant is exercised in connection with a Liquidation Event or Qualified IPO (each as defined in the warrant agreement), the number of shares issuable upon such exercise will be subject to certain adjustments based on the equity valuation implied by such Liquidation Event or Qualified IPO. In addition, the warrant has a redemption right which entitles the holder, at its sole discretion, to redeem the warrant after the fifth anniversary from the issuance date.

b. In October 2015, as part of the Second Modification to the Additional Loan Agreement, the Company issued the lender a warrant to purchase 32,841 shares of Series E Preferred stock with an exercise price of \$15.223 per share. The warrant expires in October 2025.

c. In 2014, 2012 and 2011, the Company issued warrants to purchase 68,965 shares of Series E Preferred stock with an exercise price of \$ 10.15 per share, 56,285 shares of Series D Preferred stock with an exercise price of \$ 5.33 per share and 31,414 shares of Series C Preferred stock with an exercise price of \$ 3.82 per share, respectively. As part of the third amendment to the loan agreement, the expiration date of the Preferred D and E warrants have been extended to October 2025.

d. The above-mentioned transactions were accounted for in accordance with ASC 815-40, "Derivatives and Hedging - Contracts in Entity's Own Equity," ("ASC 815") and ASC 480-10, "Distinguishing Liabilities from Equity" ("ASC 480"). The warrants are recorded as a liability in the Company's balance sheet and are measured at fair value at each reporting date.

e. On March 26, 2020, as part of Newrow acquisition, the Company issued to Newrow's former stockholders a warrant to purchase 613,255 shares of common stock subject to certain performance target (the "Newrow Warrant"). The Newrow Warrant was recorded as a liability in the Company's balance sheet and was measured at fair value at each interim reporting date. During 2020, the Company recorded remeasurement expenses related to the Newrow Warrant in the amount of \$1,836. During November 2020, the performance target was achieved and the Newrow Warrant was reclassified to stockholders' deficit.

f. During the year ended December 31, 2020 and 2019 the Company recorded financial expenses from changes in the warrants' fair value in the amount of \$41,505 and \$ 5,300 (see also Note 2ab), respectively.

The Company measures the warrants at fair value by applying the OPM in each reporting period until they are exercised or expired, with changes in fair values being recognized in the Company's consolidated statement of operations as financial income or expenses.

In estimating the warrants' fair value, the Company used the following assumptions:

	2019	2020
Volatility	48.5 %	65.23 %
Risk-free interest rate	1.39 %	0.09 %
Dividend yield	—	—
Expected life	1.5	0.405

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 13. FAIR VALUE MEASUREMENTS (Cont.)

- (1) Dividend yield - was based on the fact that the Company has not paid dividends to its stockholders in the past and does not expect to pay dividends to its stockholders in the foreseeable future.
- (2) Expected volatility - was calculated based on actual historical stock price movements of companies in the same industry over the term that is equivalent to the expected term of the option.
- (3) Risk-free interest - based on yield rate of non-index linked U.S. Federal Reserve treasury stock.
- (4) Expected term - the expected term was based on the expected maturity date of the warrants.

Fair value measurement using significant unobservable inputs (Level 3):

	December 31,	
	2019	2020
Balance at January 1	\$ 11,811	\$ 17,111
Issuance of warrants	—	1,221
Reclassification of warrant to common stocks to equity	—	(3,057)
Change in fair value of warrants	5,300	41,505
Balance at December 31	<u>\$ 17,111</u>	<u>\$ 56,780</u>

## NOTE 14: CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT

## a. Composition of preferred stock capital of \$ 0.0001 par value each as of December 31, 2019 and 2020:

	December 31, 2019		Aggregate liquidation preference
	Authorized	Issued and outstanding	
	Number of shares		
Series A Preferred stock	1,043,778	1,043,778	\$ 1,921
Series B Preferred stock	3,240,085	3,240,085	12,631
Series C Preferred stock	3,434,556	3,403,141	18,110
Series D Preferred stock	2,870,544	2,814,258	17,287
Series D-1 Preferred stock	714,286	714,286	4,354
Series E Preferred stock	4,042,693	3,940,885	40,000
Series F Preferred stock	1,666,667	1,666,667	80,884
Convertible and redeemable convertible Preferred stock	<u>17,012,609</u>	<u>16,823,100</u>	<u>\$ 175,187</u>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 14. CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT (Cont.)

	December 31, 2020		Aggregate liquidation preference
	Authorized	Issued and outstanding	
	Number of shares		
Series A Preferred stock	1,043,778	1,043,778	\$ 1,921
Series B Preferred stock	3,240,085	3,240,085	12,631
Series C Preferred stock	3,434,556	3,403,141	18,110
Series D Preferred stock	2,870,544	2,814,258	17,287
Series D-1 Preferred stock	714,286	714,286	4,354
Series E Preferred stock	4,042,693	3,940,885	40,000
Series F Preferred stock	1,666,667	1,666,667	93,043
Convertible and redeemable convertible Preferred stock	<u>17,012,609</u>	<u>16,823,100</u>	<u>\$ 187,346</u>

**b. 1. Common stock:**

The shares of common Stock confer upon their holders the right to receive notice to participate and vote in general stockholders meetings of the Company, and the right to receive dividends, if declared, and to participate in the distribution of the surplus assets of the Company upon liquidation of the Company, as more fully described in the Company's certificate of incorporation. The voting, dividend and liquidation rights of the holders of the Company's common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock.

**2. Convertible and Redeemable Convertible Preferred stock:**

The Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock and Series E Preferred Stock of the Company (the "Series A-E Stock") confer upon their holders all of the rights of the shares of common Stock.

The holders of shares of Series A-E Stock and Series F Stock (the "Series F Stock" and together with the Series A-E Stock, the "Preferred Stock") also have the following rights, preferences and privileges:

Voting rights

Each holder of Series A-E Stock shall be entitled to the number of votes equal to the number of shares of common Stock into which such Series A-E Stock could be converted as of immediately after the close of business on the applicable date and shall have voting rights and powers equal to the voting rights and powers of the common Stock.

The Series F Stock have no voting rights or any other voting power except as expressly set forth in the Restated Certificate (including certain veto rights) or as required by applicable law (provided that in such event, all shares of Series F Stock shall entitle the holders thereof to an aggregate (for all such holders) of one vote).

The holder of the GS Warrant shall be entitled to the number of votes equal to the number of shares of common Stock into which such GS Warrant is exercisable 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 common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Company.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 14. CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT (Cont.)

Conversion rights

Each share of the applicable Series A-E Stock may, at the option of the holder thereof, be converted at any time into fully-paid and nonassessable shares of common stock as is determined by dividing the applicable Series A-E Stock original issuance prices by the applicable conversion price then in effect (which conversion price, in each case, has been proportionally decreased to account for the subdivision of the Company's common stock in connection with the stock split described in Note 14e). The shares of Series A-E Stock shall automatically be converted into common stock at the applicable conversion price then in effect immediately prior to the closing of a Qualified IPO (as such term is defined in the Restated Certificate, which includes an IPO pursuant to the registration statement of which this prospectus forms a part). In addition, the shares of the applicable Series A-E Stock (separately) shall automatically be converted into common stock at the applicable conversion price then in effect upon the affirmative election of the holders of the applicable majority of the outstanding shares of such applicable Series A-E Stock (voting separately), in accordance with the terms and conditions set forth in the Restated Certificate.

The Series F Stock shall be converted into shares of common stock immediately prior to the closing of a Series F Qualified IPO (as such term is defined in the Restated Certificate, which includes an IPO pursuant to the registration statement of which this prospectus forms a part) and only upon certain circumstances in accordance with the terms and conditions set forth in the Restated Certificate.

Dividend rights

The holders of Series F Stock shall be entitled to receive, in preference to the holders of all other Preferred Stock and common stock, cumulative dividends in an amount equal to 10% of the respective original issue price compounded semi-annually, for each outstanding share of Series F Stock; Such dividends shall be payable only when, as and if declared by the Board of Directors of the Company, out of any assets legally available therefor.

Thereafter, holders of the applicable Series E Preferred Stock, Series D-1 Preferred Stock, Series D Preferred Stock, Series C Preferred Stock and Series B Preferred Stock (the "Series B-E Stock") shall be entitled to receive non-cumulative dividends in an amount equal to 8% of the respective original issue price of each such series of Series B-E Stock.

The holders of Series D-1 Preferred Stock, Series D Preferred Stock, Series C Preferred Stock and Series B Preferred Stock (the "Series B/D-1 Stock") are entitled to also receive (in addition to the foregoing dividends) their respective Retained Dividends (as such term is defined in the Sixth Amended and Restated Investor Rights Agreement by and amend the Company and the other parties thereto) for each outstanding share of such applicable Series B/D-1 Stock. The preference order among the Series B-E Stock is such that holders of Series E Stock, Series D-1 and Series D Stock (on a pari passu), Series C Stock and Series B Stock shall be entitled, in their respective order, to receive, prior and in preference to the above order, the dividends described above. Such dividends shall be payable only when, as and if declared by the Board of Directors of the Company, out of any assets legally available therefor.

Liquidation Rights

Upon any Liquidation Event (as defined in the Restated Certificate), before any distribution to the holders of common stock or Series A-E Preferred Stock, the holders of Series F Stock shall be entitled to be paid, out of the assets of the Company legally available for distribution, for each share of Series F Stock held by them, an amount per share of Series F Stock equal to the Series F original issue price plus all accrued but unpaid dividends on the Series F Stock (the "Series F Preference"); less any Prepayments

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 14. CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT (Cont.)

(as defined in the Restated Certificate); provided however, that in the event that the sum of (i) the aggregate amount payable in connection with a Liquidation Event to all holders of Series F Stock on account of the shares of Series F Stock; plus (ii) the aggregate amount payable to all holders of the GS Warrant on account of the shares of common stock issuable upon exercise of the GS Warrant (and to any other stockholder to which the GS Issued Warrant Shares (as defined in the Restated Certificate) were transferred) is less than the Minimum Return Amount (as such term is defined in the Restated Certificate), the aggregate Series F Preference shall be increased, on a dollar-for-dollar basis, until the sum of (i) the aggregate amount payable in connection with a Liquidation Event to all holders of Series F Stock on account of the shares of Series F Stock held thereby; plus (ii) the aggregate amount payable in connection with a Liquidation Event to (a) all holders of the GS Warrant on account of the common stock issuable upon exercise of the GS Warrant, and (b) to any other stockholder holding GS Issued Warrant Shares, on account of the GS Issued Warrant Shares held thereby, will equal the Minimum Return Amount.

Thereafter, holders of shares of Series B-E Stock shall be entitled to be paid, out of the assets of the Company legally available for distribution, for each share of such applicable Series B-E Stock, an amount per share of such applicable Series B-E Stock equal to the respective original issue price of such applicable Series B-E Stock plus an amount equal to all declared but unpaid dividends on such Series B-E Stock (plus, with respect to the Series B/D-1 Stock – also their respective Retained Dividends) and less all amounts previously paid to the holders of such applicable Series B-E Stock on such share.

The liquidation order among the Series B-E Stock is such that holders of Series E Stock, Series D-1 Stock and Series D Stock (on a pari passu basis), Series C Stock and Series B Stock shall be entitled, in their respective order, to receive, prior and in preference to the above order any distribution of any asset, capital, earnings or surplus funds of the Company as described above.

Thereafter, holders of the Series A Preferred Stock shall be entitled to receive, prior to any distribution of any of the assets or surplus funds of the Company to the holders of the common stock, out of the assets of the Company legally available for distribution, for each share of Series A Preferred Stock held by them an amount equal to the original issue price of such Series A Stock.

Thereafter, holders of Series A-E Stock and common stock shall be entitled to receive all declared and unpaid dividends on the common stock, if any, on a pro rata basis.

Thereafter, the remaining assets of the Company legally available for distribution, if any, shall be distributed ratably to the holders of the common stock and the holders of Series B-E Stock (on an as if converted basis), until the holders of each applicable class of Series B-E Stock, as applicable, shall have received pursuant to the applicable provisions in the Restated Certificate, the applicable "Participation Cap" – as set forth in Section 3(h) of Article IV(D) of the Restated Certificate. Thereafter, the remaining assets of the Company legally available for distribution in such Liquidation Event, if any, shall be ratably distributed to the holders of the common stock.

Redemption Rights

At any time after the fifth anniversary of the original issue date set forth in the Restated Certificate, (a) holders of a majority of the Series F Stock may request the redemption of all or any part of the Series F Stock; and (b) the holder(s) of the GS Warrant may request the redemption of all or any part of the GS Warrant. The Company shall redeem all shares of Series F Stock and the GS Warrant, at a price per share, with respect to each applicable share of Series F Stock, equal to the Series F Liquidation Preference, subject to payment of the Minimum Return Amount, all subject to the terms and conditions in the Restated Certificate.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 14. CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT (Cont.)

At any time after the fifth anniversary of the original issue date set forth in the Restated Certificate, the holders of a certain applicable majority of each applicable series of Series B-E Stock (voting separately as set forth in the Restated Certificate), may request the redemption of the respective series of Series B-E Stock, at a price per share equal to the applicable Preferred Preference amount applicable to the respective series of Series B-E Stock, all subject to the terms and conditions in the Restated Certificate.

The Company presented its Convertible and Redeemable Convertible Preferred Stock as temporary equity in accordance with ASC 480-10-S99-3A. Changes in the redemption value were accreted over the period from the date of issuance (or from the date that it becomes probable that the instrument will become redeemable, if later) to the earliest redemption date of the instrument using an appropriate methodology, usually the interest method.

Beginning the second quarter of 2020, the Company determined that it is not probable that the instruments will become redeemable and stopped the accretion. The Company did not reverse prior measurement adjustments. The calculated redemption value of the Series F Stock based on the accretion method amounted to approximately \$63,168 and \$65,809 as of December 31, 2019 and 2020, respectively.

Series B, Series C, Series D, Series D-1, Series E and Series F Preferred stock are considered redeemable preferred stock and presented outside of permanent equity in the mezzanine section of the consolidated balance sheets.

Series A's liquidation preference provisions are considered contingent redemption provisions that are not solely within the Company's control and have been presented outside of permanent equity in the mezzanine section of the consolidated balance sheet.

**c. Receivables on account of stock:**

In May 2015, the Company entered into loan agreements with certain of its executive employees for the purpose of exercising vested options (the "Employee Loan Agreements"). The Employee Loan Agreements shall become due and payable in full in July 2021, unless certain events detailed in the Employee Loan Agreements occur prior to such date. In addition, such loans shall automatically be forgiven and deemed to have been repaid in full upon the consummation of an Exempted IPO, as such term is defined in the Employee Loan Agreements.

In February 2021, after the balance sheet date, the Employee Loan Agreements were amended such that the loans will be automatically forgiven and deemed to have been repaid in full immediately prior to the public filing by the Company of a registration statement under the Securities Act of 1933, as amended.

**d. Stock Option Plans:**

Under the Company's 2007 U.S. and Israeli Stock Option Plans (the "2007 Plans"), options may be granted to officers, directors, employees, advisors and consultants of the Company or its subsidiaries.

In 2017, the Company adopted a new equity incentive plan, the "2017 Equity Incentive Plan" (the "2017 Plan" and together with the 2007 Plans, the "Plans"), and extended the term of the 2007 Israeli Stock Option Plan and the term of the options already granted thereunder for an additional ten year period.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 14. CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT (Cont.)

Pursuant to the Plans, the Company reserved 10,107,262 shares of common stock for issuance. Following the adoption of a new option policy, the Company has reserved an additional 4,023,748 shares of common stock. As of December 31, 2020, an aggregate of 24,610 shares of common stock of the Company were still available for future grants under the 2017 Plan.

Each option granted under the Plans is exercisable until the earlier of ten years (or 20 years if granted under the 2007 Israeli Stock Option Plan) from the date of the grant of the option. The options vest primarily over a four year period. Any options that are forfeited or not exercised before expiration become available for future grants.

A summary of the Company's stock option activity with respect to options granted under the Plans is as follows:

	Number of Options	Weighted Average exercise price	Weighted remaining contractual term (years)	Aggregate Intrinsic Value
Outstanding as of January 1, 2020	18,131,737	\$ 1.11	6.55	\$ 7,288
Granted	15,960,637	6.57		
Exercised	(1,281,438)	0.22		11,365
Forfeited	(829,532)	1.56		
Outstanding as of December 31, 2020	31,981,404	3.86	7.72	\$ 22,134
Exercisable options at end of year	13,686,784	\$ 1.05	5.24	\$ 18,536

The fair value of each option award is estimated on the date of grant using the Black-Scholes model that uses the assumptions noted in the following table:

	2019	2020
Expected volatility	50%	50%
Risk-free interest rate	1.7%-2.6%	0.8%-0.4%
Dividend yield	—	—
Expected life	5.93	5.83

These assumptions and estimates were determined as follows:

- (1) Fair value of common stock - As the Company's common stock is not publicly traded, the fair value was determined by the Company's Board of Directors, with input from management and assisted by valuation reports prepared by a third-party valuation specialist.
- (2) Risk-free interest rate - The risk-free rate for the expected term of the options is based on the yields of U.S. Treasury securities with maturities appropriate for the expected term of the employee share option awards.
- (3) Expected life - The expected life represents the period that options are expected to be outstanding. For option grants that are considered to be "plain vanilla," the Company determines the expected term using the simplified method. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options.
- (4) Expected volatility - Since the Company has no trading history of its ordinary shares, the expected volatility is derived from the average historical share volatilities of several unrelated



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 14. CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT (Cont.)

public companies within the Company's industry that the Company considers to be comparable to its own business over a period equivalent to the option's expected term.

- (5) Expected dividend yield - The Company has never declared or paid any cash dividends and does not presently plan to pay cash dividends in the foreseeable future. As a result, an expected dividend yield of zero percent was used.

The weighted average fair value of the service-based awards granted in the years ended December 31, 2019 and 2020 was \$ 0.83 and \$2.78 per option.

The fair value of each market-based award is estimated on the date of grant using the Monte Carlo model that uses the assumptions noted in the following table:

	2020
Expected volatility	41 %
Risk-free interest rate	0.94 %
Dividend yield	— %

- (1) Expected volatility - Because the Company has no trading history of its ordinary shares, the expected volatility is derived from the average historical share volatilities of several unrelated public companies within the Company's industry that the Company considers to be comparable to its own business over a period equivalent to the option's expected term.
- (2) Risk-free interest rate - The risk-free rate for the expected term of the options is based on the yields of U.S. Treasury securities with maturities appropriate for the expected term of the employee share option awards.

The weighted average fair value of the market-based awards granted in the year ended December 31, 2020 was \$2.26 per option. These costs are expected to be recognized over a weighted-average period of approximately five and a half years.

The share-based compensation expense by line item in the accompanying consolidated statement of operations is summarized as follows:

	Year ended December 31,	
	2019	2020
Cost of revenues	\$ 218	\$ 335
Research and development	617	1,251
Sales and marketing	329	1,639
General and administrative	1,158	1,889
Total expenses	<u>\$ 2,322</u>	<u>\$ 5,114</u>

As of December 31, 2020, there were \$ 52,618 of total unrecognized compensation cost related to non-vested stock-based compensation arrangements granted under the Plans. These costs are expected to be recognized over a weighted-average period of approximately three and a half years.

**e. Stock split:**

In March 2021, the Company's board of directors and the stockholders of the Company approved a four and a half (4.5)-for-one forward stock split of the Company's common stock, which became effective

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 14. CONVERTIBLE AND REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT (Cont.)

on March 19, 2021. The par value of each class of capital stock was not adjusted as a result of this forward stock split. All common stock, convertible and redeemable convertible preferred stock, stock options, warrants, and per share information presented within these consolidated financial statements have been adjusted to reflect this forward stock split on a retroactive basis for all periods presented.

## NOTE 15: INCOME TAXES

The Company's subsidiaries are separately taxed under the domestic tax laws of the jurisdiction of incorporation of each entity.

a. *Loss before taxes on income is comprised as follows:*

	Year ended December 31,	
	2019	2020
Domestic	\$ 20,882	\$ 67,540
Foreign	(6,914)	(12,330)
Loss before taxes on income	\$ 13,968	\$ 55,210

The provision for income taxes was as follows:

	Year ended December 31,	
	2019	2020
Federal	\$ —	\$ —
State	43	57
Foreign	1,561	3,496
Total provision for income taxes	\$ 1,604	\$ 3,553

b. *Deferred income taxes:*

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

As of December 31, 2019 and 2020, the Company has provided a full valuation allowance in respect of deferred tax assets. Management currently believes that it is more likely than not that the deferred tax regarding the tax loss carry forwards and other temporary differences will not be realized in the foreseeable future.

Significant components of the Company's deferred tax assets are as follows:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 15. INCOME TAXES (Cont.)

	December 31,	
	2019	2020
Deferred tax assets:		
Net operating losses carryforward	\$ 48,531	\$ 60,905
Other temporary differences	3,022	5,908
Deferred tax assets before valuation allowance	51,553	66,813
Valuation allowance	(50,808)	(61,588)
Total deferred tax assets	745	5,225
Deferred tax liabilities:		
Acquired Intangible Assets	—	(664)
Deferred contract costs	(745)	(4,561)
Total deferred tax liabilities	(745)	(5,225)
Deferred tax assets, net	\$ —	\$ —

**c. Net operating losses carry forward:**

As of December 31, 2020, the U.S. parent company had a net U.S. operating loss carry forward ("NOLs") for federal income tax purposes of approximately \$ 217,519 and U.S. state NOLs of approximately \$ 122,503. Out of the operating losses attributed to the U.S. parent company, \$ 169,095 were generated before January 1, 2018 and are subject to the 20-year carryforward period. The remaining \$ 48,424 can be carried forward indefinitely but are subject to the 80% taxable income limitation.

Utilization of the U.S. net operating losses above may be subject to substantial annual limitations due to the "change in ownership" provisions of the Internal Revenue Code of 1986 and similar state provisions. The annual limitation may result in the expiration of substantial net operating losses before utilization (the 80% limitation was waived for NOLs utilized in 2019 and 2020 under the CARES Act).

The Company has analyzed the impact of Section 382 on its NOLs through 2020 and believes that the NOLs are not materially limited by Section 382. However, any future changes of ownership could impact the Company's ability to utilize NOLs.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 15. INCOME TAXES (Cont.)

d. A reconciliation of the Company's theoretical income tax expense to actual income tax expense is as follows:

	Year ended December 31,	
	2019	2020
Loss before tax as reported at the consolidated statement of operations	\$ 13,968	\$ 55,210
Statutory tax rate	21 %	21 %
Theoretical tax benefit	(2,933)	(11,594)
Non-deductible expenses and other permanent differences	235	269
Remeasurement of warrants to fair value	1,113	8,716
Share-based compensation	517	1,081
Change in valuation allowance	2,636	3,300
Income tax at rate other than the U.S. statutory tax rate	319	1,786
Exchange rate differences	(133)	(113)
Other	(150)	108
Total tax expenses	\$ 1,604	\$ 3,553

e. The Tax Cuts and Jobs Act:

On December 22, 2017, the U.S. enacted the Tax Cuts and Jobs Act, a comprehensive tax law that includes significant changes to the taxation of business entities. These changes include several key tax provisions, among others: (i) a permanent reduction to the statutory federal corporate income tax rate from 35% to 21% effective for tax years beginning after December 31, 2017; (ii) a partial limitation on the tax deductibility of business interest expenses; (iii) a shift of the U.S. taxation of multinational corporations from a tax on worldwide income to a territorial system (along with certain rules designed to prevent erosion of the U.S. income tax base) and (iv) a one-time deemed repatriation tax on accumulated offshore earnings held in cash and illiquid assets, with the latter taxed at a lower rate.

f. Tax laws applicable to the Company's subsidiary in Israel:

The Israeli corporate tax rate was 23% for the years ended December 31, 2019 and 2020. However, the effective tax rate payable by a company that derives income from a "Benefited Enterprise" or a "Preferred Enterprise" (as discussed below) may be considerably less. Capital gains derived by an Israeli company are generally subject to the prevailing corporate tax rate.

Tax benefits by virtue of the Law for the Encouragement of Capital Investments, 1959 ("the Investment Law"):

Until tax year 2014, Kaltura Israel utilized various tax benefits by virtue of the "Benefited Enterprise" status granted to its enterprise, pursuant to the Investment Law.

Kaltura Israel elected benefits under the alternative track of benefits according to which it was exempt from income tax in the first two years (from the date Kaltura Israel earned taxable income) and subject to corporate tax at the rate of 10%-25% for up to a total of seven years commencing with the year in which the Benefited Enterprise first generates taxable income.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

U.S. dollars in thousands (except share and per share data)

**NOTE 15. INCOME TAXES (Cont.)**

According to the provisions of section 51d of the Investment Law, Kaltura Israel elected the year 2011 as the Election Year and started utilizing tax benefits by virtue of the Investment Law.

If a dividend is distributed out of tax exempt income earned by a Benefited Enterprise the amount distributed will be subject to corporate tax at the rate that would have otherwise been applicable on the Benefited Enterprise income. Dividends paid out of income attributed to a Beneficiary Enterprise are generally subject to withholding tax at source at the rate of 15% or such lower rate as may be provided in an applicable tax treaty.

As of December 31, 2020, approximately \$ 369 was derived from tax exempt profits earned by Kaltura Israel's "Beneficiary Enterprise." The Company and its Board of Directors have determined that such tax-exempt income will not be distributed as dividends and intends to reinvest the amount of its tax-exempt income earned by Kaltura Israel. Accordingly, no provision for deferred income taxes has been provided on income attributable to Kaltura Israel's "Beneficiary Enterprise" as such income is essentially permanently reinvested.

If Kaltura Israel's retained tax-exempt income is distributed, the income would be taxed at the applicable corporate tax rate as if it had not elected the alternative tax benefits under the Investment Law and an income tax liability of up to \$ 92 would be incurred as of December 31, 2020.

In 2011, new legislation amending the Investment Law was adopted. Under this new legislation, a unified corporate tax rate applied to all qualifying income generated by a "Preferred Company" through its Preferred Enterprise (as such terms are defined in the Investment Law) as of January 1, 2011.

Industrial Companies under the Preferred Enterprise status according to the new law as amended in July 2013, and starting January 1, 2014 are entitled to a uniform reduced corporate tax rate of 9% in areas in Israel designated as Development Zone A and 16% elsewhere in Israel.

The 2011 Amendment also provided transitional provisions to address companies already enjoying current benefits under the Investment Law. Under the transition provisions, the Company decided to irrevocably implement the new law, effective January 1, 2015.

Dividends distributed from income which is attributed to a "Preferred Enterprise" will be subject to withholding tax at source at the rate of 20% or such lower rate as may be provided in an applicable tax treaty.

Kaltura Israel's income from other sources is subject to tax at the regular Corporate Income rate.

As of December 31, 2019 and 2020, \$1,438 and \$1,802 of undistributed earnings held by the Company's foreign subsidiaries are designated as indefinitely reinvested. If these earnings were re-patriated to the US, they would be subject to income taxes and to an adjustment for foreign tax credits and foreign withholding taxes. The amount of unrecognized deferred tax liability related to these earnings was not material.

**g. Tax assessment:**

Generally, in U.S. federal and state taxing jurisdictions, tax periods in which certain loss and credit carryovers are generated remain open for audit until such time as the limitation period ends for the year in which such losses or credits are utilized.

Kaltura Israel received final tax assessments through 2016 while the rest of the Company's subsidiaries did not have any final tax assessments as of December 31, 2020.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 15. INCOME TAXES (Cont.)

**h. Uncertain tax position:**

A reconciliation of the opening and closing amounts of total unrecognized tax benefits is as follows:

	Unrecognized Tax Benefits
Balance as of January 1, 2019	\$ 2,006
Increases related to prior years' tax positions	256
Increases related to current years' tax positions	403
Balance as of December 21, 2019	\$ 2,665
Increases related to prior years' tax positions	311
Increases related to current years' tax positions	887
Balance as of December 31, 2020	\$ 3,863

As of December 31, 2020, the total amount of gross unrecognized tax benefits was \$ 3,863 and if recognized, would favorably impact the Company's effective tax rate.

The Company recognizes interest related to uncertain tax positions in income tax expense. For the years ended December 31, 2019 and 2020, the Company recorded \$97 and \$90 interest accordingly related to uncertain tax positions.

The Company currently does not expect uncertain tax positions to change significantly over the next 12 months, except in the case of settlements with tax authorities, the likelihood and timing of which is difficult to estimate.

## NOTE 16: SELECTED STATEMENT OF OPERATIONS DATA

	Year ended December 31,	
	2019	2020
Financial income:		
Interest income	\$ 133	\$ 18
	133	18
Financial expenses:		
Bank fees	326	370
Remeasurement of warrants to fair value	5,300	41,505
Interest expense	4,298	4,091
Foreign currency translation adjustments, net	1,292	666
Other	106	107
	11,322	46,739
Financial expenses, net	\$ 11,189	\$ 46,721

## NOTE 17: NET LOSS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS

**1. Historical net loss per share attributable to common stockholders:**

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders for the periods presented:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 17. NET LOSS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS (Cont.)

	Year ended December 31,	
	2019	2020
<b>Numerator:</b>		
Net loss	\$ 15,572	\$ 58,763
Preferred stock accretion and cumulative undeclared dividends	9,749	11,934
Total loss attributable to common stockholders	\$ 25,321	\$ 70,697
<b>Denominator:</b>		
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	22,754,499	24,939,901
Net loss per share attributable to common stockholders, basic and diluted	\$ 1.11	\$ 2.83

Instruments potentially exercisable for common stock that were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented because including them would have been anti-dilutive are as follows:

	Year ended December 31,	
	2019	2020
Convertible and redeemable and convertible preferred stock	16,823,100	16,823,100
Warrants to purchase preferred and common stock	6,164,020	6,777,275
Outstanding stock options	18,131,737	31,981,404
Total	41,118,857	55,581,779

**2. Unaudited pro forma net loss per share attributable to common stockholders:**

The unaudited pro forma basic and diluted net loss per share attributable to common stockholders for the year ended December 31, 2020 has been prepared to give effect to the occurrence of (i) the Warrant Exercises, (ii) the Preferred Stock Conversion, (iii) the Series C Warrant Conversion (in each case, as defined in note 2(d) above), and (iv) the forgiveness of the Employee Loan Agreements (see also Note 14c). The Company has calculated unaudited pro forma basic and diluted net loss per share attributable to common stockholders giving effect to the impact of the foregoing events using the if-converted method, as though each such event had occurred as of the beginning of the period or the original date of issuance of the applicable security, if later. This calculation does not give effect to any shares of common stock to be issued in the IPO.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 17. NET LOSS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS (Cont.)

	Year ended December 31, 2020 (unaudited)
<b>Numerator:</b>	
Net loss attributable to common stockholders	\$ 70,697
Change in fair value of warrant liabilities	(41,505)
Preferred stock accretion and cumulative undeclared dividends	(11,934)
Forgiveness of Employee Loan Agreements (see also Note 14c)	882
Net loss used in unaudited pro forma net loss per share calculation	\$ 18,140
<b>Denominator:</b>	
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	24,939,901
Pro forma adjustment to reflect Warrant Exercises and Preferred Stock Conversion	80,075,962
Weighted average shares used in computing pro forma net loss per share, basic and diluted	105,015,863
Pro forma net loss per share attributable to common stockholders, basic and diluted	\$ 0.17

## NOTE 18: REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION

**a. Reportable segments:**

ASC 280, Segment Reporting, establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is its Chief Executive Officer ("CODM"). The Company's CODM does not regularly review asset information by segments and, therefore, the Company does not report asset information by segment.

The Company organizes its operations in two segments: Enterprise, Education and Technology and Media and Telecom. The Enterprise, Education and Technology segment represents products related to industry solutions for education customers, and media services (except for Media and Telecom customers). The Media and Telecom segment primarily represents TV solutions that are sold to media and telecom operators.

The measurement of the reportable operating segments is based on the same accounting principles applied in these financial statements, which includes certain corporate overhead allocations.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 18: REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION (Cont.)

	Year ended December 31, 2019		
	Enterprise, Education and Technology	Media and Telecom	Total
Revenues	\$ 64,839	\$ 32,510	\$ 97,349
Gross income	\$ 50,273	\$ 11,458	\$ 61,731
Operating expenses			64,510
Financial expenses net			11,189
Provision for income taxes			1,604
Net loss			\$ 15,572

	Year ended December 31, 2020		
	Enterprise, Education and Technology	Media and Telecom	Total
Revenues	\$ 80,449	\$ 39,991	\$ 120,440
Gross income	\$ 58,539	\$ 14,236	\$ 72,755
Operating expenses			81,264
Financial expenses net			46,721
Provision for income taxes			3,553
Net loss			\$ 58,763

**b. Geographical information:**

Revenue by location is determined by the billing address of the customer. Total revenues from external customers on the basis of the Company's geographical areas are as follows:

	Year ended December 31,	
	2019	2020
United States ("US")	\$ 54,476	\$ 68,781
Europe, the Middle East and Africa ("EMEA")	29,648	37,592
Other	13,225	14,067
	\$ 97,349	\$ 120,440

The following presents long-lived assets as of December 31, 2019 and 2020, based on geographical areas:

	December 31,	
	2019	2020
US	\$ 6,484	\$ 2,850
EMEA	1,312	1,283
Other	12	14
	\$ 7,808	\$ 4,147

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 19: RELATED PARTIES

In June 2019, the Company entered into an agreement with a certain investor under which the investor received a one-year subscription to use the Company's software. Under the agreement, the investor has made minimum, non-cancelable revenue commitments, in the amount of \$548. During 2020 the Company and the investor renewed the agreement. During the years ended December 31, 2019 and 2020, the Company recognized total revenue of \$357 and \$524, respectively, related to this agreement. As of December 31, 2019 and 2020, trade receivables included nil and deferred revenue, current of \$191 and \$161, respectively, associated with this investor.

## NOTE 20: RESTATEMENT OF PREVIOUSLY ISSUED CONSOLIDATED FINANCIAL STATEMENTS

The Company has restated its previously issued consolidated financial statements as of the year ended December 31, 2020 to amend the underlying assumptions used in its common stock valuation work. Management was assisted by a third party valuator on both the initial valuation work and the updated valuation work as of December 31, 2020 conducted as part of the Company's IPO process. The primary changes were in the assumptions used in the updated valuation, such as the probability for an IPO, the valuation of peer companies and the inclusion of the Company's results and forecasts up to and including December 2020.

The previously used underlying assumptions resulted in an understatement of the stock-based compensation of grants made on December 24, 2020 and the fair value of the warrants to purchase preferred and common stock. The impact of the previously used underlying assumptions reported on the December 31, 2020 consolidated balance sheet was an understatement of \$19,680 in the warrants to purchase preferred and common stock. In addition, the impact on the previously reported year ended December 31, 2020 consolidated statement of operation was an understatement of \$37, \$99, \$51 and \$182 in the cost of revenue expenses, research and development expenses, sales and marketing expenses and general and administrative expenses, respectively, as it relates to the stock-based compensation and \$19,680 in the financial expenses, net as it relates to the valuation of the warrants to purchase preferred and common stock.

As a result of such change, the Company has restated its previously issued 2020 consolidated financial statements.

The effects of the restatement on the line items within the Company's consolidated balance sheet as of December 31, 2020 are as follows:

	December 31, 2020		
	As originally reported	Adjusted	As Restated
Warrants to purchase preferred and common stock	\$ 37,100	\$ 19,680	\$ 56,780
Total liabilities	171,818	19,680	191,498
Additional paid in capital	8,019	369	8,388
Accumulated deficit	(243,234)	(20,049)	(263,283)
Total stockholders' deficit	\$ (240,976)	\$ (19,680)	\$ (260,656)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands (except share and per share data)

## NOTE 20: RESTATEMENT OF PREVIOUSLY ISSUED CONSOLIDATED FINANCIAL STATEMENTS (Cont.)

The effects of the restatement on the line items within the Company's consolidated statement of operations for the year ended December 31, 2020 are as follows:

	December 31, 2020		
	As originally reported	Adjusted	As Restated
Cost of revenue:			
Subscription	\$ 28,477	\$ 9	\$ 28,486
Professional services	19,151	28	19,179
Total cost of revenue	47,628	37	47,665
Gross profit	72,812	(37)	72,775
Operating expenses:			
Research and development	29,468	99	29,567
Sales and marketing	29,424	51	29,475
General and administrative	22,040	182	22,222
Total operating expenses	80,932	332	81,264
Operating loss	8,120	369	8,489
Financial expenses, net	27,041	19,680	46,721
Net loss	38,714	20,049	58,763
Net loss per share attributable to common stockholders, basic and diluted	\$ 2.03	\$ 0.80	\$ 2.83

The effects of the restatement on the line items within the Company's consolidated statement of changes in convertible and redeemable convertible preferred stock and stockholders' deficit for the year ended December 31, 2020 are as follows:

	December 31, 2020		
	As originally reported	Adjusted	As Restated
Additional paid in capital	\$ 8,019	\$ 369	\$ 8,388
Accumulated deficit	(243,234)	(20,049)	(263,283)
Total stockholders' deficit	\$ (240,976)	\$ (19,680)	\$ (260,656)

Although there was no impact to net cash provided by operating activities, net cash used in investing activities or net cash used in financing activities, the effects of the restatement on the line items within the consolidated statements of cash flows for the year ended December 31, 2020 are as follows:

	December 31, 2020		
	As originally reported	Adjusted	As Restated
Net loss	\$ (38,714)	\$ (20,049)	\$ (58,763)
Stock based compensation expenses	4,745	369	5,114
Change in fair value of warrants to purchase preferred and common stock	\$ (21,825)	\$ (19,680)	\$ (41,505)

The impacts of the restatement to stock-based compensation expense and the fair value of the warrants to purchase preferred and common stock affect certain notes to the consolidated financial statements, and conforming changes have been made to Notes 13,14, 15, 16, 17 and 18.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

U.S. dollars in thousands (except share and per share data)

**NOTE 21: SUBSEQUENT EVENTS**

a. The Company has evaluated subsequent events from the balance sheet date through March 1, 2021, the date at which the consolidated financial statements were available to be issued.

b. In January 2021, the Company repaid all amounts outstanding under the existing loan agreements, terminated all outstanding commitments, and entered into a new credit agreement (the "Credit Agreement") with an existing lender, which provides for a new senior secured term loan facility in the aggregate principal amount of \$40,000 (the "Term Loan Facility") and a new senior secured revolving credit facility in the aggregate principal amount of \$10,000 (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Credit Facilities").

Borrowings under the Credit Facilities are subject to interest, determined as follows: (a) Eurodollar loans accrue interest at a rate per annum equal to the Eurodollar rate plus a margin of 3.50% (the Eurodollar rate is calculated based on the applicable LIBOR for U.S. dollar deposits, subject to a 1.00% floor, divided by 1.00 minus the maximum effective reserve percentage for Eurocurrency funding), and (b) Alternate Base Rate ("ABR") loans accrue interest at a rate per annum equal to the ABR plus a margin of 2.50% (ABR is equal to the highest of (i) the prime rate and (ii) the Federal Funds Effective Rate plus 0.50%, subject to a 2.00% floor).

The Term Loan Facility is payable in consecutive quarterly installments on the last day of each fiscal quarter in an amount equal to (i) \$250 for installments payable on March 31, 2021 through December 31, 2021, (ii) \$750 for installments payable on March 31, 2022 through December 31, 2022, and (iii) \$1,500 for installments payable on and after March 31, 2023. The remaining unpaid balance on the Term Loan Facility is due and payable on January 14, 2024, together with accrued and unpaid interest on the principal amount to be paid to, but excluding, the payment date. Borrowings under the Revolving Credit Facility do not amortize and are due and payable on January 14, 2024. Amounts outstanding under the Credit Facilities may be voluntarily prepaid at any time and from time to time, in whole or in part, without premium or penalty.

c. On February 3, 2021, SVB Financial Group ("SVB") converted a Warrant to Purchase Stock issued on February 3, 2011 (the "Series C Warrant") into shares of the Company's Series C Convertible Preferred Stock pursuant to the cashless conversion mechanism described in the Series C Warrant. The conversion was exercised for all of the 31,413 shares covered by the Series C Warrant and resulted in the net issuance of 27,011 shares of the Company's Series C Convertible Preferred Stock. Pursuant to the terms of the Series C Warrant, the number of net shares issued was determined by dividing (a) the aggregate fair market value of the shares otherwise issuable upon exercise of the Series C Warrant minus the aggregate exercise price of such shares by (b) the fair market value of one share of the Company's Series C Convertible Preferred Stock.

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Through and including \_\_\_\_\_, 2021 (the 25th day after the date of this prospectus), all dealers effecting transactions in the common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement 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.

23,500,000 Shares



**Kaltura, Inc.**  
**Common Stock**

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PRELIMINARY PROSPECTUS

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**Goldman Sachs & Co. LLC**

**BofA Securities**

**Wells Fargo Securities**

**Deutsche Bank Securities**

**Canaccord Genuity**

**JMP Securities**

**KeyBanc Capital Markets**

**Needham & Company**

**Oppenheimer & Co.**

, 2021

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## Part II

### INFORMATION NOT REQUIRED IN PROSPECTUS

#### Item 13. Other Expenses of Issuance and Distribution.

The following table indicates the expenses to be incurred in connection with the offering described in this registration statement, other than underwriting discounts and commissions, all of which will be paid by us. All amounts are estimated except the Securities and Exchange Commission registration fee, the Financial Industry Regulatory Authority, Inc., or FINRA, filing fee and the Nasdaq listing fee.

	Amount
Securities and Exchange Commission registration fee	\$ 47,175
FINRA filing fee	65,360
Nasdaq listing fee	295,000
Accountants' fees and expenses	1,000,000
Legal fees and expenses	2,500,000
Transfer Agent's fees and expenses	4,500
Printing and engraving expenses	225,000
Miscellaneous	662,965
Total expenses	<u>\$ 4,800,000</u>

\* To be filed by amendment.

#### Item 14. Indemnification of Directors and Officers.

The Registrant is governed by the Delaware General Corporation Law (the "DGCL"). Section 145 of the DGCL provides that a corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or completed legal action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person was or is an officer, director, employee or agent of such corporation or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided such officer, director, employee or agent acted in good faith and in a manner such person reasonably believed to be in, or not opposed to, the corporation's best interest and, for criminal proceedings, had no reasonable cause to believe that such person's conduct was unlawful. A Delaware corporation may indemnify any person, including an officer or director, who was or is, or is threatened to be made, a party to any threatened, pending or contemplated action or suit by or in the right of such corporation, under the same conditions, except that such indemnification is limited to expenses (including attorneys' fees) actually and reasonably incurred by such person, and except that no indemnification is permitted without judicial approval if such person is adjudged to be liable to such corporation. Where an officer or director of a corporation is successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to above, or any claim, issue or matter therein, the corporation must indemnify that person against the expenses (including attorneys' fees) which such officer or director actually and reasonably incurred in connection therewith.

The Registrant's amended and restated certificate of incorporation, which will be in effect upon the closing of this offering, will authorize the indemnification of its officers and directors, consistent with Section 145 of the DGCL.

Reference is made to Section 102(b)(7) of the DGCL, which enables a corporation in its original certificate of incorporation or an amendment thereto to eliminate or limit the personal liability of a director

for violations of the director's fiduciary duty, except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) pursuant to Section 174 of the DGCL, which provides for liability of directors for unlawful payments of dividends of unlawful stock purchase or redemptions or (iv) for any transaction from which a director derived an improper personal benefit.

In connection with this offering, we intend to enter into indemnification agreements with each of our directors and officers. These indemnification agreements may require us, among other things, to indemnify our directors and officers for some expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or officer in any action or proceeding arising out of his or her service as one of our directors or officers, or any of our subsidiaries or any other company or enterprise to which the person provides services at our request.

We maintain a general liability insurance policy that covers certain liabilities of directors and officers of our corporation arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we enter into in connection with the sale of common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act against certain liabilities.

#### **Item 15. Recent Sales of Unregistered Securities.**

Set forth below is information regarding all unregistered securities sold by us since January 1, 2018. Also included is the consideration received by us for such shares and information relating to the section of the Securities Act, or rule of the Securities and Exchange Commission, under which exemption from registration was claimed.

##### **(a) Issuance of Capital Stock.**

1. In March 2020, we issued an aggregate of 1,226,515 shares of our common stock to the former stockholders of Newrow, Inc. as partial consideration for our acquisition of all outstanding shares of capital stock of such entity.
2. In February 2021, we issued an aggregate of 27,011 shares of our Series C convertible preferred stock pursuant to the automatic cashless exercise of the Series C Warrant.

##### **(b) Equity Awards.**

1. Since January 1, 2018 we have granted stock options to employees, directors and consultants, covering an aggregate of approximately 25,989,790 shares of our common stock, having exercise prices ranging from \$0.0001 to \$13.34 per share, in connection with services provided to us by such parties.
2. Since January 1, 2018, we have issued an aggregate of approximately 3,035,011 shares of our common stock to employees, directors and consultants upon their exercise of stock options, for aggregate cash consideration of approximately \$0.6 million.

Unless otherwise stated, the issuances of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. Individuals who purchased securities as described above represented their intention 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 affixed to the share certificates issued in such transactions.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions or any public offering.



**Item 16. Exhibits and Financial Statement Schedules.**

(a) Exhibits.

The following documents are filed as exhibits to this registration statement.

Exhibit Number	Description of Exhibit
1.1♣	Form of Underwriting Agreement
3.1**	<a href="#">Certificate of Incorporation of Kaltura, Inc. (currently in effect)</a>
3.2*	<a href="#">Bylaws of Kaltura, Inc. (currently in effect)</a>
3.3	<a href="#">Form of Amended and Restated Certificate of Incorporation of Kaltura, Inc. (to be in effect upon the closing of this offering)</a>
3.4	<a href="#">Form of Amended and Restated Bylaws of Kaltura, Inc. (to be in effect upon the closing of this offering)</a>
4.1	<a href="#">Form of Certificate of Common Stock</a>
4.2+	<a href="#">Sixth Amended and Restated Investor Rights Agreement, dated as of July 22, 2016, by and among Kaltura, Inc. and each of the investors listed on Exhibit A thereto, as amended</a>
4.3*	<a href="#">Warrant to Purchase Shares of Series E Convertible Preferred Stock, dated as of October 28, 2015, issued by Kaltura, Inc. to ORIX Finance Equity Investors, LP</a>
4.4+	<a href="#">Purchase Warrant for Common Stock, dated as of July 22, 2016, by and between Kaltura, Inc. and Goldman, Sachs &amp; Co., as amended</a>
4.5*	<a href="#">Amended and Restated Warrant to Purchase Shares of Series D Convertible Preferred Stock, dated as of November 8, 2018, issued by Kaltura, Inc. to ORIX Finance Equity Investors, LP</a>
4.6*	<a href="#">Amended and Restated Warrant to Purchase Shares of Series E Convertible Preferred Stock, dated as of November 8, 2018, issued by Kaltura, Inc. to ORIX Finance Equity Investors, LP</a>
4.7	<a href="#">Warrant to Purchase Shares of Common Stock, dated as of March 26, 2020, issued by Kaltura, Inc. to Zarom Holding Limited, as amended</a>
5.1	<a href="#">Opinion of Latham &amp; Watkins LLP</a>
10.1+†♣	Credit Agreement, dated as of January 14, 2021, by and among Kaltura, Inc., the several banks and other financial institutions or entities from time to time party thereto, Silicon Valley Bank, as the Issuing Lender and the Swingline Lender, and SVB, as Administrative Agent
10.2+†♣	Guarantee and Collateral Agreement, dated as of January 14, 2021, by and among Kaltura, Inc., the other Grantors referred to therein, and Silicon Valley Bank, as Administrative Agent
10.3+†♣	Debenture, dated as of January 14, 2021, by and among Kaltura Europe Limited and Kaltura, Inc., as Original Chargors, and Silicon Valley Bank, as Administrative Agent
10.4#+	<a href="#">Kaltura, Inc. 2007 Israeli Share Option Plan and form of option agreements thereunder</a>
10.5#	<a href="#">Kaltura, Inc. 2007 Stock Option Plan and form of option agreements thereunder</a>
10.6#	<a href="#">Kaltura, Inc. 2017 Equity Incentive Plan and form of option agreements thereunder</a>
10.7#	<a href="#">Kaltura, Inc. 2021 Incentive Award Plan</a>
10.8#	<a href="#">Form of Stock Option Award Agreement under the Kaltura, Inc. 2021 Incentive Award Plan</a>
10.9#	<a href="#">Form of Restricted Stock Unit Award Agreement under the Kaltura, Inc. 2021 Incentive Award Plan</a>
10.10#+	<a href="#">Employment Agreement, dated as of May 1, 2012, by and between Kaltura Ltd. and Ron Yekutiel, as amended</a>
10.11#♣	Consulting Agreement by and between Kaltura, Inc. and Ron Yekutiel, effective November 1, 2006
10.12#♣	Consulting Agreement by and between Kaltura, Inc. and Ron Yekutiel, effective January 1, 2018, as amended
10.13#♣	Consulting Agreement by and between Kaltura Europe Limited and Ron Yekutiel, effective May 1, 2014, as amended
10.14#♣	Employment Agreement, dated as of June 18, 2017, by and between Kaltura Ltd. and Yaron Garmazi, as amended
10.15#+	<a href="#">Employment Agreement, dated as of April 1, 2018, by and between Kaltura Ltd. and Michal Tsur, as amended</a>

10.16#♣	Employment Agreement, dated as of January 28, 2019, by and between Kaltura Ltd. and Sergei Liakhovetsky, as amended
10.17#	<a href="#">Kaltura, Inc. Non-Employee Director Compensation Policy</a>
10.18+	<a href="#">Form of Indemnification Agreement between Kaltura, Inc. and its directors and officers</a>
21.1	<a href="#">Subsidiaries of Kaltura, Inc.</a>
23.1	<a href="#">Consent of Kost Forer Gabbay &amp; Kasierer, a member of Ernst &amp; Young Global</a>
23.2	<a href="#">Consent of Latham &amp; Watkins LLP (included in Exhibit 5.1)</a>
24.1*	<a href="#">Power of Attorney (included on signature page)</a>
99.1	<a href="#">Consent of Naama Halevi Davidov to be Named as Director Nominee</a>
99.2	<a href="#">Consent of Ronen Faier to be Named as Director Nominee</a>

\* Previously filed.

♣ To be filed by amendment.

\*\* This exhibit is being re-filed to reflect a subsequent amendment.

# Indicates management contract or compensatory plan.

† Certain of the schedules and attachments to this exhibit have been omitted pursuant to Regulation S-K, Item 601(a)(5). The registrant hereby undertakes to provide further information regarding such omitted materials to the Commission upon request.

+ Certain portions of this exhibit (indicated by "####") have been redacted pursuant to Regulation S-K, Item 601(a)(6).

(b) Financial Statement Schedules. Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

#### Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriter, at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned hereby undertakes that:

- (1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.
- (2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration

statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.



# Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE RESTATED CERTIFICATE OF "KALTURA, INC.", FILED IN THIS OFFICE ON THE THIRTEENTH DAY OF JANUARY, A.D. 2021, AT 10:19 O`CLOCK A.M.

/s/ Jeffrey W. Bullock

Jeffrey W. Bullock, Secretary of State



4243569 8100  
SR# 20210097422

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

Authentication: 202281846  
Date: 01-13-21

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 10:19AM 01/13/2021  
FILED 10:19AM 01/13/2021  
SR 20210097422 - File Number 4243569

**EIGHTH AMENDED AND RESTATED  
CERTIFICATE OF INCORPORATION OF  
OF  
KALTURA, INC.**

Kaltura, Inc., a corporation organized and existing under the laws of the State of Delaware, hereby certifies, as of January 9, 2021, that:

**ONE:** The name of the corporation is Kaltura, Inc. and the date of filing the original Certificate of Incorporation of this company with the Secretary of State of the State of Delaware was October 31, 2006. The original Certificate of Incorporation was amended and restated by that certain Amended and Restated Certificate of Incorporation on May 10, 2007, which was further amended and restated by that certain Second Amended and Restated Certificate of Incorporation on June 16, 2008, that certain Third Amended and Restated Certificate of Incorporation on September 15, 2010, which was further amended by that Amendment to the Third Amended and Restated Certificate of Incorporation November 19, 2010, which was further amended by that certain Fourth Amended and Restated Certificate of Incorporation on February 10, 2012, which was further amended by that certain Fifth Amended and Restated Certificate of Incorporation on August 29, 2012, which was further amended by that certain Sixth Amended and Restated Certificate of Incorporation on January 9, 2014 which was further amended by that certain Amendment to the Sixth Amended and Restated Certificate of Incorporation on May 14, 2014 and that certain Amendment to the Sixth Amended and Restated Certificate of Incorporation on October 28, 2015, which was further amended by that certain Seventh Amended and Restated Certificate of Incorporation on July 22, 2016.

**TWO:** This Eighth Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of this company in accordance with Section 228 of the DGCL. This Eighth 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 this company.

**THREE:** The Seventh Amended and Restated Certificate of Incorporation of this company, as amended, is hereby amended and restated to read as follows:

**I.**

The name of this company is **KALTURA, INC.** (the "*Company*").

**II.**

The address of the registered office of this Company in the State of Delaware is 1313 N. Market Street, Suite 5100, City of Wilmington, County of New Castle, Zip Code 19801, and the name of the registered agent of this Company in the State of Delaware at such address is PHS Corporate Services, Inc.

**III.**

The purpose of the Company is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of the State of Delaware ("*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 fifty two million twelve thousand six hundred and nine (52,012,609) shares, thirty five million (35,000,000) shares

of which shall be Common Stock (the "**Common Stock**") and seventeen million twelve thousand six hundred and nine (17,012,609) shares of which shall be Preferred Stock (the "**Preferred Stock**"). The Preferred Stock shall have a par value of (\$0.0001) per share and the Common Stock shall have a par value of (\$0.0001) per share.

**B.** The number of authorized shares of Common Stock 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 stock of the Company entitled to vote (voting together as a single class on an as-if-converted basis), as permitted by the provisions of Section 242(b)(2) of the DGCL.

**C.** One million, forty-three thousand, seven hundred seventy-eight (1,043,778) of the authorized shares of Preferred Stock are hereby designated "Series A Preferred Stock" (the "**Series A Preferred Stock**"); three million, two hundred forty thousand, eighty-five (3,240,085) of the authorized shares of Preferred Stock are hereby designated Series B Preferred Stock (the "**Series B Preferred Stock**"); three million, four hundred thirty-four thousand, five hundred fifty-six (3,434,556) of the authorized shares of Preferred Stock are hereby designated Series C Preferred Stock (the "**Series C Preferred Stock**"); two million, eight hundred and seventy thousand, five hundred forty four (2,870,544) of the authorized shares of Preferred Stock are hereby designated Series D Preferred Stock (the "**Series D Preferred Stock**"); seven hundred fourteen thousand, two hundred eighty six (714,286) of the authorized shares of Preferred Stock are hereby designated Series D-1 Preferred Stock (the "**Series D-1 Preferred Stock**"); four million, forty two thousand six hundred ninety three (4,042,693) shares of Preferred Stock are hereby designated Series E Preferred Stock (the "**Series E Preferred Stock**") and one million, six hundred and sixty six thousand, six hundred and sixty seven (1,666,667) shares of Preferred Stock are hereby designated Series F Preferred Stock (the "**Series F Preferred Stock**" and together with the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock and Series E Preferred Stock, sometimes the "**Series Preferred**"). For the avoidance of confusion, the term "**Series Preferred**" in Section 5 of Article IV(D) refers to either Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock or Series F Preferred Stock, as the case may be.

**D.** The rights, preferences, privileges, restrictions and other matters relating to the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock and Series F Preferred Stock are as follows:

**1. DIVIDEND RIGHTS.**

**(a)** Until the consummation of a Series F Qualified IPO, the holders of Series F Preferred Stock shall be entitled to receive, in preference to the holders of Series E Preferred Stock, Series D-1 Preferred Stock, Series D Preferred Stock, Series C Preferred Stock, Series B Preferred Stock, Series A Preferred Stock and Common Stock, cumulative dividends in an amount equal to ten percent (10%) of the Series F Original Issue Price (as defined below), compounded semi-annually (pro-rated on an elapsed days basis), for each outstanding share of Series F Preferred Stock (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the date of the filing of this Eighth Amended and Restated Certificate of Incorporation with the Secretary of State of the State of Delaware (the "**filling date**"), provided that such dividends shall be payable only when, as and if declared by the Board of Directors of the Company (the "**Board**"), out of any assets legally available therefor (the "**Series F Dividend Preference**"). Such dividends shall be deemed to accrue daily on each share of the Series F Preferred Stock commencing on its issuance date, whether or not earned or declared and whether or not there are profits, surplus or other funds of the Company legally available for the payment of dividends; provided, however that except as explicitly provided above and as set forth in Section 3(a) of this Article IV(D) and Section 7(a)(i) of this Article IV(D) (as part of the Series F Redemption Value (as such term is defined below), the Company shall be under no obligation to pay such dividends; provided, further however that following the consummation of the earliest of a Series F Qualified IPO, Acquisition pursuant to which the holders of Series F Preferred Stock receive the Minimum Return Amount or Asset Transfer pursuant to which the holders of Series F Preferred Stock receive the Minimum Return Amount (each, as defined below), such dividends shall no longer accrue. Except as otherwise provided for, or contemplated, herein, and subject to the foregoing, the Series F Dividend Preference, minus any Prepayments (as defined below) (which shall be applied

pro rata across all outstanding shares of Series F Preferred Stock as of the time of any such Prepayments), when, as and if declared by the Board, shall be payable in cash. The "**Series F Original Issue Price**" of the Series F Preferred Stock shall be US\$30.00 per share (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof).

(b) Until the consummation of a Qualified IPO, after payment of the Series F Dividend Preference to holders of Series F Preferred, if and to the extent declared by the Board, as provided in Section 1(a) of this Article IV(D) above, the holders of Series E Preferred Stock shall be entitled to receive, in preference to the holders of Series D-1 Preferred Stock, Series D Preferred Stock, Series C Preferred Stock, Series B Preferred Stock, Series A Preferred Stock and Common Stock, non-cumulative dividends in an amount equal to eight percent (8%) of the Series E Original Issue Price (as defined below) for each outstanding share of Series E Preferred Stock (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date), provided that such dividends shall be payable only when, as and if declared by the Board, out of any assets legally available therefor (the "**Series E Dividend Preference**"). Following the first payment of the Series E Dividend Preference, if and to the extent declared by the Board, the holders of Series E Preferred Stock shall not be entitled to any additional dividend preference. Except as otherwise provided for, or contemplated, herein, and subject to the foregoing, the Series E Dividend Preference, when, as and if declared by the Board, shall be payable in cash. The "**Series E Original Issue Price**" of the Series E Preferred Stock shall be US\$10.15 per share (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof).

(c) Until the consummation of a Qualified IPO, after payment of the Series E Dividend Preference to holders of Series E Preferred, if and to the extent declared by the Board, as provided in Section 1(b) of this Article IV(D) above, the holders of Series D Preferred Stock and Series D-1 Preferred Stock (collectively, the "**Series DID-1 Preferred Stock**"), in preference to the holders of Series C Preferred Stock, Series B Preferred Stock, Series A Preferred Stock and Common Stock, shall be entitled to receive dividends on a pari passu basis, as follows (the "**Series DID-1 Dividend Preference**"):

(i) to the holders of Series D-1 Preferred Stock, (1) non-cumulative dividends in an amount equal to eight percent (8%) of the Series D-1 Original Issue Price (as defined below) for each outstanding share of Series D-1 Preferred Stock (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof) plus (2) the Series D-1 Retained Dividends (as such term is defined in the Sixth Amended and Restated Investor Rights Agreement, as such term is defined below) for each outstanding share of Series D-1 Preferred Stock, provided that such dividends shall be, in each case, payable only when, as and if declared by the Board out of any funds legally available therefor (the "**Series D-1 Dividend Preference**"). For the avoidance of any doubt, (i) any share of Series D-1 Preferred Stock issued after January 10, 2014 shall not be entitled to the Series D-1 Retained Dividends; and (ii) after January 10, 2014 the Series D-1 Preferred Stock shall not accrue any dividends and except as explicitly provided in this Section 1(c)(i) of this Article IV(D) and as set forth in Section 3(c) of this Article IV(D), the Company shall be under no obligation to pay such Series D-1 Dividend Preference. Following the first payment of the Series D-1 Dividend Preference, the holders of Series D-1 Preferred Stock shall not be entitled to additional dividend preference. Except as otherwise provided for, or contemplated, herein, and subject to the foregoing, the Series D-1 Dividend Preference shall be payable in cash. The "**Series D-1 Original Issue Price**" of the Series D-1 Preferred Stock shall be \$5.60 per share (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof).

(ii) to the holders of Series D Preferred Stock, (1) non-cumulative dividends in an amount equal to eight percent (8%) of the Series D Original Issue Price (as defined below) on each outstanding share of Series D Preferred Stock (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof) plus (2) Series D Retained Dividends (as such term is defined in the Sixth Amended and Restated Investor Rights Agreement) for each outstanding share of Series D Preferred Stock, provided that such dividends shall be, in each case, payable only when, as and if declared by the Board out of any funds legally available therefor (the "**Series D Dividend Preference**"). For the avoidance of any doubt, (i) any share of Series D Preferred Stock issued after January 10, 2014 shall not be entitled to the Series D



Retained Dividends; and (ii) after January 10, 2014 the Series D Preferred Stock shall not accrue any dividends and except as explicitly provided in this Section 1(c)(ii) of this Article IV(D) and as set forth in Sections 3(c) and 7(d) of this Article IV(D), the Company shall be under no obligation to pay such Series D Dividend Preference. Following the first payment of the Series D Dividend Preference, the holders of Series D Preferred Stock shall not be entitled to additional dividend preference. Except as otherwise provided for, or contemplated, herein, and subject to the foregoing, the Series D Dividend Preference shall be payable in cash. The "**Series D Original Issue Price**" of the Series D Preferred Stock shall be \$5.33 per share (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof).

(d) Until the consummation of a Qualified IPO, after payment of the Series D/D-1 Dividend Preference to holders of Series D Preferred and Series D-1 Preferred, if and to the extent declared by the Board, as provided in Section 1(c) of this Article IV(D) above, the holders of Series C Preferred Stock, in preference to the holders of Series B Preferred Stock, Series A Preferred Stock and Common Stock, shall be entitled to receive dividends as follows: (1) non-cumulative dividends in an amount equal to eight percent (8%) of the Series C Original Issue Price (as defined below) on each outstanding share of Series C Preferred Stock (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof) plus (2) Series C Retained Dividends (as such term is defined in the Sixth Amended and Restated Investor Rights Agreement) for each outstanding share of Series C Preferred Stock, provided that such dividends shall be, in each case, payable only when, as and if declared by the Board out of any funds legally available therefor (the "**Series C Dividend Preference**"). For the avoidance of any doubt, (i) any share of Series C Preferred Stock issued after January 10, 2014 shall not be entitled to the Series C Retained Dividends; and (ii) after January 10, 2014 hereof the Series C Preferred Stock shall not accrue any dividends and except as explicitly provided in this Section 1(d) of Article IV(D) and as set forth in Sections 3(d) and 7(b) of this Article IV(D), the Company shall be under no obligation to pay such Series C Dividend Preference. Following the first payment of the Series C Dividend Preference, the holders of Series C Preferred Stock shall not be entitled to additional dividend preference. Except as otherwise provided for, or contemplated, herein, and subject to the foregoing, the Series C Dividend Preference shall be payable in cash. The "**Series C Original Issue Price**" of the Series C Preferred Stock shall be US\$3.82 per share (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof).

(e) Until the consummation of a Qualified IPO, after payment of the Series C Dividend Preference to holders of Series C Preferred, if and to the extent declared by the Board, as provided in Section 1(d) of this Article IV(D) above, the holders of Series B Preferred Stock, in preference to the holders of Series A Preferred Stock and Common Stock, shall be entitled to receive dividends as follows: (1) non-cumulative dividends in an amount equal to eight percent (8%) of the Series B Original Issue Price (as defined below) on each outstanding share of Series B Preferred Stock (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof) plus (2) Series B Retained Dividends (as such term is defined in the Sixth Amended and Restated Investor Rights Agreement) for each outstanding share of Series B Preferred Stock, provided that such dividends shall be, in each case, payable only when, as and if declared by the Board out of any funds legally available therefor (the "**Series B Dividend Preference**"). For the avoidance of any doubt, (i) any share of Series B Preferred Stock issued after January 10, 2014 shall not be entitled to the Series B Retained Dividends; and (ii) after January 10, 2014 the Series B Preferred Stock shall not accrue any dividends and except as provided in this Section 1(e) of Article IV(D) and as explicitly set forth in Sections 3(e) and 7(c) of this Article IV(D), the Company shall be under no obligation to pay such Series B Dividend Preference. Following the first payment of the Series B Dividend Preference, the holders of Series B Preferred Stock shall not be entitled to additional dividend preference. Except as otherwise provided for, or contemplated, herein, and subject to the foregoing, the Series B Dividend Preference shall be payable in cash. The "**Series B Original Issue Price**" of the Series B Preferred Stock shall be US\$2.83038 per share (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof).

(f) Until the consummation of a Qualified IPO and so long as any shares of Series F Preferred Stock, Series E Preferred Stock, Series D-1 Preferred Stock, Series D Preferred Stock, Series C Preferred Stock or Series B Preferred Stock are outstanding, the Company shall not pay or declare any dividend, whether in cash or property, or make any other distribution on the Series A Preferred Stock or Common Stock, or

purchase, redeem or otherwise acquire for value any shares of the Series A Preferred Stock or Common Stock until all dividends as set forth in Sections l(a), l(b), l(c), l(d) and l(e) of this Article IV(D) on the Series F Preferred Stock, the Series E Preferred Stock, Series D-1 Preferred Stock, Series D Preferred Stock, Series C Preferred Stock and Series B Preferred Stock, respectively, shall have been paid or declared and set apart, except for:

(i) acquisitions of Common Stock by the Company pursuant to agreements which permit the Company to repurchase such shares at cost (or the lesser of cost or fair market value, as such fair market value is determined in good faith by the Board, including the affirmative vote of at least three (3) of the Preferred Directors (as defined below) (the "**Fair Market Value**") 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 Sections 3 and 4 of this Article IV(D); or

(iv) any repurchase or redemption of shares of Common Stock permitted pursuant to the terms and conditions of that certain Repurchase Agreements (as such term is defined in the Series F Purchase Agreement) (the "**Stockholder Liquidity**") or pursuant to the terms and conditions of that certain Sixth Amended and Restated Investor Rights Agreement, July 22, 2016, by and among the Company and the other parties named therein (the "**Sixth Amended and Restated Investor Rights Agreement**").

(g) Except as otherwise provided herein, (i) if at any time the Company pays less than the total amount of Series F Dividend Preference with respect to the Series F Preferred Stock, such payment shall be distributed pro rata among the holders thereof, based upon the aggregate Series F Dividend Preference on the shares of Series F Preferred Stock held by each holder; (ii) if at any time the Company pays less than the total amount of Series E Dividend Preference with respect to the Series E Preferred Stock, such payment shall be distributed pro rata among the holders thereof, based upon the aggregate Series E Dividend Preference on the shares of Series E Preferred Stock held by each holder; (iii) if at any time the Company pays less than the total amount of Series D/D-1 Dividend Preference with respect to the Series D Preferred Stock and the Series D-1 Preferred Stock, such payment shall be distributed pro rata among the holders thereof based upon the aggregate Series D/D-1 Dividend Preference on the shares of Series D Preferred Stock and Series D-1 Preferred Stock held by each such holder, (iv) if at any time the Company pays less than the total amount of Series C Dividend Preference with respect to the Series C Preferred Stock, such payment shall be distributed pro rata among the holders thereof, based upon the aggregate Series C Dividend Preference on the shares of Series C Preferred Stock held by each such holder; and (v) if at any time the Company pays less than the total amount of Series B Dividend Preference with respect to the Series B Preferred Stock, such payment shall be distributed pro rata among the holders thereof based upon the aggregate Series B Dividend Preference on the shares of Series B Preferred Stock held by each such holder.

(h) In the event that the Company declares or pays any additional dividends upon the Common Stock or the Series Preferred (excluding the shares of Series F Preferred Stock) (in each case, which may be paid only after the Company has paid the preferential dividends described in Sections l(a), l(b), l(c), l(d) and l(e) of this Article IV(D), whether payable in cash, securities or other property) other than dividends payable solely in shares of Common Stock ("**Additional Dividends**"), any such Additional Dividends shall be distributed among all holders of the Company's Common Stock (including the holder(s) of the GS Warrant (as defined below) and the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock and Series E Preferred Stock, in proportion to the number of shares of Common Stock that would be held by each such holder if all outstanding shares of Series Preferred (excluding the shares of Series F Preferred Stock) were converted to Common Stock at the then effective applicable Series Preferred Conversion Rate (as defined below).

- (i) The provisions of Sections l(f) and l(h) of this Article IV(D) shall not apply to a dividend payable in Common Stock.

## 2. VOTING RIGHTS.

(a) **General Rights.** Each holder of shares of the Series Preferred, other than shares of Series F Preferred Stock (which shares of Series F Preferred Stock shall have no voting rights or any other voting power except as expressly set forth herein or as required by Delaware law, provided that in such event, all of the issued and outstanding shares of Series F Preferred Stock shall entitle the holders thereof to an aggregate (for all such holders) of one (1) vote), shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Series Preferred, other than shares Series F Preferred Stock, could be converted (pursuant to Section 5 of this Article IV(D) 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 Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Company. In addition, the holder of the GS Warrant shall be entitled to the number of votes equal to the number of shares of Common Stock into which such GS Warrant is exercisable 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 Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Company. "**GS Warrant**" shall mean that certain Purchase Warrant for Common Stock issued by the Company to Goldman, Sachs & Co. ("**GS**") on July 22, 2016, including any warrant that may be issued to any transferee of the GS Warrant or any portion thereof, and any replacement warrant issued in connection therewith, and all such warrants shall be included in the definition of the GS Warrant. Except as otherwise provided herein or as required by law, the Series Preferred (other than shares Series F Preferred Stock (which shall have no voting rights or any other voting power) and the shares of Common Stock underlying the GS Warrant shall vote together with the Common Stock at any annual or special meeting of the stockholders and not as a separate class, and may act by written consent in the same manner as the Common Stock. Fractional votes shall not, however, be permitted and any fractional voting rights available on as-converted basis (after aggregating all shares into which shares of Series Preferred (other than shares Series F Preferred Stock) held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward).

(b) **Series Preferred Protective Provisions.** Notwithstanding Section 2(a) above, until the earlier of (i) a Qualified IPO or (ii) such date on which the holders of shares of Series Preferred (excluding the shares of Series F Preferred Stock) no longer hold more than twenty-five percent (25%) of the Company's issued and outstanding capital stock (excluding the shares of Series F Preferred Stock), the Company will not, directly or indirectly, without the affirmative vote or written consent of the holders of a majority of the Series Preferred (excluding the Series F Preferred Stock), then issued and outstanding, voting as a single, separate class on an as-if converted basis, effect or validate the following actions (whether by amendment, merger, recapitalization, consolidation or otherwise):

- (i) liquidate, dissolve or wind-up the affairs of the Company, or effect any Acquisition or Asset Transfer;

(ii) create, authorize the creation of or issue any other security convertible into or exercisable for any equity security having rights, preferences or privileges senior to, on parity with or which interfere with the rights, preferences or privileges of the Series E Preferred Stock, or increase the authorized number of shares of Preferred Stock (other than in connection with the creation and issuance of the New Designated Series A-1 Stock, as such term is defined in the Sixth Amended and Restated Investor Rights Agreement);

(iii) purchase or redeem or pay any dividend on any capital stock, provided, however, that this restriction shall not apply to the repurchase of capital stock of the Company (i) from employees, officers, directors, consultants or other persons performing services for the Company upon their termination of service with the Company provided that such repurchase is at the lesser of cost or Fair Market

Value, or (ii) from the holders of Common Stock in accordance with the terms set forth in the Sixth Amended and Restated Investor Rights Agreement;

(iv) create or authorize the creation of any debt security beyond One Hundred Thousand Dollars (\$100,000) in the aggregate, other than trade credit incurred in the ordinary course of business;

(v) increase or decrease the size of the Board; or

(vi) permit any of the Company's subsidiaries to do any of the

(c) **Series F Protective Provisions.** Notwithstanding Section 2(a) above, until the consummation of an IPO pursuant to which the outstanding shares of Series F Preferred Stock are converted into shares of Common Stock, the Company will not, without the affirmative vote or written consent of the holders of at least a majority of the Series F Preferred Stock, then issued and outstanding, voting as a single, separate class, directly or indirectly effect or validate the following actions (whether by amendment, merger, recapitalization, consolidation or otherwise):

(i) any transaction with an affiliate of the Company;

(ii) changes to this certificate of incorporation or by-laws of the Company in a manner that adversely affects the powers, preferences or rights of the Series F Preferred Stock;

(iii) the authorization, incurrence or issuance of any equity senior to or pari passu with the Series F Preferred Stock;

(iv) the authorization, incurrence or issuance of any indebtedness for borrowed money (including all guarantees, debts, negative pledges, liens or leases) in excess of .75x annualized recurring revenue (monthly recurring revenue x 12);

(v) the declaration or payment of any dividend or distribution, or the redemption or acquisition of any equity interests of the Company, other than (a) the payment of dividends on the Series F Preferred Stock or (b) the Stockholder Liquidity or (c) as otherwise permitted under subsections (f)(i)-(f)(iv) of Article D.1 hereof up to a maximum of \$3 million in the aggregate with respect to this subsection (c) provided that the foregoing cap shall not apply to repurchases under subsection (f)(iv) of Article D.1 hereof to the extent that any such repurchase is funded by the issuance of shares by the Company for an aggregate price equal to repurchase price to be paid by the Company with respect to any repurchased or redeemed shares;

(vi) any Liquidation Event, Acquisition or Asset Transfer (as defined below) in which the aggregate proceeds received by all holders of the Series F Preferred Stock and all holders of the GS Warrant is less the Minimum Return Amount (as such term is defined below); or

(vii) any public offering except for (A) a Series F Qualified IPO (as such term is defined below) or (B) a public offering which would otherwise satisfy the conditions of a Series F Qualified IPO other than as a result of the Valuation Threshold (as defined below) provided that the equity valuation of the Company is at least US\$500,000,000 and, if applicable, the holders of the outstanding shares of Series F Preferred Stock receive the Make Whole Issuance (as defined below).

(d) **Series E Protective Provisions.** Notwithstanding Section 2(a) above, until the earlier of (i) a Qualified IPO or (ii) such date on which fewer than 1,064,039 shares (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof) of Series E Preferred Stock issued pursuant to that certain Series E Preferred Stock Purchase Agreement, dated January 10, 2014 (the "**Series E Purchase Agreement**"), by and among the Company and the other parties named therein are outstanding, the Company will not, without the affirmative vote or written consent of the holders of at least 60% of

the Series E Preferred Stock, then issued and outstanding, voting as a single, separate class, directly or indirectly effect or validate the following actions (whether by amendment, merger, recapitalization, consolidation or otherwise): (i) alter, amend or restate any provision of this Eighth Amended and Restated Certificate of Incorporation, the Bylaws of the Company or any of the Related Agreements in any manner that adversely affects the rights, preferences or privileges of the Series E Preferred Stock; and (ii) increase or decrease the number of authorized shares of Series E Preferred Stock.

**(e) Series D-1 Preferred and Series D Preferred Protective Provisions.**

**(i) Series D-1 Protective Provisions.** Notwithstanding Section 2(a) above, until the earlier of (i) a Qualified IPO or (ii) such date on which fewer than 178,571 shares (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof) of Series D-1 Preferred Stock issued pursuant to that certain Series D-1 Preferred Stock Purchase Agreement, dated August 31, 2012, by and among the Company and the other parties named therein are outstanding, the Company will not, without the affirmative vote or written consent of the holders of a majority of the Series D-1 Preferred Stock, then issued and outstanding, voting as a single, separate class, effect or validate the following actions (whether by amendment, merger, recapitalization, consolidation or otherwise): alter, amend or restate any provision of this Eighth Amended and Restated Certificate of Incorporation or the Bylaws of the Company in any manner that adversely affects the rights, preferences or privileges of the Series D-1 Preferred Stock.

**(ii) Series D Protective Provisions.** Notwithstanding Section 2(a) above, until the earlier of (i) a Qualified IPO or (ii) such date on which fewer than 703,565 shares of Series D Preferred Stock issued pursuant to that certain Series D Preferred Stock Purchase Agreement, dated February 14, 2012, by and among the Company and the other parties named therein are outstanding, the Company will not, without the affirmative vote or written consent of the holders of a majority of the Series D Preferred Stock, then issued and outstanding, voting as a single, separate class, effect or validate the following actions (whether by amendment, merger, recapitalization, consolidation or otherwise): alter, amend or restate any provision of this Eighth Amended and Restated Certificate of Incorporation or the Bylaws of the Company in any manner that adversely affects the rights, preferences or privileges of the Series D Preferred Stock.

**(iii) Series C Protective Provisions.** Notwithstanding Section 2(a) above, until the earlier of (i) a Qualified IPO or (ii) such date on which fewer than 654,450 shares of Series C Preferred Stock issued pursuant to that certain Series C Preferred Stock Purchase Agreement, dated September 15, 2010, by and among the Company and the other parties named therein are outstanding, the Company will not, without the affirmative vote or written consent of the holders of a majority of the Series C Preferred Stock, then issued and outstanding, voting as a single, separate class, effect or validate the following actions (whether by amendment, merger, recapitalization, consolidation or otherwise): alter, amend or restate any provision of this Eighth Amended and Restated Certificate of Incorporation or the Bylaws of the Company in any manner that adversely affects the rights, preferences or privileges of the Series C Preferred Stock.

**(f) Election of Board of Directors.**

**(i)** The Board shall consist of up to eight (8) members. The members of the Board shall be elected as provided in this Section 2(1).

**(ii)** For so long as the shares of Series A Preferred Stock constitute five percent (5%) or more of the issued and outstanding share capital of the Company (excluding the outstanding shares of Series F Preferred Stock), the holders representing a majority of the Series A Preferred Stock, voting as a single series, separate class, shall be entitled to elect one (1) member (the "*Series A Director*") 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 and to fill any vacancy caused by the resignation, death or removal of such directors.

**(iii)** For so long as the shares of Series B Preferred Stock constitute five percent (5%) or more of the issued and outstanding share capital of the Company (excluding the outstanding shares

of Series F Preferred Stock), the holders representing a majority of the Series B Preferred Stock, voting as a single series, separate class, shall be entitled to elect one (1) member (the "**Series B Director**") 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 and to fill any vacancy caused by the resignation, death or removal of such directors.

(iv) For so long as the shares of Series C Preferred Stock, Series D Preferred Stock and Series D-1 Preferred Stock, together constitute five percent (5%) or more of the issued and outstanding share capital of the Company (excluding the outstanding shares of Series F Preferred Stock), the holders representing a majority of the Series C Preferred Stock, the Series D Preferred Stock and the Series D-1 Preferred Stock, voting together as a separate class and on an as-converted basis, shall be entitled to elect one (1) member (the "**Series C/D/D-1 Director**") 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 and to fill any vacancy caused by the resignation, death or removal of such directors.

(v) For so long as the shares of Series E Preferred Stock constitute five percent (5%) or more of the issued and outstanding share capital of the Company (excluding the outstanding shares of Series F Preferred Stock), the holders representing at least sixty percent (60%) of the Series E Preferred Stock, voting as a single series, separate class, shall be entitled to elect one (1) member (the "**Series E Director**").

(vi) For so long as the holders of shares of Series F Preferred Stock continue to hold the GS Warrant and such GS Warrant has not expired and is exercisable for at least 30% of the Initial Warrant Shares (as such term is defined in the GS Warrant), the holders representing at least a majority of the Series F Preferred Stock, voting as a single series, separate class, shall be entitled to elect one (1) member (the "**Series F Director**" and together with the Series A Director, Series B Director, the Series C/D/D-1 Director and the Series E Director, the "**Preferred Directors**") 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 and to fill any vacancy caused by the resignation, death or removal of such directors.

(vii) The holders of a majority of the shares Common Stock (excluding the shares of Common Stock issued or issuable upon exercise of the GS Warrant), voting as a separate class, shall be entitled to elect two (2) 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 and to fill any vacancy caused by the resignation, death or removal of such directors.

(viii) The holders of a majority of the shares of Common Stock and Series Preferred (excluding the outstanding shares of Series F Preferred Stock), voting together as a single class and on an as-converted to Common Stock basis, shall be entitled to elect the one (1) independent director with appropriate knowledge and experience in the Company's industry 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 and to fill any vacancy caused by the resignation, death or removal of such directors.

### 3. LIQUIDATION RIGHTS.

(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 any Common Stock or the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock and Series E Preferred Stock by reason of their ownership thereof, the holders of Series F Preferred Stock at that time outstanding shall be entitled to be paid, by reason of their ownership thereof, out of the assets of the Company legally available for distribution, for each share of Series F Preferred Stock held by them, an amount per share of Series F Preferred Stock equal to the Series F Original Issue Price plus all accrued but unpaid dividends on the Series F Preferred Stock as provided in Section I(a) of this Article IV(D) (the "**Series F Liquidation Preference**") less any Prepayments (as defined below); *provided however*, that in the event that the sum of (i) the aggregate amount payable in connection with a Liquidation Event to all holders of Series F Preferred Stock on account of the issued and outstanding shares of

Series F Preferred Stock held thereby; plus (ii) the aggregate amount payable to all holders of the GS Warrant on account of the shares of Common Stock issuable upon exercise of the GS Warrant and to any other stockholder to which the shares of Common Stock issued upon exercise of the GS Warrant (the "**GS Issued Warrant Shares**") were transferred, on account of the GS Issued Warrant Shares held thereby is less than the greater of (a) US\$62,500,000 and (b) an amount representing an internal rate of return to the holders of the Series F Preferred Stock of at least 15% on the Series F Aggregate Purchase Price, in each case, less any amounts paid to the holders of Series FIGS Warrant Redeemed Shares (as such term is defined below) in connection with any redemption pursuant to Section 7(a) of Article IV(D) below (the "**Redemption Amounts**") and less any Prepayments (the "**Minimum Return Amount**"), the aggregate Series F Liquidation Preference shall be increased, on a dollar-for-dollar basis, until the sum of (i) the aggregate amount payable in connection with a Liquidation Event to all holders Series F Preferred Stock on account of the shares of Series F Preferred Stock held thereby (as increased pursuant to the terms hereof); plus (ii) the aggregate amount payable in connection with a Liquidation Event to (a) all holders of the GS Warrant on account of the shares of Common Stock issuable upon exercise of the GS Warrant, and (b) and to any other stockholder holding GS Issued Warrant Shares, on account of the GS Issued Warrant Shares held thereby, will equal the Minimum Return Amount. For the purposes hereof, "**Series F Aggregate Purchase Price**" means an amount equal to US\$50,000,000 which is invested in the Company pursuant to that certain Series F Preferred Stock and Warrant Purchase Agreement, dated July 22, 2016 (the "**Series F Purchase Agreement**").

(b) Until a Qualified IPO and after payment of the Series F Liquidation Preference (as may be increased pursuant to the provisions set forth in Section 3(a) of this Article IV(D) with respect to each share of Series F Preferred Stock then outstanding has been made to the holders of the Series F Preferred Stock pursuant to Section 3(a) of this Article IV(D), upon any Liquidation Event, before any distribution or payment shall be made to the holders of any Common Stock or the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock and Series D-1 Preferred Stock by reason of their ownership thereof, the holders of Series E Preferred Stock at that time outstanding shall be entitled to be paid, by reason of their ownership thereof, out of the assets of the Company legally available for distribution, for each share of Series E Preferred Stock held by them, an amount per share of Series E Preferred Stock equal to the Series E Original Issue Price plus an amount equal to all declared but unpaid dividends on the Series E Preferred Stock as provided in Section 1(b) of this Article IV(D), if and to the extent declared, and less all amounts previously paid to the holders of Preferred E Stock under this Section 3(b) and Section 1(b) of this Article IV(D) on such share (the "**Preferred E Preference**"). If, upon any such Liquidation Event, the assets of the Company shall be insufficient to make payment in full to all holders of Series E Preferred Stock of the Preferred E Preference, then such assets (or consideration) shall be distributed among the holders of Series E Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled to receive pursuant to this Section 3(b) of this Article IV(D);

(c) Until a Qualified IPO and after payment of the Preferred E Preference with respect to each share of Series E Preferred Stock then outstanding has been made to the holders of the Series E Preferred Stock pursuant to Section 3(b) of this Article IV(D), upon any Liquidation Event, before any distribution or payment shall be made to the holders of any Common Stock or the holders of Series A Preferred Stock, Series B Preferred Stock or Series C Preferred Stock by reason of their ownership thereof, the holders of Series D Preferred Stock and the Series D-1 Preferred Stock, shall be entitled to the following payments which shall be made on a *pari passu* basis:

(i) The holders of Series D-1 Preferred Stock, at that time outstanding shall be entitled to be paid, by reason of their ownership thereof, out of the assets of the Company legally available for distribution for each share of Series D-1 Preferred Stock held by them, an amount per share of Series D-1 Preferred Stock equal to the Series D-1 Original Issue Price plus an amount equal to the Series D-1 Retained Dividends per share as provided in Section 1(c)(i)(2) of this Article IV(D) less all amounts previously paid to the holders of Series D-1 Preferred Stock under this Section 3(c)(i) and Section 1(c) of this Article IV(D) on such share (the "**Preferred D-1 Preference**").

(ii) The holders of Series D Preferred Stock, at that time outstanding shall be entitled to be paid, by reason of their ownership thereof, out of the assets of the Company legally available for

distribution for each share of Series D Preferred Stock held by them, an amount per share of Series D Preferred Stock equal to the Series D Original Issue Price plus an amount equal to all Series D Retained Dividends as provided in Section 1(c)(ii)(2) of this Article IV(D) less all amounts previously paid to the holders of Series D Preferred Stock under this Section 3(c) (ii) and Section 1(c) of this Article IV(D) on such share (the "**Preferred D Preference**").

(iii) If, upon any such Liquidation Event, the assets of the Company shall be insufficient to make payment in full to all holders of Series D-1 Preferred Stock and the Series D Preferred Stock of the Preferred D-1 Preference and Preferred D Preference, then such assets (or consideration) shall be distributed among the holders of Series D-1 Preferred Stock and Series D Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled to receive pursuant to this Section 3(c) of this Article IV(D).

(d) Until a Qualified IPO and after payment of the Preferred D-1 Preference and Preferred D Preference with respect to each share of Series D-1 Preferred Stock and Series D Preferred Stock then outstanding has been made to the holders of the Series D-1 Preferred Stock and Series D Preferred Stock pursuant to Section 3(c) of this Article IV(D), upon any Liquidation Event, before any distribution or payment shall be made to the holders of any Common Stock or the holders of Series A Preferred Stock or Series B Preferred Stock by reason of their ownership thereof, the holders of Series C Preferred Stock at that time outstanding shall be entitled to be paid, by reason of their ownership thereof, out of the assets of the Company legally available for distribution for each share of Series C Preferred Stock held by them, an amount per share of Series C Preferred Stock equal to the Series C Original Issue Price plus an amount equal to Series C Retained Dividends as provided in Section 1(d) of this Article IV(D), less all amounts previously paid to the holders of Series C Preferred Stock under this Section 3(d) and Section 1(d) of this Article IV(D) on such share (the "**Preferred C Preference**"). If, upon any such Liquidation Event, the assets of the Company shall be insufficient to make payment in full to all holders of Series C Preferred Stock of the Preferred C Preference, then such assets (or consideration) shall be distributed among the holders of Series C Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled to receive pursuant to this Section 3(d) of this Article IV(D).

(e) Until a Qualified IPO and after payment of the Preferred C Preference with respect to each share of Series C Preferred Stock then outstanding has been made to the holders of the Series C Preferred Stock pursuant to Section 3(d) of this Article IV(D), upon any Liquidation Event, before any distribution or payment shall be made to the holders of any Common Stock or the holders of Series A Preferred Stock by reason of their ownership thereof, the holders of Series B Preferred Stock at that time outstanding shall be entitled to be paid, by reason of their ownership thereof, out of the assets of the Company legally available for distribution for each share of Series B Preferred Stock held by them, an amount per share of Series B Preferred Stock equal to the Series B Original Issue Price plus an amount equal to all Series B Retained Dividends as provided in Section 1(d) of this Article IV(D) less all amounts previously paid to the holders of Series B Preferred Stock under this Section 3(e) and Section 1(e) of this Article IV(D) on such share (the "**Preferred B Preference**"). If, upon any such Liquidation Event, the assets of the Company shall be insufficient to make payment in full to all holders of Series B Preferred Stock of the Preferred B Preference, then such assets (or consideration) shall be distributed among the holders of Series B Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled to receive pursuant to this Section 3(e) of this Article IV(D).

(f) After payment of the Series F Liquidation Preference, with respect to each share of Series F Preferred Stock then outstanding has been made to the holders of the Series F Preferred Stock, the Preferred E Preference with respect to each share of Series E Preferred Stock then outstanding has been made to the holders of the Series E Preferred Stock, the Preferred D-1 Preference and the Preferred D Preference with respect to each share of Series D-1 Preferred Stock and Series D Preferred Stock then outstanding has been made to the holders of the Series D-1 Preferred Stock and Series D Preferred Stock, the Preferred C Preference with respect to each share of Series C Preferred Stock then outstanding has been made to the holders of the Series C Preferred Stock and the Preferred B Preference with respect to each share of Series B Preferred Stock then outstanding has been made to the holders of Series B Preferred Stock pursuant to Sections 3(a), 3(b), 3(c), 3(d) and 3(e), respectively, of this Article IV(D), the holders of the Series A Preferred Stock at that time outstanding shall be entitled to receive, prior and in preference to any distribution of any of the assets or surplus funds of the



Company to the holders of the Common Stock, by reason of their ownership thereof, out of the assets of the Company legally available for distribution, for each share of Series A Preferred Stock held by them an amount equal to the Series A Original Issue Price (as defined below) (the "**Preferred A Preference**"). If upon any such Liquidation Event, the assets and funds of the Company thus distributed among the holders of Series A Preferred Stock shall be insufficient to make the payment in full to all holders of Series A Preferred Stock of the Preferred A Preference, then the entire assets and funds of the Company legally available for distribution at such time shall be distributed among the holders of the Series A Preferred Stock ratably in proportion to the full amounts to which they would otherwise be respectively entitled to receive pursuant to this Section 3(f) of this Article IV(D).

(g) Upon distribution of the Series F Liquidation Preference, Preferred E Preference, Preferred D-1 Preference, Preferred D Preference, Preferred C Preference, Preferred B Preference and the Preferred A Preference, all holders of shares of Common Stock, Series E Preferred Stock, Series D-1 Preferred Stock, Series D Preferred Stock, Series C Preferred Stock, Series B Preferred Stock and Series A Preferred Stock (all on an as-if converted basis) shall be entitled to receive all declared and unpaid dividends on the Common Stock, if any, on a pro rata basis.

(h) After the payment of the full Series F Liquidation Preference, Preferred E Preference, Preferred D-1 Preference, Preferred D Preference, Preferred C Preference, Preferred B Preference and the Preferred A Preference as set forth in Sections 3(a), 3(b), 3(c), 3(d), 3(e) and 3(f) respectively, of this Article IV(D), and of all declared and unpaid dividends on the Common Stock, if any, as set forth in Section 3(g) of this Article IV(D), the remaining assets (or consideration) of the Company legally available for distribution in such Liquidation Event, if any, shall be distributed ratably to the holders of the Common Stock, the holders of Series B Preferred Stock, the holders of Series C Preferred Stock, the holders of Series D Preferred Stock, the holders of Series D-1 Preferred Stock and the holders of Series E Preferred Stock (on an as if converted basis), until:

(i) with respect to the holders of the Series E Preferred Stock, such holders shall have received pursuant to Sections 3(b), 3(g) and 3(h) of this Article IV(D) the Series E Participation Cap;

(ii) with respect to the holders of the Series D-1 Preferred Stock, such holders shall have received pursuant to Sections 3(c), 3(g) and 3(h) of this Article IV(D) the Series D-1 Participation Cap;

(iii) with respect to the holders of the Series D Preferred Stock, such holders shall have received pursuant to Sections 3(c), 3(g) and 3(h) of this Article IV(D) the Series D Participation Cap;

(iv) with respect to the holders of the Series C Preferred Stock, such holders shall have received pursuant to Sections 3(d), 3(g) and 3(h) of this Article IV(D) the Series C Participation Cap;

(v) with respect to the holders of Series B Preferred Stock, such holders shall have received pursuant to Sections 3(e), 3(g) and 3(h) of this Article IV(D) the Series B Participation Cap;

thereafter, the remaining assets (or consideration) of the Company legally available for distribution in such Liquidation Event, if any, shall be ratably distributed to the holders of the Common Stock.

For purposes of this Eighth Amended and Restated Certificate of Incorporation, (i) "**Series E Participation Cap**" shall mean three (3) times the Series E Original Issue Price; (ii) "**Series D-1 Participation Cap**" shall mean three (3) times the Series D-1 Original Issue Price; (iii) "**Series D Participation Cap**" shall mean three (3) times the Series D Original Issue Price; (iv) "**Series C Participation Cap**" shall mean four (4) times the Series C Original Issue Price; (v) "**Series B Participation Cap**" shall mean four (4) times the Series B Original Issue Price.

(i) The "**Series A Original Issue Price**" of each share of the Series A Preferred Stock shall be One Dollar and Eighty Four Cents (\$1.84) (as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the filing date hereof).

(j) Notwithstanding the above, for purposes of determining the amount each holder of shares of Series Preferred (excluding the holders of Series F Preferred Stock) is entitled to receive with respect to a Liquidation Event, each such holder of shares of a series of Series Preferred (other than the holders of Series F Preferred Stock) shall be deemed to have converted (regardless of whether such holder actually converted) such holder's shares of such series into shares of Common Stock immediately prior to the Liquidation Event if, as a result of an actual conversion, such holder would receive, in the aggregate, an amount greater than the amount that would be distributed to such holder if such holder did not convert such series of Series Preferred into shares of Common Stock. If any such holder shall be deemed to have converted shares of Series Preferred into Common Stock pursuant to this Section 3(j) of this Article IV(D) (for the avoidance of doubt, other than the holders of Series F Preferred Stock), then such holder shall not be entitled to receive any distribution that would otherwise be made to holders of Series Preferred that have not converted (or have not been deemed to have converted) into shares of Common Stock (for the avoidance of doubt, other than the holders of Series F Preferred Stock). For the avoidance of any doubt, any amount previously distributed to any holder of Series Preferred, including, without limitation, the Series F Liquidation Preference, Preferred E Preference, Preferred D-1 Preference, Preferred D Preference, Preferred C Preference, Preferred B Preference and the Preferred A Preference in accordance with Sections 3(a), 3(b), 3(c), 3(d), 3(e) and 3(f), respectively, of this Article IV(D), and distribution of dividends pursuant to Section 1 of this Article IV(D), shall be taken into account in any calculation or determination of the total amount such holder of Series Preferred is entitled to receive with respect to a Liquidation Event pursuant to this Section 3(i) of Article IV(D).

(k) In the event of a Liquidation Event if any portion of the consideration payable to the stockholders of the Company is placed into escrow and/or is payable to the stockholders of this corporation subject to contingencies (such consideration collectively referred to herein as "**Contingent Consideration**"), the definitive agreement with respect to such Liquidation Event shall provide that (i) the portion of such consideration that is not placed in escrow and not subject to any contingencies (the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Company in accordance with Sections 3(a), 3(b), 3(c), 3(d), 3(e), 3(f) and 3(h) of this Article IV(D) as if the Initial Consideration were the only consideration payable in connection with such Liquidation Event, after taking into account the application of Section 3(i), and (ii) any Contingent Consideration which becomes payable to the stockholders of the Company shall be allocated among the holders of capital stock of the Company in accordance with Sections 3(a), 3(b), 3(c), 3(d), 3(e), 3(f) and 3(h) after taking into account (x) the previous payment of (1) the Initial Consideration and (2) any other Contingent Consideration as part of the same transaction and (y) the application of Section 3(i). For the avoidance of doubt, holders of the Series Preferred shall not be deemed to have converted such Preferred Stock into Common Stock pursuant to Section 3(i) until such time such holders of Series Preferred actually receive as a result of such deemed conversion an amount greater than the amount to which such holders of Series Preferred would otherwise be entitled pursuant to Sections 3(a), 3(b), 3(c), 3(d), 3(e), 3(f) and 3(h) of this Article IV(D) had the Series Preferred had not been converted to Common Stock; provided that for the purposes of the application of Section 3(i), the value of the Initial Consideration and any Contingent Consideration shall be determined at the time such Initial Consideration or Contingent Consideration, as applicable, are to be legally distributed to the Company's stockholders as a result of such Liquidation Event.

(l) **Amount Deemed Paid or Distributed.** The funds and assets deemed paid or distributed to the holders of capital stock of the Company upon any Liquidation Event, Acquisition or Asset Transfer shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Company or the acquiring person, firm or other entity. If the amount deemed paid or distributed under this Section 3 is made in property other than in cash, the value of such distribution shall be the fair market value of such property, as determined in good faith by the Board (including the affirmative vote of at least three (3) Preferred

Directors); provided, however, that the following shall apply. For securities not subject to investment letters or other similar restrictions on free marketability:

(i) if traded on a national securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange or market over the 30- period ending three days prior to the closing of such transaction;

(ii) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the 30-day period ending three days prior to the closing of such transaction; or

(iii) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board (including the affirmative vote of at least three (3) Preferred Directors).

The method of valuation of securities subject to investment letters or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall take into account an appropriate discount (as determined in good faith by the Board (including the affirmative vote of at least three (3) Preferred Directors) from the market value as determined pursuant to clauses (i), (ii) and (iii) so as to reflect the approximate fair market value thereof.

(m) **Prepayment.** Notwithstanding the foregoing, subject to the Company having at least cumulative US\$5,000,000 unrestricted, free cash flow at any twelve month consecutive period ending at such time, and the Company operating on a forward budget that does not show for at least 8 months out of the twelve month consecutive period starting from such time a negative net cash bum, the Company may prepay any amounts payable to the holders of Series F Preferred Stock, including without limitation, any accrued dividends pursuant to Section l(a) of this Article IV(D) above and any portion of aggregate Series F Liquidation Preference, provided that such payments are in increments of at least US\$5,000,000 (with respect to such payments on account of all shares of Series F Preferred Stock, in the aggregate). Any such prepayment amount, together with any amount previously distributed to any holder Series F Preferred Stock in accordance with Sections 3(a) and/or pursuant to Section I of this Article IV(D) shall be referred to as a "**Prepayment**".

#### 4. ASSET TRANSFER OR ACQUISITION RIGHTS.

(a) In the event that the Company is a party to an Acquisition or Asset Transfer (as hereinafter defined), then each holder of Series Preferred shall be entitled to receive, for each outstanding share of Series Preferred then held, out of the proceeds of such Acquisition or Asset Transfer, the amount of cash, securities or other property to which such holder would be entitled to receive in a Liquidation Event pursuant to Section 3 of this Article IV(D).

(b) For the purposes of this Section 4: (i) "**Acquisition**" shall mean (x) any consolidation or merger of the Company or a wholly owned subsidiary 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 stockholders of the Company immediately prior to such consolidation, merger or reorganization, continue to hold at least 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; or (y) any transaction or series of related transactions in which 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 related 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 occurs; and (ii) "**Asset Transfer**" shall mean a sale, transfer, grant of an exclusive license to all or substantially all of the Company's material intellectual property rights (which has the same effect or economic impact as the disposition or a sale of all or substantially all of the assets of the Company) or other disposition of all or substantially all of the assets of the Company and its subsidiaries taken as a whole (or, if substantially all of the

assets of the Company and its subsidiaries taken as a whole are held by one or more subsidiaries, the sale or disposition (whether by consolidation, merger, conversion or otherwise) of such subsidiaries of the Company) except where such sale, transfer, grant of an exclusive license or other disposition is to a wholly owned subsidiary of the Company.

## 5. CONVERSION RIGHTS.

The holders of the Series Preferred shall have the following rights with respect to the conversion of the Series Preferred into shares of Common Stock (the "*Conversion Rights*"):

(a) **Optional Conversion.** Subject to and in compliance with the provisions of this Section 5, any shares of Series Preferred (excluding the Series F Preferred Stock) may, at the option of the holder thereof, be converted at any time into fully-paid and nonassessable shares of Common Stock. The number of shares of Common Stock to which a holder of Series Preferred (excluding the Series F Preferred Stock) 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 5(b) of this Article IV(D) by the number of shares of Series Preferred being converted. Notwithstanding anything to the contrary herein, the Series F Preferred Stock shall be converted into shares of Common Stock only in accordance with the terms and subject to the conditions set forth in Section 5(k)(i)(G) of this Article IV(D).

(b) **Series Preferred Conversion Rate.** The applicable conversion rate in effect at any time for conversion of the Entitled Series Preferred (as such term is defined below) (each a "*Series Preferred Conversion Rate*") shall be the quotient obtained by dividing either the Series A Original Issue Price, in the case of the conversion of the shares of Series A Preferred Stock, the Series B Original Issue Price, in the case of the conversion of the shares of the Series B Preferred Stock, the Series C Original Issue Price, in the case of the conversion of the shares of the Series C Preferred Stock, the Series D Original Issue Price, in the case of the conversion of the shares of the Series D Preferred Stock, the Series D-1 Original Issue Price, in the case of the conversion of the shares of the Series D-1 Preferred Stock, the Series E Original Issue Price, in the case of the conversion of the shares of the Series E Preferred Stock, by the Applicable Series Preferred Conversion Price (as defined below), calculated as provided in Section 5(c) of this Article IV(D).

(c) **Applicable Series Preferred Conversion Price.** The conversion price for the Series A Preferred Stock (the "*Series A Conversion Price*") shall initially be the Series A Original Issue Price, the conversion price for the Series B Preferred Stock (the "*Series B Conversion Price*") shall initially be the Series B Original Issue Price, the conversion price for the Series C Preferred Stock (the "*Series C Conversion Price*") shall initially be the Series C Original Issue Price, the conversion price for the Series D Preferred Stock (the "*Series D Conversion Price*") shall initially be the Series D Original Issue Price, the conversion price for the Series D-1 Preferred Stock (the "*Series D-1 Conversion Price*") shall initially be the Series D-1 Original Issue Price, and the conversion price for the Series E Preferred Stock (the "*Series E Conversion Price*") shall initially be the Series E Original Issue Price (the Series A Conversion Price, the Series B Conversion Price, Series C Conversion Price, the Series D Conversion Price, the Series D-1 Conversion Price and the Series E Conversion Price, each an "*Applicable Series Preferred Conversion Price*"). Such initial Applicable Series Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5 of this Article IV(D). All references to the Applicable Series Preferred Conversion Price herein shall mean the Applicable Series Preferred Conversion Price as so adjusted.

(d) **Mechanics of Conversion.** Each holder of Entitled Series Preferred who desires to convert the same into shares of Common Stock pursuant to Section 5(a) of this Article IV(D) shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Company or any transfer agent for the Entitled 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 Entitled 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 Common Stock to which such holder is entitled and shall promptly pay in cash (at the Common Stock's fair market value determined by the Board as of the date of conversion) the value of any

fractional share of Common Stock otherwise issuable to any holder of Entitled 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 Entitled Series Preferred to be converted, and the person entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of Common Stock on such date. Except as stated in Section 5(k) below, if the conversion is in connection with an underwritten offering of securities registered pursuant to the Securities Act of 1933, as amended, or equivalent securities laws of other jurisdiction, the conversion, unless otherwise designated by the holder, will be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common Stock upon conversion of the Series Preferred shall not be deemed to have converted such Series Preferred until immediately prior to the closing of such sale of securities.

**(e) Adjustment for Stock Splits and Combinations.** If at any time or from time to time on or after the date that the first share of Series F Preferred Stock is issued (the "**Original Issue Date**") the Company effects a subdivision of the outstanding Common Stock without a corresponding subdivision of the Series Preferred, 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 Original Issue Date the Company combines the outstanding shares of Common Stock into a smaller number of shares without a corresponding combination of the Series Preferred, the Series Applicable Preferred Conversion Price in effect immediately before the combination shall be proportionately increased. Any adjustment under this Section 5(e) of this Article IV(D) shall become effective at the close of business on the date the subdivision or combination becomes effective. For the avoidance of any doubt, the adjustments under this Section 5(e) shall not apply to the Series F Preferred Stock.

**(f) Adjustment for Common Stock Dividends and Distributions.** If at any time or from time to time on or after the Original Issue Date the Company pays to holders of Common Stock (including to the holder(s) of the GS Warrant) a dividend or other distribution in additional shares of Common Stock without a corresponding dividend or other distribution to holders of Series Preferred, the Applicable Series Preferred Conversion Price then in effect shall be decreased as of the time of such issuance, as provided below:

**(i)** The Applicable Series Preferred Conversion Price shall be adjusted by multiplying the Applicable Series Preferred Conversion Price then in effect by a fraction equal to:

**(1)** 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

**(2)** 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 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 5(f) to reflect the actual payment of such dividend or distribution. Notwithstanding the foregoing and for the avoidance of any doubt, the adjustments under this Section 5(f) shall not apply to the Series F Preferred Stock.

**(g) Adjustment for Reclassification, Exchange, Substitution, Reorganization, Merger or Consolidation.** If at any time or from time to time on or after the Original Issue Date the Common Stock 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 or Asset Transfer as defined in Section 4 of this Article IV(D) or a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5 of this Article IV(D), in any such event each holder of Series Preferred shall then have the right to convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification, merger, consolidation or other change by holders of the maximum number of shares of Common Stock into which such shares of Series Preferred could have been converted immediately prior to such recapitalization, reclassification, merger, consolidation or change, 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 5 of this Article IV(D) with respect to the rights of the holders of Series Preferred after the capital reorganization to the end that the provisions of this Section 5 of this Article IV(D) (including adjustment of the Applicable Series Preferred Conversion Price then in effect and the number of shares issuable upon conversion of such Series Preferred) shall be applicable after that event and be as nearly equivalent as practicable. Notwithstanding the foregoing and for the avoidance of any doubt, the adjustments under this Section 5(g) shall not apply to the Series F Preferred Stock.

**(h) Sale of Shares Below Applicable Series Preferred Conversion Price.**

**(i)** If at any time or from time to time on or after the Original Issue Date but prior to a Qualified IPO and for so long as the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock and Series E Preferred Stock (for the purposes of this Section 5 of this Article IV(D), the "**Entitled Series Preferred**"), remain outstanding, the Company issues or sells, or is deemed by the express provisions of this Section 5(h) of this Article IV(D) to have issued or sold, Additional Shares of Common Stock (as defined below), other than as provided in Section 5(e), 5(f) or 5(g) of this Article IV(D), for an Effective Price (as defined below) less than a then effective Applicable Series Preferred Conversion Price of the applicable Entitled Series Preferred, then and in each such case, if applicable, the then existing Applicable Series Preferred Conversion Price of the applicable Entitled Series Preferred shall be reduced, as of the opening of business on the date of such issue or sale, to a price determined by multiplying the Applicable Series Preferred Conversion Price for such Entitled Series Preferred in effect immediately prior to such issuance or sale by a fraction equal to:

**(1)** the numerator of which shall be (A) the number of shares of Common Stock deemed outstanding (as determined below) immediately prior to such issue or sale, plus (B) the number of shares of Common Stock which the Aggregate Consideration (as defined below) received or deemed received by the Company for the total number of Additional Shares of Common Stock so issued would purchase at such then-existing Applicable Series Preferred Conversion Price, and

**(2)** the denominator of which shall be the number of shares of Common Stock deemed outstanding (as determined below) immediately prior to such issue or sale plus the total number of Additional Shares of Common Stock so issued.

For the purposes of the preceding sentence, the number of shares of Common Stock deemed to be outstanding as of a given date shall be the sum of (A) the number of shares of Common Stock outstanding, (B) the number of shares of Common Stock into which the then outstanding shares of Series Preferred could be converted if fully converted on the day immediately preceding the given date, and (C) the number of shares of Common Stock which are issuable upon the exercise or conversion of all other rights, options and convertible securities outstanding on the day immediately preceding the given date (in each case, excluding shares of Common Stock issuable upon conversion of the Series F Preferred Stock).

**(ii)** For the purpose of making any adjustment required under this Section 5(h), the aggregate consideration received by the Company for any issue or sale of securities (the "**Aggregate Consideration**") shall be defined as: (A) to the extent it consists of cash, be computed at the gross amount of cash received by the Company before deduction of any underwriting or similar commissions, compensation or concessions paid or allowed by the Company in connection with such issue or sale and without deduction of any

expenses payable by the Company, (B) to the extent it consists of property other than cash, be computed at the fair value of that property as determined in a manner consistent with Section 3(1) of this Article IV(D), and (C) if Additional Shares of Common Stock, Convertible Securities (as defined below) or rights or options to purchase either Additional Shares of Common Stock or Convertible Securities are issued or sold together with other stock or securities or other assets of the Company for a consideration which covers both, be computed as the portion of the consideration so received that may be reasonably determined in good faith by the Board (including the affirmative vote of at least three (3) Preferred Directors) to be allocable to such Additional Shares of Common Stock, Convertible Securities or rights or options.

(iii) For the purpose of the adjustment required under this Section 5(h), if the Company issues or sells (x) Preferred Stock or other stock, options, warrants, purchase rights or other securities convertible into, Additional Shares of Common Stock (such convertible stock or securities being herein referred to as "**Convertible Securities**") or (y) rights or options for the purchase of Additional Shares of Common Stock or Convertible Securities and if the Effective Price of such Additional Shares of Common Stock is less than an Applicable Series Preferred Conversion Price, in each case the Company shall be deemed to have issued at the time of the issuance of such rights or options or Convertible Securities the maximum number of Additional Shares of Common Stock issuable upon exercise or conversion thereof and to have received as consideration for the issuance of such shares an amount equal to the total amount of the consideration, if any, received by the Company for the issuance of such rights or options or Convertible Securities plus:

(1) in the case of such rights or options, the minimum amounts of consideration, if any, payable to the Company upon the exercise of such rights or options; and

(2) in the case of Convertible Securities, the minimum amounts of consideration, if any, payable to the Company upon the conversion thereof (other than by cancellation of liabilities or obligations evidenced by such Convertible Securities); *provided* that if the minimum amounts of such consideration cannot be ascertained, but are a function of antidilution or similar protective clauses, the Company shall be deemed to have received the minimum amounts of consideration without reference to such clauses.

(3) If the minimum amount of consideration payable to the Company upon the exercise or conversion of rights, options or Convertible Securities is reduced overtime or on the occurrence or non-occurrence of specified events other than by reason of antidilution adjustments, the Effective Price shall be recalculated using the figure to which such minimum amount of consideration is reduced; *provided further*, that if the minimum amount of consideration payable to the Company upon the exercise or conversion of such rights, options or Convertible Securities is subsequently increased, the Effective Price shall be again recalculated using the increased minimum amount of consideration payable to the Company upon the exercise or conversion of such rights, options or Convertible Securities.

(4) No further adjustment of the Applicable Series Preferred Conversion Price, as adjusted upon the issuance of such rights, options or Convertible Securities, shall be made as a result of the actual issuance of Additional Shares of Common Stock or the exercise of any such rights or options or the conversion of any such Convertible Securities. If any such rights or options or the conversion privilege represented by any such Convertible Securities shall expire without having been exercised, the Applicable Series Preferred Conversion Price as adjusted upon the issuance of such rights, options or Convertible Securities shall be readjusted to the Applicable Series Preferred Conversion Price which would have been in effect had an adjustment been made on the basis that the only Additional Shares of Common Stock so issued were the Additional Shares of Common Stock, if any, actually issued or sold on the exercise of such rights or options or rights of conversion of such Convertible Securities, and such Additional Shares of Common Stock, if any, were issued or sold for the consideration actually received by the Company upon such exercise, plus the consideration, if any, actually received by the Company for the granting of all such rights or options, whether or not exercised, plus the consideration received for issuing or selling the Convertible Securities actually converted, plus the consideration, if any, actually received by the Company (other than by cancellation of liabilities or obligations evidenced by such Convertible Securities) on the conversion of such Convertible Securities, *provided* that such readjustment shall not apply to prior conversions of Series Preferred.

(iv) For the purpose of making any adjustment to the Applicable Series Preferred Conversion Price of the Entitled Series Preferred required under this Section 5(h), "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued by the Company or deemed to be issued pursuant to this Section 5(h), other than:

(1) shares of Common Stock and/or options, warrants or other Common Stock purchase rights and the Common Stock issued pursuant to such options, warrants or other rights issued or to be issued after the Original Issue Date to employees, officers or directors of, or consultants or advisors to the Company or any subsidiary of the Company, pursuant to (A) stock purchase, (B) stock option plans or (C) other arrangements that are approved by the Board (including the affirmative vote of at least three (3) Preferred Directors);

(2) stock issued or issuable pursuant to any rights, agreements, options, debentures, warrants or convertible securities outstanding as of the Original Issue Date;

(3) any equity securities issued in connection with bona fide business acquisition of or by the Company (or any subsidiary of the Company), whether by merger, consolidation, acquisition, sale of assets, sale or exchange of stock, acquisition, strategic alliance or similar business combination approved by the Board (including the affirmative vote of at least three (3) Preferred Directors);

(4) any equity securities issued upon conversion of Preferred Stock or as a dividend or distribution on the Preferred Stock;

(5) any equity securities issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement, loan or credit arrangement, or debt financing from a bank or similar financial or lending institution approved by the Board (including the affirmative vote of at least three (3) Preferred Directors);

(6) any equity securities that are issued by the Company in an initial public offering of the Company's shares (an "**IPO**");

(7) any equity securities issued by the Company to strategic investor with the approval of the Board (including the affirmative vote of at least three (3) Preferred Directors);

(8) any event for which adjustment is made pursuant to Sections 5(e), 5(f) and 5(g) of this Article IV(D);

(9) any equity securities that are issued by the Company pursuant to the terms and conditions of the Series F Purchase Agreement and the GS Warrant; and

(10) any shares of the New Designated Series A-1 Stock (as defined in the Sixth Amended and Restated Investor Rights Agreement) that are issued and/or sold by the Company pursuant to the terms and conditions of that certain Sixth Amended and Restated Investor Rights Agreement at a price per share that is equal to US \$1.84 or more.

References to Common Stock in the subsections of this clause (v) above shall mean all shares of Common Stock issued by the Company or deemed to be issued pursuant to this Section 5(h). The "**Effective Price**" of Additional Shares of Common Stock shall mean the quotient equal to (i) the Aggregate Consideration received, or deemed to have been received by the Company for issuance under this Section 5(h), for such Additional Shares of Common Stock divided by (ii) the total number of Additional Shares of Common Stock issued or sold, or deemed to have been issued or sold by the Company under this Section 5(h). In the event that the number of shares of Additional Shares of Common Stock or the Effective Price cannot be ascertained at the time of issuance, such Additional Shares of Common Stock shall be deemed issued immediately upon the occurrence of the first event that makes such number of shares or the Effective Price, as applicable, ascertainable.



**(i) Certificate of Adjustment.** In each case of an adjustment or readjustment of an Applicable Series Preferred Conversion Price for the number of shares of Common Stock or other securities issuable upon conversion of the Entitled Series Preferred, if the Entitled Series Preferred is then convertible pursuant to this Section 5, 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 Entitled 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 consideration received or deemed to be received by the Company for any Additional Shares of Common Stock issued or sold or deemed to have been issued or sold, (ii) the Applicable Series Preferred Conversion Price at the time in effect, (iii) the number of Additional Shares of Common Stock and (iv) the type and amount, if any, of other property which at the time would be received upon conversion of the Entitled Series Preferred. Failure to request or provide such notice shall have no effect on any such adjustment.

**(j) 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 4 of this Article IV(D) 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 4 of this Article IV(D), 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 twenty (20) 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 Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up.

**(k) Automatic Conversion.**

**(i)** Each share of the applicable series of Series Preferred shall automatically be converted into shares of Common Stock, based on the then-effective Applicable Series Preferred Conversion Price, immediately upon the earliest of:

(A) in the case of the Series A Preferred Stock, at any time upon the affirmative election of the holders of a majority of the outstanding shares of the Series A Preferred Stock,

(B) in the case of the Series B Preferred Stock, at any time upon the affirmative election of the holders of a majority of the outstanding shares of the Series B Preferred Stock,

(C) in the case of the Series C Preferred Stock, at any time upon the affirmative election of the holders of a majority of the outstanding shares of the Series C Preferred Stock,

(D) in the case of the Series D Preferred Stock and Series D-1 Preferred Stock, at any time upon the affirmative election of the holders of a majority of the outstanding shares of the Series D Preferred Stock and Series D-1 Preferred Stock, voting together as a single class on an as-if-converted basis,

(E) in the case of the Series E Preferred Stock, at any time upon the affirmative election of the holders of at least 60% of the outstanding shares of the Series E Preferred Stock,

(F) in the case of all of the shares of Series Preferred (excluding the Series F Preferred Stock), upon the closing of a firmly underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, or securities laws of other jurisdiction, covering the offer and sale of Common Stock for the account of the Company in which (i) the per share price is at least two (2) times the Series E Original Issue Price, (ii) the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) are at least thirty million dollars (US\$30,000,000) (a "**Qualified IPO**"),

(G) in the case of all of the shares of Series F Preferred Stock, subject to Sections 5(k)(i)(G)(l) and (2) below, 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 Common Stock for the account of the Company in which (i) the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) are at least thirty million dollars (US\$30,000,000); (ii) the per share price of the shares of Common Stock represents a Company equity valuation of at least US\$650,000,000 (the "**Valuation Threshold**"), and (iii) the shares of Common Stock of the Company are listed for trading on the New York Stock Exchange or the NASDAQ National Market (a "**Series F Qualified IPO**"); provided, that in the event that such offering does not qualify as a Series F Qualified IPO solely by reason of not satisfying the requirement set forth in the foregoing clause (ii), then so long as (A) the per share price of the shares of Common Stock represents a Company equity valuation of at least US\$500,000,000 and (B) the holders of the outstanding shares of Series F Preferred Stock receive the Make Whole Issuance (as set forth in Section 5(k)(i)(G)(l) below), then such offering shall be deemed to be a "Series F Qualified IPO" for all purposes under this Eighth Amended and Restated Certificate of Incorporation.

(1) The number of shares of Common Stock into which the shares of Series F Preferred Stock shall be converted pursuant to Section 5(k)(i)(G) will equal such number of shares of Common Stock (or such other security into which shares of Common Stock are reclassified, exchanged for, substituted or otherwise altered) (the "**IPO Common Shares**") with an aggregate value equal to the aggregate Series F Liquidation Preference (subject to any Prepayments), calculated as of immediately prior to the effectiveness of the applicable registration statement assuming a value per share of the shares of Common Stock in the Series F Qualified IPO equal to (a) the midpoint of the filing price range of the underwriter, multiplied by (b) 102% (the sum of the foregoing equation, the "**Estimated Offering Price**"); *provided that* in the event that the Company's first firmly underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (a) does not qualify as a Series F Qualified IPO solely by reason of such public offering not satisfying the Valuation Threshold requirement set forth in Section 5(k)(i)(G)(ii), and (b) covers the offer and sale of Common Stock for the account of the Company at a per share price representing a Company equity valuation of at least US\$500,000,000, then the number of shares of Common Stock into which the shares of Series F Preferred Stock shall be converted pursuant to Section 5(k)(i)(G) will equal such number of IPO Common Shares with an aggregate value equal to the number of shares into which the Series F Preferred Stock would have converted had the Valuation Threshold requirement been satisfied (and, for the avoidance of doubt, such number of shares of Common Stock shall have an aggregate value equal to at least the aggregate Series F Liquidation Preference (subject to any Prepayments) (such increase in the number of shares of Common Stock, the "**Make Whole Issuance**"), calculated as of immediately prior to the effectiveness of the applicable registration statement assuming a value per share of the shares of Common Stock in the offering equal to the Estimated Offering Price.

(2) In the event that the applicable Estimated Offering Price is less than the applicable actual final public offering price (the "**Actual Price**"), the holders of Series F Preferred Stock, on a pro rata basis, shall pay, within three days of the closing of the applicable offering, an amount in cash to the Company, equal to (l) (x) the Actual Price *minus* (y) the Estimated Offering Price, *multiplied by* (2) the number of IPO Common Shares, and (b) in the event that the Estimated Offering Price is more than the Actual Price, the Company shall pay, within three days of the closing of such offering, an amount in cash to holders of Series F Preferred Stock, on a pro rata basis, equal to (l)(x) the Estimated Offering Price *minus* (y) the Actual Price, *multiplied by* (2) the number of IPO Common Shares.

(ii) Upon the occurrence of either of the events specified in Section 5(k)(i) of this Article IV(D), the outstanding shares of series A Preferred Stock, Series B Preferred Stock, Series C Preferred

Stock, Series D Preferred Stock, Series D-1 Preferred Stock and/or Series E Preferred Stock, as the case may be, and, subject to the conditions set forth in Section 5(k)(i)(G) of this Article IV(D), the Series F Preferred Stock, shall be converted automatically without any further action by such 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 Common Stock 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 A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock and/or Series F Preferred Stock, as the case may be, the holders of such Series Preferred shall surrender the certificates representing such shares at the office of the Company or any transfer agent for such 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 Common Stock into which the shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock and/or Series F Preferred Stock, as the case may be, surrendered were convertible on the date on which such automatic conversion occurred.

(l) **Fractional Shares.** No fractional shares of Common Stock shall be issued upon conversion of Series Preferred. All shares of Common Stock (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 Common Stock (as determined by the Board) on the date of conversion.

(m) **Reservation of Stock Issuable Upon Conversion.** The Company shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series Preferred, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series Preferred. If at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series Preferred, the Company will take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

(n) **Notices.** Any notice required by the provisions of this Section 5 shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) 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, (iii) five (5) business 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.

6. **RESERVED.**

7. **REDEMPTIONS.**

(a) **Series F Preferred Stock and GS Warrant.**

(i) **Redemptions upon Request.** At any time after the fifth anniversary of the Original Issue Date, (a) the holders of a majority of the then issued and outstanding shares of Series F Preferred Stock may request the redemption of all or any part of the Series F Preferred Stock (the "**Series F Redemption Request**"); and (b) the holder(s) of the GS Warrant may request the redemption of all or any part of the GS Warrant

(the "**GS Warrant Redemption Request**"), in each case by delivering written notice of such request to the Company and in the case of the GS Redemption Request, by surrendering the GS Warrant (or any portion thereof to be so redeemed). Within five (5) business days after receipt of any such request, the Company shall give written notice of such request to all other holders of Series F Preferred Stock, if any and/or to the holder(s) of the GS Warrant (to the extent such holder(s) are not the holder(s) Series F Preferred Stock), as applicable, and to the holders of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock and Series E Preferred Stock. The Company shall redeem, unless prohibited by Delaware law governing distributions to stockholders, all shares of Series F Preferred Stock (other than any Series F Excluded Shares, as defined below) and the GS Warrant (other than any Excluded GS Warrant Shares, as defined below), at a price per share, with respect to each applicable share of Preferred F Stock, equal to the Series F Liquidation Preference (minus any Prepayments) (which shall be applied pro rata across all outstanding shares of Series F Preferred Stock as of the time of any such Prepayments), such per share price being referred to as the "**Series F Redemption Price**", and with respect to the GS Warrant, at the Warrant Redemption Price (as such term is defined in the GS Warrant). Notwithstanding the foregoing, upon any redemption of the GS Warrant and/or the shares of Series F Preferred Stock, the ratio between the GS Warrant to be redeemed (calculated based upon the shares of Common Stock underlying the GS Warrant to be redeemed) and the shares of Series F Preferred Stock to be redeemed shall be in the same proportion as the aggregate shares of Common Stock underlying the GS Warrant and the aggregate shares of Series F Preferred Stock then held by such holder of shares of Series F Preferred Stock and/or holder of the GS Warrant. For the purposes hereof, the term "**Redemption Value**" means an amount equal to the sum of (i) the number of shares of Series F Preferred Stock being redeemed hereunder multiplied by the Series F Redemption Price, plus (ii) the aggregate Warrant Redemption Price. Notwithstanding the foregoing, in the event the aggregate Redemption Value for all shares of Series F Preferred Stock and the GS Warrant that are redeemed under any specific Series F Redemption Request and/or GS Warrant Redemption Request (such shares and GS Warrant, the "**Series FIGS Warrant Redeemed Shares**") is less than the respective portion of the Minimum Return Amount that is applicable to the Series FIGS Warrant Redeemed Shares as of such applicable date (calculated based on the percentage that the Series FIGS Warrant Redeemed Shares represent out of all of the issued and outstanding Series F Preferred Stock and all of the shares of Common Stock underlying the GS Warrant (including any Series F Preferred Stock and the shares of Common Stock underlying the GS Warrant which were previously redeemed by the Company), the Redemption Value shall be increased on a dollar for dollar basis in order for the Redemption Value for all shares of Series FIGS Warrant Redeemed Shares, to equal such respective portion of the Minimum Return Amount. Any such redemption shall be effected in a manner so as to equitably effect the redemption of the applicable portion of the Series F Preferred Stock and GS Warrant being redeemed in such redemption and the calculation of the applicable portion of the Minimum Return Amount. If the Company receives, on or prior to the twentieth (20<sup>th</sup>) business day after receipt of the Series F Redemption Request or the GS Warrant Redemption Request written notice from a holder of Series F Preferred Stock or the holder of the GS Warrant that such holder elects to be excluded, in whole or in part, from the redemption provided for in this Section 7(a) of this Article IV(D), then the shares of Series F Preferred Stock or portion of the GS Warrant being so excluded, as applicable, shall thereafter be deemed to be "**Series F Excluded Shares**" or "**Excluded GS Warrant Shares**", as applicable. Series F Excluded Shares and the Excluded GS Warrant Shares shall not be redeemed or redeemable pursuant to this Section 7(a) of this Article IV(D). In the event the holders of Series F Preferred Stock and/or the holders of the GS Warrant receive a Series B Redemption Notice and/or Series C Redemption Notice and/or Series D/D-1 Redemption Notice and/or Series E Redemption Notice (as such terms are defined below), then such holders of Series F Preferred Stock and the holders of the GS Warrant shall be entitled to exercise the rights granted in this Section 7(a) of this Article IV(D), on a *pari passu* basis among themselves, prior and in preference to the rights granted to any other holders of Series Preferred under Section 7 of this Article IV(D), provided that such rights are exercised by the holders of Series F Preferred Stock and the holders of the GS Warrant within ten (10) days after the date of the applicable redemption notice. Subject to the other provisions of this Section 7(a), the applicable Redemption Value shall be payable to the applicable holders of Series F Preferred Stock and/or the holders of the GS Warrant in immediately available funds on the 60th day immediately following the Series F Redemption Request or the GS Warrant Redemption Request or such earlier date as is mutually acceptable to the Company and applicable the holders of Series F Preferred Stock and/or the holders of the GS Warrant (the relevant date above, the "**Redemption Payment Date**").

(ii) If, on a Redemption Payment Date, Delaware law governing distributions to stockholders prevents the Company from redeeming the total number of shares of Series F Preferred

Stock and the shares of Common Stock underlying the GS Warrant to be redeemed, those funds consistent with such law shall be used to redeem the maximum possible number of shares of Series F Preferred Stock and the GS Warrant, on a pro rata basis, based upon the amount due to each such holder pursuant to this Section 7(a) of this Article IV(D). At any time thereafter when Delaware law governing distributions to stockholders does not prohibit the redemption of shares of Series F Preferred Stock and the shares of Common Stock underlying the GS Warrant, such funds shall immediately be used to redeem the balance of the shares of Series F Preferred Stock and the GS Warrant that it has not redeemed.

(iii) In addition to any other rights or remedies existing at law or in equity, if for any reason the Company does not timely pay the applicable Redemption Value in full on or before the applicable Redemption Payment Date, then on the day immediately following the Redemption Payment Date, all of the rights heretofore with respect to the redemption of the Series FIGS Warrant Redeemed Shares and the payment with respect thereto shall convert, automatically and irrevocably and without any further action or acknowledgment on the part of the Company or the applicable holders of Series F Preferred Stock and/or the holder of the GS Warrant, into an obligation of the Company to pay to the applicable holders of Series F Preferred Stock and/or the holder of the GS Warrant, on demand (or at such other time described below), an amount equal to the Unpaid Redemption Amount (as such term is defined below), together with accrued interest (based on a 365-day year) on the unpaid principal amount thereof at five percent (5%) per annum, with interest payable-in-kind, compounding quarterly, until the maturity thereof. The rate of interest payable on the Unpaid Redemption Amount shall increase by one percent (1%) as of the end of each three (3) month period following the end of Redemption Payment Date until the Unpaid Redemption Amount is paid or prepaid in full or until such interest rate reaches the maximum rate permitted by applicable law and the rate of interest shall automatically be reduced to the maximum rate permitted by applicable law for any period where it would otherwise be in excess thereof (it being acknowledged that nothing in this Section 7(a) shall require the Company to pay interest at a rate in excess of the maximum rate permitted by applicable law). "**Unpaid Redemption Amount**" means the aggregate amount of the unpaid portion of the Redemption Value, together with accrued interest thereon, as determined in accordance with Section 7(a)(iii). Without limiting the right of the holders of Series F Preferred Stock and the holder of the GS Warrant to receive the applicable portion of the Unpaid Redemption Amount on demand, the entire Unpaid Redemption Amount may be paid by the Company at any time without premium or penalty, but in any event shall be immediately due and payable upon the occurrence of any Acquisition or Asset Purchase or IPO.

**(b) Series C Preferred Stock and Series E Preferred Stock.**

(i) Redemptions upon Request. At any time after the fifth anniversary of the Original Issue Date, (i) the holders of at least twenty (20%) of the then issued and outstanding shares of Series C Preferred Stock may request the redemption of all of the Series C Preferred Stock then outstanding by delivering written notice of such request to the Company (the "**Series C Redemption Request**") and (ii) the holders of at least sixty percent (60%) of the then issued and outstanding shares of Series E Preferred Stock may request the redemption of all of the Series E Preferred Stock then outstanding by delivering written notice of such request to the Company (the "**Series E Redemption Request**"). Within five (5) business days after receipt of either such request, the Company shall give written notice of such request to all other holders of Series C Preferred Stock and Series E Preferred Stock and holders of Series B Preferred Stock and Series D Preferred Stock and Series D-1 Preferred Stock and Series F Preferred Stock and the holder of the GS Warrant (the "**Series C/E Redemption Notice**"). The Company shall redeem, in three annual installments, out of funds lawfully available therefore, on a *pari passu* basis among the holders of Series C Preferred Stock and/or Series E Preferred Stock, as applicable, all shares of Series C Preferred Stock and Series E Preferred Stock, as applicable (other than any Series C Excluded Shares and Series E Excluded Shares, as such terms are defined below), with the first of such installments occurring within twenty (20) business days after receipt of the initial Series C Redemption Request or Series E Redemption Request, as applicable, at a price per share equal to (i) the Preferred C Preference amount with respect to shares of Series C Preferred Stock or (ii) the Preferred E Preference amount with respect to shares of Series E Preferred Stock, such applicable per share price being referred to as the "**Series C/E Redemption Value**". The date of each such installment shall be referred to herein as a "**Series C/E Redemption Date**". If the Company receives, on or prior to the twentieth (20) business day after the receipt of the initial Series C Redemption Request or Series E Redemption Request, as applicable, written notice from a holder of Series C Preferred Stock or Series E Preferred Stock, as

applicable that such holder elects to be excluded from the redemption provided for in this Section 7(b) of this Article IV(D), then the shares of Series C Preferred Stock or Series E Preferred Stock, as applicable, registered on the books of the Company in the name of such holder at the time of the Company's receipt of such notice shall thereafter be deemed to be "**Series C Excluded Shares" or Series E Excluded Shares**", as the case may be. In the event of a Series C Redemption Request, the Series C Excluded Shares, and in the event of a Series E Redemption Request, the Series E Excluded Shares, shall not be redeemed or redeemable pursuant to this Section 7(b) of this Article IV(D), whether on such Series C/E Redemption Date or thereafter. For purposes of clarity, in the event there has occurred a (i) Series C Redemption Request but not a Series E Redemption Request, the holders of Series E Preferred Stock may thereafter submit a Series E Redemption Request in accordance with the terms and subject to the conditions of this Section 7(b) of this Article IV(D) and none of the Series E Preferred Stock shall be deemed as Series E Excluded Shares unless, with regard to any holder(s) of Series E Preferred Stock, such holder(s) elects to participate in the Series C Redemption Request in which event such Series E Preferred Stock shall be redeemed together with the Series C Preferred Stock in accordance with this Section 7(b), or (ii) Series E Redemption Request but not a Series C Redemption Request, the holders of Series C Preferred Stock may thereafter submit a Series C Redemption Request in accordance with the terms and subject to the conditions of this Section 7(b) of this Article IV(D) and none of the Series C Preferred Stock shall be deemed as Series C Excluded Shares unless, with regard to any holder(s) of Series C Preferred Stock, such holder(s) elects to participate in the Series E Redemption Request in which event such Series C Preferred Stock shall be redeemed together with the Series E Preferred Stock in accordance with this Section 7(a). In the event the holders of Series C Preferred Stock and Series E Preferred Stock receive a Series B Redemption Notice and/or Series D/D-1 Redemption Notice (as such terms are defined below) from the Company with respect to Series B Redemption Request and/or Series D/D-1 Redemption Request (as such terms are defined below) delivered by holders of Series B Preferred Stock and/or holders of Series D/D-1 Preferred Stock, as the case may be, then such holders of Series C Preferred Stock and Series E Preferred Stock shall be entitled to exercise the rights granted in this Section 7(b) of this Article IV(D), on a *pari passu* basis among themselves, prior and in preference to the rights granted to the holders of Series B Preferred Stock and Series D/D-1 Preferred Stock in Sections 7(c) and 7(d) of this Article IV(D), as applicable, provided that such rights are exercised by the holders of Series C Preferred Stock and/or Series E Preferred Stock within ten (10) days after the date of such Series B Redemption Notice and/or Series D/D-1 Redemption Notice, as applicable.

(ii) **Redemption Payments.** For each share of Series C Preferred Stock and Series E Preferred Stock, as the case may be, to be redeemed hereunder, the Company shall be obligated, subject to the terms and conditions set forth herein, on each Series C/E Redemption Date to pay to the holder thereof (upon surrender by such holder at the Company's principal office of the certificate representing one-third (1/3) of such holders' shares of Series C Preferred Stock or Series E Preferred Stock, as applicable) an amount in cash in immediately available funds equal to one-third (1/3) of the applicable Series C/E Redemption Value. On each of the first Series C/E Redemption Date, the first anniversary of the first Series C/E Redemption Date, and the second anniversary of the first Series C/E Redemption Date, the holders' of shares of Series C Preferred Stock and Series E Preferred Stock, as the case may be, shall present one-third (1/3) of the shares of Series C Preferred Stock and Series E Preferred Stock, as the case may be, held by such holder as of the date of the Series C/E Redemption Request. If Delaware law governing distributions to stockholders prevents the Company from redeeming the total number of shares of Series C Preferred Stock and/or Series E Preferred Stock to be redeemed on such Series C/E Redemption Date (or any portion thereof), those funds consistent with such law shall be used to redeem the maximum possible number of shares of Series C Preferred Stock and/or Series E Preferred Stock on a pro rata *pari passu* basis among the holders of the shares of Series C Preferred Stock and/or Series E Preferred Stock to be redeemed based upon the amount due to each such holder pursuant to this Section 7(b) of this Article IV(D). At any time thereafter when Delaware law governing distributions to stockholders does not prohibit the redemption of shares of Series C Preferred Stock and/or Series E Preferred Stock, as applicable, such funds shall immediately be used to redeem the balance of the shares of Series C Preferred Stock and/or Series E Preferred Stock that it has not redeemed.

(c) **Series B Preferred Stock.**

(i) **Redemptions upon Request.** At any time after the fifth anniversary of the Original Issue Date, the holders of at least thirty (30%) of the then issued and outstanding shares of Series B Preferred Stock may request the redemption of all of the Series B Preferred Stock by delivering written notice of

such request to the Company (the "**Series B Redemption Request**"). Within five (5) business days after receipt of such request, the Company shall give written notice of such request to all other holders of Series B Preferred Stock and holders of Series C Preferred Stock and Series D Preferred Stock and Series D-1 Preferred Stock, Series E Preferred Stock and Series F Preferred Stock and the holder of the GS Warrant (the "**Series B Redemption Notice**"). The Company shall redeem, in three annual installments, out of funds lawfully available therefore, all shares of Series B Preferred Stock (other than any Series B Excluded Shares, as defined below), with the first of such installments occurring within twenty (20) business days after receipt of the initial Series B Redemption Request, at a price per share equal to the Preferred B Preference amount, such per share price being referred to as the "**Series B Redemption Value**". The date of each such installment shall be referred to herein as a "**Series B Redemption Date**". If the Company receives, on or prior to the twentieth (20<sup>th</sup>) business day after receipt of the initial Series B Redemption Request, written notice from a holder of Series B Preferred Stock that such holder elects to be excluded from the redemption provided for in this Section 7(c) of this Article IV(D), then the shares of Series B Preferred Stock registered on the books of the Company in the name of such holder at the time of the Company's receipt of such notice shall thereafter be deemed to be "**Series B Excluded Shares**". Series B Excluded Shares shall not be redeemed or redeemable pursuant to this Section 7(c) of this Article IV(D), whether on such Series B Redemption Date or thereafter. In the event that the holders of Series C Preferred Stock and/or Series E Preferred Stock elect to exercise the rights granted under Section 7(b) of this Article IV(D) within ten (10) days after the date of the Series B Redemption Notice, the rights granted in Section 7(b) of this Article IV(D) shall be prior and in preference to the rights granted to the holders of Series B Preferred Stock in this Section 7(c) of this Article IV(D). In the event that holders of Series B Preferred Stock receive a Series D/D-1 Redemption Notice from the Company with respect to Series DID-1 Redemption Request delivered by the holders of Series DID-1 Preferred Stock, pursuant to which such holders elect to exercise their redemption rights granted under Section 7(d) of this Article IV(D), then such holders of Series B Preferred Stock shall be entitled to exercise the rights granted to such holders in this Section 7(c) of this Article IV(D) prior and in preference to the rights granted to the holders of Series DID-1 Preferred Stock in Section 7(d) of this Article IV(D); provided that such rights are exercised by the holders of Series B Preferred Stock within ten (10) days after the date of such Series D/D-1 Redemption Notice.

(ii) Redemption Payments. For each share of Series B Preferred Stock to be redeemed hereunder, the Company shall be obligated, subject to the terms and conditions set forth herein, on each Series B Redemption Date to pay to the holder thereof (upon surrender by such holder at the Company's principal office of the certificate representing one-third (1/3) of such holders' shares of Series B Preferred Stock) an amount in cash in immediately available funds equal to one-third (1/3) of the Series B Redemption Value. On each of the first Series B Redemption Date, the first anniversary of the first Series B Redemption Date, and the second anniversary of the first Series B Redemption Date, the holders' of shares of Series B Preferred Stock shall present one-third (1/3) of the shares of Series B Preferred Stock held by such holder as of the date of the Series B Redemption Request. If Delaware law governing distributions to stockholders prevents the Company from redeeming the total number of shares of Series B Preferred Stock to be redeemed on such Series B Redemption Date (or any portion thereof), those funds consistent with such law shall be used to redeem the maximum possible number of shares of Series B Preferred Stock pro rata among the holders of the shares of Series B Preferred Stock to be redeemed based upon the amount due to each such holder pursuant to this Section 7(c) of this Article IV(D). At any time thereafter when Delaware law governing distributions to stockholders does not prohibit the redemption of shares of Series B Preferred Stock, such funds shall immediately be used to redeem the balance of the shares of Series B Preferred Stock that it has not redeemed.

(d) **Series D/D-1 Preferred Stock.**

(i) Redemptions upon Request. At any time after the fifth anniversary of the Original Issue Date and provided that all shares of Series B Preferred Stock (other than any Series B Excluded Shares, as provided) have been redeemed in accordance with the provisions set forth in Section 7(c) of this Article IV(D), the holders of at least twenty (20%) of the then issued and outstanding shares of Series D Preferred Stock and Series D-1 Preferred Stock, voting together as a single series, may request the redemption of all of the Series D Preferred Stock and Series D-1 Preferred Stock by delivering written notice of such request to the Company (the "**Series DID-1 Redemption Request**"). Within five (5) business days after receipt of such request, the Company shall give written notice of such request to all other holders of Series D Preferred Stock and Series D-1 Preferred

Stock and Series C Preferred Stock and Series B Preferred Stock and Series E Preferred Stock and Series F Preferred Stock and the holder of the GS Warrant (the "**Series DID-I Redemption Notice**"). The Company shall redeem, in three annual installments, out of funds lawfully available therefore, on a pari passu basis among holders of Series D Preferred Stock and Series D-1 Preferred Stock, all shares of Series D Preferred Stock and shares of Series D-1 Preferred Stock (other than any Series DID-I Excluded Shares, as defined below), with the first of such installments occurring within twenty (20) business days after receipt of the initial Series D/D-1 Redemption Request, at a price per share equal to (i) the Preferred D Preference amount with respect to shares of Series D Preferred Stock or (ii) the Preferred D-1 Preference amount with respect to shares of Series D-1 Preferred Stock, such applicable per share price being referred to as the "**Series DID-I Redemption Value**". The date of each such installment shall be referred to herein as a "**Series DID-I Redemption Date**". If the Company receives, on or prior to the twentieth (20<sup>th</sup>) business day after the receipt of the initial Series D/D-1 Redemption Request, written notice from a holder of Series D Preferred Stock or Series D-1 Preferred Stock, as applicable, that such holder elects to be excluded from the redemption provided for in this Section 7(d) of this Article IV(D), then the shares of Series D Preferred Stock or shares of Series D-1 Preferred Stock, as applicable, registered on the books of the Company in the name of such holder at the time of the Company's receipt of such notice shall thereafter be deemed to be "**Series DID-I Excluded Shares**". Series D/D-1 Excluded Shares shall not be redeemed or redeemable pursuant to this Section 7(d) of this Article IV(D), whether on such Series D/D-1 Redemption Date or thereafter. In the event that the holders of Series C Preferred Stock and/or Series E Preferred Stock and/or Series B Preferred Stock, as the case may be, elect to exercise the rights granted under Section 7(b) and/or 7(c) of this Article IV(D), as applicable, within ten (10) days after the date of the Series D/D-1 Redemption Notice, the rights granted in Section 7(b) and/or 7(c) of this Article IV(D), as applicable shall be prior and in preference to the rights granted to the holders of Series D Preferred Stock and Series D-1 Preferred Stock in this Section 7(d) of this Article IV(D). Notwithstanding anything to the contrary in this Section 7 of this Article IV(D), no shares of Series D Preferred Stock or Series D-1 Preferred Stock shall be redeemed unless and until all shares of Series B Preferred Stock shall be redeemed in accordance with the provisions set forth in Section 7(c) of this Article IV(D).

(ii) Redemption Payments. For each share of Series D Preferred Stock or Series D-1 Preferred Stock, as the case may be, to be redeemed hereunder, the Company shall be obligated, subject to the terms and conditions set forth herein, on each Series D/D-1 Redemption Date to pay to the holder thereof (upon surrender by such holder at the Company's principal office of the certificate representing one-third (1/3) of such holders' shares of Series D Preferred Stock or Series D-1 Preferred Stock, as the case may be) an amount in cash in immediately available funds equal to one-third (1/3) of the applicable Series D/D-1 Redemption Value. On each of the first Series D/D-1 Redemption Date, the first anniversary of the first Series D/D-1 Redemption Date, and the second anniversary of the first Series D/D-1 Redemption Date, the holders' of shares of Series D Preferred Stock or Series D-1 Preferred Stock, as the case may be, shall present one-third (1/3) of the shares of Series D Preferred Stock or Series D-1 Preferred Stock, as the case may be, held by such holder as of the date of the Series D/D-1 Redemption Request. If Delaware law governing distributions to stockholders prevents the Company from redeeming the total number of shares of Series D Preferred Stock and Series D-1 Preferred Stock to be redeemed on such Series D/D-1 Redemption Date (or any portion thereof), those funds consistent with such law shall be used to redeem the maximum possible number of shares of Series D Preferred Stock and shares of Series D-1 Preferred Stock pro rata among the holders of the shares of Series D Preferred Stock and shares of Series D-1 Preferred Stock to be redeemed based upon the applicable amount due to each such holder pursuant to this Section 7(d) of this Article IV(D). At any time thereafter when Delaware law governing distributions to stockholders does not prohibit the redemption of shares of Series D Preferred Stock and Series D-1 Preferred Stock, such funds shall immediately be used to redeem the balance of the shares of Series D Preferred Stock and Series D-1 Preferred Stock that it has not redeemed.

(e) Certificates. In case fewer than the total number of shares of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, or Series F Preferred Stock, as applicable, represented by any certificate are redeemed, a new certificate representing the number of unredeemed shares of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, or Series F Preferred Stock as applicable, shall be issued to the holder thereof without cost to such holder within five (5) business days after surrender of the certificate representing



the redeemed shares of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, or Series F Preferred Stock, as applicable.

(f) Dividends After Redemption Date. No share of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock or Series F Preferred Stock or share of Common Stock underlying the GS Warrant, as applicable, shall be entitled to any dividends, whether accruing or not, after the date on which the Redemption Value of such share of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock or Series F Preferred Stock or share of Common Stock underlying the GS Warrant, as applicable, is paid to the holder of such share of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, or Series F Preferred Stock or share of Common Stock underlying the GS Warrant as applicable. On such date, all rights (contractually or otherwise as set forth in this Eighth Amended and Restated Certificate of Incorporation, in the Related Agreements, in the GS Warrant or otherwise) of the holder of such share of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, Series F Preferred F Stock or GS Warrant, as applicable, by reason of such holder's ownership of such share of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, Series F Preferred Stock or GS Warrant (including in connection with the shares of Common Stock issuable upon exercise of the GS Warrant) or pursuant to any agreement existing on or prior to the Original Issue Date pursuant to the terms of such agreement in light of the decrease in such holder's ownership of shares of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, Series F Preferred Stock or GS Warrant, as applicable, shall cease and terminate, and such share of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, Series F Preferred Stock as applicable, shall no longer be deemed to be issued and outstanding and, with respect to the GS Warrant, the applicable portion of the GS Warrant that was redeemed shall be deemed to have expired.

(g) Redeemed or Otherwise Acquired Shares. Any shares of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock, or Series F Preferred Stock as applicable, that are redeemed or otherwise acquired by the Company shall, upon such redemption or other acquisition, be automatically and immediately cancelled and retired to authorized but unissued shares and shall not be reissued, sold or transferred. The redemption rights set forth in this Section 7 of this Article IV(D) shall terminate upon the earlier of IPO, Liquidation Event, Acquisition or Asset Transfer.

(h) Other Redemptions or Acquisitions. The Company shall not redeem or otherwise acquire any shares of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock, Series E Preferred Stock or Series F Preferred Stock, as applicable, except as expressly authorized herein.

(i) Notwithstanding anything to the contrary herein, no redemption of any series of Preferred Stock under this Section 7 of Article IV(D) (whether optional or mandatory), shall be consummated by the Company unless and until such redemption is permitted by the terms and conditions of that certain Credit Agreement, dated on or about the date of filing of this Eighth Amended and Restated Certificate of Incorporation by and among the Company, the several banks and other financial institutions or entities from time to time party thereto (the "**Lenders**"), and Silicon Valley Bank, as administrative agent and collateral agent for the Lenders, as the same may be amended, restated, supplemented, refinanced or replaced (the "**Senior Credit Agreement**"); provided that for the avoidance of doubt, the foregoing restriction is not intended to limit or otherwise restrict the rights of the holders of the Series F Preferred Stock or the holder(s) of the GS Warrant to deliver the Series F Redemption Request or the GS Warrant Redemption Request pursuant to Section 7(a)(i) above or its entitlement, in the event that the Company does not timely pay the applicable Redemption Value in full (whether as a result of the restrictions in this subsection (i) or otherwise), to accrue interest that is payable-in-kind at the rate set forth in Section 7(a)(iii) above on the Unpaid Redemption Amount, which Unpaid Redemption Amount shall not be paid by the Company unless the underlying redemption obligation giving rise to such Unpaid Redemption Amount would be permitted to be consummated by the Company pursuant to the Senior Credit Agreement, and no holder of the Series F Preferred

Stock or holder of the GS Warrant shall pursue any other rights or remedies against the Company in connection therewith.

**8. NO REISSUANCE OF SERIES PREFERRED.**

No shares or shares of Series Preferred acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued.

**E. Common Stock.**

(a) The rights, preferences, privileges, restrictions and other matters relating to the Common Stock are as follows:

(b) Dividend Rights. Subject to Section 1 and Section 2(b)(iii) of Article IV(D), dividends may be paid on the Common Stock as and when declared by the Board. Such dividends shall be distributed among the holders of Series Preferred (other than the Series F Preferred Stock) and Common Stock on a pro rata basis (assuming conversion of all such Series Preferred, other than the Series F Preferred Stock, into Common Stock)

(c) Liquidation Rights. Upon Liquidation Event, Acquisition or Asset Transfer, the assets of the Company shall be distributed to the holders of Common Stock as provided in Section 3 of Article IV(D) hereof.

(d) Voting Rights. Each share of Common Stock shall have the right to one (1) vote, and shall be entitled to notice of any stockholder meeting in accordance with the Bylaws of this Company, and shall be entitled to vote upon such matters and in such manner as is otherwise provided herein or as may be provided by law.

**V.**

**A.** To the fullest extent permitted by law, a director of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL or any other law of the State of Delaware 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 of the Company shall be eliminated or limited to the fullest extent permitted by the DGCL as so amended. Any repeal or modification of the foregoing provisions of this Article V by the stockholders of the Company shall not adversely affect any right or protection of a director of the Company existing at the time of, or increase the liability of any director of the Company with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

**B.** To the fullest extent permitted by applicable law, the Company shall indemnify any person made or threatened to be made a party to an action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that he, his testator or intestate is or was a director of the Company or any predecessor of the Company, or serves or served at any other enterprise as a director, officer or employee at the request of the Company or any predecessor to the Company. 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 the DGCL 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 Section 145 of the DGCL.

**C.** Any amendment, repeal or modification of the foregoing provisions of this Article V shall not adversely affect any right or protection of any director, officer or other agent of the Company existing at the time of such amendment, repeal or modification.

**VI.**

**A.** 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, (i) any director of the Company who is not an employee of the Company or any of its subsidiaries, or (ii) any holder of Series Preferred or any partner, member, director, stockholder, employee or agent of any such holder, other than someone who is an employee of the Company or any of its subsidiaries (collectively, "**Covered Persons**"), unless 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.

**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:

**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 which 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 Eighth Amended and Restated Certificate of Incorporation.

**B.** The Board is expressly empowered to adopt, amend or repeal the Bylaws of the Company. The stockholders shall also have the power to adopt, amend or repeal the Bylaws of the Company; provided however, that, in addition to any vote of the holders of any class or series of stock of the Company required by law or by this Eighth Amended and Restated Certificate of Incorporation, 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 Company entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal any provision of the Bylaws of the Company.

**C.** The directors of the Company need not be elected by written ballot unless the Bylaws so provide.

**D.** This Eighth Amended and Restated Certificate of Incorporation has been duly approved by the Board of the Company.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF, KALTURA, INC.** has caused this Eighth Amended and Restated Certificate of Incorporation to be signed by its Chairman and Chief Executive Officer as of the date first written above.

**KALTURA, INC.**

By: /s/ Ron Yekutiel

Name: Ron Yekutiel

Title: Chairman and Chief Executive Officer

Eighth Amended and Restated Certificate of Incorporation

**CERTIFICATE OF AMENDMENT  
TO THE EIGHTH AMENDED AND  
RESTATED CERTIFICATE OF  
INCORPORATION OF  
KALTURA, INC.**

Kaltura, Inc. (hereinafter referred to as the “*Company*”), a corporation organized and existing under the General Corporation Law of the State of Delaware (the “*DGCL*”), does hereby certify:

1. The name of the Company is Kaltura, Inc., which is the name under which the Company was originally incorporated, and the original Certificate of Incorporation of the Company was filed with the Secretary of State of the State of Delaware on October 31, 2006.
2. The Company is filing this Certificate of Amendment to amend the Company’s Eighth Amended and Restated Certificate of Incorporation, filed with the Secretary of State of the State of Delaware on January 13, 2021 (as heretofore amended, the “*Eighth Amended and Restated Certificate of Incorporation*”), as set forth in paragraphs 3, 4, 5, 6 and 7 below, which amendments have been duly adopted by the board of directors of the Company in accordance with Section 242 of the DGCL, and by the stockholders of the Company in accordance with Sections 228 and 242 of the DGCL.
3. Part A of Article FOURTH of the Eighth Amended and Restated Certificate of Incorporation is hereby amended to read as follows:

Effective upon the effective time of this Certificate of Amendment to the Eighth Amended and Restated Certificate of Incorporation of the Company (the “*Effective Time*”), a one-to-4.5 forward stock split of the Company’s Common Stock shall become effective, pursuant to which each share of Common Stock issued and outstanding and each treasury share immediately prior to the Effective Time shall be reclassified and divided into 4.5 validly issued, fully-paid and nonassessable shares of Common Stock automatically and without any action by the holder thereof and shall represent 4.5 shares of Common Stock from and after the Effective Time (such reclassification and division of shares, the “*Stock Split*”). No fractional shares of Common Stock shall be issued as a result of the Stock Split and, in lieu thereof, upon surrender after the Effective Time of a certificate which formerly represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time, any person who would otherwise be entitled to a fractional share of Common Stock as a result of the Stock Split, following the Effective Time, shall be entitled to receive a cash payment equal to the fraction of which such holder would otherwise be entitled multiplied by the fair value per share as determined by the Board of Directors.

Each stock certificate that, immediately prior to the Effective Time, represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time shall, from and after the Effective Time, automatically and without the necessity of presenting the same for exchange, represent that number of whole shares of Common Stock after the Effective Time into which the shares formerly represented by such certificate have been reclassified (as well as the right to

receive cash in lieu of fractional shares of Common Stock after the Effective Time); provided, however, that each person of record holding a certificate that represented shares of Common Stock that were issued and outstanding immediately prior to the Effective Time shall receive, upon surrender of such certificate, a new certificate evidencing and representing the number of whole shares of Common Stock after the Effective Time into which the shares of Common Stock formerly represented by such certificate shall have been reclassified; and provided further, however, that whether or not fractional shares would be issuable as a result of the Stock Split shall be determined on the basis of (i) the total number of shares of Common Stock that were issued and outstanding immediately prior to the Effective Time formerly represented by certificates that the holder is at the time surrendering for a new certificate evidencing and representing the number of whole shares of Common Stock after the Effective Time and (ii) the aggregate number of shares of Common Stock after the Effective Time into which the shares of Common Stock formerly represented by such certificates shall have been reclassified. For the foregoing purposes, all shares of Common Stock held by a holder shall be aggregated (thus resulting in no more than one fractional share per holder).

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 one billion seventeen million twelve thousand six hundred and nine (1,017,012,609) shares, one billion (1,000,000,000) shares of which shall be Common Stock (the "**Common Stock**") and seventeen million twelve thousand six hundred and nine (17,012,609) shares of which shall be Preferred Stock (the "**Preferred Stock**"). The Preferred Stock shall have a par value of (\$0.0001) per share and the Common Stock shall have a par value of (\$0.0001) per share.

4. Section 5(i) of Part D of Article FOURTH of the Eighth Amended and Restated Certificate of Incorporation is hereby amended to read as follows:

**(i) Certificate of Adjustment.** In each case of an adjustment or readjustment of an Applicable Series Preferred Conversion Price for the number of shares of Common Stock or other securities issuable upon conversion of the Entitled Series Preferred (other than any such adjustment or readjustment in connection with the Stock Split), if the Entitled Series Preferred is then convertible pursuant to this Section 5, 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 Entitled 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 consideration received or deemed to be received by the Company for any Additional Shares of Common Stock issued or sold or deemed to have been issued or sold, (ii) the Applicable Series Preferred Conversion Price at the time in effect, (iii) the number of Additional Shares of Common Stock and (iv) the type and amount, if any, of other property which at the time would be received upon

conversion of the Entitled Series Preferred. Failure to request or provide such notice shall have no effect on any such adjustment.

5. Section 5(j) of Part D of Article FOURTH of the Eighth Amended and Restated Certificate of Incorporation is hereby amended to read as follows:

**(j) 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 4 of this Article IV(D)) or other capital reorganization of the Company, any reclassification or recapitalization of the capital stock of the Company (other than the Stock Split), any merger or consolidation of the Company with or into any other corporation, or any Asset Transfer (as defined in Section 4 of this Article IV(D)), 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 twenty (20) 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 Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up.

6. Section 5(k)(i)(F) of Part D of Article FOURTH of the Eighth Amended and Restated Certificate of Incorporation is hereby amended to read as follows:

(F) in the case of all of the shares of Series Preferred (excluding the Series F Preferred Stock), immediately prior to the closing of a firmly underwritten public offering pursuant to (x) the Company's Registration Statement on Form S-1 (Reg. No. 333-253699) (the "**Qualified Registration Statement**"), or (y) any other effective registration statement under the Securities Act of 1933, as amended, or securities laws of any other jurisdiction, covering the offer and sale of Common Stock for the account of the Company in which, solely in the case of this clause (y), (i) the per share price is at least two (2) times the Series E Original Issue Price, (ii) the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) are at least thirty million dollars (US\$30,000,000) (any such underwritten public offering described in clause (x) or clause (y), a "**Qualified IPO**"),

7. Section 5(k)(i)(G) of Part D of Article FOURTH of the Eighth Amended and Restated Certificate of Incorporation is hereby amended to read as follows:

(G) in the case of all of the shares of Series F Preferred Stock, subject to Sections 5(k)(i)(G)(1) and (2) below, immediately prior to the closing of a firmly underwritten public offering pursuant to (x) the Qualified Registration Statement, or (y) any other effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of Common Stock for the account of the Company in which, solely in the case of this clause (y), (i) the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) are at least thirty million dollars (US\$30,000,000); (ii) the per share price of the shares of Common Stock represents a Company equity valuation of at least US\$650,000,000 (the “**Valuation Threshold**”), and (iii) the shares of Common Stock of the Company are listed for trading on the New York Stock Exchange or the Nasdaq Stock Market (any such underwritten public offering described in clause (x) or clause (y), a “**Series F Qualified IPO**”); provided, that in the event that any offering described in clause (y) does not qualify as a Series F Qualified IPO solely by reason of not satisfying the requirement set forth in the foregoing sub-clause (ii), then so long as (A) the per share price of the shares of Common Stock represents a Company equity valuation of at least US\$500,000,000 and (B) the holders of the outstanding shares of Series F Preferred Stock receive the Make Whole Issuance (as set forth in Section 5(k)(i)(G)(1) below), then such offering shall be deemed to be a “Series F Qualified IPO” for all purposes under this Eighth Amended and Restated Certificate of Incorporation.

(1) The number of shares of Common Stock into which the shares of Series F Preferred Stock shall be converted pursuant to Section 5(k)(i)(G) will equal such number of shares of Common Stock (or such other security into which shares of Common Stock are reclassified, exchanged for, substituted or otherwise altered) (the “**IPO Common Shares**”) with an aggregate value equal to the aggregate Series F Liquidation Preference (subject to any Prepayments), calculated as of immediately prior to the effectiveness of the applicable registration statement assuming a value per share of the shares of Common Stock in the Series F Qualified IPO equal to (a) the midpoint of the filing price range of the underwriter, multiplied by (b) 102% (the sum of the foregoing equation, the “**Estimated Offering Price**”); provided that in the event that the Company’s first firmly underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (including, for the avoidance of doubt, an offering pursuant to the Qualified Registration Statement) does not satisfy the Valuation Threshold requirement set forth in Section 5(k)(i)(G)(y)(ii), and (b) in the case of an offering described in clause (y) of Section 5(k)(i)(G), covers the offer and sale of Common Stock for the account of the Company at a per share price representing a Company equity valuation of at least US\$500,000,000, then the number of shares of Common Stock into which the shares of Series F Preferred Stock shall be converted pursuant to Section 5(k)(i)(G) will equal such number of IPO Common Shares with an aggregate value equal to the number of shares into which the Series F Preferred Stock would have converted had the Valuation Threshold requirement been satisfied (and, for the avoidance of doubt, such number of shares of Common Stock shall have an aggregate value equal to at least the aggregate Series F Liquidation Preference (subject to any Prepayments)) (such increase in the number of shares



of Common Stock, the "**Make Whole Issuance**"), calculated as of immediately prior to the effectiveness of the applicable registration statement assuming a value per share of the shares of Common Stock in the offering equal to the Estimated Offering Price.

(2) In the event that the applicable Estimated Offering Price is less than the applicable actual final public offering price (the "**Actual Price**"), the holders of Series F Preferred Stock, on a pro rata basis, shall pay, within three days of the closing of the applicable offering, an amount in cash to the Company, equal to (1)(x) the Actual Price minus (y) the Estimated Offering Price, multiplied by (2) the number of IPO Common Shares, and (b) in the event that the Estimated Offering Price is more than the Actual Price, the Company shall pay, within three days of the closing of such offering, an amount in cash to holders of Series F Preferred Stock, on a pro rata basis, equal to (1)(x) the Estimated Offering Price minus (y) the Actual Price, multiplied by (2) the number of IPO Common Shares.

**IN WITNESS WHEREOF**, the undersigned has duly executed this Certificate of Amendment to the Eighth Amended and Restated Certificate of Incorporation in the name and on behalf of the Company this 19<sup>th</sup> day of March, 2021.

**KALTURA, INC.**

/s/ Ron Yekutiel

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Ron Yekutiel, Chief Executive Officer

**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION**  
**OF**  
**KALTURA, INC.**

The name of the corporation is Kaltura, Inc. (the "Corporation"). The Corporation was originally incorporated by the filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware on October 31, 2006. This Amended and Restated Certificate of Incorporation of the Corporation (the "Certificate of Incorporation"), which restates and integrates and also further amends the provisions of the Corporation's Eighth Amended and Restated Certificate of Incorporation, as amended, was duly adopted in accordance with the provisions of Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "DGCL") and by the written consent of its stockholders in accordance with Section 228 of the DGCL. The Eighth Amended and Restated Certificate of Incorporation of the Corporation, as amended, is hereby amended, integrated and restated to read in its entirety as follows:

FIRST: The name of the Corporation is Kaltura, Inc.

SECOND: The address of the Corporation's registered office in the State of Delaware is 1313 N. Market Street, Suite 5100, in the City of Wilmington, County of New Castle, Delaware 19801. The name of its registered agent at that address is PHS Corporate Services, Inc.

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

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is 1,020,000,000 shares, consisting of (a) 1,000,000,000 shares of Common Stock, \$0.0001 par value per share ("Common Stock"), and (b) 20,000,000 shares of Preferred Stock, \$0.0001 par value per share ("Preferred Stock").

The following is a statement of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK.

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights of the holders of the Preferred Stock of any series as may be designated by the Board of Directors of the Corporation (the "Board of Directors") upon any issuance of the Preferred Stock of any series.

2. Voting. Each holder of record of Common Stock, as such, shall have one vote for each share of Common Stock which is outstanding in his, her or its name on the books of the

Corporation on all matters on which stockholders are entitled to vote generally; provided, however, that, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate of Incorporation (which, as used herein, shall mean the certificate of incorporation of the Corporation, as amended and/or restated from time to time, including the terms of any certificate of designations of any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation or the DGCL. There shall be no cumulative voting.

Subject to the rights of the holders of any series of Preferred Stock pursuant to the terms of this Certificate of Incorporation, the number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

3. Dividends. Dividends may be declared and paid on the Common Stock if, as and when determined by the Board of Directors.

4. Liquidation. Upon the dissolution or liquidation of the Corporation, whether voluntary or involuntary, holders of Common Stock will be entitled to receive all assets of the Corporation available for distribution to its stockholders ratably in proportion to the number of shares held by them, subject to any preferential or other rights of any then outstanding Preferred Stock.

#### B. PREFERRED STOCK.

Preferred Stock may be issued from time to time in one or more series, each of such series to have such terms as stated or expressed in the resolution or resolutions providing for the issue of such series adopted by the Board of Directors as hereinafter provided and set forth in the certificate of designations for such series of Preferred Stock.

Authority is hereby expressly granted to the Board of Directors from time to time to issue the Preferred Stock in one or more series, and in connection with the creation of any such series, by adopting a resolution or resolutions providing for the issuance of the shares thereof and by filing a certificate of designations relating thereto in accordance with the DGCL, to determine and fix the number of shares of such series and such powers (including voting powers, full or limited, or no voting powers), and such designations, preferences and relative, participating, optional or other special rights, if any, and qualifications, limitations or restrictions thereof, including without limitation thereof, dividend rights, conversion rights, redemption privileges and liquidation preferences, as shall be stated and expressed in such resolutions, all to the fullest extent now or hereafter permitted by the DGCL. The powers, preferences and relative, participating, optional and other special rights of each such series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. Without limiting the generality

of the foregoing, the resolution or resolutions providing for the issuance of any series of Preferred Stock may provide that such series shall be superior or rank equally or be junior to any other series of Preferred Stock to the extent permitted by law and this Certificate of Incorporation.

Subject to the rights of the holders of any series of Preferred Stock pursuant to the terms of this Certificate of Incorporation or any resolution or resolutions providing for the issuance of such series of stock adopted by the Board of Directors, 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 then outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the DGCL.

FIFTH: Except as otherwise provided herein, the Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute and this Certificate of Incorporation, and all rights conferred upon stockholders, directors or any other persons herein are granted subject to this reservation.

SIXTH: In furtherance and not in limitation of the powers conferred upon it by the DGCL, and subject to the terms of any series of Preferred Stock, the Board of Directors shall have the power to adopt, amend, alter or repeal the Bylaws of the Corporation. The stockholders may not adopt, amend, alter or repeal the Bylaws of the Corporation, or adopt any provision inconsistent therewith, unless such action is approved, in addition to any other vote required by law and this Certificate of Incorporation, by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon. In addition to any other vote required by law or this Certificate of Incorporation, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article SIXTH.

SEVENTH: Except to the extent that the DGCL prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty as a director, no director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability. No amendment to or repeal of this provision shall apply to or have any effect on the liability or alleged liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal. If the DGCL is amended to permit further elimination or limitation of the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL as so amended.

EIGHTH: This Article EIGHTH is inserted for the management of the business and for the conduct of the affairs of the Corporation.

1. General Powers. Except as otherwise provided in this Certificate of Incorporation or the DGCL, the business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.
2. Number of Directors; Election of Directors. Subject to the rights of holders of any series of Preferred Stock to elect directors, the number of directors of the Corporation shall be established from time to time solely by resolution of the Board of Directors. Election of directors need not be by written ballot, except as and to the extent provided in the Bylaws of the Corporation.
3. Classes of Directors. The directors (other than those directors elected by the holders of any series of Preferred Stock, voting separately as a series or together with one or more other such series, as the case may be, unless otherwise provided by the terms of such preferred stock) shall be divided into three classes, designated as Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. If the number of such directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any such additional director of any class elected to fill a newly created directorship resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case shall a decrease in the number of directors remove or shorten the term of any incumbent director. The Board of Directors is authorized to assign members of the Board of Directors already in office to Class I, Class II or Class III.
4. Terms of Office. Subject to the rights of holders of any series of Preferred Stock to elect directors, each director shall serve for a term ending on the date of the third annual meeting of stockholders following the annual meeting of stockholders at which such director was elected; provided that each director initially assigned to Class I shall initially serve for a term expiring at the Corporation's first annual meeting of stockholders following the date the Common Stock is first publicly traded (the "IPO Date"); each director initially assigned to Class II shall initially serve for a term expiring at the Corporation's second annual meeting of stockholders following the IPO Date; and each director initially assigned to Class III shall initially serve for a term expiring at the Corporation's third annual meeting of stockholders following the IPO Date; provided further, that each director shall continue in office until the election and qualification of his or her successor or until his or her earlier death, resignation or removal.
5. Removal. Subject to the rights of holders of any series of Preferred Stock and except for such additional directors, if any, as are elected by the holders of any series of Preferred Stock as provided for or fixed pursuant to this Certificate of Incorporation, directors of the Corporation may be removed from office only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote at an election of directors.

6. Vacancies. Subject to the rights of holders of any series of Preferred Stock, any vacancy or newly created directorship in the Board of Directors, however occurring, shall be filled only by vote of a majority of the directors then in office, although less than a quorum, or by a sole remaining director and shall not be filled by the stockholders. A director elected to fill a vacancy shall hold office until the expiration of the term of the class for which such director shall have been chosen, subject to the election and qualification of a successor and to such director's earlier death, resignation or removal.

7. Preferred Stock Directors. During any period when the holders of any series of Preferred Stock, voting separately as a series or together with one or more series, have the right to elect additional directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Corporation shall automatically be increased by such specified number of directors, and the holders of such Preferred Stock shall be entitled to elect the additional directors so provided for or fixed pursuant to said provisions, and (ii) each such additional director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, resignation, retirement, disqualification or removal. Except as otherwise provided by the Board of Directors in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Stock having such right to elect additional directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall forthwith terminate (in which case each such director thereupon shall cease to be qualified as, and shall cease to be, a director) and the total authorized number of directors of the Corporation shall be reduced accordingly.

8. Stockholder Nominations and Introduction of Business, Etc. Subject to the rights of holders of any series of Preferred Stock, advance notice of stockholder nominations for election of directors and other business to be brought by stockholders before a meeting of stockholders shall be given in the manner provided by the Bylaws of the Corporation.

9. Amendments to Article. In addition to any other vote required by law or this Certificate of Incorporation,, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article EIGHTH.

NINTH: No action that is required or permitted to be taken by the stockholders of the Corporation at any annual or special meeting of stockholders may be effected by written consent of stockholders in lieu of a meeting; provided, however, that any action required or permitted to be taken by the holders of Preferred Stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable certificate of designation relating to such series of Preferred Stock. In addition to any other

vote required by law or this Certificate of Incorporation,, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article NINTH.

TENTH: Subject to the rights of the holders of any series of Preferred Stock, special meetings of stockholders for any purpose or purposes may be called at any time only by the Board of Directors, the chairperson of the Board of Directors, or the chief executive officer or president (in the absence of a chief executive officer) of the Corporation, and may not be called by any other person or persons. Business transacted at any special meeting of stockholders shall be limited to the purpose or purposes stated in the notice of meeting. In addition to any other vote required by law or this Certificate of Incorporation,, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article TENTH.

ELEVENTH: Unless the Corporation consents in writing to the selection of an alternative forum, (a) the Court of Chancery of the State of Delaware (or, in the event that such court does not have jurisdiction, the federal district court for the District of Delaware or other state courts of the State of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by, or any other wrongdoing by, any current or former director, officer, other employee or agent or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation arising pursuant to any provision of the DGCL, this Certificate of Incorporation or the Bylaws of the Corporation, or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim governed by the internal affairs doctrine; and (b) 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, as amended (the "Securities Act"). If any action the subject matter of which is within the scope of clause (a) of the immediately preceding sentence is filed in a court other than a court located within the State of Delaware (a "Foreign Action") in the name of any stockholder, such stockholder shall be deemed to have consented to (x) the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce the provisions of clause (a) of the immediately preceding sentence of this Article ELEVENTH, and (ii) having service of process made upon such stockholder in any such action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder. To the fullest extent permitted by applicable law, any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article ELEVENTH. Notwithstanding the foregoing, this Article ELEVENTH shall not apply to claims seeking to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended, or any other claim for which the U.S. federal courts have exclusive jurisdiction.



In addition to any other vote required by law or this Certificate of Incorporation, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article ELEVENTH.

TWELFTH: To the fullest extent permitted by the laws of the State of Delaware and in accordance with Section 122(17) of the DGCL, (a) the Corporation hereby renounces all interest and expectancy that it otherwise would be entitled to have in, and all rights to be offered an opportunity to participate in, any business opportunity that from time to time may be presented to (i) any director of the Corporation, (ii) any stockholder, officer or other agent of the Corporation, or (iii) any Affiliate (as defined below) of any person or entity identified in the preceding clause (i) or clause (ii), but in all cases, excluding any such person in his or her capacity as a director, officer or other employee of the Corporation or any of its subsidiaries; (b) no stockholder and no director of the Corporation, in each case, that is not an officer or other employee of the Corporation or any of its subsidiaries, will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar line of business in which the Corporation or its subsidiaries from time to time are engaged or propose to engage, or (ii) otherwise competing, directly or indirectly, with the Corporation or any of its subsidiaries; and (c) if any stockholder or director, in each case, that is not an officer or other employee of the Corporation or any of its subsidiaries, acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for such stockholder or director, as the case may be, or, in each case, any of its Affiliates, on the one hand, and for the Corporation or any of its subsidiaries, on the other hand, such stockholder or director shall have no duty to communicate or offer such transaction or business opportunity to the Corporation or any of its subsidiaries, and such stockholder or director may take any and all such transactions or opportunities for itself or offer such transactions or opportunities to any other person or entity. The preceding sentence of this Article TWELFTH shall not apply to any potential transaction or business opportunity that is expressly offered to a director, officer or other employee of the Corporation or any of its subsidiaries solely in such person's capacity as a director, officer or other employee of the Corporation or any of its subsidiaries. As used herein, "Affiliate" means a person or entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, another person or entity.

To the fullest extent permitted by the laws of the State of Delaware, no potential transaction or business opportunity may be deemed to be a corporate opportunity of the Corporation or any of its subsidiaries unless (a) the Corporation or such subsidiary would be permitted to undertake such transaction or opportunity in accordance with this Certificate of Incorporation, (b) the Corporation or such subsidiary has at such time sufficient financial resources to undertake such transaction or opportunity, (c) the Corporation or such subsidiary has an interest or expectancy in such transaction or opportunity and (d) such transaction or opportunity would be in the same or similar line of business in which the Corporation or such subsidiary is then engaged, or a line of business that is reasonably related to, or a reasonable extension of, such line of business.

To the fullest extent permitted by law, no stockholder and no director will be liable to the Corporation or any of its subsidiaries or stockholders for breach of any duty (contractual or otherwise) solely by reason of any activities or omissions of the types referred to in this Article TWELFTH, except to the extent such actions or omissions are in breach of this Article TWELFTH.

In addition to any other vote required by law or this Certificate of Incorporation,, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend or repeal, or to adopt any provision inconsistent with, this Article TWELFTH.

THIRTEENTH: If any provision or provisions of this Certificate of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Certificate of Incorporation (including, without limitation, each portion of any sentence of this Certificate of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

[Signature Page Follows]

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation, which restates, integrates and amends the Eighth Amended and Restated Certificate of Incorporation of the Corporation, and which has been duly adopted in accordance with Sections 228, 242 and 245 of the DGCL, has been executed by its duly authorized officer this [ ] day of [ ], 2021.

KALTURA, INC.

By: \_\_\_\_\_

Name:

Title:

**AMENDED AND RESTATED  
BYLAWS**

**OF**

**KALTURA, INC.**

**(a Delaware corporation)**

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**AMENDED AND RESTATED BYLAWS  
OF  
KALTURA, INC.**

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**ARTICLE I - CORPORATE OFFICES**

1.1 REGISTERED OFFICE The address of the registered office of Kaltura, Inc. (the “Corporation”) in the State of Delaware, and the name of its registered agent at such address, shall be fixed in the Corporation’s certificate of incorporation, as the same may be amended and/or restated from time to time (the “certificate of incorporation”).

1.2 OTHER OFFICES The Corporation may have other offices at any place or places, either within or outside the State of Delaware, as the Corporation’s board of directors (the “Board”) may from time to time establish or as the business of the Corporation may from time to time require.

**ARTICLE II - MEETINGS OF STOCKHOLDERS**

2.1 PLACE OF MEETINGS Meetings of stockholders shall be held at such place, if any, within or outside the State of Delaware, designated by the Board. The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the General Corporation Law of the State of Delaware (the “DGCL”). In the absence of any such designation or determination, stockholders’ meetings shall be held at the Corporation’s principal executive office.

2.2 ANNUAL MEETING The Board shall designate the date and time of the annual meeting. At the annual meeting, directors shall be elected and other proper business properly brought before the meeting in accordance with Section 2.4 of these bylaws may be transacted.

2.3 SPECIAL MEETING Subject to the rights of the holders of any series of preferred stock, a special meeting of the stockholders may be called at any time by the Board, the chairperson of the Board, or the chief executive officer or president (in the absence of a chief executive officer) of the Corporation, and may not be called by any other person or persons.

No business may be transacted at any special meeting of stockholders other than the business specified in the notice of such meeting. Nothing contained in this paragraph of this Section 2.3 shall be construed as limiting, fixing or otherwise affecting the time when a meeting of stockholders called by action of the Board may be held.

2.4 ADVANCE NOTICE PROCEDURES FOR BUSINESS BROUGHT BEFORE A MEETING At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (i) specified in a notice of meeting given by or at the direction of the Board or a duly authorized committee of the Board, (ii) if not specified in a notice of meeting,



otherwise brought before the meeting by or at the direction of the Board, a duly authorized committee of the Board or the person presiding over the meeting, or (iii) otherwise properly brought before the meeting by a stockholder present in person who (A)(1) was a record owner of shares of the Corporation both at the time of giving the notice provided for in this Section 2.4 and at the time of the meeting, (2) is entitled to vote at the meeting and (3) has complied with this Section 2.4 in all applicable respects, or (B) properly made such proposal in accordance with Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (as so amended and inclusive of such rules and regulations, the “Exchange Act”), which proposal has been included in the proxy statement for the annual meeting. Unless otherwise required by law, if the stockholder is not present in person to present the proposed business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. The foregoing clause (iii) of this Section 2.4(a) shall be the exclusive means for a stockholder to propose business to be brought before an annual meeting of the stockholders. The only matters that may be brought before a special meeting are the matters specified in the notice of meeting given by or at the direction of the person calling the meeting pursuant to Section 2.3 of these bylaws, and subject to any rights of holders of preferred stock, stockholders shall not be permitted to propose business to be brought before a special meeting of the stockholders. For purposes of this Section 2.4, “present in person” shall mean that the stockholder proposing that the business be brought before the annual meeting of the Corporation, or a qualified representative of such proposing stockholder, appear at such annual meeting. A “qualified representative” of such proposing stockholder shall be a duly authorized officer, manager or partner of such stockholder or any other person authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders, and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at such meeting of stockholders. Stockholders seeking to nominate persons for election to the Board must comply with Section 2.5 of these bylaws, and this Section 2.4 shall not be applicable to nominations for election to the Board except as expressly provided in Section 2.5 of these bylaws.

(b) Without qualification, for business to be properly brought before an annual meeting by a stockholder, the stockholder must (i) provide Timely Notice (as defined below) thereof in writing and in proper form to the secretary of the Corporation and (ii) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.4. To be timely, a stockholder’s notice must be delivered to, or mailed and received by the secretary of the Corporation at, the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the one-year anniversary of the preceding year’s annual meeting (which date shall, for purposes of the Corporation’s first annual meeting held after the Corporation’s initial public offering of its shares pursuant to a registration statement on Form S-1, be deemed to be June 4, 2021); *provided, however*, that if the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, such notice must be delivered not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day prior to such annual meeting and not later than the later of the close of business on the ninetieth (90<sup>th</sup>) day prior to such annual meeting or the close of business on the tenth (10<sup>th</sup>) day following the day on which public

disclosure of the date of such annual meeting was first made by the Corporation (such notice within such time periods, "Timely Notice"). In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of Timely Notice as described above.

(c) To be in proper form for purposes of this Section 2.4, a stockholder's notice to the secretary of the Corporation shall set forth:

(i) As to each Proposing Person (as defined below), (A) the name and address of such Proposing Person (including, if applicable, the name and address that appear on the Corporation's books and records); (B) the number of shares of each class or series of stock of the Corporation that are, directly or indirectly, owned of record or beneficially owned (within the meaning of Rule 13d-3 under the Exchange Act) by such Proposing Person, except that such Proposing Person shall in all events be deemed to beneficially own any shares of any class or series of stock of the Corporation as to which such Proposing Person has a right to acquire beneficial ownership at any time in the future; and (C) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at the meeting and intends to be present in person at the meeting to propose such business (the disclosures to be made pursuant to the foregoing clauses (A)–(C) are referred to as "Stockholder Information");

(ii) As to each Proposing Person, (A) the full notional amount of any securities that, directly or indirectly, underlie any "derivative security" (as such term is defined in Rule 16a-1(c) under the Exchange Act) that constitutes a "call equivalent position" (as such term is defined in Rule 16a-1(b) under the Exchange Act) ("Synthetic Equity Position") and that is, directly or indirectly, held or maintained by such Proposing Person with respect to any shares of any class or series of stock of the Corporation; *provided* that, for the purposes of the definition of "Synthetic Equity Position," the term "derivative security" shall also include any security or instrument that would not otherwise constitute a "derivative security" as a result of any feature that would make any conversion, exercise or similar right or privilege of such security or instrument becoming determinable only at some future date or upon the happening of a future occurrence, in which case the determination of the amount of securities into which such security or instrument would be convertible or exercisable shall be made assuming that such security or instrument is immediately convertible or exercisable at the time of such determination; and, *provided, further*, that any Proposing Person satisfying the requirements of Rule 13d-1(b)(1) under the Exchange Act (other than a Proposing Person that so satisfies Rule 13d-1(b)(1) under the Exchange Act solely by reason of Rule 13d-1(b)(1)(ii)(E)) shall not be deemed to hold or maintain the notional amount of any securities that underlie a Synthetic Equity Position held by such Proposing Person as a hedge with respect to a bona fide derivatives trade or position of such Proposing Person arising in the ordinary course of such Proposing Person's business as a derivatives dealer, (B) any rights to dividends on

the shares of any class or series of stock of the Corporation owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation, (C)(x) if such Proposing Person is (i) a general or limited partnership, syndicate or other group, the identity of each general partner and each person who functions as a general partner of the general or limited partnership, each member of the syndicate or group and each person controlling the general partner or member, (ii) a corporation or a limited liability company, the identity of each officer and each person who functions as an officer of the corporation or limited liability company, each person controlling the corporation or limited liability company and each officer, director, general partner and person who functions as an officer, director or general partner of any entity ultimately in control of the corporation or limited liability company or (iii) a trust, any trustee of such trust (each such person or persons set forth in the preceding clauses (i), (ii) and (iii), a “Responsible Person”), any fiduciary duties owed by such Responsible Person to the equity holders or other beneficiaries of such Proposing Person and any material interests or relationships of such Responsible Person that are not shared generally by other record holders or beneficial owners of the shares of any class or series of stock of the Corporation and that reasonably could have influenced the decision of such Proposing Person to propose such business to be brought before the meeting, and (y) if such Proposing Person is a natural person, any material interests or relationships of such natural person that are not shared generally by other record holders or beneficial owners of the shares of any class or series of stock of the Corporation and that reasonably could have influenced the decision of such Proposing Person to propose such business to be brought before the meeting, (D) any material shares or any Synthetic Equity Position in any principal competitor of the Corporation in any principal industry of the Corporation held by such Proposing Persons, (E) a summary of any material discussions regarding the business proposed to be brought before the meeting (x) between or among any of the Proposing Persons or (y) between or among any Proposing Person and any other record holders or beneficial owners of the shares of any class or series of stock of the Corporation (including their names), (F) any material pending or threatened legal proceeding in which such Proposing Person is a party or material participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation, (G) any other material relationship between such Proposing Person, on the one hand, and the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation, on the other hand, (H) any direct or indirect material interest in any material contract or agreement of such Proposing Person with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), (I) a representation whether such Proposing Person intends or is part of a group which intends to deliver a proxy statement or form of proxy to holders of at least the percentage of the Corporation’s outstanding capital stock required to approve or adopt the proposal or otherwise solicit proxies from stockholders in support of such proposal, and (J) any other information relating to

such Proposing Person that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies or consents by such Proposing Person in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act (the disclosures to be made pursuant to the foregoing clauses (A) through (J) are referred to as “Disclosable Interests”); *provided*, however, that Disclosable Interests shall not include any such disclosures with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner; and

(iii) As to each item of business that the stockholder proposes to bring before the annual meeting, (A) a brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of each Proposing Person, (B) the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend the bylaws of the Corporation, the language of the proposed amendment), (C) a reasonably detailed description of all agreements, arrangements and understandings (x) between or among any of the Proposing Persons or (y) between or among any Proposing Person and any other person or entity (including their names) in connection with the proposal of such business by such stockholder and (D) any other information relating to such item of business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with solicitations of proxies in support of the business proposed to be brought before the meeting pursuant to Section 14(a) of the Exchange Act; *provided*, however, that the disclosures required by this paragraph (c)(iii) shall not include any disclosures with respect to any broker, dealer, commercial bank, trust company or other nominee who is a Proposing Person solely as a result of being the stockholder directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner.

(d) For purposes of this Section 2.4, the term “Proposing Person” shall mean (i) the stockholder of record providing the notice of business proposed to be brought before an annual meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the business proposed to be brought before the annual meeting is made, and (iii) any participant (as defined in paragraphs (a)(ii)-(vi) of Instruction 3 to Item 4 of Schedule 14A) with such stockholder in such solicitation.

(e) A Proposing Person shall update and supplement its notice to the Corporation of its intent to propose business at an annual meeting, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.4 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement

thereof, and such update and supplement shall be delivered to, or mailed and received by, the secretary of the Corporation at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other section of these bylaws shall not limit the Corporation's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any proposal or to submit any new proposal, including by changing or adding matters, business or resolutions proposed to be brought before a meeting of the stockholders.

(f) Notwithstanding anything in these bylaws to the contrary and except as otherwise expressly provided in any applicable rule or regulation promulgated under the Exchange Act, no business shall be conducted at an annual meeting that is not properly brought before the meeting in accordance with this Section 2.4. The person presiding over the meeting shall, if the facts warrant, determine that the business was not properly brought before the meeting in accordance with this Section 2.4, and if he or she should so determine, he or she shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

(g) This Section 2.4 is expressly intended to apply to any business proposed to be brought before an annual meeting of stockholders, other than any proposal made in accordance with Rule 14a-8 under the Exchange Act and included in the Corporation's proxy statement. In addition to the requirements of this Section 2.4 with respect to any business proposed to be brought before an annual meeting, each Proposing Person shall comply with all applicable requirements of the Exchange Act with respect to any such business. The foregoing notice requirements of this Section 2.4 shall be deemed satisfied by a stockholder with respect to business other than a nomination if the stockholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. Nothing in this Section 2.4 shall be deemed to affect the rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(h) For purposes of these bylaws, "public disclosure" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

## 2.5 ADVANCE NOTICE PROCEDURES FOR NOMINATIONS OF DIRECTORS.

(a) Nominations of any person for election to the Board at an annual meeting or, if the election of directors is a matter specified in any notice of special meeting given by or at the direction of the person calling such meeting pursuant to Section 2.3 of these bylaws, at a special meeting, may be made at such meeting only (i) by or at the direction of the Board, including by any committee of the Board or persons duly authorized to do so by the Board or these bylaws, or (ii) by a stockholder present in person who (A) was a record owner of shares of the Corporation both at the time of giving the notice provided for in this Section 2.5 and at the time of the meeting, (B) is entitled to vote at the meeting and (C) has complied with this Section 2.5 as to such notice and nomination. Unless otherwise required by law, if the stockholder is not present in person to present a nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. The foregoing clause (ii) of this Section 2.5(a) shall be the exclusive means for a stockholder to make any nomination of a person or persons for election to the Board at any meeting of stockholders. For purposes of this Section 2.5, "present in person" shall mean that the stockholder proposing that the business be brought before the annual meeting of the Corporation, or a qualified representative of such proposing stockholder, appear at such annual meeting. A "qualified representative" of such proposing stockholder shall be a duly authorized officer, manager or partner of such stockholder or any other person authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders, and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at such meeting of stockholders.

(b) (i) Without qualification, for a stockholder to make any nomination of a person or persons for election to the Board at an annual meeting, the stockholder must (A) provide Timely Notice (as defined in Section 2.4(b) of these bylaws) thereof in writing and in proper form to the secretary of the Corporation, (B) provide the information, agreements and questionnaires with respect to such stockholder and its proposed nominee as required by this Section 2.5, and (C) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5.

(ii) Without qualification, if the election of directors is a matter specified in the notice of special meeting given by or at the direction of the person calling such special meeting pursuant to Section 2.3 of these bylaws, then for a stockholder to make any nomination of a person or persons for election to such position(s) as specified in the notice of the special meeting, the stockholder must (A) provide timely notice thereof in writing and in proper form to the secretary of the Corporation at the principal executive offices of the Corporation, (B) provide the information, agreements and questionnaires with respect to such stockholder and its proposed nominee as required by this Section 2.5, and (C) provide any updates or supplements to such notice at the times and in the forms required by this Section 2.5. To be timely, a stockholder's notice for nominations to be made at a special meeting must be delivered to, or mailed and received by the secretary of the Corporation at, the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120<sup>th</sup>) day prior to such

special meeting and not later than the later of the close of business on the ninetieth (90<sup>th</sup>) day prior to such special meeting and the close of business on the tenth (10<sup>th</sup>) day following the day on which public disclosure (as defined in Section 2.4(h) of these bylaws) of the date of such special meeting was first made.

(iii) In no event shall any adjournment or postponement of an annual meeting or special meeting or the announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(iv) In no event may a Nominating Person (as defined below) provide notice with respect to a greater number of director candidates than are subject to election by stockholders at the applicable meeting; provided, however that if the Nominating Person is giving the notice on behalf of a beneficial owner, the foregoing clause shall mean that the number of director candidates a Nominating Stockholder may nominate for election at the annual meeting on behalf of any beneficial owner shall not be greater than the number of director candidates that are subject to election by stockholders at the applicable meeting. If the Corporation shall, subsequent to any notice given by a Nominating Person pursuant to the foregoing paragraphs (i) or (ii) of this Section 2.5(b), increase the number of directors subject to election at the applicable meeting, such notice as to any additional nominees shall be due on the later of (x) the conclusion of the time period for providing Timely Notice (if such notice is being given pursuant to paragraph (i) of this Section 2.5(b)) or the conclusion of the time period specified in paragraph (ii) of this Section 2.5(b) (if such notice is being given pursuant to such paragraph) and (y) the tenth (10<sup>th</sup>) day following the date of public disclosure (as defined in Section 2.4(h) of these bylaws) of such increase.

(c) To be in proper form for purposes of this Section 2.5, a stockholder's notice to the secretary of the Corporation shall set forth:

(i) As to each Nominating Person, the Stockholder Information (as defined in Section 2.4(c)(i) of these bylaws) except that for purposes of this Section 2.5, the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(c)(i);

(ii) As to each Nominating Person, any Disclosable Interests (as defined in Section 2.4(c)(ii) of these bylaws), except that for purposes of this Section 2.5, the term "Nominating Person" shall be substituted for the term "Proposing Person" in all places it appears in Section 2.4(c)(ii), and the disclosures with respect to the business to be brought before the meeting in Section 2.4(c)(iii) shall be made with respect to the nomination of each person for election as a director at the meeting; and

(iii) As to each person whom a Nominating Person proposes to nominate for election as a director, (A) all information with respect to such proposed nominee that would be required to be set forth in a stockholder's notice pursuant to this Section 2.5 if such proposed nominee were a Nominating Person, (B) all information relating to such proposed nominee that is required to be

disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14(a) under the Exchange Act (including such proposed nominee's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), (C) a description of any direct or indirect material interest in any material contract or agreement between or among any Nominating Person, on the one hand, and each proposed nominee or any other participants in such solicitation, on the other hand, including, without limitation, all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such Nominating Person were the "registrant" for purposes of such rule and the proposed nominee were a director or executive officer of such registrant, and (D) a completed and signed questionnaire, representation and agreement as provided in Section 2.5(f), and (E) a written consent of such person to being named in the Corporation's proxy statement as a nominee of the Nominating Person and to serving as a director if elected; and

(iv) The Corporation may require any proposed nominee to furnish such other information (A) as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation in accordance with the Corporation's Corporate Governance Guidelines or (B) that could be material to a reasonable stockholder's understanding of the independence or lack of independence of such proposed nominee.

(d) For purposes of this Section 2.5, the term "Nominating Person" shall mean (i) the stockholder of record providing the notice of the nomination proposed to be made at the meeting, (ii) the beneficial owner or beneficial owners, if different, on whose behalf the notice of the nomination proposed to be made at the meeting is made, and (iii) any other participant in such solicitation.

(e) A stockholder providing notice of any nomination proposed to be made at a meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.5 shall be true and correct as of the record date for stockholders entitled to vote at the meeting and as of the date that is ten (10) business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the secretary of the Corporation at the principal executive offices of the Corporation not later than five (5) business days after the record date for stockholders entitled to vote at the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight (8) business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting or any adjournment or postponement thereof). For the avoidance of doubt, the obligation to update and supplement as set forth in this paragraph or any other section of these bylaws shall not limit the Corporation's



rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines hereunder or enable or be deemed to permit a stockholder who has previously submitted notice hereunder to amend or update any nomination or to submit any new nomination.

(f) To be eligible to be a nominee for election as a director of the Corporation at an annual or special meeting, a candidate must be nominated in the manner prescribed in this Section 2.5 and must deliver (in accordance with the time period prescribed for delivery in a notice to such proposed nominee given by or on behalf of the Board), to the secretary of the Corporation at the principal executive offices of the Corporation, (i) a completed written questionnaire (in the form provided by the Corporation) with respect to the background, qualifications, stock ownership and independence of such proposed nominee, and (ii) a written representation and agreement (in the form provided by the Corporation) that such proposed nominee (A) is not and, if elected as a director during his or her term of office, will not become a party to (1) any agreement, arrangement or understanding with, and has not given and will not give any commitment or assurance to, any person or entity as to how such proposed nominee, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation or (2) any Voting Commitment that could limit or interfere with such proposed nominee's ability to comply, if elected as a director of the Corporation, with such proposed nominee's fiduciary duties under applicable law, (B) is not, and will not become a party to, any agreement, arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation or reimbursement for service as a director of the Corporation that has not been disclosed to the Corporation, and (C) if elected as a director of the Corporation, will comply with all applicable corporate governance, conflict of interest, confidentiality, stock ownership and trading and other policies and guidelines of the Corporation applicable to directors and in effect during such person's term in office as a director (and, if requested by any proposed nominee, the secretary of the Corporation shall provide to such proposed nominee all such policies and guidelines then in effect).

(g) In addition to the requirements of this Section 2.5 with respect to any nomination proposed to be made at a meeting, each Nominating Person shall comply with all applicable requirements of the Exchange Act with respect to any such nominations.

(h) No proposed nominee shall be eligible for nomination as a director of the Corporation unless such proposed nominee and the Nominating Person seeking to place such proposed nominee's name in nomination have complied with this Section 2.5, as applicable. The person presiding over the meeting shall, if the facts warrant, determine that a nomination was not properly made in accordance with this Section 2.5, and if he or she should so determine, he or she shall so declare such determination to the meeting, the defective nomination shall be disregarded and any ballots cast for the proposed nominee in question (but in the case of any form of ballot listing other qualified nominees, only the ballots cast for the nominee in question) shall be void and of no force or effect.

(i) Notwithstanding anything in these bylaws to the contrary, no candidate for nomination at an annual or special meeting shall be eligible to be seated as a director of the Corporation unless nominated and elected in accordance with this Section 2.5

## 2.6 NOTICE OF STOCKHOLDERS' MEETINGS.

Unless otherwise provided by law, the certificate of incorporation or these bylaws, the notice of any meeting of stockholders shall be given in accordance with either Section 2.7 or Section 8.1 of these bylaws 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 as of the record date for determining the stockholders entitled to notice of the meeting. The notice shall specify the place, if any, date and hour of the meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting), the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.7 MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE Notice of any meeting of stockholders shall be deemed given:

(a) if mailed, when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the Corporation's records;

(b) if delivered by courier service, the earlier of when the notice is received or left at the stockholder's address as it appears on the Corporation's records; or

(c) if electronically transmitted, as provided in Section 8.1 of these bylaws.

An affidavit of the secretary or an assistant secretary of the Corporation or of the transfer agent or any other agent of the Corporation that the notice has been given by mail or by a form of electronic transmission, as applicable, shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

Except as otherwise prohibited under the DGCL, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under the provisions of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Corporation. Any stockholder who fails to object in writing to the Corporation, within 60 days of having been given written notice by the Corporation of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice.

2.8 QUORUM Unless otherwise provided by law, the certificate of incorporation or these bylaws, the holders of a majority in voting power of the capital stock of the Corporation

issued and outstanding and entitled to vote thereat, present in person, or by remote communication, if applicable, or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders. Where a separate vote by class or series is required on a matter, the holders of a majority in voting power of such class or series issued and outstanding and entitled to vote, present in person, or by remote communication, if applicable, or represented by proxy, shall constitute a quorum for such matter. A quorum, once established at a meeting, shall not be broken by the withdrawal of enough votes to leave less than a quorum. If, however, a quorum is not present or represented at any meeting of the stockholders, then either (a) the person presiding over the meeting or (b) a majority in voting power of the stockholders, present in person, or by remote communication, if applicable, or represented by proxy, and entitled to vote thereon shall have the power to adjourn the meeting from time to time in the manner provided in Section 2.9 of these bylaws until a quorum is present or represented.

2.9 ADJOURNED MEETING; NOTICE Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place. When a meeting is adjourned, notice need not be given of the adjourned meeting if the time and place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At any adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix as the record date for determining the stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

2.10 CONDUCT OF BUSINESS Meetings of stockholders shall be presided over by the chairperson of the Board, if any, or in his or her absence by the vice chairperson of the Board, if any, or in the absence of the foregoing persons by the chief executive officer, or in the absence of the foregoing persons by the president, or in the absence of the foregoing persons by a vice president, or in the absence of or in lieu of the foregoing persons by a chairperson designated by the Board, or in the absence of such designation by a chairperson chosen at the meeting. The secretary of the Corporation shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be determined by the Board or the person presiding over the meeting and announced at the meeting by the person presiding over the meeting. The Board may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess

and/or adjourn the meeting, to prescribe such rules, regulations and procedures (which need not be in writing) and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the person presiding over the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present (including, without limitation, rules and procedures for the removal of disruptive persons from the meeting); (c) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the person presiding over the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. The person presiding over any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting (including, without limitation, determinations with respect to the administration and/or interpretation of any of the rules, regulations or procedures of the meeting, whether adopted by the Board or prescribed by the person presiding over the meeting), shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and, if such presiding person should so determine, such presiding person shall so declare to the meeting, and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

2.11 VOTING The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.13 of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one (1) vote for each share of capital stock held by such stockholder. Voting at meetings of stockholders need not be by written ballot.

At any duly called or convened meeting of stockholders at which a quorum is present, for the election of directors, a plurality of the votes cast shall be sufficient to elect a director. All other elections and questions presented to the stockholders at a duly called or convened meeting at which a quorum is present shall, unless a different or minimum vote is required by the certificate of incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or any law or regulation applicable to the Corporation or its securities (in which case such different or minimum vote shall be the applicable vote on the matter), be decided by the affirmative vote of the holders of a majority of the votes cast (excluding abstentions and broker non-votes) on such matter by the holders entitled to vote thereon.

2.12 STOCKHOLDER ACTION BY WRITTEN CONSENT WITHOUT A MEETING Any action required or permitted to be taken by the stockholders of the Corporation

must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders; *provided, however*, that any action required or permitted to be taken by the holders of preferred stock, voting separately as a series or separately as a class with one or more other such series, may be taken without a meeting, without prior notice and without a vote, to the extent expressly so provided by the applicable certificate of designation relating to such series of Preferred Stock.

#### 2.13 RECORD DATE FOR STOCKHOLDER NOTICE; VOTING.

In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board 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, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, 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 may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of capital stock, or for the purpose of any other lawful action, the Board may fix a record date, which shall not be more than sixty (60) days prior to such action. If no such 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 adopts the resolution relating thereto.

Unless otherwise restricted by the certificate of incorporation, in order that the Corporation may determine the stockholders entitled to express consent to corporate action in writing without a meeting, the Board 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, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board. If no record date for determining stockholders entitled to express consent to corporate action in writing without a meeting is fixed by the Board, (i) when no prior action of the Board is required by law, the record date for such purpose 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 in accordance with applicable law, and (ii) if prior action by the Board is required by law, the record date for such purpose shall be at the close of business on the day on which the Board adopts the resolution taking such prior action.

2.14 PROXIES Each stockholder entitled to vote at a meeting of stockholders or to express consent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law to be filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states on its face that it is irrevocable and if, and only for so long as, it is coupled with an interest sufficient in law to support an irrevocable power and shall be governed by the provisions of Section 212 of the DGCL. A proxy may be in the form of a telegram, cablegram or other means of electronic transmission which sets forth or is submitted with information from which it can be determined that the telegram, cablegram or other means of electronic transmission was authorized by the stockholder. The authorization of a person to act as proxy may be documented, signed and delivered in accordance with Section 116 of the DGCL provided that such authorization shall set forth, or be delivered with, information enabling the Corporation to determine the identity of the stockholder granting such authorization.

2.15 LIST OF STOCKHOLDERS ENTITLED TO VOTE The Corporation shall prepare, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, that if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the date of the meeting), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten (10) days prior 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 Corporation's principal executive office. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to the identity of the stockholders entitled to vote in person or by proxy and the number of shares held by each of them, and as to the stockholders entitled to examine the list of stockholders required by this Section 2.15.

#### 2.16 POSTPONEMENT, ADJOURNMENT AND CANCELLATION OF MEETING.

Any previously scheduled annual or special meeting of the stockholders may be postponed, adjourned or canceled by resolution of the Board.

#### 2.17 INSPECTORS OF ELECTION.

Before any meeting of stockholders, the Corporation may, and shall if required by law, appoint an inspector or inspectors of election to act at the meeting or its adjournment or postponement and make a written report thereof. The number of inspectors shall be either one (1) or three (3). The Corporation may also designate one or more persons to act as alternate inspectors to replace any inspector who fails or refuses to act. If any person appointed as inspector and such person's designated alternate, if any, fails to appear or fails or refuses to act, then the person presiding over the meeting shall appoint a person to fill that vacancy. Unless otherwise required by law, inspectors may be officers, employees or agents of the Corporation. Such inspectors shall have the duties prescribed by law. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. If there are three (3) inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspector(s) of election is prima facie evidence of the facts stated therein. The inspector(s) of election may appoint such persons to assist them in performing their duties as they determine.

#### 2.18 DELIVERY TO THE CORPORATION.

Whenever Sections 2.4 and 2.5 of this Article II require one or more persons (including a record or beneficial owner of stock) to deliver a document or information to the Corporation or any officer, employee or agent thereof (including any notice, request, questionnaire, revocation, representation or other document or agreement, except as otherwise requested or consented to by the Corporation), such document or information shall be in writing exclusively (and not in an electronic transmission) and shall be delivered exclusively by hand (including, without limitation, overnight courier service) or by certified or registered mail, return receipt requested, and the Corporation shall not be required to accept delivery of any document not in such written form or so delivered. For the avoidance of doubt, the Corporation expressly opts out of Section 116 of the DGCL with respect to the delivery of information and documents to the Corporation required by Sections 2.4 and 2.5 of this Article II.

### ARTICLE III - DIRECTORS

3.1 POWERS Except as provided in the DGCL or the certificate of incorporation, the business and affairs of the Corporation shall be managed by or under the direction of the Board.

3.2 NUMBER OF DIRECTORS Subject to the rights of holders of any preferred stock, the authorized number of directors constituting the Board shall be determined from time to time solely by resolution of the Board, provided the Board shall consist of at least one (1)

member. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

**3.3 ELECTION, QUALIFICATION AND TERM OF OFFICE OF DIRECTORS** Except as provided in Section 3.4 of these bylaws, each director, including, without limitation, a director elected to fill a vacancy or newly created directorship, shall hold office until the expiration of the term of the class for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The Corporation may also have, at the discretion of the Board, a chairperson of the Board and a vice chairperson of the Board. The certificate of incorporation or these bylaws may prescribe other qualifications for directors.

**3.4 RESIGNATION AND VACANCIES** Any director may resign at any time upon notice given in writing or by electronic transmission to the chairperson of the Board or the Corporation's chief executive officer, president or secretary. The resignation shall take effect at the time specified therein or upon the happening of an event specified therein, and if no time or event is specified, at the time of its receipt. When one or more directors so resigns and the resignation is effective at a future date or upon the happening of an event to occur on a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this section in the filling of other vacancies.

Unless otherwise provided in the certificate of incorporation or these bylaws, and subject to the rights of the holders of any series of preferred stock, any vacancy on the Board, or any newly created directorship resulting from an increase in the authorized number of directors, shall, in each case, be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Any director appointed in accordance with the preceding sentence shall hold office for the remainder of the term of the class to which the director is appointed and until such director's successor shall have been elected and qualified. A vacancy on the Board shall be deemed to exist in the case of the death, removal or resignation of any director.

**3.5 PLACE OF MEETINGS; MEETINGS BY TELEPHONE** The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting pursuant to this bylaw shall constitute presence in person at the meeting.

**3.6 REGULAR MEETINGS** Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board;



*provided* that any director who is absent when such determination is made shall be given notice of the determination. A regular meeting of the Board may be held without notice immediately after and at the same place as the annual meeting of stockholders.

3.7 SPECIAL MEETINGS; NOTICE Special meetings of the Board for any purpose or purposes may be held at any time and place as determined by the chairperson of the Board, the chief executive officer, the president, the secretary or a majority of the directors then in office.

Notice of the time and place of special meetings shall be:

- (a) delivered personally by hand, by courier or by telephone;
- (b) sent by United States first-class mail, postage prepaid;
- (c) sent by facsimile; or
- (d) sent by electronic mail, electronic transmission or other similar means,

in each case, directed to each director at that director's address, telephone number, facsimile number or electronic mail or other electronic address, as the case may be, as shown on the Corporation's records.

If the notice is (a) delivered personally by hand, by courier or by telephone, (b) sent by facsimile or (c) sent by electronic mail, electronic transmission or other similar means, it shall be delivered or sent at least twenty-four (24) hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. The notice need not specify the place of the meeting (if the meeting is to be held at the Corporation's principal executive office) nor the purpose of the meeting.

3.8 QUORUM At all meetings of the Board, a majority of the number of directors fixed by the Board pursuant to Section 3.2 of these bylaws shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws. If a quorum is not present at any meeting of the Board, then a majority of the directors present thereat may adjourn the meeting from time to time, without further notice other than announcement at the meeting, until a quorum is present.

3.9 BOARD ACTION BY CONSENT WITHOUT A MEETING Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and any consent may be documented, signed and delivered in any manner not prohibited by applicable law, including but not limited to any manner permitted by Section 116 of the DGCL. After the action is taken, the consent or consents shall be filed with

the minutes of proceedings of the Board or committee in the same paper or electronic form as the minutes are maintained.

3.10 FEES AND COMPENSATION OF DIRECTORS Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board shall have the authority to fix the compensation, including fees and reimbursement of expenses, of directors for services to the Corporation in any capacity.

3.11 REMOVAL OF DIRECTORS Subject to the rights of the holders of the shares of any series of preferred stock of the Corporation and except for additional directors, if any, as are elected by the holders of any series of preferred stock as provided for or fixed pursuant to the certificate of incorporation, the Board or any individual director may be removed from office only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote at an election of directors.

#### ARTICLE IV - COMMITTEES

4.1 COMMITTEES OF DIRECTORS The Board may designate one (1) or more committees, each committee to consist of one (1) or more of the directors of the Corporation. The Board may designate one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent permitted by law and provided in the resolution of the Board or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it; but no such committee shall have the power or authority to (a) approve or adopt, or recommend 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 (b) adopt, amend or repeal any bylaw of the Corporation.

4.2 COMMITTEE MINUTES Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

4.3 MEETINGS AND ACTION OF COMMITTEES Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of:

- (a) Section 3.5 of these bylaws (place of meetings and meetings by telephone);
- (b) Section 3.6 of these bylaws (regular meetings);
- (c) Section 3.7 of these bylaws (special meetings and notice);

- (d) Section 3.8 of these bylaws (quorum);
- (e) Section 3.9 of these bylaws (action without a meeting); and
- (f) Section 7.12 of these bylaws (waiver of notice),

in each case, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However:*

- (i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;
- (ii) special meetings of committees may also be called by resolution of the Board; and
- (iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee.

#### **ARTICLE V - OFFICERS**

5.1 **OFFICERS** The officers of the Corporation shall include a president and a secretary. The Corporation may also have, at the discretion of the Board, a chairperson of the Board, a vice chairperson of the Board, a chief executive officer, a chief financial officer, a treasurer, one (1) or more vice presidents, one (1) or more assistant vice presidents, one (1) or more assistant treasurers, one (1) or more assistant secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

5.2 **APPOINTMENT OF OFFICERS; SUBORDINATE OFFICERS** The Board shall appoint the officers of the Corporation. The Board may appoint, or empower the chief executive officer or, in the absence of a chief executive officer, the president, to appoint, such other officers and agents as the business of the Corporation may require. Each of such officers shall hold office for such period, as is provided in these bylaws or as the Board may from time to time determine.

5.3 **REMOVAL AND RESIGNATION OF OFFICERS** Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving notice in writing or by electronic transmission to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

5.4 VACANCIES IN OFFICES Any vacancy occurring in any office of the Corporation shall be filled by the Board or as provided in Section 5.2 of these bylaws.

5.5 REPRESENTATION OF SHARES OF OTHER ENTITIES The chairperson of the Board, the chief executive officer, the president, any vice president, the treasurer, the secretary or assistant secretary of the Corporation, or any other person authorized by the Board or the chief executive officer, the president or a vice president, is authorized to vote, represent and exercise on behalf of the Corporation all rights incident to any and all securities of any other entity or entities standing in the name of the Corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.6 AUTHORITY AND DUTIES OF OFFICERS All officers of the Corporation shall respectively have such authority and perform such duties in the management of the business of the Corporation as may be designated from time to time by the Board and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board.

#### **ARTICLE VI - RECORDS AND REPORTS**

6.1 MAINTENANCE OF RECORDS A stock ledger consisting of one or more records in which the names of all of the Corporation's stockholders of record, the address and number of shares registered in the name of each such stockholder, and all issuances and transfers of stock of the Corporation are recorded in accordance with Section 224 of the DGCL shall be administered by or on behalf of the Corporation. Any records administered by or on behalf of the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device, method, or one or more electronic networks or databases (including one or more distributed electronic networks or databases), *provided* that the records so kept can be converted into clearly legible paper form within a reasonable time and, with respect to the stock ledger, that the records so kept (i) can be used to prepare the list of stockholders specified in Sections 219 and 220 of the DGCL, (ii) record the information specified in Sections 156, 159, 217(a) and 218 of the DGCL, and (iii) record transfers of stock as governed by Article 8 of the Uniform Commercial Code.

#### **ARTICLE VII - GENERAL MATTERS**

7.1 EXECUTION OF CORPORATE CONTRACTS AND INSTRUMENTS The Board may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board 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.

7.2 ELECTRONIC SIGNATURES, ETC. Except as otherwise required by the certificate of incorporation or these bylaws (including, without limitation, as otherwise required

by Section 2.18), any document, including, without limitation, any consent, agreement, certificate or instrument, required by the DGCL, the certificate of incorporation or these bylaws to be executed by any officer, director, stockholder, employee or agent of the Corporation may be executed using a facsimile or other form of electronic signature to the fullest extent permitted by applicable law. All other contracts, agreements, certificates or instruments to be executed on behalf of the Corporation may be executed using a facsimile or other form of electronic signature to the fullest extent permitted by applicable law.

7.3 STOCK CERTIFICATES; PARTLY PAID SHARES The shares of the Corporation shall be represented by certificates, *provided* that the Board may provide, by resolution or resolutions, that some or all of the shares of any class or series of stock 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 represented by a certificate shall be entitled to have a certificate signed by, or in the name of the Corporation by, any two authorized officers of the Corporation representing the number of shares registered in certificate form. Each of the chairperson or vice chairperson of the Board, the chief executive officer, any vice president, the treasurer, any assistant treasurer, the secretary and any assistant secretary of the Corporation is specifically authorized to sign stock certificates. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the date of issue.

The Corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, or upon the books and records of the Corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the Corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

7.4 MULTIPLE CLASSES OR SERIES OF STOCK If the Corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock; *provided, however*, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate that the Corporation shall issue to represent such class or series of stock a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

Within a reasonable time after the issuance or transfer of uncertificated stock, the Corporation shall send to the registered owner thereof a written notice containing the information required to be set forth or stated on certificates pursuant to the DGCL or a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

7.5 LOST CERTIFICATES Except as provided in this Section 7.4, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Corporation in accordance with applicable law. The Corporation may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

7.6 CONSTRUCTION; DEFINITIONS Unless the context requires otherwise, the general provisions, rules of construction and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" means any individual, general partnership, limited partnership, limited liability company, corporation, trust, business trust, joint stock company, joint venture, unincorporated association, cooperative or association or any other legal entity or organization of whatever nature, and shall include any successor (by merger or otherwise) of such entity.

7.7 DIVIDENDS The Board, subject to any restrictions contained in either (a) the DGCL or (b) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property or in shares of the Corporation's capital stock.

The Board may set apart out of any of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Corporation, and meeting contingencies.

7.8 FISCAL YEAR The fiscal year of the Corporation shall be fixed by resolution of the Board and may be changed by the Board.

7.9 SEAL The Corporation may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The Corporation may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

7.10 TRANSFER OF STOCK Shares of the Corporation shall be transferable in the manner prescribed by law and in these bylaws. Shares of stock of the Corporation shall be transferred on the books of the Corporation only by the holder of record thereof or by such

holder's attorney duly authorized in writing, upon surrender to the Corporation of the certificate or certificates representing such shares endorsed by the appropriate person or persons (or by delivery of duly executed instructions with respect to uncertificated shares), with such evidence of the authenticity of such endorsement or execution, transfer, authorization and other matters as the Corporation may reasonably require, and accompanied by all necessary stock transfer stamps. To the fullest extent permitted by law, no transfer of stock shall be valid as against the Corporation for any purpose until it shall have been entered in the stock records of the Corporation by an entry showing the names of the persons from and to whom it was transferred.

7.11 STOCK TRANSFER AGREEMENTS The Corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes or series of stock of the Corporation to restrict the transfer of shares of stock of the Corporation of any one or more classes or series owned by such stockholders in any manner not prohibited by the DGCL.

7.12 REGISTERED STOCKHOLDERS The Corporation, to the fullest extent permitted by law:

(a) 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

(b) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of the State of Delaware.

7.13 WAIVER OF NOTICE Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders or the Board need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

#### **ARTICLE VIII - NOTICE BY ELECTRONIC TRANSMISSION**

8.1 NOTICE BY ELECTRONIC TRANSMISSION Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation or these bylaws, any notice to stockholders given by the Corporation under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission in compliance with applicable law.

Notwithstanding the foregoing, a notice may not be delivered by electronic transmission from and after the time that:

- (a) the Corporation is unable to deliver by electronic transmission two (2) consecutive notices given by the Corporation; and
- (b) such inability becomes known to the secretary or an assistant secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice; *provided*, however, that the inadvertent failure to treat such inability shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given:

- (a) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;
- (b) if by electronic mail, when directed to an electronic mail address unless the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail;
- (c) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (i) such posting and (ii) the giving of such separate notice; and
- (d) if by any other form of electronic transmission consented to by the stockholder, when directed to the stockholder.

Notice by a form of electronic transmission shall not apply to matters governed by Sections 164, 296, 311, 312 or 324 of the DGCL.

8.2 DEFINITION OF ELECTRONIC TRANSMISSION, ELECTRONIC SIGNATURE, ELECTRONIC MAIL AND ELECTRONIC MAIL ADDRESS. For the purposes of these bylaws, unless the context otherwise requires, the following terms shall have the following meanings:

An “electronic transmission” means any form of communication, not directly involving the physical transmission of paper, including the use of, or participation in, one or more electronic networks or databases (including one or more distributed electronic networks or databases), that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

An “electronic mail” means an electronic transmission directed to a unique electronic mail address (which electronic mail shall be deemed to include any files attached thereto and any information hyperlinked to a website if such electronic mail includes the contact information of an officer or agent of the Corporation who is available to assist with accessing such files and information).



An “electronic mail address” means a destination, commonly expressed as a string of characters, consisting of a unique user name or mailbox (commonly referred to as the “local part” of the address) and a reference to an internet domain (commonly referred to as the “domain part” of the address), whether or not displayed, to which electronic mail can be sent or delivered.

An “electronic signature” means an electronic symbol or process that is attached to, or logically associated with, a document and executed or adopted by a person with an intent to execute, authenticate or adopt the document.

## **ARTICLE IX - INDEMNIFICATION AND ADVANCEMENT OF EXPENSES**

### **9.1 INDEMNIFICATION OF DIRECTORS AND OFFICERS.**

The Corporation shall indemnify and hold harmless, to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a “Proceeding”), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys’ fees) reasonably incurred by such person in connection with any such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 9.4, the Corporation shall be required to indemnify a person in connection with a Proceeding (or part thereof) commenced by such person only if the commencement of such Proceeding (or part thereof) by such person was authorized in the specific case by the Board.

### **9.2 INDEMNIFICATION OF OTHERS.**

The Corporation shall have the power to indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any employee or agent of the Corporation who was or is made or is threatened to be made a party or is otherwise involved in any Proceeding by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was an employee or other agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person in connection with any such Proceeding.

### **9.3 ADVANCEMENT OF EXPENSES.**

The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys’ fees) incurred by any officer or director of the Corporation, and may pay the expenses incurred by any employee or agent of the Corporation, in defending any

Proceeding in advance of its final disposition; *provided, however*, that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the person to repay all amounts advanced if it should be ultimately determined that such person is not entitled to be indemnified under this Article IX or otherwise.

#### 9.4 DETERMINATION; CLAIM.

If a claim for indemnification (following the final disposition of such Proceeding) under this Article IX is not paid in full within sixty (60) days, or a claim for advancement of expenses under this Article IX is not paid in full within thirty (30) days, after a written claim therefor has been received by the Corporation, the claimant may thereafter (but not before) file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action, the Corporation shall have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses under applicable law.

#### 9.5 NON-EXCLUSIVITY OF RIGHTS.

The rights conferred on any person by this Article IX shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

#### 9.6 INSURANCE.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against any loss, liability or expense incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such loss, liability or expense under the provisions of the DGCL.

#### 9.7 OTHER SOURCES.

The Corporation's obligation, if any, to indemnify or advance expenses to a person pursuant to this Article IX shall be reduced by any amount such person may collect from the proceeds of insurance or, to the extent such person was or is serving at the Corporation's request as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, enterprise or non-profit entity, as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit entity. In the event the Corporation makes any indemnification or advancement payments to any person in connection with a Proceeding, and such person is subsequently reimbursed from the proceeds of insurance or indemnification or advancement payments received from any other source in connection with

such Proceeding, such person shall promptly refund such indemnification or advancement payments to the Corporation to the extent of such reimbursement.

#### 9.8 CONTINUATION OF INDEMNIFICATION.

The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Article IX shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such person.

#### 9.9 AMENDMENT OR REPEAL; INTERPRETATION.

The provisions of this Article IX shall constitute a contract between the Corporation, on the one hand, and, on the other hand, each individual who serves or has served as a director or officer of the Corporation (whether before or after the adoption of these bylaws), in consideration of such person's performance of such services and, pursuant to this Article IX, the Corporation intends to be legally bound to each such current or former director or officer of the Corporation. With respect to current and former directors and officers of the Corporation, the rights conferred under this Article IX are present contractual rights and such rights are fully vested, and shall be deemed to have vested fully, immediately upon adoption of these bylaws. With respect to any directors or officers of the Corporation who commence service following adoption of these bylaws, the rights conferred under this provision shall be present contractual rights and such rights shall fully vest, and be deemed to have vested fully, immediately upon such director or officer commencing service as a director or officer of the Corporation. Any repeal or modification of the foregoing provisions of this Article IX shall not adversely affect any right or protection (i) hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification or (ii) under any agreement providing for indemnification or advancement of expenses to an officer or director of the Corporation in effect prior to the time of such repeal or modification.

Any reference to an officer of the Corporation in this Article IX shall be deemed to refer exclusively to the chairperson of the Board, a vice chairperson of the Board, the president, the secretary, a chief executive officer, a chief financial officer, a treasurer appointed pursuant to Article V of these bylaws, and to any vice president, assistant secretary, assistant treasurer, or other officer of the Corporation appointed by (x) the Board pursuant to Article V of these Bylaws or (y) an officer to whom the Board has delegated the power to appoint officers pursuant to Article V of these bylaws, and any reference to an officer of any other corporation, partnership, joint venture, trust, other enterprise, non-profit entity or employee benefit plan shall be deemed to refer exclusively to an officer appointed by the board of directors (or equivalent governing body) of such other entity pursuant to the certificate of incorporation and bylaws (or equivalent organizational documents) of such other corporation, partnership, joint venture, trust, other enterprise, non-profit entity or employee benefit plan. The fact that any person who is or was an employee of the Corporation or an employee of any other corporation, partnership, joint venture, trust, other enterprise, non-profit entity or employee benefit plan has been given or has used the title of "vice president" or any other title that could be construed to suggest or imply that such person is or may be an officer of the Corporation or of such other corporation, partnership, joint

venture, trust, other enterprise, non-profit entity or employee benefit plan shall not result in such person being constituted as, or being deemed to be, an officer of the Corporation or of such other corporation, partnership, joint venture, trust, other enterprise, non-profit entity or employee benefit plan for purposes of this Article IX.

9.10 OTHER INDEMNIFICATION AND ADVANCEMENT OF EXPENSES.

This Article IX shall not limit the right of the Corporation, to the fullest extent and in the manner permitted by law, to indemnify and to advance expenses to other persons serving the Corporation when and as authorized by appropriate corporate action.

**ARTICLE X - AMENDMENTS.**

Subject to the limitations set forth in the provisions of the certificate of incorporation, the Board is expressly empowered to adopt, amend, alter or repeal the bylaws of the Corporation. The stockholders may not adopt, amend, alter or repeal the bylaws of the Corporation, or adopt any provision inconsistent therewith, unless such action is approved, in addition to any other vote required by law and the certificate of incorporation, by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock of the Corporation entitled to vote thereon.

**KALTURA, INC.**  
**Certificate of Amendment and Restatement of Bylaws**

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The undersigned hereby certifies that he is the duly elected, qualified, and acting Secretary of Kaltura, Inc., a Delaware corporation (the "Corporation"), and that the foregoing bylaws were approved on [ ], 2021, effective as of [ ], 2021, by the Corporation's board of directors.

IN WITNESS WHEREOF, the undersigned has hereunto set his hand this [ ] day of [ ], 2021.

---

Byron Kahr  
General Counsel and Secretary of the Corporation

NUMBER



SHARES

COMMON STOCK

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

SEE REVERSE FOR CERTAIN DEFINITIONS

CUSIP 483467 10 6

THIS CERTIFIES THAT:

**SPECIMEN - NOT NEGOTIABLE**

IS THE OWNER OF

FULLY PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF \$0.0001 PAR VALUE EACH OF **KALTURA, Inc.**

transferable on the books of the Corporation by the holder hereof in person or by duly authorized attorney upon surrender of this certificate duly endorsed. This certificate and the shares represented hereby are subject to the laws of the State of Delaware, and to the Certificate of Incorporation and Bylaws of the Corporation, as now in effect or as hereafter amended.

This certificate is not valid until countersigned and registered by the Transfer Agent and Registrar.  
WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

DATED:

**SPECIMEN  
NOT NEGOTIABLE**

SECRETARY



CHIEF EXECUTIVE OFFICER

COUNTERSIGNED AND REGISTERED  
AMERICAN STOCK TRANSFER & TRUST COMPANY, LLC  
BROOKLYN, NY  
BY: \_\_\_\_\_  
AUTHORIZED SIGNATURE  
TRANSFER AGENT AND REGISTRAR

THE CORPORATION WILL FURNISH TO ANY STOCKHOLDER, UPON REQUEST AND WITHOUT CHARGE, A FULL STATEMENT OF THE DESIGNATIONS, RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF THE SHARES OF EACH CLASS AND SERIES AUTHORIZED TO BE ISSUED, SO FAR AS THE SAME HAVE BEEN DETERMINED, AND OF THE AUTHORITY, IF ANY, OF THE BOARD TO DIVIDE THE SHARES INTO CLASSES OR SERIES AND TO DETERMINE AND CHANGE THE RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF ANY CLASS OR SERIES. SUCH REQUEST MAY BE MADE TO THE SECRETARY OF THE CORPORATION OR TO THE TRANSFER AGENT NAMED ON THIS 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.....
TEN ENT	- as tenants by the entireties		(Cust) (Minor)
JT TEN	- as joint tenants with right of survivorship and not as tenants in common		under Uniform Gifts to Minors Act.....
			(State)

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

For Value Received, \_\_\_\_\_ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

[Empty box for Social Security or other identifying number]

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Shares of the stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

\_\_\_\_\_ Attorney to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated \_\_\_\_\_

**NOTICE:** THE SIGNATURE(S) TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME(S) AS WRITTEN UPON THE FACE OF THE CERTIFICATE, IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

**Signature(s) Guaranteed**

By \_\_\_\_\_  
The Signature(s) must 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 SEC Rule 17Ad-15.

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**KALTURA, INC.**  
**SIXTH AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT**

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KALTURA, INC.

SIXTH AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT

This Sixth Amended and Restated Investor Rights Agreement (this “*Agreement*”) is made and entered into as of this 22 day of July, 2016 by and among Kaltura, Inc., 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*”.

RECITALS

WHEREAS, pursuant to that certain Series F Preferred Stock and Warrant Purchase Agreement of even date herewith (the “*Purchase Agreement*”), by and between the Company and Goldman Sachs & Co. (the “*Series F Investor*”), the Company has agreed to sell and issue to the Series F Investor and the Series F Investor has agreed to purchase shares of the Company’s Series F Preferred Stock, par value \$0.0001 per share (the “*Series F Stock*”);

WHEREAS, certain of the Investors (the “*Prior Investors*”) are holders of the Company’s Series A Preferred Stock, par value \$0.0001 per share (the “*Series A Stock*”) and/or Series B Preferred Stock, par value \$0.0001 per share (the “*Series B Stock*”) and/or Series C Preferred Stock, par value \$0.0001 per share (the “*Series C Stock*”) and/or Series D Preferred Stock, par value \$0.0001 per share (the “*Series D Stock*”) and/or Series D-1 Preferred Stock, par value \$0.0001 per share (the “*Series D-1 Stock*”) and/or Series E Preferred Stock, par value \$0.0001 per share (the “*Series E Stock*” and together with the Series A Stock, Series B Stock, Series C Stock, Series D Stock, Series D-1 Stock and Series F Stock the “*Preferred Stock*”);

WHEREAS, the Prior Investors are parties to that certain Fifth Amended and Restated Investor Rights Agreement, dated January 10, 2014 (the “*Prior Agreement*”), by and among the Company and the Prior Investors;

WHEREAS, the parties to such Prior Agreement desire to amend and restate the Prior Agreement and to accept the rights and covenants hereof in lieu of their rights and covenants under the Prior Agreement;

WHEREAS, the Series F Investor was induced by the Company to purchase the Series F Stock, in part, by the Company’s agreement to enter into this Agreement and the obligations set forth in the Purchase Agreement are conditioned upon the execution and delivery of this Agreement; and

WHEREAS, in connection with the consummation of the transactions contemplated by the Purchase Agreement, the Company and the Series F Investor have agreed to enter into this Agreement in order to grant registration rights, information rights and other rights to the Series F Investor as set forth below.

NOW, THEREFORE, in consideration of these premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**SECTION 1. GENERAL.**

**1.1 Definitions.** As used in this Agreement the following terms shall have the following respective meanings:

(a) “*Affiliate*” means (i) as to any Holder which is a partnership, any partner, retired partner or affiliated partnerships managed by the same management company or managing director or general partner or by an entity which controls, is controlled by, or is under common control with such management company or managing director or general partner; (ii) any member or former member of any Holder which is a limited liability company or other investment entity that such member controls; (iii) any immediate family member or trust for the benefit of any Holder which is an individual; (iv) any majority-owned subsidiary of any Holder which is a corporation; or (v) any other investment entity which controls, is controlled by or is under common control with any Holder.

(b) “*Applicable Initiating Holder(s)*” means the Initiating Holders or the Initiating Preferred F Holder(s) from which the Company shall receive a written request pursuant to Section 2.2(a).

(c) **“Common Stock”** means shares of the Company’s Common Stock, par value \$0.0001 per share.

(d) **“Exchange Act”** means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, as amended.

(e) **“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.

(f) **“Founders”** means each of Dr. Shay David, Eran Etam, Dr. Michal Tsur-Shalev and Ron Yekutiel.

(g) **“Holder”** means an Investor or Founder so long as such Investor or Founder continues to hold Registrable Securities and any holder of Registrable Securities to whom the registration rights conferred by this Agreement have been transferred in compliance with Section 2.9 hereof.

(h) **“Initial Offering”** means the Company’s first firm commitment underwritten public offering of its Common Stock registered under the Securities Act or securities laws of other jurisdiction.

(i) **“Initiating Holder(s)”** means those Holders then currently holding a majority of the then outstanding shares of Registrable Securities other than the Preferred F Registrable Securities.

(j) **“Initiating Preferred F Holder(s)”** means the Holder(s) then currently holding a majority of the then outstanding Preferred F Registrable Securities.

(k) **“Major Investor(s)”** has the meaning ascribed thereto in Section 3.1(b).

(l) **“Preferred Directors”** shall mean the Series A Director, Series B Director, Series C/D/D-1 Director, Series E Director and Series F Director.

(m) **“Preferred F Registrable Securities”** means Registrable Securities that are either (i) Common Stock of the Company issuable or issued upon conversion of the Series F Stock; or (ii) Common Stock of the Company issuable or issued upon exercise of the Warrant.

(n) **“Preferred Stock”** has the meaning ascribed thereto in the recitals.

(o) **“Qualified Holder(s)”** means (a) any Holder or group of Holders who continues to hold at least fifteen percent (15%) of the Registrable Securities (as adjusted for stock dividends, stock splits and combinations) and/or (b) the Initiating Preferred F Holder(s).

(p) **“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.

(q) **“Registrable Securities”** means (a) Common Stock of the Company issuable or issued upon conversion of the Preferred Stock and any other shares of Common Stock held by the Investors, (b) Common Stock held by the Founders and (c) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant (including, without limitation, the 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.

(r) **“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.

(s) **“Registration Expenses”** shall mean all expenses, other than Selling 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 (exclusive of underwriting discounts and commissions and stock transfer taxes), printing expenses, fees and disbursements of counsel for the Company, reasonable fees and disbursements of one (1) counsel for the Holders, blue sky fees and expenses, FINRA fees, fees to list the Registrable Securities on securities exchanges and quotation systems 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).

(t) **“SEC”** or **“Commission”** means the Securities and Exchange Commission.

(u) **“Securities Act”** shall mean the Securities Act of 1933, as amended.

(v) **“Selling Expenses”** shall mean all underwriting discounts, selling commissions applicable to the sale and stock transfer taxes.

(w) **“Series A Director”** shall mean the member of the Board designated by the holders of a majority of the outstanding shares of Series A Stock voting as a separate class in accordance with the Company’s Charter and Bylaws.

(x) **“Series B Director”** shall mean the member of the Board designated by the holders of a majority of the outstanding shares of Series B Stock voting as a separate class in accordance with the Company’s Charter and Bylaws.

(y) **“Series C/D/D-1 Director”** shall mean the member of the Board designated by the holders of a majority of the outstanding shares of Series C Stock, Series D Stock and Series D-1 Stock voting together as a separate class and on an as-converted basis in accordance with the Company’s Charter and Bylaws.

(z) **“Series E Director”** shall mean the member of the Board designated by the holders of a majority of the outstanding shares of Series E Stock voting as a separate class in accordance with the Company’s Charter and Bylaws.

(aa) **“Series F Director”** shall mean the member of the Board designated by the holders of a majority of the outstanding shares of Series F Stock voting as a separate class in accordance with the Company’s Charter and Bylaws.

(bb) **“Shares”** shall mean the Preferred Stock and any other shares of the Company’s Preferred Stock held from time to time by the Investors listed on Exhibit A hereto and their permitted assigns and the shares of Common Stock issuable upon exercise of the Warrant.

(cc) **“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.

(dd) **“Transfer”** means any sale, assignment, encumbrance, hypothecation, pledge, conveyance in trust, gift transfer by request, devise or descent, or other transfer or disposition of any kind, including, but not limited to, transfers to receivers, levying creditors, trustees or receivers in bankruptcy proceedings or general assignees for the benefit of creditors, whether voluntary or by operation of law, directly or indirectly, of any of the Shares.

(ee) **“Warrant”** means that certain Warrant issued by the Company to the Series F Investor at the Closing (as such term is defined in the Purchase Agreement).

## 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) 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

(ii) (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, including, without limitation, the name of the proposed transferee, 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 (i) a partnership transferring to its partners or former partners in accordance with partnership interests, (ii) a corporation transferring to a wholly-owned subsidiary or a parent corporation that owns all of the capital stock of the Holder, (iii) a limited liability company transferring to its members or former members in accordance with their interest in the limited liability company, (iv) if the Holder is an individual, to any transfer to (A) such Holder's children, parents, grandparents, siblings, grandchildren or other lineal descendants, and the then current spouse of each of the foregoing and of such Holder ("**Family Affiliates**"), (B) a custodian, trust (including a trustee of a voting trust), executor, or other fiduciary, for the account of which the primary beneficiaries are such Holder, or any Family Affiliate thereof, or to a charitable remainder trust or to any other charitable foundation or not-for-profit organization, or (C) a corporation or limited liability company wholly owned by such Holder, (v) an Affiliate of such Holder, or (vi) each Founder transferring in the aggregate, together with all other Founders transferring or having previously transferred shares of the Company's Common Stock (or options to purchase such shares) pursuant to this sentence, up to 120,000 shares of the Company's Common Stock (or options to purchase such shares) to a charitable foundation or not-for-profit organization; provided that in each case (A) the transferor shall inform the Company and the Major Investors of such Transfer prior to effecting it, (B) the transferee shall enter into a written agreement in form and substance reasonably satisfactory to the Company and the Major Investors, to be bound by and comply with all of the provisions of this Agreement as though an original party hereto, and (C) such transfer is in compliance with applicable securities laws.

(c) Each certificate representing Shares or other 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 BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE APPLICABLE SECURITIES LAWS OF ANY STATE (COLLECTIVELY, THE "**ACT**"). THESE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OR THE AVAILABILITY OF AN EXEMPTION FROM, OR IN A

TRANSACTION NOT SUBJECT TO, THE REGISTRATION PROVISIONS OF THE SECURITIES ACT.

THE SALE, PLEDGE, HYPOTHECATION OR TRANSFER OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE IS SUBJECT TO THE TERMS AND CONDITIONS OF A CERTAIN AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT BY AND BETWEEN THE STOCKHOLDER AND THE COMPANY AND SUCH SECURITIES MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, HYPOTHECATED OR OTHERWISE DISPOSED OF EXCEPT IN ACCORDANCE WITH THE TERMS OF SUCH AGREEMENT. COPIES OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS.

(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 or 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 at any time after the earlier of (i) two (2) years after the date of this Agreement or (ii) six (6) months following the closing date of the Initial Offering, the Company shall receive a written request from the Initiating Holders or the Initiating Preferred F Holder(s) that the Company file a registration statement under the Securities Act covering the registration of all or a portion of the Registrable Securities having an aggregate proposed offering price to the public (net of underwriters' discounts or commissions) of at least five million dollars (\$5,000,000) (a "**Qualified Public Offering**"), then the Company shall, within ten (10) business days of the receipt thereof, give written notice of such request to all Holders, other than the Applicable Initiating Holders, and subject to the limitations of this Section 2.2, use commercially reasonable efforts to effect, as expeditiously as reasonably possible, the registration under the Securities Act of all Registrable Securities that all Applicable Initiating Holders request to be registered 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 Applicable Initiating Holder's or Applicable Initiating Holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities of any other Holders joining in such request as are specified in a written request received by the Company within twenty (20) days of the mailing of the Company's notice pursuant to this Section 2.2(a).

(b) If the Applicable 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 (unless otherwise mutually agreed by such Holder and the Applicable Initiating Holders holding a majority of the Registrable Securities requested by such Applicable Initiating Holders to be registered) 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 Holders of a majority of the Registrable Securities held by all Applicable 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 *first* to such Holders of Preferred F Registrable Securities, on a *pro rata* basis based on the number of Preferred F Registrable Securities requested to be registered by all such Holders (including the Initiating Preferred F Holder(s)) and, *second* to the Holders of such Registrable Securities other than the Preferred F Registrable Securities, on a *pro rata* basis based on the number of Registrable Securities other than the Preferred F Registrable Securities requested to be registered 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) Notwithstanding the forgoing, the Company shall not be required to effect a registration pursuant to this Section 2.2:

(i) prior to the earliest of (A) the date that is six (6) months following the closing date of the Initial Offering, (B) the expiration of the restrictions on transfer set forth in Section 2.11 following the Initial Offering, and (C) the date that is two (2) years after the date hereof;

(ii) with respect to a request by Initiating Holders, after the Company has effected one (1) registration pursuant to this Section 2.2, and such registration has been declared or ordered effective; provided, however, that all Registrable Securities requested to be registered were registered in the registration; and with respect to a request by Initiating Preferred F Holders, after the Company has effected two (2) registrations pursuant to this Section 2.2, and such registration has been declared or ordered effective; provided, however, that, with respect to each registration, all Registrable Securities requested to be registered were registered in the registration;

(iii) during the period starting with the date sixty (60) days prior to the Company's good faith estimate of 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 the Initial Offering (or such longer period as may be determined pursuant to Section 2.11 hereof), if requested by the managing underwriter; *provided* that the Company makes commercially reasonable good faith efforts to cause such registration statement to become effective;

(iv) if the Company shall furnish to the Holders requesting a registration statement pursuant to this Section 2.2, a certificate signed by the Chairman of the Board of Directors of the Company (the "**Board**") stating that in the good faith judgment of the Board, it would be materially 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 Applicable Initiating Holders; provided that such right to delay a request shall be exercised by the Company not more than once in any twelve (12) month period;

(v) if the Applicable 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;

(vi) in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, unless the Company is already subject to service in such jurisdiction and except as may be required under the Act; or

(vii) if within thirty (30) days of receipt of a written request from Applicable Initiating Holders pursuant to Section 2.2(a), the Company gives notice to all Holders of the Company's intention to file a registration statement for its Initial Offering, other than pursuant to a Special Registration Statement within ninety (90) days.



### 2.3 Piggyback Registrations.

(a) **General.** The Company shall notify all Holders of Registrable Securities in writing at least thirty (30) 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 shall afford each such Holder an opportunity to include in such registration statement all or part of such Registrable Securities held by such Holder. Each such 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 receipt of 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. Upon receipt by the Company of the written request of such Holder, the Company shall, subject to the provisions of Section 2.3(b), use all commercially reasonable efforts to cause to be registered under the Securities Act all of the Registrable Securities that such Holder has requested to be registered.

(b) **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 holding 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 such 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 the Agreement, if the underwriter or underwriters determine in good faith 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 Holders of Preferred F Registrable Securities, if any, seeking registration under this Section 2.3 on a pro rata basis based on the total number of Preferred F Registrable Securities requested to be registered by the Holders, third to the Holders of Registrable Securities other than Preferred F Registrable Securities, if any, seeking registration under this Section 2.3 on a pro rata basis based on the total number of Registrable Securities, other than Preferred F Registrable Securities, requested to be registered by the Holders, and fourth, to any other stockholder of the Company on a pro rata basis; provided, however that no such reduction shall reduce the securities being offered by the selling Holders to be included in the registration below thirty percent (30%) of the total amount of securities included in such registration, unless such offering is the Initial Offering, in which case the selling Holders may be excluded up to complete reduction. If any Holder or other stockholder disapproves of the terms of any such underwriting, such Holder or other stockholder may elect to withdraw therefrom by written notice to the Company and the underwriter, delivered at least seven (7) 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 purposes of this Section 2.3, any Holder, such Holder and its Affiliates 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.

(c) **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, and shall promptly notify any Holder that has elected to include shares in such registration of such termination or withdrawal. 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 Qualified Holder 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 Qualified Holder or Qualified Holders (an "**S-3 Request**"), the Company shall:

(a) promptly give written notice of the proposed registration, and any related qualification or compliance, to all other Holders of Registrable Securities; and

(b) use commercially reasonable efforts, as soon as practicable, to 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 Qualified Holder's or Qualified 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; provided, however, to the extent that registration on Form S-3 is not available for any reason at the time of any S-3 Request made by the Initiating Preferred F Holder, the Company shall, to the extent the Company shall fail to have such Form S-3 available for such offering within 60 days following such S-3 Request, use commercially reasonable efforts to effect such registration on Form S-1, subject to all other applicable requirements and limitations set forth herein;

(ii) if the Holders, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at an aggregate price to the public (net of underwriters' discounts or commissions) of less than five million dollars (\$5,000,000);

(iii) if the Company shall furnish to the Holders a certificate signed by the Chairman of the Board stating that in the good faith judgment of the Board, it would be materially 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 Qualified Holder or Qualified Holders under this Section 2.4; provided, that such right to delay a request shall be exercised by the Company not more than once in any twelve (12) month period;

(iv) if the Company has, within the twelve (12) month period preceding the date of such request, already effected two or more registrations on Form S-3 for the Holders pursuant to this Section 2.4; provided, however, that the limitations in this Section 2.4(b)(iv) shall not apply to any S-3 Request made by the Initiating Preferred F Holder unless the Company has, within the twelve (12) month period preceding the date of such request, already effected (1) two or more registrations on Form S-3 for the Initiating Preferred F Holder pursuant to this Section 2.4; or (2) at least one registration on Form S-3 for the Initiating Preferred F Holder pursuant to this Section 2.4 and one registration on Form S-3 for any of the Holders in which the Initiating Preferred F Holder also participated;

(v) in any particular jurisdiction in which the Company would be required to execute a general consent to service of process in effecting such registration, unless the Company is already subject to service in such jurisdiction and except as may be required under the Act; or

(vi) if within thirty (30) days of receipt of a written request from a Qualified Holder or from Qualified Holders pursuant to this Section 2.4, the Company gives notice to such Qualified Holder or Qualified Holders of the Company's intention to make a public offering, other than pursuant to a Special Registration Statement within ninety (90) days.

(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 Qualified 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.

(d) In addition, the Initiating Preferred F Holder shall have the right to require that the Company file registration statements, including a shelf registration statement, and if the Company is a well-known seasoned issuer, an automatic shelf registration statement provided such automatic shelf registration statement is

then available for use by the Company, on Form S3 or any successor form under the Securities Act covering all or any part of their affiliates' Registrable Securities, all subject to the applicable terms and conditions set forth in this Section 2.4.

**2.5 Expenses of Registration.** 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 Applicable Initiating Holders or Qualified Holders, as applicable, (in which case the Holders shall bear such expenses) unless (a) the withdrawal is based upon material adverse information concerning the Company of which the Qualified Holders or Applicable Initiating Holders, as applicable, 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)(iv), 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 not required to pay the Registration Expenses of a withdrawn offering pursuant to clause (a) or (c) 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)(iv), 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 commercially 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 one hundred twenty (120) 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 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 thirty (30) days with the consent of the holders of sixty- six and two-thirds percent (66-2/3%) of the Registrable Securities registered under the applicable registration statement, which consent shall not be unreasonably withheld. In no event shall any Suspension Period, when taken together with all prior Suspension Periods, exceed 120 days in the aggregate. 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 commercially 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, except for those jurisdictions in which the Company is already subject to service of process and except as may be required by the Securities Act.

(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 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 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 required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing.

(g) Use its commercially reasonable efforts to cause all such Registrable Securities registered pursuant to this Section 2 to be listed on each securities exchange or quotation system (if any) on which similar securities issued by the Company are then listed or quoted.

(h) Provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Section 2 and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Use its commercially 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 with respect to the Registrable Securities of any selling Holder that such 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, as 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 shall indemnify and hold harmless each Holder, the partners, management company, members, managers, officers 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 securities 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 by reference therein, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, or any free writing prospectus used in connection with any offering, including but not limited to, any free writing prospectus used by the Company, the underwriters or the Holders, (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, (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 or (iv) any written information provided by the Company or at the written instruction of the Company to any person or entity participating in the offer at the point of sale containing any untrue statement or alleged untrue statement of any material fact or omitting or allegedly omitting any material fact required to be included in such information or necessary to make the statements therein not misleading; and the Company shall reimburse each such Holder, partner, management company, member, manager, officer, director, underwriter or controlling 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, management company, member, manager, officer, director, underwriter or controlling person of such Holder.

(b) To the extent permitted by law, each Holder shall, if Registrable Securities requested to be registered by such Holder are included in the securities as to which such registration qualification or compliance is being effected, indemnify and hold harmless the Company, each of its directors, its officers and each person, if any, who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter and any other Holder selling securities under such registration statement or any of such other Holder's partners, management companies, members, managers, directors or officers or any person who controls such other 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, management company, member, manager, director, officer or controlling person of such other Holder or any of the forgoing persons, may become subject under the Securities Act, the Exchange Act or other federal or state securities 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, or any free writing prospectus used in connection with such offering, including but not limited to, any free writing prospectus used by the Company, the underwriters, the

Holders, (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, (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, or (iv) any written information provided at the written instruction of the Company to any person or entity participating in the offer at the point of sale containing any untrue statement or alleged untrue statement of any material fact or omitting or allegedly omitting any material fact required to be included in such information or necessary to make the statements therein not misleading (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 shall reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer, controlling person, underwriter or other Holder, or partner, management company, member, manager, 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 shall, 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 notified, 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 any 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 exceed the net proceeds from the offering received by such Holder; provided further that no person or entity guilty of fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any person or entity not guilty of such fraudulent misrepresentation.

(e) The obligations and rights of the Company and the 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 (but only with all related obligations) 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, 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 the greater of at least 5% of the Preferred Stock held by such Holder or capital stock of the Company representing at least 5% of the outstanding Common Stock of the Company, on an as-converted and as-exercised basis; or (d) is an Affiliate of such Holder; *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 in a written instrument delivered to the Company to be bound by the obligations imposed upon the Holders hereof to the same extent as if such transferee were an original Holder hereunder.

#### **2.10 Reserved.**

**2.11 "Market Stand-Off" Agreement.** Each Holder hereby agrees that such Holder shall not, without the prior written consent of the managing underwriter, sell, transfer, pledge, lend, offer, dispose or otherwise 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 Common Stock (or other securities including securities convertible into or exercisable for Common Stock) of the Company held by such Holder (other than those included in the registration) during the one-hundred eighty (180) day period following the effective date of the Initial Offering (or such longer period, not to exceed eighteen (18) days after the expiration of the one-hundred eighty (180) day period, as the underwriters or the Company shall request in order to facilitate compliance with FINRA Rule 2711); *provided*, that, with respect to the foregoing sentence, all officers and directors of the Company and holders of at least one percent (1%) of the Company's voting securities are bound by and have entered into similar agreements. The obligations described in this Section 2.11 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. Any discretionary waiver or termination of the restrictions imposed by this Section 2.11 by the Company or representatives of the underwriter(s) shall apply to the Investors pro rata based on the number of shares of Company Stock then held by such Investors (determined on an as-if converted basis).

**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 underwriter 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 of the Holders described in Section 2.11 and this Section 2.12 shall not apply to a Special Registration Statement. The Company may impose stop-transfer instructions with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of said day 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 commercially reasonable 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.** Subject to the protective provisions set forth in the Charter (including, without limitation, Section 2(c) of the Charter), 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 earliest of: (i) the date that is five (5) years following an Initial Offering, (ii) the date of any Liquidation Event, as defined in the Company's Sixth Amended and Restated Certificate of Incorporation, as may be amended from time to time (the "**Charter**"), (iii) the date of the closing of an Acquisition or Asset Transfer, each as defined in the Charter, and (iv) 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. For the avoidance of doubt, the indemnification provisions shall survive in accordance with Section 2.8.

**2.15 Limitation on Subsequent Registration Rights.** After the date of this Agreement, the Company shall not, without the prior written consent of the Holders representing at least a majority of the shares of Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would grant such holder registration rights *pari passu* or senior to those granted to the Holders hereunder, provided that this limitation shall not apply to any additional Investor who becomes a party to this Agreement in accordance with Section 6.17.

### 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 U.S. 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 U.S. generally accepted accounting principles consistently applied. For purposes of this Section 3.1(a), "Subsidiary" means any corporation or entity at least a majority of whose voting securities are at the time owned by the Company, or by one or more Subsidiaries, or by the Company and one or more Subsidiaries in the aggregate.

(b) As soon as practicable after the end of each fiscal year of the Company, and in any event within one hundred and twenty (120) days thereafter, the Company will furnish each Investor, in its capacity as a holder of Preferred Stock, holding at least Three hundred thousand (300,000) shares of Preferred Stock (as adjusted for stock splits, stock dividends, recapitalizations, reclassifications, combinations and the like) and with respect to the Preferred F Investor, in its capacity as a holder of the Warrant, so long as it continues to hold the Warrant and such Warrant (i) has not expired and (ii) is exercisable for at least 30% of the Initial Warrant Shares (as such term is defined in the Warrant) (each a "**Major Investor**", and collectively, the "**Major Investors**"), a consolidated balance sheet of the Company and its Subsidiaries, as at the end of such fiscal year, and a consolidated statement of income and a statement of cash flows of the Company and its Subsidiaries, for such year, all prepared in accordance with U.S. generally accepted accounting principles consistently applied (except as noted therein) audited by an accounting firm of national repute 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 accompanied by a report and opinion thereon by independent public accountants selected by the Board.

(c) As soon as practicable after the end of each fiscal year of the Company, and in any event within sixty (60) days thereafter, the Company will furnish each Major Investor a consolidated unaudited balance sheet of the Company, as at the end of such fiscal year, and a consolidated unaudited statement of income and a statement of cash flows of the Company and its Subsidiaries, for such year, all prepared in accordance with U.S. 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.

(d) The Company shall furnish to each Major Investor, as soon as practicable after the end of the first, second and third quarterly accounting periods in each fiscal year of the Company and in any event within forty-five (45) days thereafter, an unaudited consolidated balance sheet of the Company and its Subsidiaries as of the end of each such quarterly period, and an unaudited consolidated statement of income and an unaudited consolidated statement of cash flows, and stockholders' equity of the Company for such period and for the period from the beginning of the then current fiscal year to the end of such quarterly period, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with generally accepted accounting principles (with the exception that no footnotes required under generally accepted accounting principles may be included and "year-end" audit adjustments may not have been made). Such quarterly report, which will be delivered on behalf of the Company by its chief financial officer, controller or other similar executive officer, will include a narrative, summary description of the Company's operations for such quarter, indicating whether the Company is materially in compliance with this Agreement and other material agreements and discussing any material variances from the Company's operating plan.

(e) The Company shall furnish to such Major Investor, as soon as practicable after the end of the each quarterly accounting periods in each fiscal year of the Company and in any event within forty-five (45) days thereafter, a capitalization table of the Company in reasonable detail, which will be delivered on behalf of the Company by its chief financial officer, controller or other similar executive officer.

(f) The Company shall furnish to each Major Investor, as soon as practicable, but in any event within 30 days prior to the end of each fiscal year, an annual budget and operating plan for the next fiscal year (and as soon as available, any subsequent revisions thereto). The annual operating plan, which will be delivered on behalf of the Company by its chief financial officer, controller or other similar executive officer, will include, without limitation, (i) projected balance sheets, statements of income, statements of shareholders' equity, and statements of cash flows, on a monthly basis for the upcoming fiscal year, together with underlying assumptions and a narrative description of the operating plan and (ii) projections for the fiscal year thereafter, in the same format as the financial statements referred to in Section 3.1(b) above.

(g) The Company shall deliver to each Major Investor, prompt notice of any default of the Company or any Subsidiary under any bond, note, indenture or other debt instrument representing indebtedness for borrowed money in excess of \$250,000 and of any acceleration of indebtedness which may result therefrom.

(h) With reasonable promptness, such other reasonable information respecting the business, properties or the condition or operations, financial or other, of the Company or any Subsidiary as any Major Investor may from time to time reasonably request.

**3.2 Inspection Rights.** Each Major Investor shall have the right, at its own expense, to visit and inspect any of the properties, books and records of the Company or any of its subsidiaries, and to discuss the affairs, finances and accounts of the Company or any of its subsidiaries with its officers, and to review such information as is reasonably requested all at such reasonable times and as often as may be reasonably requested; provided, however, that the Company shall not be obligated under this Section 3.2 with respect to any person or entity determined to be a competitor of the Company, in the good faith judgment of the Board (including such determination by at least three (3) of the Preferred Directors), or with respect to information which the Board (including determination by at least three (3) of the Preferred Directors) determines in good faith is confidential (unless covered by an enforceable confidentiality agreement, in form reasonably acceptable to the Company) or

attorney-client privileged and should not, therefore, be disclosed. For purposes of clarification, Sapphire Ventures Fund II, L.P. (“*Sapphire Ventures*”) only, excluding its Affiliates, shall not be deemed a competitor of the Company.

**3.3 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 pursuant to this Agreement 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, management company, member, manager, subsidiary or parent of such Investor as long as such partner, management company, member, manager, subsidiary or parent is advised of and agrees or has agreed to be bound by the confidentiality provisions of this Section 3.3 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 to such Investor by the Company; or (v) as required by applicable law. Notwithstanding anything in this Agreement to the contrary, this Section 3.3 shall not apply to Intel Corporation, Intel Capital Corporation or their affiliates (collectively, “*Intel*”), and Intel’s confidentiality obligations shall instead be governed solely by the terms of that certain Corporate Non-Disclosure Agreement No.2686724, dated March 16, 2007, executed between the Company and Intel Corporation, as amended, and any waiver, amendment or termination of this sentence shall require the written consent of Intel.

**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 Preferred Stock, such number of shares of Common Stock issuable from time to time upon such conversion.

**3.5 Non-Competition/Non-Solicitation Agreements.** The Company shall require the Founders and any other senior officers or key employees of the Company designated by the Major Investors to enter into an agreement, which agreement shall include customary one-year non-competition and non-solicitation provisions, in form and substance reasonably acceptable to the Major Investors (so long as they continue to hold shares of capital stock of the Company).

**3.6 Director and Officer Insurance.**

(a) The Company shall maintain in full force and effect:

(i) director and officer liability insurance on terms and in an amount to be determined by the Board (including the affirmative approval of at least two (2) of the Preferred Directors); provided that such insurance shall have coverage limits of at least five million dollars (\$5,000,000) per occurrence and in the aggregate for the annual policy period, or such other coverage limits as may be reasonably determined by the Board (including the affirmative approval of at least three (3) of the Preferred Directors) to be acceptable; and

(ii) life insurance for each of the Founders with an underwriter and with terms acceptable to the Board, including coverage limits of at least one million dollars (\$1,000,000) per Founder, or such other coverage limits as may be reasonably determined by the Board to be acceptable (including the affirmative approval of at least three (3) of the Preferred Directors).

(b) If requested in writing by any Preferred Director, the Company will add one designee of the holders of a majority of the Series A Stock, one designee of the holders of a majority of the Series B Stock, one designee of the holders of a majority of the Series C Stock, one designee of the holders of a majority of the Series D Stock, one designee of the holders of a majority of the Series D-1 Stock, one designee of the holders of a majority of the Series E Stock, and one designee of the holders of a majority of the Series F Stock as notice parties for such policies and shall request that the issuer(s) of such policies provide such designees with ten (10) days notice before any such policy is terminated (for failure to pay premiums or otherwise) or assigned or before any change is made in the beneficiary thereof. In the event of a Change in Control (as defined below), proper provisions shall be made so that successors of the Company assume the Company’s obligations with respect to the maintenance of such policies.

**3.7 Proprietary Information and Inventions Agreement.** The Company shall require all current and former Founders, employees and consultants with access to confidential information or trade secrets of the Company to execute and deliver a Proprietary Information and Inventions Agreement substantially in the form approved by the Board (including the affirmative approval of at least two (2) of the Preferred Directors).

**3.8 Stock Vesting.** Unless otherwise approved by the Board (including the affirmative approval of at least three (3) of the Preferred Directors), all stock options and other stock equivalents issued after the date of this Agreement to employees shall be subject to vesting as follows: (a) one quarter (1/4) of such stock shall vest at the end of the first year following the earlier of the date of issuance or such person's services commencement date with the company, and (b) the remaining three quarters (3/4) of such stock shall vest monthly over the following thirty-six (36) months. Unless otherwise approved by the Board (including the affirmative approval of at least three (3) of the Preferred Directors), all such options and other stock equivalents that are not yet vested shall immediately and automatically expire upon such person's termination of employment or service with the Company, with or without cause. Other than as determined by the Board (including the affirmative approval of at least three (3) of the Preferred Directors), there shall be no accelerated vesting of any stock options or stock option equivalents issued after the date of this Agreement to any officers, employees, directors, consultants or other service providers.

**3.9 Option Pool Increase.** Immediately following the Initial Closing, the Company shall reserve an additional number of 1,049,851 shares of its Common Stock for issuances to employees, officers or directors of, or consultants or advisors to the Company or any subsidiary of the Company, pursuant to (i) stock purchase, (ii) stock option plans or (iii) other arrangements that are approved by the Board (including the affirmative vote of at least three (3) of the Preferred Directors).

**3.10 Directors' Liability and Indemnification.** The Company's Charter and Bylaws shall provide (a) for elimination of the liability of directors and officers to the maximum extent permitted by law and (b) for indemnification of directors and officers for acts on behalf of the Company to the maximum extent permitted by law. In addition, the Company shall enter into and use commercially reasonable efforts to at all times maintain indemnification agreements substantially in the form attached as Exhibit B hereto with each of its directors, observers and officers to indemnify such directors, observers and officers to the maximum extent permissible under applicable law.

**3.11 Repurchases by the Company of Founders' Stock.**

(a) Reserved.

(b) Additional Repurchase of Founders' Stock.

(i) The Investors acknowledge that, subject to the terms and conditions set forth in this Section 3.11(b), at one or more closing(s), which may occur at any time prior to the Company's Initial Offering (the "**New Designated Series A-1 Stock Subsequent Closing(s)**"), the Company shall be entitled to issue and/or sell up to 350,000 New Designated Series A-1 Stock (as such term is defined below), to one or more purchaser(s) (the "**New Designated Series A-1 Stock Purchaser(s)**"). The identity of each of the New Designated Series A-1 Stock Purchasers and the price per share to be paid for the New Designated Series A-1 Stock shall be subject to the approval of the Board (the "**New Designated Series A-1 PPS**"). For the avoidance of any doubt, the New Designated Series A-1 Stock Purchaser(s) shall not be entitled to designate a member of the Board nor shall they be entitled to any observation rights, unless otherwise approved by the Board. The aggregate consideration to be paid by the New Designated Series A-1 Stock Purchasers for the aggregate New Designated Series A-1 Stock shall be referred to collectively herein, as the "**New Designated Series A-1 Investment Amount**". The issuance and/or sale of the New Designated Series A-1 Stock shall be effectuated by separate agreement(s) to be entered into by and between the Company and the New Designated Series A-1 Stock Purchasers. For the purposes hereof, the term "**New Designated Series A-1 Stock**" means a new series of preferred stock, which shall have the same rights, obligations, preferences, privileges and restrictions as the rights, obligations, preferences, privileges and restrictions of the Series A Preferred Stock, including, without limitation, in terms of voting, preferences, priorities and conversion rights, except that the original issue price of the New Designated Series A-1 Stock shall be the New Designated Series A-1 PPS. The New Designated Series A-1 Stock shall be pari passu with the Series A Preferred Stock and shall be designated as Series

A-1 Preferred Stock. The New Designated Series A-1 Stock will be deemed to be one class with the Series A Preferred Stock and shall vote together with the Series A Preferred Stock as a single class. For the purposes hereof, the term “**New Designated Series A-1 Transactions**” shall mean the transactions for the issuance and sale of the New Designated Series A-1 Stock, including, without limitation, the creation and authorization of the New Designated Series A-1 Stock and any and all transactions and actions which are required to effectuate the issuance and sale of the New Designated Series A-1 Stock.

(ii) Without derogating from the provisions set forth in Section 3.11(a) above, the Company and the Investors hereby acknowledge that, if and to the extent the Company shall raise any amount of the New Designated Series A-1 Investment Amount, then, the Company shall, subject to the approval of the Board and compliance with applicable law, including U.S. federal and state securities laws and the Delaware General Corporation Law, offer to each Founder the right to sell back to the Company additional shares of Common Stock of the Company held by the Founders, on a pro rata basis, at a price per share that is equal to the New Designated Series A-1 PPS paid by the New Designated Series A-1 Stock Purchaser(s). In no event shall the number of shares of Common Stock to be so repurchased from the Founders exceed the actual number of the New Designated Series A-1 Stock issued and/or sold by the Company at any such New Designated Series A-1 Stock Subsequent Closing(s). Any such repurchase shall be effectuated by separate agreement(s) to be entered into by and between the Company and the Founders.

(iii) In the event a New Designated Series A-1 Transaction is to take place, each Investor hereby agrees to vote (or to consent pursuant to an action by written consent) all shares of capital stock held by such Investor in favor of (i) the creation and authorization of the New Designated Series A-1 Stock; (ii) the issuance of the New Designated Series A-1 Stock; and (iii) any other action and/or resolution that is reasonably required under the Charter, the Related Agreements or any applicable law to consummate the New Designated Series A-1 Stock Transaction, so long as the New Designated Series A-1 Stock and New Designated Series A-1 Stock Transaction reflect the terms set forth in 3.11(b) (ii) above. Each Investor further agrees that upon its failure to vote all shares of capital stock held by such Investor in accordance with the terms of this Section 3.11(b)(iii), such Investor hereby grants to a stockholder designated by the Board a proxy coupled with an interest in all shares of capital stock owned by such Investor, which proxy shall be irrevocable until the Company’s Initial Offering, to vote all such shares of capital stock owned by such Investor in the manner provided in this Section 3.11(b)(iii).

(c) United States Tax Treatment. With respect to any repurchases of shares of Common Stock of the Company made pursuant to Section 3.11(b), so long as doing so will not be adverse to the Company, the Company will include appropriate provisions in its repurchase agreements with the Founders who are United States taxpayers as suggested by United States tax counsel after consultation with the Board concerning the U.S. federal income tax treatment of the repurchases.

**3.12 Termination of Covenants.** Subject to the protective provisions set forth in the Charter (including, without limitation, Section 2(c) of the Charter), all covenants of the Company contained in Section 3 of this Agreement (other than the provisions of Sections 3.3, 3.4, 3.6, 3.7 and 3.10) 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 (provided that with respect to the Preferred F Investor, the foregoing covenants shall expire and terminate upon the effective date of the registration statement pertaining to an Initial Offering in which the Preferred F Stock converts into shares of Common Stock) or (ii) upon a “**Liquidation Event**”, an “**Acquisition**” or an “**Asset Transfer**”, each as defined in the Company’s Charter as in effect as of the date hereof and sometimes referred to herein as a “**Change in Control.**”

**3.13 Negative Covenants.** So long as holders of Preferred Stock are entitled to elect a Series A Director, a Series B Director, a Series C/D/D-1 Director, a Series E Director, or a Series F Director, as the case may be, the Company covenants with the Investors that in addition to any other vote required by law or the Charter or the Bylaws of the Company, without the prior approval of a majority of the whole Board, which majority shall include the affirmative vote of at least three (3) of the Preferred Directors, the Company shall not:

(a) hire, terminate or change the compensation of any executive officer or director of the Company, including, without limitation, the grant or issuance of any stock, stock option or other equity incentive;

(b) adopt or amend any stock option or other equity incentive plan;

(a) guarantee, directly or indirectly, any indebtedness of any other person or entity, except for trade accounts of the Company or any Subsidiary arising in the ordinary course of business;

(b) make any loan or advance or otherwise incur any indebtedness in excess of an aggregate of one hundred thousand dollars (\$100,000) not already included in a Board approved (including the affirmative vote of at least two (2) of the Preferred Directors) budget, other than trade credit incurred in the ordinary course of business;

(c) own any stock or other securities of, any Subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(d) make any loan or advance to any individual, including, without limitation, any officer, employee or director of the Company, except advances and similar expenditures in the ordinary course of business or under the terms of an employee stock or equity incentive plan approved by the Board (including the affirmative vote of at least two (2) of the Preferred Directors);

(e) enter into or be a party to any transaction with any Company director, officer, employee (management or otherwise), consultant or “associate” (as defined in Rule 12(b)(2) promulgated under the Exchange Act) of any such person, except for (i) transactions contemplated by this Agreement (including transactions contemplated by Section 3.11) or the Purchase Agreement, (ii) transactions resulting in payments to or by the Company in an amount less than fifty thousand dollars (\$50,000) per year, or (iii) transactions made in the ordinary course of business pursuant to reasonable requirements of the Company’s business and upon fair and reasonable “arms length” terms and that are approved by affirmative vote of a majority of the Board (including the affirmative vote of at least two (2) of the Preferred Directors);

(f) make, any investment, through the direct or indirect holding of securities or otherwise, other than investments in prime commercial paper, money market funds, certificates of deposits in any United States bank having a net worth in excess of one hundred million dollars (\$100,000,000) or obligations issued or guaranteed by the United States of America, in each case having a maturity not in excess of two years;

(g) sell, transfer, or grant a worldwide exclusive license with respect to all or substantially all of the Company’s technology or intellectual property rights or other similar assets of the Company, other than licenses granted in the ordinary course of business; or

(h) change the principal business of the Company, enter into new lines of business, or exit the Company’s current line of business.

**3.14 Retained Dividends.** For the purposes of the Charter, (i) the “*Series D-1 Retained Dividends*” with respect to each share of the Series D-1 Preferred Stock shall be the applicable amount set forth opposite such applicable share on the Schedule of Retained Dividends (as such term is defined below) (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the date hereof); (ii) the “*Series D Retained Dividends*” with respect to each share of the Series D Preferred Stock shall be the applicable amount set forth opposite such applicable share on the Schedule of Retained Dividends (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the date hereof); (iii) the “*Series C Retained Dividends*” with respect to each share of the Series C Preferred Stock shall be the applicable amount set forth opposite such applicable share on the Schedule of Retained Dividends (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the date hereof); (iv) the “*Series B Retained Dividends*” with respect to each share of the Series B Preferred Stock shall be the applicable amount set forth opposite such applicable share on the Schedule of Retained Dividends (in each case, as adjusted for any applicable stock dividends, combinations, splits, recapitalizations and the like after the date hereof); and (v) the schedule of retained dividends (the “*Schedule of Retained Dividends*”) shall be the schedule attached hereto as Exhibit C.

#### SECTION 4. RIGHTS OF FIRST OFFER.

**4.1 Subsequent Offerings.** Subject to the terms and conditions herein and any applicable securities laws, each Major Investor shall have a right of first offer (preemptive rights) 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 Major 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, but excluding any Common Stock issuable or issued upon conversion of the Series F Stock and treating the Warrant for such purpose as if it was exercised on the applicable date ) of which such Major 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, but excluding any Common Stock issuable or issued upon conversion of the Series F Stock and treating the Warrant for such purpose as if it was exercised on the applicable date) immediately prior to the issuance of the Equity Securities. The term "**Equity Securities**" shall mean (i) any Common Stock, Preferred Stock or other equity 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 equity security of the Company (including any option to purchase such a convertible security), (iii) any equity security carrying any warrant or right to subscribe to or purchase any Common Stock, Preferred Stock or other equity security of the Company or (iv) any warrant or other right to subscribe to or purchase any Common Stock, Preferred Stock or other equity security of the Company.

**4.2 Exercise of Rights.** If the Company proposes to issue any Equity Securities, it shall give each Major Investor written notice (the "**Company 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 Major Investor shall have fourteen (14) days from the giving of such Company Notice to agree to purchase its *pro rata* share of the Equity Securities for the price and upon the terms and conditions specified in the Company Notice by giving written notice to the Company (the "**Initial Purchase Notice**") and stating therein the quantity of Equity Securities to be purchased up to such Major Investor's *pro rata* share and delivering payment of the purchase price by check or wire transfer at the time of the scheduled closing therefor, which, subject to Section 4.3, shall be no later than thirty (30) days after delivery of the Initial Purchase Notice, and at such time the Company shall deliver to such Major Investors the certificate(s) representing the shares of Equity Securities to be purchased by such Major Investors, each certificate to be properly endorsed for transfer. Notwithstanding the foregoing, the Company shall not be required to offer or sell such Equity Securities to any Major Investor who would cause the Company to be in violation of applicable federal securities laws by virtue of such offer or sale. Any Major Investor that fails to respond to the Company Notice within the aforesaid fourteen (14) day period shall be deemed to have waived its preemptive rights in full in connection with the Company Notice.

**4.3 Overallotment.** In the event that not all of the Major Investors elect to purchase their *pro rata share* of the Equity Securities available pursuant to their rights under Section 4.2 within the time period set forth therein (collectively, the "**Non- Participating Investors**"), then the Company shall promptly give written notice (the "**Overallotment Notice**") to each of the Major Investors who is a holder of Series B Preferred Stock, Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock Series E Preferred Stock and/or the Warrant (to the extent the Warrant has not expired and is exercisable at such date for at least 30% of the Initial Warrant Shares) and who has elected to purchase all of its *pro rata share* pursuant to Section 4.2 (each, a "**Fully Participating Investor**") which notice shall set forth the number of shares of Equity Securities not purchased by the Non-Participating Investors, in their capacity as holders of Series B Preferred Stock and/or Series C Preferred Stock, Series D Preferred Stock, Series D-1 Preferred Stock and/or Series E Preferred Stock and/or the Warrant (to the extent the Warrant has not expired and is exercisable at such date for at least 30% of the Initial Warrant Shares), as the case may be (the "**Unsubscribed Shares**"), and shall offer such Fully Participating Investors the right to acquire such Unsubscribed Shares. Each Fully Participating Investor shall have five (5) business days after receipt of the Overallotment Notice to deliver a written notice to the Company (each, a "**Participating Investors Overallotment Notice**") indicating the maximum number of Unsubscribed Shares that such Fully Participating Investor desires to purchase, and each such Fully Participating Investor shall be entitled to purchase such number of Unsubscribed

Shares on the same terms and conditions as set forth in the Company Notice. In the event that the Fully Participating Investors desire, in the aggregate, to purchase Unsubscribed Shares in excess of the total number of available Unsubscribed Shares, then the number of Unsubscribed Shares that each Fully Participating Investor may purchase shall be reduced on a pro rata basis. The Fully Participating Investors shall then effect the purchase of the Unsubscribed Shares, including payment of the purchase price by check or wire transfer at the time of the scheduled closing therefor, which shall be no later than fifteen (15) days after delivery of the Participating Investors Overallotment Notice, and at such time, the Company shall deliver to the Fully Participating Investors the certificate(s) representing the Unsubscribed Shares to be purchased by the Fully Participating Investors, each certificate to be properly endorsed for transfer.

**4.4 Issuance of Equity Securities to Other Persons.** In the event that the Major Investors fail to exercise their respective rights under Sections 4.2 and 4.3 to purchase all of the Equity Securities subject thereto, following the partial exercise or expiration of the rights of purchase set forth in Sections 4.2 and 4.3, the Company shall have sixty (60) days thereafter to sell the Equity Securities in respect of which the Major Investor's rights were not exercised, at a price not lower and upon general terms and conditions not materially more favorable to the purchasers thereof than specified in the Company Notice delivered to the Major Investors pursuant to Section 4.2 hereof. If the Company has not sold such Equity Securities within the timeframe provided in the foregoing sentence, the Company shall not thereafter issue or sell any Equity Securities, without first offering such securities to the Major Investors in the manner provided above.

**4.5 Termination and Waiver of Rights of First Offer.** Subject to the protective provisions set forth in the Charter (including, without limitation, Section 2(c) of the Charter), the rights of first offer established by this Section 4 shall not apply to, and shall terminate as to each Investor upon the earlier of (i) the effective date of the registration statement pertaining to the Company's Initial Offering (provided that with respect to the Series F Investor, the foregoing rights shall terminate upon the Company's Initial Offering pursuant to which the Series F Preferred Stock converts to Common Stock) or (ii) an Acquisition or Asset Transfer. Notwithstanding anything to the contrary herein, if a Major Investor fails to fully exercise its rights of first offer established by this Section 4 in connection with any issuance of Equity Securities (other than in connection with issuance of (i) Equity Securities which shall occur during a period commencing on the date of the Closing and ending upon the lapse of twelve (12) months following the date of the Closing; or (ii) any New Designated Series A-1 Stock that may be issued and/or sold by the Company pursuant to the terms and conditions of Section 3.11 above), such rights of first offer will expire and be of no further force or effect (i.e. such Major Investor shall lose its rights of first offer) with respect to any future issuance of Equity Securities. Following any such termination, such Major Investor shall no longer be deemed a "Major Investor" for any purpose of this Section 4; provided, that the foregoing shall have no effect on the status of such Major Investor as a "Major Investor" under any section of this Agreement other than this Section 4.

**4.6 Reserved.**

**4.7 Excluded Securities.** The rights of first offer established by this Section 4 shall have no application to any of the following Equity Securities:

(a) shares of Common Stock and/or options, warrants or other Common Stock purchase rights and the Common Stock issued pursuant to such options, warrants or other rights issued or to be issued after the date hereof to employees, officers or directors of, or consultants or advisors to the Company or any Subsidiary, pursuant to (i) stock purchase, (ii) stock option plans or (iii) other arrangements that are approved by the Board (including the affirmative vote of at least two (2) of the Preferred Directors);

(b) any Equity Securities issued or issuable pursuant to any rights or agreements, options, warrants, debentures or convertible securities outstanding as of the date of this Agreement;

(c) any Equity Securities issued in connection with bona fide business acquisition of or by the Company, whether by merger, consolidation, acquisition, sale of assets, sale or exchange of stock, acquisition, strategic alliance or similar business combination approved by the Board including the affirmative vote of at least two (2) of the Preferred Directors;

- (d) any Equity Securities issued upon conversion of Preferred Stock or as a dividend or distribution on the Preferred Stock;
- (e) any Equity Securities issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement, loan or credit arrangement, or debt financing from a bank or similar financial or lending institution approved by the Board including the affirmative vote of at least two (2) of the Preferred Directors;
- (f) any Equity Securities that are issued by the Company pursuant to a registration statement filed under the Securities Act or equivalent securities law of other jurisdiction;
- (g) any Equity Securities issued by the Company to strategic investors with the approval of the Board, including the affirmative vote of at least two (2) of the Preferred Directors;
- (h) any stock issued in connection with stock dividends, combinations, stock splits, recapitalizations and reclassification events and which are excluded from the definition of Additional Shares of Common Stock (as defined in the Charter); and Agreement.
- (i) any Equity Securities issued by the Company pursuant to the terms and conditions of the Purchase

## SECTION 5. BOARD OF DIRECTORS.

**5.1 Voting.** Each of the Investors agrees to hold all shares of voting capital stock of the Company now owned or hereinafter acquired by it (including but not limited to all shares of Common Stock issued upon conversion of the shares registered in its name or beneficially owned by it as of the date hereof and any and all other securities of the Company legally or beneficially acquired by the Investors after the date hereof) subject to, and to vote such shares in accordance with, the provisions of this Agreement.

**5.2 Board Committees.** So long as holders of Preferred Stock are entitled to elect a Series A Director, a Series B Director, a Series C/D/D-1 Director, a Series E Director and/or a Series F Director, in accordance with the provisions of the Charter, any committee of the Board shall include the Series A Director, the Series B Director, Series C/D/D-1 Director, Series E Director and the Series F Director.

**5.3 Meetings.** The Board shall meet no less than one (1) time per two-months, unless otherwise agreed by a majority of the Board. Board meetings shall take place in person, or may take place telephonically if agreed by a majority of the Board, including the affirmative vote of at least one (1) of the Preferred Directors. Any member of the Board may demand convening a meeting of the Board.

### 5.4 Observer Rights.

(a) For so long as the shares of the Series A Stock constitute 8% or more of the issued and outstanding share capital of the Company (excluding the shares of Preferred F Stock and treating the Warrant, for such purpose, as if it was exercised on the applicable date of such calculation), the holders representing a majority of the Series A Stock, voting as a separate class, shall be entitled to designate one (1) non-voting observer, which designee, subject to a customary confidentiality undertaking by such designee, shall have customary observer rights, including without limitation the right to receive all notices, minutes, consents and any other materials which the Company provides to its Board (including committees thereof) and the right to attend, but not vote at, all meetings of the Board (including executive sessions and committee meetings), provided that the Board, acting in good faith, may, where the Board considers it reasonably necessary to do so in order to preserve legal professional (or attorney/client) privilege, to avoid a conflict of interests or to protect information that it reasonably considers to be a trade secret or similar confidential information, exclude such observer from any meeting or part thereof or to refrain from providing such observer with certain information or documentation.

(b) For so long as the shares of Series B Stock constitute 5% or more of the issued and outstanding share capital of the Company (excluding the shares of Preferred F Stock and treating the Warrant, for such purpose, as if it was exercised on the applicable date of such calculation), the holders representing a majority of the Series B Stock, voting as a separate class, shall be entitled to designate one (1) non-voting observer, which designee, subject to a customary confidentiality undertaking by such designee, shall have customary observer rights,



including without limitation the right to receive all notices, minutes, consents and any other materials which the Company provides to its Board (including committees thereof) and, the right to attend, but not vote at, all meetings of the Board (including executive sessions and committee meetings), provided that the Board, acting in good faith, may, where the Board considers it reasonably necessary to do so in order to preserve legal professional (or attorney/client) privilege, to avoid a conflict of interests or to protect information that it reasonably considers to be a trade secret or similar confidential information, exclude such observer from any meeting or part thereof or to refrain from providing such observer with certain information or documentation.

(c) For so long as the shares of Series C Stock constitute 5% or more of the issued and outstanding share capital of the Company (excluding the shares of Preferred F Stock and treating the Warrant, for such purpose, as if it was exercised on the applicable date of such calculation), the holders representing a majority of the Series C Stock, voting as a separate class, shall be entitled to designate one (1) non-voting observer, which designee, subject to a customary confidentiality undertaking by such designee (for the avoidance of doubt a confidentiality undertaking substantially similar to confidentiality undertaking set forth in the Management Rights Letter (as defined in the Purchase Agreement) shall be deemed to be customary for the purposes of this Agreement), shall have customary observer rights, including without limitation the right to receive all notices, minutes, consents and any other materials which the Company provides to its Board (including committees thereof) and, the right to attend, but not vote at, all meetings of the Board (including executive sessions and committee meetings), provided that the Board, acting in good faith, may, where the Board considers it reasonably necessary to do so in order to preserve legal professional (or attorney/client) privilege, to avoid a conflict of interests or to protect information that it reasonably considers to be a trade secret or similar confidential information, exclude such observer from any meeting or part thereof or to refrain from providing such observer with certain information or documentation.

(d) For so long as Mitsui & Co. Venture Partners III, LLC ("**Mitsui**") continues to hold Preferred Stock having an aggregate original purchase price of at least \$4,000,000, it shall be entitled to designate one (1) non-voting observer, which designee, subject to a customary confidentiality undertaking by such designee, shall have customary observer rights, including without limitation the right to receive all notices, minutes, consents and any other materials which the Company provides to its Board (including committees thereof) and, the right to attend, but not vote at, all meetings of the Board (including executive sessions and committee meetings), provided that the Board, acting in good faith, may, where the Board considers it reasonably necessary to do so in order to preserve legal professional (or attorney/client) privilege, to avoid a conflict of interests or to protect information that it reasonably considers to be a trade secret or similar confidential information, exclude such observer from any meeting or part thereof or to refrain from providing such observer with certain information or documentation.

(e) Notwithstanding anything to the contrary in this Agreement, the terms and conditions set forth in the Letter Agreement entered by and between the Company and Intel Capital Corporation ("**Intel Capital**") on November 22, 2010, shall apply with respect to Intel Capital's entitlement to Board observation rights.

(f) For so long as Sapphire Ventures continues to hold 2% or more of the issued and outstanding share capital of the Company (excluding the shares of Preferred F Stock and treating the Warrant, for such purpose, as if it was exercised on the applicable date of such calculation), it shall be entitled to designate one (1) non-voting observer, which designee, subject to a customary confidentiality undertaking by such designee, shall have customary observer rights, including without limitation the right to receive all notices, minutes, consents and any other materials which the Company provides to its Board (including committees thereof) and, the right to attend, but not vote at, all meetings of the Board (including executive sessions and committee meetings), provided that the Board, acting in good faith, may, where the Board considers it reasonably necessary to do so in order to preserve legal professional (or attorney/client) privilege, to avoid a conflict of interests or to protect information that it reasonably considers to be a trade secret or similar confidential information, exclude such observer from any meeting or part thereof or to refrain from providing such observer with certain information or documentation.

(g) For so long as NGP III SPV continues to hold 2% or more of the issued and outstanding share capital of the Company (excluding the shares of Preferred F Stock and treating the Warrant, for such purpose, as if it was exercised on the applicable date of such calculation), it shall be entitled to designate one (1) non-voting observer, which designee, subject to a customary confidentiality undertaking by such designee, shall have customary observer rights, including without limitation the right to receive all notices, minutes, consents and any other

materials which the Company provides to its Board (including committees thereof) and, the right to attend, but not vote at, all meetings of the Board (including executive sessions and committee meetings), provided that the Board, acting in good faith, may, where the Board considers it reasonably necessary to do so in order to preserve legal professional (or attorney/client) privilege, to avoid a conflict of interests or to protect information that it reasonably considers to be a trade secret or similar confidential information, exclude such observer from any meeting or part thereof or to refrain from providing such observer with certain information or documentation.

(h) For so long as Goldman Sachs & Co. (“GS”) continues to hold the Warrant and such Warrant has not expired and is exercisable for at least 30% of the Initial Warrant Shares (as such term is defined in the Warrant), GS shall be entitled to designate one (1) non-voting observer, which designee, subject to a customary confidentiality undertaking by such designee, shall have customary observer rights, including without limitation the right to receive all notices, minutes, consents and any other materials which the Company provides to its Board (including committees thereof) and, the right to attend, but not vote at, all meetings of the Board (including executive sessions and committee meetings), provided that the Board, acting in good faith, may, where the Board considers it reasonably necessary to do so in order to preserve legal professional (or attorney/client) privilege, to avoid a conflict of interests or to protect information that it reasonably considers to be a trade secret or similar confidential information, exclude such observer from any meeting or part thereof or to refrain from providing such observer with certain information or documentation.

5.5 **Expenses.** The Company agrees to reimburse the designated directors and observers for all reasonable documented expenses incurred by such directors and observers in connection with any Board or Board committee meetings.

## SECTION 6. MISCELLANEOUS.

6.1 **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Delaware in all respects as such laws are applied to agreements among Delaware residents entered into and to be performed entirely within Delaware, without reference to conflicts of laws or principles thereof. 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 either (i) New York, New York; or (ii) Santa Clara County, California.

6.2 **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.

6.3 **Entire Agreement.** This Agreement and the Exhibits hereto, along with the Purchase Agreement and the other documents delivered pursuant thereto (the “*Related Agreements*”) constitute the full and entire understanding and agreement between the parties with regard to the subject matter hereof and thereof and supersedes all prior agreements and understandings relating to such subject matter, including, without limitation, the Prior Agreement, 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 and the Related Agreements.

6.4 **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.

## 6.5 Amendment and Waiver.

(a) **Amendment and Waiver.** Any provision of this Agreement may be amended or modified and/or the observance thereof may be waived (either generally or only in a particular instance and either retroactively or prospectively) or this Agreement terminated, only with the written consent of (i) the Company, and (ii) the holders of a majority of the shares of Common Stock issued or issuable upon conversion of the then outstanding shares of Preferred Stock (other than the Series F Stock) held by all Investors or upon exercise of the Warrant (voting as a single class and on an as-converted basis and treating the Warrant for such purpose as if it was exercised on the applicable date) provided however that any amendment, waiver or termination of any of Sections 2.2, 2.3, 2.4, 2.8, 2.14, Article 3, Article 4 and/or Article 5 and/or the definition of "Initiating Preferred F Holder(s)" and/or subsection (b) of the definition "Qualified Holder(s)", shall not be amended, modified, waived or terminate without the written consent of GS for so long as it continues to hold the Warrant or any capital stock of the Company; provided, further, that in each case solely with respect to amendments, waivers and/or terminations that do not in any way adversely affect the rights and/or obligations of GS, the written consent of GS shall not be required in connection with amendments, waivers or terminations of any section of this Agreement required with respect to the creation, issuance or authorization of additional equity securities of the Company (except for equity securities that are senior to or pari passu with the Series F Preferred Stock) and the addition of the holders of such equity securities as parties to this Agreement. Any amendment, waiver or termination effected in accordance with clauses (i) and (ii) of this Section 6.5 shall be binding upon each Investor, its successors and assigns and the Company. Notwithstanding the foregoing, in the event that any amendment hereof adversely affects the obligations or rights of (i) any stockholder of the Company or the holder of the Warrant ("**Warrantholder**") in a manner different from other stockholders or imposes additional obligations or liabilities on such stockholder of the Company or the Warrantholder, such amendment shall also require the consent of such stockholder or the Warrantholder, as applicable; and (ii) the holders of any class or series of stock or the Warrantholder in a manner different from the other parties or stockholders, as applicable, or imposes additional obligations or liabilities on the holders of any class or series of stock or the Warrantholder, such amendment or waiver, as applicable, shall also require the consent of such Party or the holders of majority of such class or series of stock then outstanding or the Warrantholder, as applicable. Without limiting the generality of the foregoing, any portion of Section 5.4(d) may not be amended, waived or terminated without Mitsui's prior written consent. Without limiting the generality of the foregoing, any portion of Section 5.4(f) may not be amended, waived or terminated without the prior written consent of Sapphire Ventures.

(b) For the purposes of determining the number 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.

**6.6 Waivers; Delays or Omissions.** No waivers of any breach of this Agreement extended by any party hereto to any other party shall be construed as a waiver of any rights or remedies of any other party hereto or with respect to any subsequent breach. No delay or omission to exercise any right, power or remedy accruing to any party to this Agreement, upon any breach or default of the other party, shall impair any such right, power or remedy of such non-breaching party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be made in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement, or by law or otherwise afforded to any party, shall be cumulative and not alternative.

**6.7 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) business 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 Company at 250 Park Avenue South, 10<sup>th</sup> Floor New-York, NY 10003 and to any other party hereto at the address as set forth on the signature page or

Exhibits hereof or at such other address as the Company or such party may designate by ten (10) days advance written notice to the other parties hereto.

**6.8 Attorneys' Fees.** 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.

**6.9 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.

**6.10 Counterparts.** This Agreement may be executed in two or more counterparts, and signature pages may be delivered by facsimile or electronic mail, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**6.11 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.

**6.12 Pronouns.** Whenever the context may require, any pronouns used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

**6.13 Specific Performance.** The parties hereto hereby agree that it is impossible to measure in money the damages which will accrue to a party hereto or to his or its successors or assigns by reason of a failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable. If any party hereto or his or its successors or assigns institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that such party or such personal representative has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists. The remedies set forth in this Section 6.13 are in addition to, and not exclusive of, any and all other remedies that may be available at law.

**6.14 Amendment of Prior Agreement.** The Prior Agreement is hereby amended and superseded in its entirety and restated herein. Such amendment and restatement is effective upon execution of this Agreement in compliance with Section 6.5 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.

**6.15 Termination.** Except as set forth in Section 2.14 (with respect to termination of registration rights), Section 3.12 (with respect to termination of certain covenants) and Section 4.5 (with respect to termination of rights of first offer) hereof, subject to the protective provisions set forth in the Charter (including, without limitation, Section 2(c) of the Charter), the other terms of this Agreement shall terminate and be of no further force or effect upon the earliest of (i) an Acquisition or Asset Transfer (each as defined in the Company's Charter), (ii) the date of any Liquidation Event, as defined in the Company's Charter, and (iii) the date that is five (5) years following the closing of the Initial Offering.

**6.16 Additional Shares.** In the event that subsequent to the date of this Agreement any shares or other securities are issued on, or in exchange for, any of the Common Stock or Preferred Stock by reason of any stock dividend, stock split, combination of shares, reclassification or the like, such shares or securities shall be deemed to be Common Stock or Preferred Stock, as the case may be, for purposes of this Agreement.

**6.17 Additional Investors.** Notwithstanding anything to the contrary contained herein but subject to the protective provisions set forth in the Charter, if the Company shall issue additional shares of its Preferred Stock

(including any shares of the New Designated Series A-1 Stock), any purchaser of such shares (including of the New Designated Series A-1 Stock) shall, to the extent not already a party to this Agreement, become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and shall be deemed an "Investor" hereunder.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned have executed this Sixth Amended and Restated Investor Agreement as of the date first above written.

**COMPANY:**

**KALTURA, INC**

By: /s/ Ron Yekutiel  
Name: Ron Yekutiel  
Title: Chief Executive Officer

/s/ Shay David  
\_\_\_\_\_  
Name: Dr. Shay David

/s/ Eran Etam  
\_\_\_\_\_  
Name: Eran Etam

/s/ Michal Tsur-Shalev  
\_\_\_\_\_  
Name: Dr. Michal Tsur-Shalev

/s/ Ron Yekutiel  
\_\_\_\_\_  
Name: Ron Yekutiel

**INVESTORS:**

**POINT 406 VENTURES I, L.P.**

By: 406 VENTURES I GP, L.P.  
Its: General Partner

By: 406 VENTURES I GP, LLC  
Its: General Partner

By: /s/ Greg Dracon  
Name: Greg Dracon  
Title: Member

**POINT 406 VENTURES I-A, L.P.**

By: 406 VENTURES I GP, L.P.  
Its: General Partner

By: 406 VENTURES I GP, LLC  
Its: General Partner

By: /s/ Greg Dracon  
Name: Greg Dracon  
Title: Member

**POINT203X2SPV, LLC**

By:  
Its:

By:  
Its:

By: /s/ Greg Dracon  
Name: Greg Dracon  
Title: Member

**INVESTORS:**

**NEXUS INDIA CAPITAL II, LP**

By: /s/ Naren Gupta  
Name: Naren Gupta  
Title: Managing Director

**INTEL CAPITAL CORPORATION**

By: /s/ Abhay Gadkari  
Name: Abhay Gadkari  
Title: Director

**MODEYSOFT LTD.**

By: /s/ Modeyssoft LTD.  
Name:  
Title:

**CORTEX SECURITY AND CONTROL SYSTEMS, INC.**

By: /s/ Michael Azouri  
Name: Michael Azouri  
Title:

Name: **Yossi Cohen**

/s/ Yaacov Neriah  
Name: **Dr. Yaacov Neriah**

/s/ Miri Azouri  
Name: **Miri Azouri**

/s/ Dror Dotan  
Name: **Dror Dotan**



**INVESTORS:**

**MITSUI & CO. VENTURE PARTNERS III, LLC**

By: Mitsui & Co. Global Investment, Inc.

Its: Manager

By: /s/ Shinya Imai

Name: Shinya Imai

Title: President & CEO

**Sapphire Ventures Fund II, L.P.,**

a Delaware limited partnership

By: Sapphire Ventures (GPE) II, L.L.C.,

a Delaware limited liability company

its general partner

By: /s/ Nino Marakovic

Name: Nino Marakovic

Title: Managing Member

By: /s/ David Hartwig

Name: David Hartwig

Title: Managing Member

**NGP III SPV**

By: /s/ Bo Ilsoe

Name: Bo Ilsoe

Title: A-Director

**Avalon Ventures, VII, L.P.**

By: Avalon Ventures VII, GP, L.L.C.

Its: General Partner

By: /s/ Stephen L. Tomlin

Name: Stephen L. Tomlin

Title: Managing Member

**INVESTORS:**

**Commonfund Capital Venture Partners X, L.P.**

By: Fairfield Partners 2012 L.P., its General Partner

By: Fairfield Partners 2012 GP LLC, its General Partner

By: /s/ Kent Scott  
Name: Scott, Kent  
Title: Commonfund Capital, Inc.

**Gera Venture Fund**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Luminari Capital, L.P.**

By: /s/ Daniel Leff  
Name: Daniel Leff  
Title: Managing Partner

**INVESTORS:**

**GOLDMAN SACHS & CO.**

By: /s/ Hillel Moerman  
Name: Hillel Moerman  
Title: Managing Director

**EXHIBIT A  
LIST OF INVESTORS**

**AVALON VENTURES VII, L.P.**

1134 Kline Street  
La Jolla, CA 92037  
Attn: Stephen L. Tomlin

**POINT 406 VENTURES I, L.P.  
POINT 406 VENTURES I-A, L.P.  
POINT203X2SPV, LLC**

470 Atlantic Avenue, 12th Floor  
Boston, MA 02210  
Attn: Maria Cirino

**Yossi (Josef) Cohen**

####

**Dr. Yaacov Neriah**

####

**Modeysoft Ltd.**

25 Rothchild Blvd., Tel Aviv, Israel

**Cortex Security and Control Systems Inc.**

1200 Eglinton Ave. E., Suite 202, Toronto Ontario, M3C 1H9, Canada

**MITSUI & CO. VENTURE PARTNERS III, LLC**

525 Middlefield Road, Menlo Park, California 94025

**Miri Azouri**

####

**Dror Dotan**

####

**Nexus India Capital II, LP**

2200 Sand Hill Road, Suite 230  
Menlo Park, CA 94025  
Attention: Naren Gupta

**Intel Capital Corporation**

c/o Intel Corporation  
Attn: Intel Capital Portfolio Manager  
2200 Mission College Blvd., M/S RN6-59  
Santa Clara, CA 95054-1549  
Fax Number: (408) 653-6796  
With a copy by e-mail to: [portfolio.manager@intel.com](mailto:portfolio.manager@intel.com)

**Sapphire Ventures Fund II, L.P.**

3408 Hillview Avenue  
Palo Alto, California USA 94304

**NGP III SPV**

11-13, Boulevard de la Foire, 1528 Luxembourg  
Attn.: Mr Bo Ilsoe

**Commonfund Capital Venture Partners X, L.P.**

c/o Commonfund Capital, Inc.  
15 Old Danbury Road  
Wilton, CT 06897  
Attn: Brijesh Jeevarathnam

**Gera Venture Fund**

Av. Epiácio Pessoa, 1674/302 - Ipanema  
Zip Code: 22.411-071 - Rio de Janeiro/RJ, Brazil  
Attention: Leila Najberg Orenstein (+55 21 3202-8858)

**Luminari Capital, L.P.**

611 Santa Cruz Ave., Suite 203, Menalo Park, CA 94025

**Goldman Sachs & Co.**

200 West Street  
New York, NY 10282  
Attention: Holger Staude

*With a copy to:*

Latham & Watkins LLP  
200 Clarendon Street  
Boston, MA 02116  
Attn: Alexander B. Temel

**EXHIBIT B**  
**FORM OF INDEMNIFICATION AGREEMENT**

**EXHIBIT C**  
**SCHEDULE OF RETAINED DIVIDENDS**

**AMENDMENT NO. 1  
TO THE  
SIXTH AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT**

This Amendment No. 1 to the Sixth Amended and Restated Investor Rights Agreement (this “**Amendment**”) is entered into as of March 18, 2021 by and among Kaltura, Inc., a Delaware corporation (the “**Company**”), and each of the investors party to the Investor Rights Agreement (as defined below) (collectively, the “**Investors**”). Capitalized terms used and not defined herein shall have the meaning set forth in the Investor Rights Agreement.

WHEREAS, the Company and the Investors previously entered into a Sixth Amended and Restated Investor Rights Agreement, dated as of July 22, 2016 (together with all schedules and exhibits thereto, the “**Investor Rights Agreement**”); and

WHEREAS, the Company and the undersigned Investors desire to amend, and constitute the parties required to amend, pursuant to section 6.5 thereof, the Investor Rights Agreement as set forth below.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. **Amendments.**

- (a) The definition of “Registrable Securities” set forth in paragraph (q) of Section 1.1 of the Investor Rights Agreement is hereby amended to read as follows:

**(q) “Registrable Securities”** means (a) Common Stock of the Company issuable or issued upon conversion of the Preferred Stock, and any other shares of Common Stock acquired by the Investors prior to the closing of the Initial Offering, (b) Common Stock acquired by the Founders prior to the closing of the Initial Offering, and (c) any Common Stock of the Company issued as (or issuable upon the conversion or exercise of any warrant (including, without limitation, the 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, (ii) sold in a private transaction in which the transferor’s rights under Section 2 of this Agreement are not assigned, or (iii) that have ceased to be “Registrable Securities” pursuant to Section 2.14 of this Agreement.

- (b) Section 2.1 of the Investor Rights Agreement is hereby amended to add the following as paragraph (f):

**(f) Termination of Restrictions on Transfer.** The provisions set forth in paragraphs (a) through (e) of this Section 2.1 shall terminate and be of no further force or effect upon the effective date of the registration statement pertaining to an



Initial Offering (provided that with respect to the Preferred F Investor, the foregoing covenants shall expire and terminate upon the effective date of the registration statement pertaining to an Initial Offering in which the Preferred F Stock converts into shares of Common Stock).

(c) Section 2.14 of the Investor Rights Agreement is hereby amended to read as follows:

**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 earliest of: (i) the date that is five (5) years following an Initial Offering, (ii) the date of any Liquidation Event, as defined in the Company's Sixth Amended and Restated Certificate of Incorporation, as may be amended from time to time (the "**Charter**"), (iii) the date of the closing of an Acquisition or Asset Transfer, each as defined in the Charter, and (iv) such time after the Company has completed its Initial Offering that all Registrable Securities 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 or another similar exemption under the Securities Act during any ninety (90) day period. Upon such termination, such shares shall cease to be "Registrable Securities" hereunder for all purposes. For the avoidance of doubt, the indemnification provisions shall survive in accordance with Section 2.8.

(d) Section 3.12 of the Investor Rights Agreement is hereby amended to read as follows:

**3.12 Termination of Covenants.** All covenants of the Company contained in Section 3 of this Agreement (other than the provisions of Section 3.3) shall expire and terminate as to each party hereto upon the earlier of (i) the effective date of the registration statement pertaining to an Initial Offering (provided that with respect to the Preferred F Investor, the foregoing covenants shall expire and terminate upon the effective date of the registration statement pertaining to an Initial Offering in which the Preferred F Stock converts into shares of Common Stock) or (ii) upon a "**Liquidation Event**", an "**Acquisition**" or an "**Asset Transfer**", each as defined in the Company's Charter as in effect as of the date hereof and sometimes referred to herein as a "**Change in Control**."

(e) Section 4.5 of the Investor Rights Agreement is hereby amended to read as follows:

**4.5 Termination and Waiver of Rights of First Offer.** The rights of first offer established by this Section 4 shall not apply to, and shall terminate as to each party hereto upon the earlier of (i) the effective date of the registration statement pertaining to the Company's Initial Offering (provided that with respect to the Series F Investor, the foregoing rights shall terminate upon the Company's Initial Offering pursuant to which the Series F Preferred Stock converts to Common Stock) or (ii) an Acquisition or Asset Transfer. Notwithstanding

anything to the contrary herein, if a Major Investor fails to fully exercise its rights of first offer established by this Section 4 in connection with any issuance of Equity Securities (other than in connection with issuance of (i) Equity Securities which shall occur during a period commencing on the date of the Closing and ending upon the lapse of twelve (12) months following the date of the Closing; or (ii) any New Designated Series A-1 Stock that may be issued and/or sold by the Company pursuant to the terms and conditions of Section 3.11 above), such rights of first offer will expire and be of no further force or effect (i.e. such Major Investor shall lose its rights of first offer) with respect to any future issuance of Equity Securities. Following any such termination, such Major Investor shall no longer be deemed a “Major Investor” for any purpose of this Section 4; provided, that the foregoing shall have no effect on the status of such Major Investor as a “Major Investor” under any section of this Agreement other than this Section 4.

(f) Section 5 of the Investor Rights Agreement is hereby amended to add the following as Section 5.6:

**5.6 Termination of Covenants Related to Board of Directors.** All covenants of the Company contained in Section 5 of this Agreement shall terminate and be of no further force or effect upon the effective date of the registration statement pertaining to an Initial Offering (provided that with respect to the Preferred F Investor, the foregoing covenants shall expire and terminate upon the effective date of the registration statement pertaining to an Initial Offering in which the Preferred F Stock converts into shares of Common Stock).

(g) Section 6.15 of the Investor Rights Agreement is hereby amended to read as follows:

**6.15 Termination.** Except as set forth in Section 2.1(f) (with respect to termination of restrictions on transfer), Section 2.14 (with respect to termination of registration rights), Section 3.12 (with respect to termination of certain covenants), Section 4.5 (with respect to termination of rights of first offer), and Section 5.6 (with respect to termination of covenants related to the Board of Directors) hereof, the other terms of this Agreement shall terminate and be of no further force or effect upon the earliest of (i) an Acquisition or Asset Transfer (each as defined in the Company’s Charter), (ii) the date of any Liquidation Event, as defined in the Company’s Charter, and (iii) the date that is five (5) years following the closing of the Initial Offering.

(h) Section 6.17 of the Investor Rights Agreement is hereby amended to read as follows:

**6.17 Additional Investors.** Notwithstanding anything to the contrary contained herein but subject to the protective provisions set forth in the Charter, if the Company shall issue additional shares of its Preferred Stock prior to the closing of the Initial Offering (including any shares of the New Designated Series A-1 Stock), any purchaser of such shares (including of the New Designated Series

A-1 Stock) shall, to the extent not already a party to this Agreement, become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and shall be deemed an “Investor” hereunder.

2. **Governing Law.** This Amendment shall be governed by and construed under the laws of the State of Delaware in all respects as such laws are applied to agreements among Delaware residents entered into and to be performed entirely within Delaware, without reference to conflicts of laws or principles thereof. The parties agree that any action brought by either party under or in relation to this Amendment, including without limitation to interpret or enforce any provision of this Amendment, 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 either (i) New York, New York; or (ii) Santa Clara County, California.

3. **Counterparts.** This Amendment may be executed in two or more counterparts, and signature pages may be delivered by facsimile or electronic mail, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

4. **No Further Modifications or Amendment.** Except as amended hereby, the Investor Rights Agreement shall remain in full force and effect and the parties agree that no other modification or amendment exists or is valid or enforceable.

*[remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the Company and each undersigned Investor have executed this Amendment as of the date first set forth above.

**COMPANY:**

**KALTURA, INC.**

By: /s/ Ron Yekutiel  
Name: Ron Yekutiel  
Title: CEO

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**INVESTORS:**

**POINT 406 VENTURES I, L.P.**

By: .406 VENTURES I GP, L.P.  
Its: General Partner

By: 406 VENTURES I GP, LLC  
Its: General Partner

By: /s/ Greg Dracon

\_\_\_\_\_  
Name: Greg Dracon

Title Member

**POINT 406 VENTURES I-A, L.P.**

By: .406 VENTURES I GP, L.P.  
Its: General Partner

By: 406 VENTURES I GP, LLC  
Its: General Partner

By: /s/ Greg Dracon

\_\_\_\_\_  
Name: Greg Dracon

Title Member

**POINT203X2SPV, LLC**

By:

Its:

By:

Its:

By: /s/ Greg Dracon

\_\_\_\_\_  
Name: Greg Dracon

Title Member

[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]

**INVESTORS:**

**NEXUS INDIA CAPITAL II, LP**

By: /s/ Naren Gupta

Name: Naren Gupta

Title: Managing Director

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**INVESTORS:**

**INTEL CAPITAL CORPORATION**

By: /s/ Abhay Gadkari

Name: Abhay Gadkari

Title: Authorized Signer

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**INVESTORS:**

**MITSUI & CO. VENTURE PARTNERS III, LLC**

By: Mitsui & Co. Global Investment, Inc.

Its: Manager

By: /s/ Kiyoshi Okubo

Name: Kiyoshi Okubo

Title: President & CEO

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*



**INVESTORS:**

**SAPPHIRE VENTURES FUND II, L.P.,**  
a Delaware limited partnership

By: Sapphire Ventures (GPE) II, L.L.C., a Delaware limited liability  
company  
its general partner

By: /s/ David Hartwig \_\_\_\_\_  
Name: David Hartwig  
Title: Managing Member

By: /s/ Nino Marakovic \_\_\_\_\_  
Name: Nino Marakovic  
Title: Managing Member

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**INVESTORS:**

**NOKIA GROWTH PARTNERS III, L.P.**

By: /s/ Monica Johnson

Name: Monica Johnson

Title: Vice President

N.G. Partners III, L.L.C.

Its General Partner

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**INVESTORS:**

**AVALON VENTURES, VII, L.P.**

By: Avalon Ventures VII, GP, L.L.C.,  
Its: General Partner

By: /s/ Rich Levandov

Name: Rich Levandov

Title: Managing Director

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**INVESTORS:**

**COMMONFUND CAPITAL VENTURE PARTNERS X, L.P.**

By: Fairfield Partners 2012 L.P., its General Partner

By: Fairfield Partners 2012 GP LLC, its General Partner

By: /s/ Mark Hoeing

Name: Mark Hoeing

Title: MD

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**INVESTORS:**

**SPECIAL SITUATIONS INVESTING GROUP II, LLC**

By: /s/ Holger Staude

Name: Holger Staude

Title: Authorized Signatory

*[Signature page to Amendment No. 1 to Sixth Amended and Restated Investor Rights Agreement]*

**KALTURA, INC.**  
**PURCHASE WARRANT FOR COMMON STOCK**  
**JULY 22, 2016**

**THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE PLEDGED, SOLD, OFFERED FOR SALE, TRANSFERRED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF REGISTRATION UNDER OR EXEMPTION FROM SUCH ACT AND ALL APPLICABLE STATE SECURITIES LAWS.**

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**THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE PLEDGED, SOLD, OFFERED FOR SALE, TRANSFERRED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF REGISTRATION UNDER OR EXEMPTION FROM SUCH ACT AND ALL APPLICABLE STATE SECURITIES LAWS.**

**KALTURA, INC.**

**Purchase Warrant for Common Stock**

No. WCS-01 July 22, 2016

Kaltura, Inc., a Delaware corporation (the "**Company**"), for value received, hereby certifies that Goldman, Sachs & Co. (the "**Purchaser**") and the other Holders (as such term is defined below), if any, are entitled to purchase from the Company (i) 1,588,109 shares of the Company's Common Stock (the "**Initial Warrant Shares**"), (ii) which Initial Warrant Shares represent 6.25% of the Common Stock outstanding on a Fully Diluted Basis as of the date hereof (excluding, for the avoidance of doubt, any shares repurchased by the Company pursuant to the Stockholders Liquidity, as such term is defined in the Company's Seventh Amended and Restated Certificate of Incorporation, as amended from time to time (the "**COI**")), (iii) at a US \$0.0001 per Initial Warrant Share (the "**Initial Warrant Price**"), which Warrant shall be exercisable at such time as set forth in Section 1 below. The Initial Warrant Shares and Initial Warrant Price, as adjusted from time to time pursuant to the terms and conditions set forth in this Warrant, including Section 2 below, are referred to as the "**Warrant Shares**," and the "**Warrant Price**."

This Warrant is issued in connection with that certain Series F Preferred Stock and Warrant Purchase Agreement, dated as of the date hereof by and among the Company and the Investor named therein (the "**Purchase Agreement**"). Certain capitalized terms used herein are defined in Section 9.

**1. EXERCISE OF WARRANT**

**1.1 Manner of Exercise; Payment.** The Holder may exercise this Warrant (or portion thereof owned by the Holder, as the case may be), in whole or in part, for such number of Warrant Shares as determined pursuant to Section 2 below, only immediately prior to the occurrence of a Triggering Event or in connection with an exercise of Co-Sale Rights (subject to the limitations set forth in Section 2.1 (d) below), by surrender of this Warrant to the Company at its Chief Executive Office, accompanied by a subscription (in the form attached to this Warrant as Exhibit I) duly executed by the Holder and accompanied by payment, at the Holder's election, (i) in cash, (ii) by certified check payable to the order of the Company, (iii) by wire transfer of immediately available funds, (iv) by cancellation of Warrant Shares, with any such Warrant Shares so cancelled being credited against such payment in an amount equal to the Fair Market Value thereof (a "**Cashless Exercise**"), or (v) by any combination of any of the foregoing methods, of the amount obtained by multiplying (a) the number of Warrant Shares designated in such subscription by (b) the Warrant Price, and the Holder shall thereupon be entitled to receive the number and type of duly authorized Warrant Shares determined as provided in Sections 2 and 3.

**1.2 When Exercise Effective.** The exercise of this Warrant shall be deemed to have been effected immediately prior to the close of business on the Business Day on which this Warrant shall be deemed to have been surrendered to the Company as provided in Section 1.1, and, at such time, the Person or Persons in whose name or names any certificate or certificates for Warrant Shares shall be issuable upon such exercise as provided in Section 1.4 shall be deemed to have become the holder or holders of record thereof.

**1.3 Automatic Cashless Exercise.** Any then outstanding portion of this Warrant shall be exercised automatically in whole (not in part), for such number of Warrant Shares as determined pursuant to Section 2 below immediately prior to the occurrence of a Triggering Event through a Cashless Exercise; provided, that, in lieu of any fractional Warrant Share to which the Holder would otherwise be entitled, the Company shall deliver to the Holder an amount in cash equal to the Fair Market Value thereof on the date preceding such exercise (such amount, the "**Fractional Share Value**").

**1.4 Delivery of Stock Certificates and New Warrant.** As soon as practicable after exercise of this Warrant, in whole or in part, the Company at its sole expense (including the payment by it of any applicable stamp, documentary or similar taxes) will cause to be issued in the name of and delivered to the Holder or, subject to Section 7, as the Holder (upon payment by the Holder of any applicable transfer taxes) may direct:

- (a) a certificate or certificates for the number of duly authorized Warrant Shares to which the Holder shall be entitled upon such exercise; and
- (b) in lieu of any fractional Warrant Share to which the Holder would otherwise be entitled, cash in an amount equal to the Fractional Share Value.

**1.5 Company to Reaffirm Obligations.** The Company will, at the time of the exercise of this Warrant, upon the request of the Holder, acknowledge in writing its continuing obligation to afford to the Holder all rights to which the Holder is entitled after such exercise in accordance with the terms of this Warrant, if and to the extent applicable; provided, however, that if the Holder shall fail to make any such request, then such failure shall not affect the continuing obligation of the Company to afford such rights to the Holder. Additionally, upon request of the Holder, the Company shall provide to the Holder its calculation of the Warrant Shares, and Warrant Price, along with supporting documentation relating thereto.

**1.6 Continuation of Rights in Warrant Shares Following Exercise.** Upon exercise of this Warrant, all Warrant Shares issued in connection therewith shall continue to have the benefit of all of the rights and be subject to all limitations and conditions set forth in this Warrant, if and to the extent applicable, and all of such rights shall inure to the benefit of the holder thereof with respect thereto, except as set forth in Section 2.1 (d) below, and such holder shall be subject to all limitations and conditions set forth herein, as if this Warrant had not been exercised and the holder thereof was the Holder with respect thereto. If the Holder proposes to Transfer any Warrants or Warrant Shares issuable upon exercise thereof, and if such Warrant Shares are not then registered for resale pursuant to an effective registration statement under the Securities Act, then the Holder shall give written notice to the Company describing briefly the manner in which any such proposed Transfer is to be made, and no such Transfer shall be made unless the Company shall have received an opinion of counsel for the Holder reasonably acceptable to the Company that registration under the Securities Act is not required with respect to such Transfer. Any transfer of the Warrant or the Warrant Shares shall be subject to the terms of the restrictions on transfer set forth in that certain Sixth Amended and Restated Investor Rights Agreement dated July 22, 2016, as amended from time to time (the "**IRA**") and that certain Sixth Amended and Restated Voting Agreement dated July 22, 2016, as amended from time to time (the "**Voting Agreement**"), and shall be subject to the transferee agreeing, upon request of the Company, to become party to that certain Sixth Amended and Restated Right of First Refusal and Co-Sale Agreement dated July 22, 2016, as amended from time to time (the "**ROFR Agreement**"), the Voting Agreement and the IRA, and to be bound by any and all obligations and restrictions set forth therein that are imposed on any of the Company's institutional investors.

## 2. ADJUSTMENT OF WARRANT SHARES AND WARRANT PRICE-

### 2.1 General; Number of Warrant Shares; Warrant Price.

(a) The number of Warrant Shares that the Holder shall be entitled to receive upon exercise hereof shall be determined as follows:

(i) In the event a Liquidation Event occurs prior to a Qualified IPO, the number of Warrant Shares that the Holder shall be entitled to receive upon exercise hereof shall be a number of

shares of Common Stock that, as of the date of the consummation of such Liquidation Event, yields the Holder with the following number of Warrant Shares:

Tier	Equity Valuation	Number of Warrant Shares
1	In the event the Equity Valuation in such Liquidation Event is up to \$650 million.	A number of shares of Common Stock with a value equal to the Initial Warrant Shares <u>times</u> the Common Stock equity value per share in such Liquidation Event according to Section 3 of Article IV(D) of the Company's Amended and Restated Certificate of Incorporation, as amended from time to time (the " <b>Tier 1 Liquidation Value</b> ").
2	In the event the Equity Valuation in such Liquidation Event is between \$650 million and \$900 million ("Tier 2 Liquidation Event").	A number of shares of Common Stock with a value equal to the Tier 1 Liquidation Value as calculated assuming a \$650 million Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 2 Liquidation Event, <u>plus</u> a number of shares of Common Stock with a value equal to (i) 5.25 divided by 6.25 multiplied by (ii) the Initial Warrant Shares multiplied by (iii) the increase in the Common Stock equity value per share in such Tier 2 Liquidation Event over the Common Stock equity value per share at an Equity Valuation of \$650 million (the " <b>Tier 2 Liquidation Value</b> ").
3	In the event the Equity Valuation in such Liquidation Event is between \$900 million and \$1.15 billion ("Tier 3 Liquidation Event").	A number of shares of Common Stock with a value equal to the Tier 2 Liquidation Value as calculated assuming a \$900 million Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 3 Liquidation Event, plus a number of shares with a value equal to (i) 4.25 divided by 6.25 multiplied by (ii) the Initial Warrant Shares and (iii) the increase in the Common Stock equity value per share in such Tier 3 Liquidation Event over the Common Stock equity value per share at an Equity Valuation of \$900 million (the " <b>Tier 3 Liquidation Value</b> ").
4	In the event the Equity Valuation in such Liquidation Event is between \$1.15 billion and \$ 1.4 billion ("Tier 4 Liquidation Event").	A number of shares of Common Stock with a value equal to the Tier 3 Liquidation Value as calculated assuming a \$1.15 billion Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 4 Liquidation Event, <u>plus</u> a number of shares with a value equal to (i) 3.25 divided by 6.25 multiplied by (ii) the Initial Warrant Shares and (iii) the increase in the Common Stock equity value per share in such Tier 4 Liquidation Event over the Common Stock equity value per share at an Equity Valuation of \$1.15 billion (the " <b>Tier 4 Liquidation Value</b> ").
5	In the event the Equity Valuation in such Liquidation Event is above \$1.4 billion ("Tier 5 Liquidation Event").	A number of shares of Common Stock with a value equal to the Tier 4 Liquidation Value as calculated assuming a \$1.4 billion Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 5 Liquidation Event, plus a number of shares with a value equal to (i) 2.25 divided by 6.25 multiplied by (ii) the Initial Warrant Shares and (iii) the increase in the Common Stock equity value per share in such Tier 5 Liquidation Event over the Common Stock equity value per share at an Equity Value of \$1.4 billion.

(ii) In the event a Qualified IPO occurs prior to a Liquidation Event, the number of Warrant Shares that the Holder shall be entitled to receive upon exercise hereof shall be a number of shares of

Common Stock that, as of the date of the consummation of such Qualified IPO, yields the Holder with the following number of Warrant Shares:

Tier	Equity Valuation	Number of Warrant Shares
1	In the event the Equity Valuation in such Qualified IPO is up to \$650 million.	A number of shares of Common Stock with a value equal to the Initial Warrant Shares <u>times</u> the Common Stock equity value per share in such Qualified IPO according to Section 3 of Article IV(D) of the Company's Amended and Restated Certificate of Incorporation, as amended from time to time (the " <b>Tier 1 QPO Value</b> ").
2	In the event the Equity Valuation in such Qualified IPO is between \$650 million and \$900 million ("Tier 2 Qualified IPO").	A number of shares of Common Stock with a value equal to the Tier 1 QPO Value as calculated assuming a \$650 million Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 2 Qualified IPO, <u>plus</u> a number of shares of Common Stock with a value equal to (i) 5.75 divided by 6.25 multiplied by (ii) the Initial Warrant Shares multiplied by (iii) the increase in the Common Stock equity value per share in such Tier 2 Qualified IPO over the Common Stock equity value per share at an Equity Valuation of \$650 million (the " <b>Tier 2 QPO Value</b> ").
3	In the event the Equity Valuation in such Qualified IPO is between \$900 million and \$1.15 billion ("Tier 3 Qualified IPO").	A number of shares of Common Stock with a value equal to the Tier 2 QPO Value as calculated assuming a \$900 million Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 3 Qualified IPO, <u>plus</u> a number of shares of Common Stock with a value equal to (i) 5.25 divided by 6.25 multiplied by (ii) the Initial Warrant Shares multiplied by (iii) the increase in the Common Stock equity value per share in such Tier 3 Qualified IPO over the Common Stock equity value per share at an Equity Valuation of \$900 million (the " <b>Tier 3 QPO Value</b> ").
4	In the event the Equity Valuation in such Qualified IPO is between \$1.15 billion and \$1.4 billion ("Tier 4 Qualified IPO").	A number of shares of Common Stock with a value equal to the Tier 3 QPO Value as calculated assuming a \$1.15 billion Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 4 Qualified IPO, <u>plus</u> a number of shares of Common Stock with a value equal to (i) 4.75 divided by 6.25 multiplied by (ii) the Initial Warrant Shares multiplied by (iii) the increase in the Common Stock equity value per share in such Tier 4 Qualified IPO over the Common Stock equity value per share at an Equity Valuation of \$1.15 billion (the " <b>Tier 4 QPO Value</b> ").
5	In the event the Equity Valuation in such Qualified IPO is above \$1.4 billion ("Tier 5 Qualified IPO").	A number of shares of Common Stock with a value equal to the Tier 4 QPO Valuation as calculated assuming a \$1.4 billion Equity Valuation, determined based upon the Common Stock equity value per share in such Tier 5 Qualified IPO, <u>plus</u> a number of shares with a value equal to (i) 4.25 divided by 6.25 multiplied by (ii) the Initial Warrant Shares and (iii) the increase in the Common Stock equity value per share in such Tier 5 Qualified IPO over the Common Stock equity value per share at an Equity Valuation of \$1.4 billion.

(b) The "**Warrant Price**" shall be the Initial Warrant Price and shall remain as such until a further adjustment or readjustment thereof is required by this [Section 2](#).

(c) The number of Warrant Shares set forth above shall be equitably adjusted in the event of stock splits, stock dividends, recapitalizations and the like with respect to any shares of Common Stock issued or issuable in connection with the exercise of this Warrant.

(d) Notwithstanding anything herein to the contrary, this Warrant shall be exercisable for the applicable portion of the Warrant Shares in the event Holder exercises its Co-Sale Rights, *provided*

however, that (1) in no event shall this Warrant be exercised in connection with the exercise of Co-Sale Rights for more than 1,000,000 Initial Warrant Shares (as may be adjusted pursuant to the terms of this Warrant), in the aggregate, and (2) in the event of any such exercise of the Warrant, the entire reduction to the number of Warrant Shares (if any) pursuant to Section 2(a) above that would have applied to the Warrant Shares had such exercise not occurred (the “**Warrant Share Reductions**”), shall be applied to the number of Warrant Shares then underlying the unexercised portion of the Warrant(s), such that the number Warrant Shares then underlying the remaining unexercised portion of the Warrant(s) shall be reduced by the entire Warrant Share Reductions, and (3) any transferee of the Warrant Shares in connection with the exercise of the Co-Sale Rights shall not be deemed a “Holder” for the purposes of this Warrant, the shares sold in connection with the exercise of the Co-Sale Rights shall not be deemed “Warrant Shares” for any purpose (including without limitation, the COI or the Transaction Documents) and such shares shall entitle the holder thereof only to those rights and benefits attached to all shares of Common Stock pursuant to the COI.

**2.2 Payments, Dividends, Distributions and Redemptions.** If the Company at any time or from time to time after the date hereof and prior to the expiration date of the Warrant and prior to its exercise or redemption in full, declares, orders, pays or makes a dividend or other distribution (including any distribution of cash, securities or other property, by way of dividend or spin-off, reclassification or similar corporate rearrangement or otherwise) or redemption or makes any payment on or with respect to its shares of Common Stock, in each such case, other than in connection with a Liquidation Event, then, and in each such case, the Holder shall be entitled to receive its pro rata share of the cash, securities or other property (as if this Warrant had been exercised in full and converted to Warrant Shares in accordance with the provisions of Section 1.1 immediately prior to the close of business on the day immediately preceding the record date). The Holder’s “**pro rata share**” for purposes of this Section 2.2 is the ratio that (a) the Aggregate Holder Common Amount bears to (b) the Aggregate Common Amount. Notwithstanding the foregoing, this Section 2.2 shall not apply with respect to redemptions permitted under subsections (f)(i)-(f)(iv) of Article D. 1 of the COI.

### **3. CONSOLIDATION, MERGER, ETC.**

**3.1 Adjustments for Consolidation, Merger, Sale of Assets, Reorganizations, etc.** If after the date hereof and prior to the expiration date of the Warrant and prior to its exercise or redemption in full, the Company shall (a) consolidate with or merge into any other Person and shall not be the continuing or surviving corporation of such consolidation or merger, (b) permit any other Person to consolidate with or merge into the Company and the Company shall be the continuing or surviving Person but, in connection with such consolidation or merger, the Warrant Shares shall be changed into or exchanged for securities of any other Person or any other property, (c) Transfer all or substantially all of its properties or assets to any other Person or (d) effect a capital reorganization or reclassification of the Warrant Shares and/or its Equity Securities, then, and in the case of each such transaction, other than, with respect to each of the events under (a)-(d), if such event is in connection with an Asset Transfer or an Acquisition (each as defined in the COI), proper provision shall be made so that upon the basis and the terms and in the manner provided in this Warrant, the Holder, upon the exercise of this Warrant at any time after the consummation of such transaction, shall be entitled to receive (after giving effect to the payment of the aggregate Warrant Price in effect at the time of such consummation for all Warrant Shares issuable upon such exercise immediately prior to such consummation), *in lieu* of the Warrant Shares issuable upon such exercise prior to such consummation, the greatest amount of securities or other property to which the Holder would actually have been entitled as an *equity* holder upon such consummation if the Holder had exercised the rights represented by this Warrant immediately prior thereto, subject to adjustments (subsequent to such consummation) as nearly equivalent as possible to the adjustments provided for in Sections 2 and 3.

**3.2 Assumption of Obligations.** Notwithstanding anything contained in this Warrant or in the Purchase Agreement to the contrary, the Company will not effect any of the transactions described in Section 3.1 unless, prior to the consummation thereof, each Person (other than the Company) that may be required to deliver any securities or other property upon the exercise of this Warrant as provided herein shall assume, by written instrument delivered to, and reasonably satisfactory to, the Holder, (a) the applicable obligations of the Company under this Warrant (and if the Company shall survive the consummation of such transaction, such assumption shall, to the extent applicable, be in addition to, and shall not release the

Company from, any continuing obligations of the Company under this Warrant, provided that in no event will the Holder(s) be entitled to benefit twice from any right under this Warrant) and (b) the obligation to deliver to the Holder such securities or other property as, in accordance with the foregoing provisions of this Section 3. Nothing in this Section 3 shall be deemed to authorize the Company to enter into any transaction requiring the consent of the Purchaser or any of its Affiliates (or any other Holder) in any Transaction Document.

**4. NOTICES OF CORPORATE ACTION.** If at any time prior to the expiration date of the Warrant and prior to its exercise or redemption in full, the Company agrees or commits to any one or more of the following events:

(a) any taking by the Company of a record of the holders of any class of its Equity Securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or any right to subscribe for, purchase or otherwise acquire any Equity Securities of the Company or any other property, or to receive any other right;

(b) any Warrant Trigger Event or any other capital reorganization of the Company, reclassification or recapitalization of Equity Securities or consolidation or merger involving the Company and any other Person;

(c) any Triggering Event, including, without limitation, any Liquidation Event; or

(d) any issuance or sale of any Equity Securities, other than Equity Securities listed under the Excluded Securities provision in Section 4.7 the IRA,

then the Company will deliver to the Holder a notice, not less than fifteen (15) days prior to the proposed occurrence of such event, specifying the expected date of such event, together with all material information relating thereto, and shall promptly notify the Holder of all material developments relating thereto or as otherwise reasonably requested by the Holder.

**5. PUT OF WARRANTS.** The Requisite Holders may request the redemption of this Warrant at the applicable Warrant Redemption Price in accordance with and subject to Section 7(a) of Article IV(D) of the COI. In the event that there shall be more than one Holder, each other Holder acknowledges and agrees that only the Requisite Holders may exercise the Put Right and that the Requisite Holders may act on behalf of all other Holders with respect to all matters relating to such redemption. The Holder's right to demand redemption of this Warrant pursuant to this Section 5 and Section 7(a) of Article IV(D) of the COI shall be referred to herein as the Holder's "**Put Right**." In the event that the Put Right is exercised for less than all of this Warrant, the Put Right shall be effected in a manner so as to equitably effect the redemption of the applicable portion of this Warrant in accordance with Section 5 of this Warrant and Section 7 of Article IV(D) of the COI. Upon surrender of the Warrant in accordance with Section 7(a) of Article IV(D) of the COI, the right to purchase the Warrant Shares represented by the portion of the Warrant being redeemed under the Put Right shall terminate.

**6. RESERVATION OF EQUITY SECURITIES, ETC.** The Company shall, if applicable, at all times reserve and keep authorized and available, solely for issuance and delivery upon exercise of this Warrant, the number of Warrant Shares from time to time issuable upon exercise in full of this Warrant. All Warrant Shares issuable upon exercise of this Warrant shall be duly authorized and, when issued upon such exercise, shall be validly issued.

**7. OWNERSHIP, TRANSFER AND SUBSTITUTION OF WARRANTS.**

**7.1 Ownership of Warrants.** The Company may treat any Person(s) in whose name this Warrant is registered on the register kept at the Chief Executive Office as the owner and holder thereof for all purposes, notwithstanding any notice to the contrary. This Warrant, if properly assigned, may be exercised by the new holder (as the Holder hereunder) without a new Warrant first having been issued.

## 7.2 Office; Transfer and Exchange of Warrants.

(a) The Company shall maintain an office (which may be an agency maintained at a bank) in the State of New York where notices, presentations and demands in respect of this Warrant may be made upon it. Such office shall be the Company's "**Chief Executive Office**" until such time as the Company shall notify the Holders of any change of location of such office within the State of New York.

(b) The Company shall cause to be kept at its Chief Executive Office a register for the registration and transfer of this Warrant. The names and addresses of the Holder, the transfer thereof and the names and addresses of any transferees of this Warrant shall be registered in such register. The Person(s) in whose names this Warrant shall be so registered shall be deemed and treated as the owner and Holder thereof for all purposes of this Warrant, and the Company shall not be affected by any notice or knowledge to the contrary.

(c) Subject to the transfer restrictions set forth herein, including without limitation, as set forth in Section 1.6 above and the transfer restrictions referred to in the legend herein, except as set forth in Section 2.1(d) above, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the Holder, upon surrender of this Warrant with a properly executed assignment, including the identity of the assignee, (in the form of Exhibit II hereto) at the Company's Chief Executive Office. Upon such surrender, the Company at its expense will execute and deliver to or upon the order of the applicable Holder a new Warrant or Warrants of like tenor, in the name of the Holder or as the Holder (upon payment by the Holder of any applicable transfer taxes) may direct, calling in the aggregate on the face or faces therefor for the number of Warrant Shares called for on the face or faces of the Warrant or Warrants so surrendered.

**7.3 Assistance in Disposition of Warrant or Warrant Shares.** Notwithstanding any other provision herein, in the event that it becomes unlawful for the Purchaser to continue to hold this Warrant, in whole or in part, or some or all of the Warrant Shares held by it, or restrictions are imposed on the Purchaser by any statute, regulation or governmental authority which, in the judgment of the Holder, make it unduly burdensome to continue to hold the Warrant or Warrant Shares, the Purchaser may sell or otherwise dispose of the Warrant or Warrant Shares (subject to any restrictions on transfer described herein), and the Company agrees to provide reasonable assistance to the Purchaser in disposing of the Warrant or Warrant Shares, at the cost and expense of the Purchaser and, at the request of the Purchaser, to provide (and authorize the Holder to provide) financial and other general information concerning the Company to any prospective purchaser of the Warrant or Warrant Shares owned by the Purchaser, subject to recipient of such information executing a confidentiality undertaking in a form reasonably acceptable to the Company, provided however, that access to highly confidential information need not be provided. Notwithstanding the foregoing, in no event will the Company be required to provide, and the Holder may not provide, any confidential information to any person or entity that the Board of Directors of the Company determines in good faith to be a competitor of the Company.

**7.4 Replacement of Warrants.** Upon receipt of reasonable evidence of the loss, theft, destruction or mutilation of any Warrant and, upon delivery of indemnity satisfactory to the Company in form and amount or, in the case of any such mutilation, upon surrender of such Warrant for cancellation at the Company's Chief Executive Office, the Company at its sole expense will execute and deliver, in lieu thereof, a new Warrant of like tenor and dated the date hereof.

## 8. REPRESENTATIONS AND WARRANTIES.

**8.1 Representations and Warranties of the Company.** The Company hereby represents and warrants to the Purchaser as follows:

(a) the Company is not party to any contract, agreement or other arrangement which conflicts with the terms of this Warrant or any of the rights conferred to the Holder, or obligations imposed on the Company, hereby; and

(b) immediately after giving effect to transactions contemplated by this Warrant, (i) the Company has duly authorized the issuance of the Initial Warrant Shares and has reserved them and made them available for issuance and delivery upon exercise of this Warrant, (ii) the outstanding Equity Securities of the Company as of the date of this Warrant (including this Warrant and any Options or Convertible Securities, together with their respective exercise or conversion prices) is as set forth in the capitalization table of the Company attached as Schedule I hereto.

**8.2 Representations and Warranties of the Holders.** Each Holder represents and warrants to the Company and to each other Holder, as of the date such Person becomes a Holder, as follows:

(a) Organization and Qualification. Such Holder, if an entity, is a corporation, limited partnership or limited liability company, in either case duly organized, validly existing and in good standing under the laws of its jurisdiction of formation.

(b) Authority: Enforceability. Such Holder has all requisite power and authority to execute and deliver this Warrant and to perform its obligations hereunder and to consummate the transactions contemplated hereby, and all action required on the part of such Holder for such execution, delivery and performance has been duly and validly taken. Assuming due execution and delivery by the Company, this Warrant constitutes the legal, valid and binding obligation of such Holder enforceable against such Holder in accordance with its terms, except as enforceability thereof may be limited by bankruptcy, insolvency, moratorium and other similar laws affecting creditors' rights generally and by general equitable principles.

(c) Accredited Investor: Securities Laws Compliance.

(i) Such Holder (a) is an "accredited investor" (as defined in Regulation D under the Securities Act) and (b) has such knowledge, skill and experience in business and financial matters, based on actual participation, that it is capable of evaluating the merits and risks of an investment in the Company and the suitability thereof as an investment for such Holder.

(ii) Except as otherwise contemplated by this Warrant, such Holder is acquiring this Warrant and any Warrant Shares for investment for its own account and not with a view to any distribution thereof in violation of applicable securities laws.

(iii) Such Holder agrees that any certificates representing its Warrant Shares will bear the following legend and that such Warrant Shares will not be offered, sold or transferred in the absence of registration or exemption under applicable securities laws:

"THE SECURITIES REPRESENTED HEREBY (A) HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE PLEDGED, SOLD, OFFERED FOR SALE, TRANSFERRED, OR OTHERWISE DISPOSED OF IN THE ABSENCE OF REGISTRATION UNDER OR EXEMPTION FROM SUCH ACT AND ALL APPLICABLE STATE SECURITIES LAWS AND (B) ARE SUBJECT TO THE TERMS OF AND PROVISIONS OF A PURCHASE WARRANT, DATED JULY 22, 2016, BY AND AMONG KALTURA, INC. (THE "COMPANY") AND, FOR THE LIMITED PURPOSES SET FORTH THEREIN, GOLDMAN, SACHS & CO. (AS SUCH WARRANT MAY BE SUPPLEMENTED, MODIFIED, AMENDED OR RESTATED FROM TIME TO TIME, THE "WARRANT"). A COPY OF THE WARRANT IS AVAILABLE AT THE OFFICES OF THE COMPANY."

(iv) The Holder understands that (a) the offering and sale of this Warrant and any Warrant Shares by the Company is intended to be exempt from registration under the Securities



Act pursuant to section 4(2) thereof and Regulation D, (b) there is no existing public or other market for this Warrant or the Warrant Shares, and (c) this Warrant and the Warrant Shares may be resold only pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from the registration requirements of the Securities Act.

(v) Such Holder is familiar with Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act, including the Rule 144 condition that current information about the Company be made available to the public. Such Holder acknowledges that such information is not now available and that the Company has no present plans to make such information available.

**9. DEFINITIONS.** As used herein, unless the context otherwise requires, the following terms have the respective meanings set forth below. All capitalized terms used and not defined below or otherwise defined herein shall have the respective meanings set forth in the Purchase Agreement:

**“Affiliate”** means with respect to any Person, any other Person, directly or indirectly, through one or more intermediary Persons, controlling, controlled by, or under common control with such Person

**“Aggregate Common Amount”** means the aggregate number (measured on a Fully Diluted Basis) of Common Stock that are issued and outstanding.

**“Aggregate Holder Common Amount”** means the aggregate number of Warrant Shares represented by, or previously issued in respect of, this Warrant and held by any Holder or its Affiliates.

**“Appraiser”** means an independent nationally recognized investment banking firm or accounting firm mutually agreeable to the Holder and the Company. If the Holder and the Company cannot agree on an Appraiser within fifteen ( 15) days after the applicable Valuation Request, then, the Company, on the one hand, and the Holder, on the other hand, shall each select an Appraiser within fifteen ( 15) days of the applicable Valuation Request. Such Appraisers shall jointly select one independent Appraiser to determine the Fair Market Value, and the selection of the new Appraiser and its determination of Fair Market Value shall be made within sixty (60) days after the applicable Valuation Request. Any and all fees, costs and other expenses of the Appraiser(s) shall be borne equally by the Company and the Holder. The determination of the Fair Market Value pursuant to this definition and the definition of Fair Market Value shall be conclusive and binding on all applicable parties.

**“Average Market Value”** means the volume-weighted average of the closing prices of the security in question for the thirty (30) day period ending three (3) days prior to the preceding the date of determination (or, if the security in question is not traded on an exchange, the last reported sale price on any system of automated dissemination of quotations of securities prices).

**“Board”** means the board of directors of the Company.

**“Business Day”** means any day other than a Saturday or a Sunday or a day on which commercial banking institutions in New York are authorized or obligated by law or executive order to be closed. Any reference to "days" (unless Business Days are specified) shall mean calendar days.

**“Chief Executive Office”** means the Chief Executive Office of the Company located at 250 Park Avenue South, 10<sup>th</sup> Floor, New York, NY 10003.

**“Commission”** means the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

**“Common Stock”** means the shares of common stock, \$0.0001 par value per share, of the Company, and shall include any Equity Securities into which such shares of Common Stock shall have been changed or any Equity Securities resulting from any reclassification of such shares of Common Stock.

**“Company”** has the meaning given to such term in the introduction to this Warrant and shall include any Person that shall succeed to or assume the obligations of the Company.

“**Convertible Securities**” means any evidences of indebtedness or other instruments or securities directly or indirectly convertible into or exchangeable for Common Stock; provided, that this Warrant shall not be deemed a Convertible Security hereunder.

“**Co-Sale Rights**” means those certain co-sale rights pursuant to Section 2.4 of the ROFR Agreement.

“**Equity Securities**” means, with respect to the Company, all equity securities or other equity interests authorized from time to time, and any other securities, options, interests, participations or other equivalents (however designated) convertible into or exercisable for shares of capital stock of the Company, whether voting or nonvoting, including options, warrants, phantom equity, equity appreciation rights, convertible notes or debentures, equity purchase rights, and all agreements, instruments, documents and securities convertible, exercisable, or exchangeable, in whole or in part, into any one or more of the foregoing. For the avoidance of doubt, the Equity Securities, as of the date hereof, consist also of Common Stock, Series A Stock, Series B Stock, Series C Stock, Series D Stock, Series D-1 Stock, Series E Stock and Series F Stock.

“**Exchange Act**” means the Securities Exchange Act of 1934, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be in effect at the time.

“**Fair Market Value**” means (a) as to securities regularly traded on a national securities exchange or some other nationally-recognized market quotation system (“**Publicly Traded Securities**”), the Average Market Value, and (b) as to all securities or other property other than Publicly Traded Securities, the fair market value of such securities or property as mutually agreed upon by the Company and the Holders, assuming such securities or property is to be sold in an arm’s length transaction between a willing seller and a willing buyer as a going concern, without any Impairment Deductions (but, for the avoidance of doubt, taking into account any liquidation preference, redemption or similar right relating to the Company’s Equity Securities, to the extent applicable to the valuation in question), at the time of the transaction requiring the applicable determination of Fair Market Value pursuant to this Warrant (each such transaction, a “**Valuation Event**”). If the Company and the Holder are unable to agree on any calculation of Fair Market Value in accordance with the foregoing provisions within fifteen (15) days after the occurrence of any Valuation Event, then, upon the written request of either the Holder or the Company delivered at any time thereafter (the “**Valuation Request**”), the Fair Market Value of such securities and/or other property will be determined by the Appraiser. Other than with respect to Publicly Traded Securities, the prevailing market prices for any security or property will not be dispositive of the Fair Market Value thereof. Notwithstanding the foregoing, for the purposes of exercise of this Warrant upon a Triggering Event, the “**Fair Market Value**” shall mean (i) if the exercise of this Warrant is in connection with an Initial Public Offering, then the public offering price per share of Common Stock in such Initial Public Offering (provided, that other than with respect to determining the number of Warrant Shares to be cancelled and credited in the event of Cashless Exercise, such price shall be calculated as of immediately prior to the effectiveness of the applicable registration statement assuming a value per share of the shares of Common Stock equal to (A) the midpoint of the filing price range of the underwriter, multiplied by (B) 102% (the sum of the foregoing equation, the “**Estimated Offering Price**”); and (ii) if the exercise of this Warrant is upon the closing of a Liquidation Event, then the price per share of Common Stock as determined in such transaction. In the event that the applicable Estimated Offering Price is less than the applicable actual final public offering price (the “**Actual Price**”), the holders of this Warrant, on a pro rata basis, shall pay, within three days of the closing of the applicable offering, an amount in cash to the Company, equal to (I )(x) the Actual Price minus (y) the Estimated Offering Price, multiplied by (2) the number of shares of Common Stock (or such other security into which shares of Common Stock are reclassified, exchanged for, substituted or otherwise altered) into which the Warrant is converted in such Initial Public Offering pursuant to the terms hereof (the “**IPO Common Shares**”), and (b) in the event that the Estimated Offering Price is more than the Actual Price, the Company shall pay, within three days of the closing of such offering, an amount in cash to holders of this Warrant, on a pro rata basis, equal to (I )(x) the Estimated Offering Price minus (y) the Actual Price, multiplied by (2) the number of IPO Common Shares.

“**Fully Diluted Basis**” means, at the applicable date of measurement, the sum (without duplication) of (i) the aggregate number of Common Stock outstanding plus (ii) the aggregate number of Common Stock issuable upon exercise of this Warrant or any Convertible Security or Option (regardless of whether any vesting or other

conditions for exercise thereof have been satisfied at such time) plus (iii) the aggregate number of interests, participations or other Common Stock equivalents (measured on a Common Stock basis); provided, that, notwithstanding the foregoing, with respect to any calculation of value (including pursuant to Sections 2.2 and 5.1(a)), "Fully-Diluted Basis" shall (i) include the Warrant Shares, (ii) exclude any Option or Convertible Security that is not (x) "in the money" or (y) entitled to, or otherwise does not, participate in the applicable transaction (and no value shall be ascribed to any such Option or Convertible Security in such calculation of value) and (iii) give effect to the payment of any consideration payable upon the exercise of any Convertible Security or Option that is (x) "in the money" and (y) entitled to participate in the applicable transaction as if such Convertible Security or Option were exercised at such time; *but in any event*, the term "**Fully Diluted Basis**" shall not include any shares of Series F Stock.

**"Holder"** means each and every registered holder owner of any portion of this Warrant or any of the Warrant Shares, which shall initially be the Purchaser. For purposes of simplicity, this Warrant has been drafted in contemplation of one Holder. In the event that, at any given time, there shall be more than one Holder, (i) references to "Holder" and "Warrant Shares" shall mean each Holder and the Warrant Shares held by each such Holder, and the number of "Initial Warrant Shares" shall be the respective portion of the Initial Warrant Shares (calculated based on such Holder's portion of the Warrant Shares out of the aggregate Warrant Shares held by all Holders), (ii) all notices shall be delivered to each Holder in accordance with Section 14 and (iii) with respect to any action, approval or consent of the Holder required or otherwise permitted pursuant to the provisions hereof (including Section 5), such action, approval or consent shall be deemed to have been taken, received or otherwise obtained if such action, approval or consent is taken, received or otherwise obtained by or from Requisite Holders, except that each Holder may, on an individual basis, exercise its portion of the Warrant. Without in any way limiting the foregoing, the term "Holder" shall include the Purchaser and each of their respective successors and/or assigns that at any time holds or otherwise owns any portion of this Warrant or the Warrant Shares.

**"Impairment Deductions"** means, with respect to the determination of the Fair Market Value of any securities or other property, any deduction for (a) liquidity considerations, or (b) minority equity holder status.

**"Initial Public Offering"** means the closing of the Company's first underwritten offering to the public pursuant to an effective registration statement under the Securities Act.

**"Liquidation Event"** means any voluntary or involuntary dissolution, liquidation or winding up of the Company, whether voluntary or involuntary, or any Asset Transfer or an Acquisition (as such terms are defined in the Amended and Restated Certificate of Incorporation of the Company).

**"Options"** means any rights, options or warrants to subscribe for, purchase or otherwise acquire any of Common Stock: provided, that this Warrant shall not be deemed an Option hereunder.

**"Person"** means an individual, a partnership, a limited liability company, a corporation, an association, a joint stock company, a trust, a joint venture, or any federal, state, county or municipal governmental or quasi-governmental agency, department, commission, board, bureau, instrumentality or similar entity, foreign or domestic, having jurisdiction over either the Company or any Holder.

**"Purchaser Group"** means the Purchaser and its Affiliates.

**"Qualified IPO"** means the closing of the Company's Initial Public Offering, provided that (i) the Company receives aggregate gross proceeds attributable to sales for the account of the Company (after deduction of underwriting discounts and commissions) of not less than \$30 million, at a price per share representing an equity value of at least \$650 million, and (ii) such Common Stock is listed for trading on either the New York Stock Exchange or the NASDAQ National Market.

**"Requisite Holders"** means the Holder or, in the event that there are multiple Holders, the Holder or Holders that own or otherwise hold more than fifty-percent (50%) of the Aggregate Holder Common Amount.

**"Securities Act"** means the Securities Act of 1933, or any similar federal statute, and the rules and regulations of the Commission thereunder, all as the same shall be amended and in effect at the time.

"**Series A Stock**" means the Series A Convertible Preferred, \$0.0001 par value per share, of the Company.

"**Series B Stock**" means the Series B Convertible Preferred, \$0.0001 par value per share, of the Company.

"**Series C Stock**" means the Series C Convertible Preferred, \$0.0001 par value per share, of the Company.

"**Series D Stock**" means the Series D Convertible Preferred, \$0.0001 par value per share, of the Company.

"**Series D-1 Stock**" means the Series D-1 Convertible Preferred, \$0.0001 par value per share, of the Company.

"**Series E Stock**" means the Series E Convertible Preferred, \$0.0001 par value per share, of the Company.

"**Series F Stock**" means the Series F Convertible Preferred, \$0.0001 par value per share, of the Company.

"**Stockholders**" means the stockholders of the Company.

"**Transaction Documents**" means this Warrant, the Purchase Agreement, the ROFR Agreement, the Voting Agreement and the IRA.

"**Transfer**" means any direct or indirect sale, transfer, issuance, assignment, pledge or other disposition or conveyance of Equity Securities.

"**Triggering Event**" means the earliest to occur of (i) the Expiration Date, (ii) a Liquidation Event and (iii) an Initial Public Offering.

"**Warrant**" means this Purchase Warrant for shares of Common Stock, as the same may be amended, restated or otherwise modified from time to time in accordance with its terms, together with any and all replacement and/or substitute warrants issued with respect hereto.

"**Warrant Redemption Price**" means, on any specified date herein and in relation to the Holder in connection with the exercise of the Put Right, the Fair Market Value of this Warrant and/or the Warrant Shares, as applicable: provided, that, in the event that the Put Right is exercised for less than all of this Warrant, the Warrant Redemption Price shall be proportionately reduced so as to equitably effect the redemption of the applicable portion of this Warrant in accordance with Section 5 of this Warrant and Section 7 of Article IV(D) of the COL Notwithstanding the foregoing, in the event the Put Right is exercised by the Holder (i) at any time after the Company shall receive a bona fide offer to consummate a Liquidation Event, for so long as such offer has not been retracted and is ultimately consummated in connection with the Company's payment of the Warrant Redemption Price, or (ii) during the period starting sixty (60) days prior to the Company's Qualified IPO, then in each case, the Warrant Redemption Price shall be proportionately reduced so as to give effect to the adjustment in the number of Warrant Shares upon such Liquidation Event or Qualified IPO (as applicable) pursuant to Section 2(a) above (if any) that would have applied had such Put Right not been exercised (the "**Put Right Reduction Shares**"), such that the Warrant Redemption Price shall be reduced by the value of the Put Right Reduction Shares in such Liquidation

Event or Qualified IPO (as applicable). "**Warrant Shares**" means the shares of Common Stock issued or issuable in connection with the exercise of this Warrant (as may be adjusted pursuant to the terms hereof) and shall include any Equity Securities into which such Warrant Shares shall have been changed or any Equity Securities resulting from any reclassification of such Warrant Shares.

**10. [Reserved].**

**11. MULTIPLE HOLDERS; VOTING RIGHTS; NO LIABILITIES AS A STOCKHOLDER.**

**11.1 Multiple Holders.** In the event that there shall be multiple Holders, each Holder agrees that (i) no other Holder will by virtue of this Warrant or exercise thereof be under any fiduciary or other duty to

give or withhold any consent or approval under this Warrant or to take any other action or omit to take any action under this Warrant and (ii) each other Holder may act or refrain from acting under this Warrant as such other Holder may, in its discretion, elect.

**11.2 Voting Rights.** The Warrant shall entitle the Holder, prior to the exercise of the Warrant, to voting rights as a holder of Common Stock of the Company on an as-if exercised basis.

**11.3 No Liabilities As a Stockholder.** Nothing contained in this Warrant shall be construed as imposing any obligation on any Holder to purchase any securities or as imposing any liabilities on any Holder as a holder of Equity Securities, whether such obligation or liabilities are asserted by the Company or by creditors of the Company.

**12. ADDITIONAL TERMS.** The Company and the Purchaser agree and acknowledge that Sections 5.11, 5.13, 5.14 and 5.15 of the Purchase Agreement shall apply to the Purchaser in all respects, for so long as Purchaser continues to hold the Warrant or the Warrant Shares.

**13. LOCK-UP LIMITATIONS.** Notwithstanding anything in this Warrant, none of the provisions of this Warrant shall in any way limit the Purchaser Group from engaging in any brokerage, investment advisory, financial advisory, anti-raid advisory, principaling, merger advisory, financing, asset management, trading, market making, arbitrage, investment activity and other similar activities conducted in the ordinary course of their business.

**14. NOTICES.**

**14.1 Manner of Delivery.** Any notice or other communication in connection with this Warrant shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified, (b) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's 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, freight prepaid, specifying next business day delivery, with written verification of receipt.

**14.2 Place of Delivery.** Any notice or other communication in connection with this Warrant shall be delivered to the following address (i) if to the Holder, to the address set forth on the signature page hereto (or any other address that the Holder may designate by written notice to the Company in accordance with this [Section 14](#)) with a copy of such notice delivered by electronic mail, (ii) if to the Company, to the attention of its Chief Executive Officer or President at its Chief Executive Office; provided, however, that the exercise of any Warrant shall be effective only in the manner provided in [Section 1](#).

**15. WAIVERS; AMENDMENTS.** Any provision of this Warrant may be amended or waived with the written consent of the Company and the Holder (or, for the avoidance of doubt, if there are multiple Holders, then the Holder or Holders constituting the Requisite Holders). Any amendment or waiver effected in compliance with this Section 15 shall be binding upon the Company and the Holder. In the event that there shall be multiple Holders, the Company shall give prompt notice to each Holder of any amendment or waiver effected in compliance with this Section 15. No failure or delay of the Company or the Holder in exercising any power or right 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 thereon or the exercise of any other right or power. No notice or demand on the Company in any case shall entitle the Company to any other or future notice or demand in similar or other circumstances. The rights and remedies of the Company and the Holder hereunder are cumulative and not exclusive of any rights or remedies which it would otherwise have, except as set forth in Section 18 below.

**16. INDEMNIFICATION.** Without limitation of any other provision of this Warrant or any other Transaction Document, the Company agrees to defend, indemnify and hold Purchaser and its respective affiliates, direct and indirect partners (including partners of partners and stockholders and members of partners), members, stockholders, managers, officers, employees and agents and each person who controls any of them within the

meaning of Section 15 of the Securities Act, or Section 20 of the Exchange Act (collectively, the “**Purchaser Indemnified Parties**” and, individually, a “**Purchaser Indemnified Party**”) harmless from and against any and all damages, liabilities, losses, taxes, fines, penalties, reasonable costs and expenses (including, without limitation, reasonable fees of a single counsel representing the Purchaser Indemnified Parties), as the same are incurred, of any kind or nature whatsoever (whether or not arising out of third-party claims and including all amounts paid in investigation, defense or settlement of the foregoing, provided that any such settlement shall be subject to the Company’s prior written consent, not to be unreasonably withheld) which may be sustained or suffered by any such Purchaser Indemnified Party (“**Losses**”), based upon, arising out of, or by reason of any third party or governmental claims relating in any way to such Purchaser Indemnified Party’s status as a security holder or otherwise relating to such Purchaser Indemnified Party’s investment in the Company (including, without limitation, any and all Losses under the Securities Act, the Exchange Act or other federal or state statutory law or regulation, at common law or otherwise, which relate directly or indirectly to the registration, purchase, sale or ownership of any securities of the Company (“**Securities**”)); provided, however, that the Company will not be liable to the extent that such Losses arise from or are based on (a) an untrue statement or omission or alleged untrue statement or omission in any registration, prospectus, report, schedule, statement, document, filing, submission, form, registration or other document filed with any governmental authority, which is made in reliance on and in conformity with written information furnished to the Company by or on behalf of such Purchaser Indemnified Party, or (b) conduct by a Purchaser Indemnified Party which constitutes fraud or willful misconduct. For the avoidance of doubt, the Purchaser Indemnified Parties shall not be entitled to indemnification pursuant to this Section 16 in respect of any taxes due and payable by a Purchaser Indemnified Party not imposed as a result of any action (or inaction) of the Company or arising out of (i) a Purchaser Indemnified Party’s sale or distribution of the Securities, (ii) any distributions with respect to the Securities, (iii) any redemptions of the Securities, and/or (iv) any prepayments with respect to the Securities.

## 17. MISCELLANEOUS.

**17.1 Successors and Assigns.** All the provisions of this Warrant by or for the benefit of the Company or the Holder shall bind and inure to the benefit of their respective successors and assigns.

**17.2 Severability.** In case any one or more of the provisions contained in this Warrant shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

**17.3 Equitable Remedies.** Without limiting the rights of the Company and the Holder to pursue all other legal rights available to such party (including equitable remedies) for the other parties’ failure to perform its obligations hereunder, the Company and the Holders each hereto acknowledge and agree that the remedy at law for any failure to perform any obligations hereunder might be inadequate and that each shall be entitled to seek specific performance, injunctive relief or other equitable remedies in the event of any such failure.

**17.4 Continued Effect.** The Company covenants and agrees not to become party to any contract, agreement or other arrangement which conflicts with the terms of this Warrant or any of the rights conferred to the Holder, or obligations imposed on the Company, hereby.

**17.5 Governing Law.** THIS WARRANT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE, AS TO MATTERS WITHIN THE SCOPE THEREOF, AND AS TO MATTERS OF CONTRACT LAW, BY THE LAWS OF THE STATE OF NEW YORK, IN EACH CASE EXCLUDING ANY RULE OF LAW THAT WOULD CAUSE THE APPLICATIONS OF THE LAW OF ANY JURISDICTION OTHER THAN THE LAWS OF THE STATE OF DELAWARE OR NEW YORK, AS APPLICABLE. THE PARTIES HERETO IRREVOCABLY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE (A) FEDERAL COURTS LOCATED IN THE STATE OF NEW YORK, AND (B) THE STATE COURTS OF THE STATE OF NEW YORK LOCATED IN MANHATTAN, FOR THE SETTLEMENT OF ANY DISPUTES THAT ARISE UNDER THIS AGREEMENT. EACH OF THE PARTIES HERETO WAIVES ANY OBJECTION TO THE VENUE IN ANY SUCH PROCEEDING, WHETHER ON THE GROUNDS OF FORUM NON-CONVENIENS OR OTHERWISE.

**17.6 Waiver of Jury Trial.** EACH PARTY HERETO HEREBY IRREVOCABLY 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 WARRANT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON 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 WARRANT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

**17.7 Construction.** The section headings used herein are for convenience of reference only and shall not be construed in any way to affect the interpretation of any provisions of this Warrant. The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. Terms defined in the singular have the corresponding meanings in the plural, and vice versa. Unless the context of this Warrant clearly requires otherwise, words importing the masculine gender include the feminine and neutral genders and vice versa. The terms "include," "includes" or "including" mean "including without limitation. The words "hereof," "hereto," "hereby," "herein," "hereunder" and words of similar import, when used in this Warrant, refer to this Warrant as a whole and not to any particular section or article in which such words appear. Except to the extent expressly provided herein, the Holder's exercise of any rights under this Warrant, including with respect to the granting or withholding of any consent required hereunder, may be done at the sole discretion of the Holder.

**17.8 Counterparts.** This Warrant may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which taken together, shall be deemed to be one and the same instrument.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date hereof.

**COMPANY:**

**KALTURA, INC.**

By: /s/ Ron Yekutiel  
Name: Ron Yekutiel  
Title: Chief Executive Officer

The undersigned is executing this Warrant as of the date hereof to make the representations and warranties set forth in Section 8.2 of this Warrant and to evidence its consent to, and, to the extent applicable, its agreement to be bound by, any and all provisions of this Warrant (and the defined terms referenced therein) for the benefit of the Company and each other Holder.

**PURCHASER:**

**GOLDMAN, SACHS & CO.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the date hereof.

**COMPANY:**

**KALTURA, INC.**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title \_\_\_\_\_

The undersigned is executing this Warrant as of the date hereof to make the representations and warranties set forth in Section 8.2 of this Warrant and to evidence its consent to, and, to the extent applicable, its agreement to be bound by, any and all provisions of this Warrant (and the defined terms referenced therein) for the benefit of the Company and each other Holder.

**PURCHASER:**

**GOLDMAN, SACHS & CO.**

By: /s/ Hillel Moerman \_\_\_\_\_

Name: Hillel Moerman \_\_\_\_\_

Title Managing Director \_\_\_\_\_

<b>Initial Warrant Shares:</b>	<b>1,588,109 Shares of Common Stock</b>
<b>Initial Warrant Price:</b>	<b>\$0.0001</b>
<b>Expiration Date:</b>	<b>July 21, 2026</b>

Address for Notices:

Goldman, Sachs & Co.  
200 West Street  
New York, New York 10272  
Attn: Holger Staude  
Telecopy No.: (917)977-3305  
Email: Holger.Staude@gs.com

with a copy to (which shall not constitute notice):

Latham & Watkins LLP  
200 Clarendon Street  
Boston, Massachusetts 02116  
Attn: Alexander B. Temel

**EXHIBIT I**

**FORM OF SUBSCRIPTION**

[To be executed only upon exercise of Warrant]

To [\_\_\_\_\_]

The undersigned registered Holder of the within Warrant hereby irrevocably exercises such Warrant for, and purchases thereunder, \_\_\_\_\_ shares of Common Stock and herewith makes payment of \$\_\_\_\_\_ therefore, and requests that the certificates for such Common Stock be issued in the name of, and delivered to \_\_\_\_\_, whose address is \_\_\_\_\_.

Dated:

\_\_\_\_\_  
(Signature must conform in all respects to name of Holder as specified on the face of Warrant)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(State)

\_\_\_\_\_  
(Zip Code)

**EXHIBIT II**

**FORM OF ASSIGNMENT**

[To be executed upon transfer of Warrant]

For value received, the undersigned registered Holder of the Warrant (the “**Transferor**”) hereby sells, assigns and transfers unto \_\_\_\_\_ (the “**Transferee**”) the rights represented by such Warrant to purchase \_\_\_\_\_ shares of Common Stock of Kaltura, Inc. (the “**Company**”) to which and such Warrant relates, and appoints \_\_\_\_\_ as its attorney-in-fact to make such transfer on the books of the Company maintained for such purpose, with full power of substitution in the premises. The Transferee makes the representations and warranties set forth in Section 8.2 of the Warrant, and consents to, and, to the extent applicable, agrees to be bound by, any and all provisions of the Warrant (and the defined terms referenced therein) for the benefit of the Company and each other Holder.

Dated: \_\_\_\_\_, \_\_\_\_

Transferor:

\_\_\_\_\_  
(Signature must conform in all respects to name of Holder as specified on the face of Warrant)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(State)

\_\_\_\_\_  
(Zip Code)

Transferee:

\_\_\_\_\_  
(Signature must conform in all respects to name of Holder as specified on the face of Warrant)

\_\_\_\_\_  
(Street Address)

\_\_\_\_\_  
(City)

\_\_\_\_\_  
(State)

\_\_\_\_\_  
(Zip Code)

**AMENDMENT NO. 1  
TO THE  
PURCHASE WARRANT FOR COMMON STOCK**

This Amendment No. 1 to the Purchase Warrant for Common Stock (this "**Amendment**") is entered into as of March 18, 2021 by and among Kaltura, Inc., a Delaware corporation (the "**Company**"), and Special Situations Investing Group II, LLC ("**SSIG**"). Capitalized terms used and not defined herein shall have the meaning set forth in the Warrant (as defined below).

WHEREAS, SSIG is the current registered holder (in such capacity, the "**Holder**") of that certain Purchase Warrant for Common Stock, originally issued by the Company to Goldman, Sachs & Co. on July 22, 2016 (the "**Warrant**");

WHEREAS, in connection with the proposed initial public offering (the "**IPO**") of the Company's common stock, par value \$0.0001 per share (the "**Common Stock**"), the Company and the Holder desire to make certain amendments to the Warrant as set forth below;

WHEREAS, pursuant to Section 4 of the Warrant, the Company is required to provide not less than fifteen (15) days' prior notice to the Holder if the Company agrees or commits to certain events, including, among other things, (i) any Triggering Event, and (ii) any capital reorganization of the Company, or reclassification or recapitalization of Equity Securities, and, in any such case, to provide the Holder with all material information relating thereto;

WHEREAS, the IPO constitutes a Triggering Event for purposes of Section 4 of the Warrant;

WHEREAS, the Holder desires to acknowledge receipt of notice from the Company regarding the IPO and the one-to-4.5 forward stock split to be effected by the Company in connection with the IPO (the "**Stock Split**"), and to waive the applicable notice period relating to the timing of delivery of such notice; and

WHEREAS, Section 15 of the Warrant provides that any provision thereof may be amended or waived with the written consent of the Company and the Holder.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

1. **Amendments.**

- (a) The definition of "Initial Public Offering" set forth in Section 9 of the Warrant is hereby amended to read as follows:

"**Initial Public Offering**" means the closing of the Company's first underwritten offering to the public pursuant to an effective registration statement under the Securities Act, including, for the avoidance of doubt, the Company's Registration Statement on Form S-1 (Reg. No. 333-253699).

- (b) The definition of "Qualified IPO" set forth in Section 9 of the Warrant is hereby amended to read as follows:

"**Qualified IPO**" means the closing of the Company's Initial Public Offering pursuant to (x) the Company's Registration Statement on Form S-1 (Reg. No. 333-253699), or (y) any other effective registration statement filed by the Company under the Securities Act, *provided* that, in the case of this clause (y), (i) the Company receives aggregate gross proceeds attributable to sales for the account of the Company (after deduction of underwriting discounts and commissions) of not less than \$30 million, at a price per share representing an equity value of at least \$650 million, and (ii) such Common Stock is listed for trading on either the New York Stock Exchange or the Nasdaq Stock Market.

2. **Acknowledgment and Waiver of Notice.** The Holder hereby acknowledges that it has received notice from the Company regarding the IPO and the Stock Split, in full satisfaction of the Company's obligations under Section 4 of the Warrant, and hereby waives any applicable notice period relating to the timing of delivery of such notice.

3. **Governing Law.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE, AS TO MATTERS WITHIN THE SCOPE THEREOF, AND AS TO MATTERS OF CONTRACT LAW, BY THE LAWS OF THE STATE OF NEW YORK, IN EACH CASE EXCLUDING ANY RULE OF LAW THAT WOULD CAUSE THE APPLICATIONS OF THE LAW OF ANY JURISDICTION OTHER THAN THE LAWS OF THE STATE OF DELAWARE OR NEW YORK, AS APPLICABLE. THE PARTIES HERETO IRREVOCABLY CONSENT TO THE EXCLUSIVE JURISDICTION OF THE (A) FEDERAL COURTS LOCATED IN THE STATE OF NEW YORK, AND (B) THE STATE COURTS OF THE STATE OF NEW YORK LOCATED IN MANHATTAN, FOR THE SETTLEMENT OF ANY DISPUTES THAT ARISE UNDER THIS AMENDMENT. EACH OF THE PARTIES HERETO WAIVES ANY OBJECTION TO THE VENUE IN ANY SUCH PROCEEDING, WHETHER ON THE GROUNDS OF FORUM NON-CONVENIENS OR OTHERWISE.

4. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which taken together, shall be deemed to be one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., [www.docusign.com](http://www.docusign.com)) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

5. **No Further Modifications or Amendment.** Except as amended hereby, the Warrant shall remain in full force and effect and the parties agree that no other modification or amendment exists or is valid or enforceable.

*[remainder of page intentionally left blank]*



**HOLDERS:**

**SPECIAL SITUATIONS INVESTING GROUP II, LLC**

By: /s/ Holger Staude

Name: Holger Staude

Title Authorized Signatory

*[Signature page to Amendment No. 1 to Purchase Warrant for Common Stock]*



THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”), OR THE SECURITIES LAWS OF ANY STATE, AND MAY NOT BE SOLD, PLEDGED, OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR OTHERWISE IN ACCORDANCE WITH APPLICABLE LAW.

#### WARRANT TO PURCHASE COMMON STOCK

**Company:** Kaltura, Inc., a Delaware corporation (the “*Company*”)

**Number of Warrant Shares:** up to 136,279 Warrant Shares (as such term is defined below).

**Type/Series of Shares:** shares of Common Stock, \$0.0001 par value per share, of the Company (the “*Common Stock*”).

**Warrant Price:** \$0.0001 per share

**Issue Date:** March 26, 2020

**Agreement:** This Warrant is issued in connection with, and is subject to the terms and conditions set forth under that certain Share Exchange Agreement, dated January 21, 2020 (the “*Share Exchange Agreement*”), by and among the Company, Newrow, Inc., a company organized under the laws of the State of Delaware, each Company Stockholder listed on Exhibit A thereto, and Rony Zarom, as the representative of the Company Stockholders. Unless otherwise defined herein, capitalized terms used herein shall have the meaning ascribed to them in the Share Exchange Agreement.

THIS WARRANT CERTIFIES THAT, for value received, receipt of which is hereby acknowledged, Zarom Holding Limited (“*Holder*”), is entitled to purchase, at any time during the Exercise Period (as defined below), such number of shares of Common Stock of the Company as set forth above and subject to Section 1.1 below, at an exercise price per share equal to the Warrant Price, all subject to the provisions and upon the terms and conditions set forth in this Warrant.

#### ARTICLE 1. WARRANT SHARES; EXERCISE.

1.1 **Number of Warrant Shares.** The number of Warrant Shares that shall become vested and exercisable under this Warrant, shall be subject to and contingent upon achievement of the performance targets and all other terms and conditions set forth in Section 2.3(b) of the Share Exchange Agreement (including, without limitation, the vesting acceleration provisions set forth in Section 2.3(b)(i)(5)(iii)), such number not to exceed the number of Warrant Shares set forth above. The Holder acknowledges and agrees that the number of Warrant Shares underlying this Warrant shall be determined pursuant to the Share Exchange Agreement, and the Holder shall not have any claim or demand with respect thereto and in connection therewith, subject to the provisions set forth in Section 2.3(b)(i)(4) of the Share Exchange Agreement.

1.2 **Exercise Period.** This Warrant may be exercised by the Holder, in whole or in part (subject to the provisions herein and Section 2.3(b) of the Share Exchange Agreement), at any time following the lapse of thirty (30) months from the Issue Date, and no later than immediately prior to the occurrence of a Triggering Event (such period, the “*Exercise Period*”). Furthermore, if the Holder does not exercise this Warrant (in whole or in part) within the Exercise Period, then, immediately prior to the last date of the Exercise Period, this Warrant shall be automatically null and void and may not be thereafter exercised. For the purpose hereof “*Triggering Event*” shall mean the earlier to occur of: (a) the lapse of seven (7) years following the Issue Date; (b) an IPO; (c) an Acquisition

(subject to Section 1.4 below); or (d) an Asset Transfer (as such terms under (b)-(d) are defined in the Company's Amended and Restated Certificate of Incorporation, as amended from time to time).

1.3 **Exercise of Warrant.** This Warrant may be exercised, in whole or in part, by the Holder, by (i) the surrender of this Warrant to the Company, together with the Notice of Exercise in the form attached hereto as Exhibit B, duly completed and executed on behalf of the Holder, at the office of the Company (or such other office or agency of the Company as it may designate by notice in writing to the Holder at the address of the Holder appearing on the books of the Company) during the Exercise Period, and (ii) the delivery of payment to the Company, for the account of the Company, by cash, wire transfer of immediately available funds to a bank account specified by the Company, or by certified or bank cashier's check, of the Exercise Price for the number of Warrant Shares specified in the Notice of Exercise. The Company agrees that such Warrant Shares shall be deemed to be issued to the Holder as the record holder of such Warrant Shares as of the close of business on the date on which this Warrant shall have been surrendered and payment made for the Warrant Shares as aforesaid. A stock certificate or certificates for the number of Warrant Shares specified in the Notice of Exercise shall be delivered to the Holder as promptly as practicable and in any event within seven (7) days after the date thereof. If this Warrant shall have been exercised only in part, the Company shall, at the time of delivery of the share certificate or certificates, deliver to the Holder a new Warrant evidencing the right to purchase the remaining Warrant Shares, which new Warrant shall in all other respects be identical to this Warrant.

1.4 **Warrant treatment upon Acquisition.** Subject to the provisions of Section 2.3(b) of the Share Exchange Agreement, in the event of the consummation of an Acquisition during the Earn-Out Period, then the Company shall decide, at its sole discretion, upon the closing of any such Acquisition, whether the acquiring, surviving or successor entity shall assume the obligations of the Company under this Warrant or if this Warrant shall be cancelled and converted into the right to receive the same securities and/or other property (including cash) as would have been paid for the Warrant Shares issuable upon exercise of the unexercised portion of this Warrant as if such Warrant Shares were outstanding on and as of the closing of such Acquisition, provided however, that in any and all events, all terms, conditions and restrictions that are applicable to the achievement of the performance targets and conditions set forth in the Share Exchange Agreement shall continue to apply with respect to such assumption or to such securities and/or other property, as applicable.

1.5 **No Fractional Shares.** No fractional Warrant Shares will be issued in connection with any exercise hereunder, and the Company shall round to the nearest whole share, the number of Warrant Shares to be issued hereunder.

1.6 **No Rights of Stockholders.** Prior to exercise, the Holder (in its capacity as a holder of this Warrant) shall not be entitled to any right to vote, to receive cash dividends, give or withhold consent to any corporate action, receive notice of meetings of the stockholders or be deemed a holder of the Warrant Shares issuable upon exercise of this Warrant. Upon exercise hereof, as set forth herein, the Holder shall be deemed to be a stockholder of the Company holding the number of Warrant Shares as to which this Warrant has been exercised on the date the Notice of Exercise has been received by the Company at the principal office of the Company with any payment or other documents called for by the terms hereof.

1.7 **Replacement of Warrants.** On receipt of a duly executed affidavit of an officer of the Holder of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company at its expense shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor.

ARTICLE 2. **ADJUSTMENTS TO THE SHARES.** The number of Warrant Shares purchasable upon the exercise of this Warrant and the Warrant Price shall be subject to adjustment from time to time upon the occurrence of certain events, as follows:

2.1 **Share Splits and Combinations.** If the Company at any time or from time to time, during the Exercise Period, effects a subdivision of the outstanding shares of Common Stock, then, the number of shares of

Common Stock issuable upon exercise of this Warrant immediately before the subdivision shall be proportionately increased, and conversely, if the Company at any time or from time to time, during the Exercise Period, combines the outstanding Common Stock, then, the number of shares of Common Stock issuable upon exercise of this Warrant immediately before the combination shall be proportionately decreased. Any adjustment under this Section 2.1 shall become effective at the close of business on the date the subdivision or combination becomes effective.

2.2 Adjustment for Reclassification, Exchange or Substitution. Upon any reclassification, exchange, substitution, or other event that results in a change of the number and/or class of the securities issuable upon exercise of this Warrant, Holder shall be entitled to receive, upon exercise of this Warrant, the number and kind of securities and property that Holder would have received for the Warrant Shares if this Warrant had been exercised immediately before such reclassification, exchange, substitution, or other event. The Company or its successor shall promptly issue to Holder a new warrant for such new securities or other property. The new warrant shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 2. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, substitutions, or other events.

2.3 Adjustment for Certain Dividends and Distributions. In the event the Company at any time or from time to time, during the Exercise Period makes, or fixes a record date for the determination of holders of shares of Common Stock entitled to receive, without payment therefor, a dividend or other distribution payable in additional shares of Common Stock, then and in each such event the number of Warrant Shares issuable upon exercise of this Warrant (if any) shall be increased as of the time of such issuance or, in the event such a record date is fixed, as of the close of business on such record date, by multiplying the number of Warrant Shares issuable upon exercise of this Warrant by a fraction: (i) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution, and (ii) the denominator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date; provided, however, that 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 thereof, the number of Warrant Shares issuable upon exercise of this Warrant shall be recomputed accordingly as of the close of business on such record date and thereafter the number of Warrant Shares issuable upon exercise of this Warrant shall be adjusted pursuant to this Section 2.3 as of the time of actual payment of such dividends or distributions.

2.4 Adjustments for Other Dividends and Distributions. In the event the Company at any time or from time to time during the Exercise Period makes, or fixes a record date for the determination of holders of shares of Common Stock entitled to receive, without payment therefor, a dividend or other distribution payable in securities of the Company other than shares of Common Stock, then in each such event provision shall be made so that the Holder shall receive upon exercise of this Warrant (in whole or in part), in addition to the number of Warrant Shares receivable thereupon, the amount of securities of the Company that the Holder would have received had this Warrant been exercised for such number of Warrant Shares immediately prior to such event (or the record date for such event) and had the Holder thereafter, during the period from the date of such event to and including the date of exercise, retained such securities receivable by it as aforesaid during such period, subject to all other adjustments called for during such period under this Section 2 with respect to the rights of the Holder.

2.5 Adjustment of Warrant Price. Upon each adjustment in the number of Warrant Shares purchasable hereunder, the Warrant Price shall be proportionately increased or decreased, as the case may be, in a manner that is the inverse of the manner in which the number of Warrant Shares exercisable hereunder shall be adjusted.

ARTICLE 3. REPRESENTATIONS AND WARRANTIES. The Holder represents and warrants to the Company as follows:

3.1 Share Exchange Agreement. The Holder understands, acknowledges and confirms that the exercisability of this Warrant and the issuance of the Warrant Shares upon exercise hereof are subject to and contingent upon all terms and conditions of the Share Exchange Agreement, and may be reduced and/or forfeited by the Company in accordance with the terms of Article 10 thereof.

3.2 Purchase for Own Account. This Warrant and the Warrant Shares to be acquired upon exercise of this Warrant by the Holder will be acquired for investment for the Holder's account, not as a nominee or agent, and not with a view to the public resale or distribution within the meaning of the 1933 Act, and the Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. The Holder also represents that the Holder has not been formed for the specific purpose of acquiring this Warrant or the Warrant Shares.

3.3 Investment Experience. The Holder has experience as an investor in securities, and acknowledges that the Holder is able to fend for itself, can bear the economic risk of the Holder's investment in this Warrant and the underlying Warrant Shares and has such knowledge and experience in financial or business matters such that the Holder is capable of evaluating the merits and risks of its investment in this Warrant and the underlying Warrant Shares. Holder understands that the purchase of this Warrant and the underlying Warrant Shares involves substantial risk.

3.4 Accredited Investor Status. The Holder is an "accredited investor" within the meaning of Rule 501 of Regulation D promulgated, as presently in effect, under the 1933 Act, or a Non-U.S. Person as defined under Regulation S promulgated under the 1933 Act.

3.5 The Act. Holder understands that this Warrant and the Warrant Shares issuable upon exercise hereof have not been registered under the Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of the Holder's investment intent as expressed herein. Holder understands that, without derogating from any and all restrictions on transfer set forth herein, this Warrant and the Warrant Shares issued upon any exercise hereof must be held indefinitely unless subsequently registered under the Act and qualified under applicable state securities laws, or unless exemption from such registration and qualification are otherwise available.

3.6 Market "Stand-Off." Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the Company's first sale of its Common Stock in an IPO and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days) or, if required by such underwriter, such longer period of time as is necessary to enable such underwriter to issue a research report or make a public appearance that relates to an earnings release by the Company within fifteen (15) days before or after the date that is one hundred eighty (180) days after the effective date of the registration statement relating to such offering, but in any event not to exceed two hundred ten (210) days following the effective date of the registration statement relating to such offering, (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock held immediately before the effective date of the registration statement for such offering or (ii) 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 in clause (i) or (ii) above is to be settled by delivery of common stock or other securities, in cash, or otherwise.

3.7 Rights and Restriction. Holder has received a copy of the Company's Amended and Restated Certificate of Incorporation, Company's Amended and Restated Right of First Refusal and Co-Sale Agreement, and the Company's Amended and Restated Voting Agreement. The Holder understands and acknowledges that the Warrant Shares issuable upon exercise of the Warrants shall be subject to all restrictions and obligations as are applicable to Common Stock pursuant to the foregoing documents, including, without limitation restriction on transfer of the Warrant Shares. Upon any exercise of this Warrant, Holder shall, if the Company so requests in writing, become a party to, by execution and delivery to the Company of a counterpart signature page, joinder agreement, instrument of accession or similar instrument, the Company's then-effective voting agreement, right of first refusal and co-sale agreement and/or each other agreement entered into among the Company and the holders of outstanding shares of Common Stock.

#### ARTICLE 4. MISCELLANEOUS

4.1 Legends. In addition to any other required legends applicable to the Company's Common Stock, this Warrant and the Warrant Shares shall bear the following legend(s):

THE SECURITIES REPRESENTED HEREBY MAY NOT BE SOLD, ASSIGNED, TRANSFERRED, ENCUMBERED OR IN ANY MANNER DISPOSED OF, EXCEPT IN COMPLIANCE WITH THE TERMS OF A WRITTEN AGREEMENT BETWEEN THE COMPANY AND THE REGISTERED HOLDER OF THE SECURITIES (OR THE PREDECESSOR IN INTEREST TO THE SECURITIES). THE SECURITIES REPRESENTED HEREBY ARE ALSO SUBJECT TO CERTAIN REPURCHASE RIGHTS, CANCELLATION RIGHTS AND FORFEITURE PROVISIONS SET FORTH IN THE SHARE EXCHANGE AGREEMENT AND/OR WARRANTS PURSUANT TO WHICH SUCH SECURITIES WERE ISSUED.

4.2 Compliance with Securities Laws on Transfer. This Warrant and the Warrant Shares issuable upon exercise of this Warrant may not be transferred or assigned in whole or in part without compliance with applicable federal and state securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company).

4.3 Transfers. This Warrant may not be sold, pledged, encumbered, assigned, transferred, or otherwise disposed of without the prior written consent of the Company.

4.4 No Impairment. The Company will not, by amendment of its Certificate of Incorporation or bylaws, or through reorganization, consolidation, merger, dissolution, issue or sale of securities, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant. Without limiting the generality of the foregoing, the Company will take all such corporate action as may be reasonably necessary or appropriate in order that the Company may duly and validly issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant pursuant to the terms and subject to the conditions herein.

4.5 Notices. Except as may be otherwise provided herein, all notices, requests, demands and other communications hereunder, including but not limited to Notices of Exercise, shall be in writing and shall be deemed to have been given in accordance with the provisions of Section 11.1 of the Share Exchange Agreement.

4.6 Severability. In the event that any one or more of the provisions contained herein is held invalid, illegal or unenforceable in any respect for any reason in any jurisdiction, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired or affected (so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party), it being intended that each of parties' rights and privileges shall be enforceable to the fullest extent permitted by applicable law, and any such invalidity, illegality and unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction (so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party).

4.7 Amendment. This Warrant may only be modified or amended by the written consent of the Company and the Holder.

4.8 Entire Agreement. This Warrant and the exhibits hereto, together with the Share Exchange Agreement, constitute the full and entire understanding and agreement between the parties with regard to the subject matter hereof and supersede all prior and contemporaneous agreements, representations, and undertakings of the parties, whether oral or written, with respect to such subject matter.

4.9 Governing Law. This Warrant, including the validity hereof and the rights and obligations of the parties hereunder, shall be construed in accordance with and governed by the laws of the State of Delaware applicable to contracts made and to be performed entirely in such state (without giving effect to the conflicts of Laws provisions thereof).

*[Signatures on Next Page]*

Company:

Kaltura, Inc.

By: /s/ Ron Yekutiel

---

Ron Yekutiel

Chief Executive Officer

Holder:

Zarom Holding Limited

By: /s/ Rony Zarom

---

Name: Rony Zarom

Title: Signatory

*[Signature Page—Warrant to Purchase Common Stock]*

Exhibit A

Share Exchange Agreement



Exhibit B

NOTICE OF EXERCISE

The undersigned registered Holder of this Warrant hereby irrevocably exercises such Warrant for, and purchases thereunder, \_\_\_\_\_ shares of Common Stock and herewith makes payment of \$\_\_\_\_\_ therefore.

Please issue a certificate or certificates representing said shares in the name of the undersigned or in such other name as is specified below:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The undersigned represents it is acquiring the Warrant Shares solely for its own account and not as a nominee for any other party and not with a view toward the resale or distribution thereof except in compliance with applicable securities laws. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Article 3 of the Warrant as of the date hereof.

Name of Holder:

By: \_\_\_\_\_  
Name:  
Title:  
Date:

## AMENDMENT TO WARRANT TO PURCHASE COMMON STOCK

This Amendment (the “**Amendment**”) to that certain warrant to purchase common stock, issued by Kaltura Inc, a Delaware corporation (the “**Company**”) to Zarom Holding Limited (“**Holder**”) on March 26, 2020 (the “**Warrant**”), is entered into as of January 4, 2021 (the “**Amendment Effective Date**”), by and between the Company and the Holder. Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Warrant.

**WHEREAS**, the Company and the Holder had mutually agreed to amend the terms and conditions of the Warrant, all as further detailed below;

**NOW THEREFORE**, in consideration of the foregoing, the Company and Holder mutually agree to amend the Warrant, which amendment shall be effective as of the Amendment Effective Date, as set forth below.

1. It is hereby agreed by the Company and the Holder that, as of the Amendment Effective Date, the following terms and provisions shall apply to the Warrant, replacing, supplementing or changing existing terms in the Warrant, as detailed below.
2. Section 1.2 of the Warrant shall be deleted and replaced in its entirety with the following:

*“1.2 Exercise Period. This Warrant may be exercised by the Holder, in whole or in part (subject to the provisions herein and Section 2.3(b) of the Share Exchange Agreement), at any time following the lapse of thirty (30) months from the Issue Date, and no later than immediately prior to the occurrence of a Triggering Event (such period, the “Exercise Period”). Furthermore, if the Holder does not exercise this Warrant (in whole or in part) within the Exercise Period, then, immediately prior to the last date of the Exercise Period, this Warrant shall be automatically null and void and may not be thereafter exercised. For the purpose hereof “Triggering Event” shall mean the earlier to occur of: (a) the lapse of seven (7) years following the Issue Date; (b) an Acquisition (subject to Section 1.4 below); or (c) an Asset Transfer (as such terms under (b)-(c) are defined in the Company’s Amended and Restated Certificate of Incorporation, as amended from time to time).”*

### 3. Miscellaneous.

3.1 Effective Date. This Amendment shall be effective as of the Amendment Effective Date

3.2 Survival of Provisions. Except as explicitly amended and modified hereby, which amendments shall have effect on the entire Warrant, all other terms and conditions of the Warrant shall remain in full force and effect in accordance with their terms.

3.3 Governing Law. This Amendment shall be governed by and construed under the laws of the State of Delaware, applicable to contracts made and to be performed entirely in such state (without giving effect to the conflicts of laws provisions thereof).

3.4 Entire Agreement. The Warrant, the Amendment and all exhibits and schedules thereto constitute the full and entire understanding and agreement between the parties hereto with regard to the subject matters hereof and thereof supersede and terminate any previous agreement or arrangement between the parties hereto, whether written or oral. Any term of this Amendment may be amended and the observance of any term hereof may be waived (either prospectively or retroactively and either generally or in a particular instance) only with the mutual written consent of all of the parties hereto.

3.5 Counterparts. This Amendment may be executed in any number of counterparts, by fax or original signature, each of which shall be deemed an original and enforceable against the parties actually executing such counterpart, and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered on and as of the Effective Date.

**KALTURA INC.**

**By:** /s/ Ron Yekutiel

**Name:** Ron Yekutiel

**Title:** January 27, 2021

**ZAROM HOLDING LIMITED**

**By:** /s/ Rony Zarom

**Name:** Rony Zarom

**Title:** CEO

LATHAM & WATKINS<sup>LLP</sup>

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March 23, 2021

Kaltura, Inc.  
 250 Park Avenue South, 10th Floor  
 New York, New York 10003

## FIRM / AFFILIATE OFFICES

Beijing	Moscow
Boston	Munich
Brussels	New York
Century City	Orange County
Chicago	Paris
Dubai	Riyadh
Düsseldorf	San Diego
Frankfurt	San Francisco
Hamburg	Seoul
Hong Kong	Shanghai
Houston	Silicon Valley
London	Singapore
Los Angeles	Tokyo
Madrid	Washington, D.C.
Milan	

Re: Registration Statement No. 333-253699;  
27,025,000 shares of common stock of Kaltura, Inc.

Ladies and Gentlemen:

We have acted as special counsel to Kaltura, Inc., a Delaware corporation (the “**Company**”), in connection with the proposed registration of up to 27,025,000 shares (the “**Shares**”) of the Company’s common stock, par value \$0.0001 per share, which include up to 20,925,000 shares of common stock to be issued and sold by the Company (the “**Company Shares**”) and up to 6,100,000 shares of common stock to be sold by certain selling stockholders (the “**Stockholder Shares**”). The Shares are included in a registration statement on Form S-1 under the Securities Act of 1933, as amended (the “**Act**”), initially filed with the Securities and Exchange Commission (the “**Commission**”) on March 1, 2021 (Registration No. 333-253699) (as amended, the “**Registration Statement**”). The term “Shares” shall include any additional shares of common stock registered by the Company pursuant to Rule 462(b) under the Act in connection with the offering contemplated by the Registration Statement. This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or related Prospectus, other than as expressly stated herein with respect to the issue of the Shares.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters. We are opining herein as to General Corporation Law of the State of Delaware, and we express no opinion with respect to any other laws.

Subject to the foregoing and the other matters set forth herein, it is our opinion that, as of the date hereof, (i) when the amended and restated certificate of incorporation of the Company in the form most recently filed as an exhibit to the Registration Statement (the “**Amended and Restated Certificate of Incorporation**”) has been duly filed with the Secretary of State of the State of Delaware and when the Company Shares shall have been duly registered on the books of the transfer agent and registrar therefor in the name or on behalf of the purchasers and have been issued by the Company against payment therefor (not less than par value) in the circumstances contemplated by the form of underwriting agreement most recently filed as an exhibit to the Registration Statement, the issue and sale of the Company Shares will have been duly authorized by all necessary corporate action of the Company and the Company Shares will be validly issued, fully paid and nonassessable and (ii) when the Amended and Restated Certificate of Incorporation has been duly filed with the Secretary of State of the State of Delaware, the Stockholder Shares will have been duly authorized by all necessary corporate action of the Company and will be validly issued, fully paid and non-assessable; provided, however, that with respect to those Stockholder Shares to be sold by certain selling stockholders that will be issued upon the exercise of vested options prior to such sale, such Stockholder Shares will be validly issued, fully paid and non-assessable upon the exercise and payment in compliance with the terms of the agreements pursuant to which such Stockholder Shares are to be issued prior to the completion of the offering that is the subject of the Registration Statement. In rendering the foregoing opinion, we have assumed that the Company will comply with all applicable notice requirements regarding uncertificated shares provided in the General Corporation Law of the State of Delaware.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Registration Statement and to the reference to our firm in the Prospectus under the heading “Legal Matters.” We further consent to the incorporation by reference of this letter and consent into any registration statement filed pursuant to Rule 462(b) with respect to the Shares. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Latham & Watkins LLP

**Kaltura, Inc.**  
a Delaware corporation  
\_\_\_\_\_  
(the "Company")

**Grant Letter**

To the Participant, \$grantee\$, ID: \$employeeid\$

1. You are hereby notified that on \$grantdate\$ the Board of Directors of the Company has resolved that you shall be granted \$amount\$ options, each to purchase one Common Stock par value of US\$ 0.0001 of the Company at an exercise price per Common Stock of US \$price\$ (the "**Options**").
2. The Options, shares resulting from their exercise ("**Shares**") and any additional rights including share bonus that shall be distributed to you in connection with the Options ("**Additional Rights**"), shall be allocated on your behalf to the Trustee - the Employees Remuneration Trust Company (the "**Trustee**").
3. The Options, Shares and Additional Rights shall be allocated on your behalf to the Trustee under the provisions of the Capital Gains Tax Track and will be held by the Trustee for the period stated in Section 102 of the Income Tax Ordinance, 1961 and the Income Tax Regulations (Tax Relieves in Allocation of Shares to Employees), 2003 promulgated thereunder ("**Section 102**").
4. The Options, Shares and Additional Rights are granted to you and allocated to the Trustee according to the provisions of Section 102, the 2007 Israeli Share Option Plan adopted by the Company ("**Plan**") and the Trust Agreement signed between the Company and the Trustee attached herewith and made a part of this notice.
5. Unless otherwise determined by the Administrator, all Options granted to you on this date shall, subject to your continued employment with or service to the Company or Affiliate, become vested and exercisable in accordance with the vesting schedule detailed below. The commencement date of your vesting schedule is \$date\$ (the "**Commencement Date**").
  - (A) 1/4 of the Options shall vest on the first anniversary of the Commencement Date (the "First Anniversary").
  - (B) 1/48 of the Options shall vest on each subsequent month following the First Anniversary.
  - (C) In accordance with the above, all Options shall become fully vested by the fourth anniversary of the Commencement Date.
6. The Options are granted to you on condition that you sign the Approval of the Participant as detailed below.

\_\_\_\_\_  
COMPANY

\_\_\_\_\_  
Date

**APPROVAL OF THE PARTICIPANT:**

I hereby agree that all the Options and Additional Rights granted to me, shall be allocated to the Trustee under provisions of the Capital Gains Tax Track and shall be held by the Trustee for the period stated in Section 102 and in accordance with the provisions of the Trust Agreement, or for a shorter period if an approval is received from the tax authorities.

I am aware of the fact that upon termination of my employment in the Company, I shall not have a right to the Options, except as specified in the Plan.

I hereby confirm that:

1. I read the Plan and I understand and accept its terms and conditions. I am aware of the fact that the Company agrees to grant me the Options based on my confirmation;
2. I understand the provisions of Section 102 and the applicable tax track of this grant of Options;
3. I agree to the terms and conditions of the Trust Agreement;
4. Subject to the provisions of Section 102, I confirm that I shall not sell nor transfer the Options, Shares or Additional Rights from the Trustee until the end of the Holding Period;
5. If I shall sell or withdraw the shares from the Trust before the end of the Holding Period as defined in Section 102 (“**Violation**”), either (A) I shall reimburse the Company within three (3) business days of its demand for the employer portion of the payment by the Company to the National Insurance Institute plus linkage and interest in accordance with the law, as well as any other expense that the Company shall bear as a result of the said Violation (all such amounts defined as the “**Payment**”) or (B) I agree that the Company may, in its sole discretion, deduct such amounts directly from any monies to be paid to me as a result of my disposition of the Shares;
6. I understand that this grant of Options is conditioned upon the receipt of all required approvals from the tax authorities; and
7. I hereby confirm that I read this letter thoroughly, received all the clarifications and explanations I requested, I understand the contents of this letter and the obligations I undertake in signing it.

\$grantee\$

\_\_\_\_\_  
Name of Participant

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**[PLEASE SIGN THE ATTACHED PROXY]**

**Irrevocable Proxy**

**TO VOTE SHARES OF Kaltura, Inc.**

The undersigned (the “**Holder**”), as the beneficial holder of securities of Kaltura, Inc., a Delaware corporation (the “**Company**”), does hereby irrevocably appoint Ron Yekutieli, the Chief Executive Officer of the Company, or, in his absence, any other Representative shall be appointed by the Board of Directors of the Company in accordance with the Company's 2007 Israeli Share Option Plan (the “**Attorney-In-Fact**”), as a true and lawful attorney-in-fact, in the Holder's place and stead, to act, as Holder's proxy, including, without limitation, to vote and exercise all voting power and other rights, including, without limitation, any contractual rights and rights under applicable law (to the full extent that the Holder is entitled to do so), with respect to all matters arising in connection with any action affecting or relating to all of the shares of the Company which the Holder currently holds (the “**Shares**”) or other securities of the Company's capital stock which the Holder hereafter in the future may hold, actually or constructively, directly or indirectly, and any and all other shares or equity securities of the Company issued or issuable to the Holder in respect of the Shares, on or after the date hereof, including as a result of any change, by subdivision or combination in any manner of the Company's capital stock or by the making of a share dividend on or after the date hereof (collectively, the “**Securities**”), including, without limitation, the right, on the Holder's behalf and subject to any applicable law, to:

(i) execute any agreement, waiver, amendment, consent or any other document, including, without limitation, any stockholders' agreements and any amendment thereof, waivers of rights of first refusal, anti-dilution rights, rights to first offer, rights of co-sale, pre-emptive rights, bring-along rights and such other similar waivers, if and to the extent applicable, all in connection with the Shares;

(ii) attend and to vote in all stockholders' meetings of the Company (including the right to receive on behalf of the Holder materials/information provided to stockholders), or execute and deliver written consents pursuant to applicable law, with respect to the Shares, in the same manner and with the same effect as if the Holder was personally present at any such meeting or voting such Shares or personally acting on any matters submitted to the Company's stockholders for approval or consent, giving and granting to said Attorney-In-Fact full power and authority to do and perform each and every act and thing whether necessary or desirable that may be done as its Attorney-In-Fact in relation to the Shares, other than to sell or transfer the Shares without the prior written consent of the Holder, provided, however, that no such consent shall be required, and the Attorney-In-Fact shall have the right to sell or transfer the Shares without the prior written consent of the Holder, in the event of a sale of Shares effectuated as a result of an exercise of a "bring along" provision, if any, or in the event of a Merger Transaction (as defined in the Company's 2007 Israeli Share Option Plan).

This Proxy is irrevocable as it may affect rights of third parties. This Proxy shall remain in effect until the completion of an initial public offering of the shares of the Company. The undersigned hereby ratifies and confirms all that said Attorney-In-Fact shall do or cause to be done by virtue of and in accordance with the terms and conditions of this Proxy. The Attorney-In-Fact shall not have or incur any liability whatsoever by reason of any act or omission of the Attorney-In-Fact, in accordance with this Proxy, whether based upon mistake of fact or law, error of judgment, negligence or otherwise, on condition only that the said acts or omissions are: (i) not in gross negligence; and/or (ii) not willful acts or omissions. The Shares beneficially owned by the undersigned as of the date of this Proxy are listed below. All authority herein conferred shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.



IN WITNESS WHEREOF, the undersigned has executed this Irrevocable Power of Attorney and Proxy as of the date first set forth below.

**The Optionee:**

\_\_\_\_\_  
Name of Optionee: \$grantee\$

\_\_\_\_\_  
Date

**The Trustee**

The undersigned, as the registered holder of the Shares, hereby acknowledges, agrees and consents to and accept the terms and conditions of this Irrevocable Power of Attorney and Proxy.

By: \_\_\_\_\_

Name:

Title

Date:

## **Kaltura, Inc.**

### **2007 ISRAELI SHARE OPTION PLAN**

#### **1. PURPOSE**

The purpose of this Share Option Plan is to secure for Kaltura, Inc. and its shareholders the benefits arising from ownership of share capital by employees, officers, directors and consultants of the Company and its Affiliates (as defined below), who are expected to contribute to the Company's future growth and success.

#### **2. DEFINITIONS**

##### **2.1 DEFINED TERMS**

Initially capitalized terms, as used in this Plan, shall have the meaning ascribed thereto as set forth below:

“Administrator”	means the Board of Directors of the Company or a committee appointed by the Board. The committee shall consist of no less than two (2) members.
“Affiliate(s)”	means a present or future company that either (i) Controls Kaltura, Inc. or is Controlled by Kaltura, Inc.; or (ii) is Controlled by the same person or entity that Controls Kaltura, Inc.
“Allocate” or “Allocated”	with respect to Options, means the allocation of Options by the Company to the Trustee on behalf of a Participant.
“Board”	means, the Board of Directors of the Company.
“Cause”	means, when used in connection with the termination of a Participant's employment with, or services to the Company or an Affiliate, and forming the basis of such termination: any one of the following, including but not limited: dishonesty toward the Company or Affiliate, material insubordination, substantial malfeasance or nonfeasance of duty, unauthorized disclosure of confidential information, and conduct substantially prejudicial to the business of the Company or Affiliate, acting in a manner that is in direct or indirect competition with Company's business;
“Commencement Date”	means the date of commencement of the vesting schedule with respect to a Grant of Options which, unless otherwise determined by the Administrator, shall be the date on which such Grant of Options shall be Allocated.
“Company”	means Kaltura, Inc., a company incorporated under the laws of the State of Delaware.

“Consultant”	means, any person (other than an Employee or a Director) who is engaged by the Company, a Subsidiary or an Affiliate to render consulting or advisory services to the Company or such Subsidiary or Affiliate.
“Control” or “Controlled”	shall have the meaning ascribed thereto in Section 102.
“Common Stock”	shall mean the Common Stock of the Company
“Director”	shall mean a director of the Company.
“Disability”	means total and permanent physical or mental impairment or sickness of a Participant, making it impossible for the Participant to continue such Participant’s employment with or service to the Company or Affiliate.
“Employee”	as defined under Section 102.
“Grant Letter”	means a letter from the Company or Affiliate to a Participant in which the Participant is notified of the decision to Grant to the Participant Options according to the terms of the Plan. The Grant Letter shall specify ((i) the Tax Track that the Company chose according to Section 11 of the Plan (if applicable); (ii) the Exercise Price; (iii) the number of Options Granted to the Participant; (iv) the Vesting schedule; and (v) the date of Grant.
“Grant of Options”	with respect to Options, means the grant of Options by the Company to a Participant pursuant to a Letter of Grant.
“Holding Period”	means with regard to Options Granted under Section 102, the period in which the Allocated Options granted to a Participant or, upon exercise thereof the Underlying Shares, are to be held by the Trustee on behalf of the Participant, in accordance with Section 102, and pursuant to the Tax Track which the Company selects.
“IPO”	means the initial public offering of shares of the Company and the listing of such shares for trading on any recognized stock exchange or over-the-counter or computerized securities trading system.
“Law”	means the laws of the State of Israel as are in effect from time to time.
“Notice of Exercise”	shall have the meaning set forth in Section 7.4 below.
“Option”	means an option to purchase one Share of the Company.

“Non-Qualified Participant”	means an Israeli resident who is not qualified to receive Options under the provisions of Section 102, on behalf of whom an Option is Granted pursuant to Section 3i.
“Non-Qualified Participant”	means an Israeli resident who is not qualified to receive Options under the provisions of Section 102, on behalf of whom an Option is Granted pursuant to Section 3i.
“Participant”	means an employee, officer or director of the Company or any Affiliate on behalf of whom an Option is Granted pursuant to the Plan.
“Plan” or “Option Plan”	means this Share Option Plan, as may be amended from time to time.
“Retirement”	means the termination of a Participant's employment as a result of his or her reaching the earlier of (i) the age of retirement as defined by Law; or (ii) the age of retirement specified in the Participant’s employment agreement.
“Section 102”	means Section 102 of the Tax Ordinance.
“Section102 Rules”	means the Income Tax Rules (Tax Relief for Issuance of Shares to Employees), 2003
“Section 3(i)” or “Section 3(i) Rules”	means section 3(i) of the Israeli Tax Ordinance and the applicable rules thereto or under applicable regulations.
“Share(s)”	means a Common Stock of the Company, having a par value of US \$0.0001.
“Subsidiary”	means a subsidiary of the Company.
“Tax Ordinance”	means the Israeli Income Tax Ordinance [New Version], 1961, as amended, and any regulations, rules, orders or procedures promulgated thereunder.
“Tax Track”	means one of the three tax tracks described under Section 102, specifically: (1) the “Capital Gains Track Through a Trustee”; (2) “Income Tax Track Through a Trustee”; or (3) the “Income Tax Track Without a Trustee”; each as defined in Sections 11.1-11.3 of this Plan, respectively.
“Tax Provision”	means, with respect to the Grant of Options, the provisions of one of the three Tax Tracks in Section 102, or the provisions of Section 3i.

“Term of the Options”	means, with respect to Granted but unexercised Options, the time period set forth in Section 9 below.
“Trustee”	means a Trustee appointed by the Company to hold in trust, Allocated Options and the Underlying Shares issued upon exercise of such Options, on behalf of Participants.
“Underlying Shares”	means Shares issued or to be issued upon exercise of Granted Options all in accordance with the Plan.

## 2.2 GENERAL

Without derogating from the meanings ascribed to the capitalized terms above, all singular references in this Plan shall include the plural and vice versa, and reference to one gender shall include the other, unless otherwise required by the context.

## 3. SHARES AVAILABLE FOR OPTIONS

The total number of Underlying Shares reserved for issuance under the Plan and any modification thereof, shall be determined from time to time by the Board of Directors of the Company. Such number of Shares shall be subject to adjustment as required for the implementation of the provisions of the Plan, in accordance with Section 4 below.

In the event that Options Allocated under the Plan expire or otherwise terminate in accordance with the provisions of the Plan, such expired or terminated Options shall become available for future Grants and Allocations under the Plan.

## 4. ADJUSTMENTS

Subject to any required action by the shareholders of the Company, the number of Underlying Shares covered by each outstanding Option, and the number of Shares which have been authorized for issuance under the Plan but as to which no Options have yet been granted or which have been returned to the Plan, and the per share exercise price of each such Option, shall be proportionately and equitably adjusted for any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split, combination, reclassification, the payment of a stock dividend on the Shares or any other increase or decrease in the number of such Shares effected without receipt of consideration by the Company without changing the aggregate exercise price, provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been effected without receipt of consideration. Such adjustment shall be made by the Administrator, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares subject to an Option.

The Administrator may, if it so determines in the exercise of its sole discretion, also make provision for proportionately adjusting the number or class of securities covered by any Option, as well as the price to be paid therefor, in the event that the Company effects one or more reorganizations, recapitalizations, rights offerings, or other increases or

reductions of its outstanding Shares, and in the event of the Company being consolidated with or merged into any other corporation.

## 5. ADMINISTRATION OF THE PLAN

### 5.1 POWER

Subject to applicable law, the Certificate of Incorporation of the Company, and any resolution to the contrary by the Company's Board of Directors, the Administrator is authorized, in its sole and absolute discretion, to exercise all powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan; including, without limitation:

(A) to determine:

- (i) the Participants in the Plan, the number of Options to be Granted for each Participant's benefit and the Exercise Price;
- (ii) the time or times at which Options shall be Granted;
- (iii) whether, to what extent, and under what circumstances an Option may be settled, canceled, forfeited, exchanged, or surrendered;
- (iv) any terms and conditions in addition to those specified in the Plan under which an Option may be Granted; and
- (v) any measures, and to take actions, as deemed necessary or advisable for the administration and implementation of the Plan.
- (vi) to grant Option to Participants who are foreign nationals or employed outside Israel and/or the United States, on such terms and conditions different from those specified in the Plan, as may, in the discretion of the Administrator, be necessary or desirable to further the purpose of the Plan

(B) to interpret the provisions of the Plan and to take all actions resulting therefrom including without limitation;

- (i) subject to Section 7, to accelerate the date on which any Allocated Option under the Plan becomes exercisable;
- (ii) to waive or amend Plan provisions relating to exercise of Options, including exercise of Options after termination of employment, for any reason; and
- (iii) to amend any of the terms of the Plan, or any prior determinations of the Administrator;

### 5.2 LIMITATIONS

Notwithstanding the provisions of Section 5.1 above, no interpretations, determinations or actions of the Administrator shall contradict the provisions of applicable Law, and no waiver or amendment with respect to the Plan shall have a material adverse affect on any Participant's

rights in connection with any Granted Option under the Plan without receiving the consent of such Participant.

## **6. GRANT AND ALLOCATION OF OPTIONS**

### **6.1 CONDITIONS FOR GRANT OF OPTIONS**

Options may be Granted at any time after:

- (A) the grant has been approved by the necessary corporate bodies of the Company; and
- (B) all other approvals, consents or requirements necessary by Law have been received or met.

### **6.2 ELIGIBILITY FOR OPTIONS**

The Administrator may grant Options to any Employee, officer, Director, or Consultant of the Company and its Affiliates.

### **6.3 CONDITIONS FOR ALLOCATION OF OPTIONS**

Options may be Allocated at any time after:

- (A) the Plan has been approved by the necessary corporate bodies of the Company; and
- (B) 30 days after a request for approval of the Plan has been submitted for approval to the Israeli Income Tax Authorities pursuant to the requirements of the Tax Ordinance; and
- (C) all other approvals, consents or requirements necessary by Law have been received or met.

### **6.4 DATE OF GRANT OR ALLOCATION**

- (a) The date on which Options shall be deemed Granted under the Plan shall be the date on which the Company shall notify the Participant in a Grant Letter that such Options have been Granted to the Participant or the date specified as the date of grant in the Grant Letter, if specified ("Date of Grant").
- (b) The date on which Options shall be deemed Allocated under the Plan shall be the date on which the Company shall notify the Trustee that such Options have been Allocated in the name of the Trustee on behalf of a Participant; ("Date of Allocation").

### **6.5 GRANT LETTERS**

Any grant of Options to a Participant shall be made in a form of a Grant Letter and shall include a copy of the Plan. The receipt by a Participant of such Grant Letter shall be

deemed a consent by such Participant that the Option is subject to all the terms and conditions of the Grant Letter and the Plan.

The Administrator may include in the Grant Letters any provision, which it deems necessary, in order to adjust the terms of the Grant of Options to applicable laws of the jurisdiction in which Participants reside.

## **7. EXERCISE OF OPTIONS**

### **7.1 EXERCISE PRICE**

The Exercise Price per Underlying Share deliverable upon the exercise of an Option shall be determined by the Administrator. The Exercise Price shall be set forth in the Grant Letter.

### **7.2 VESTING SCHEDULE**

Unless otherwise determined by the Administrator, all Options Granted on a certain date shall, subject to continued employment with or service to the Company or Affiliate by the Participant, become vested and exercisable in accordance with the vesting schedule as detailed in the Grant Letters.

### **7.3 MINIMUM EXERCISE**

The Administrator may determine, in its sole discretion, a minimum number of Options to be exercised.

An Option may not be exercised for fractional shares.

The exercise of a portion of the Options Granted shall not cause the expiration, termination or cancellation of the remaining unexercised Options held by the Trustee on behalf of the Participant.

### **7.4 MANNER OF EXERCISE**

An Option may be exercised by and upon the fulfillment of the following:

#### **(A) Notice of Exercise**

The signing by the Participant, and delivery to both the Company (at its principal office) and the Trustee (if the Options are held by a Trustee), of an exercise notice form as prescribed by the Administrator, including but not limited to: (i) the identity of the Participant, (ii) the number of Options to be exercised, and (iii) the Exercise Price to be paid (the "Notice of Exercise").

#### **(B) Exercise Price**

The payment by the Participant to the Company, in such manner as shall be determined by the Administrator, of the Exercise Price with respect to all the Options exercised, as set forth in the Notice of Exercise.



(C) Allocation of Shares

Upon the delivery of a duly signed Notice of Exercise and the payment to the Company of the Exercise Price with respect to all the Options specified therein, the Company shall issue the Underlying Shares to the Trustee (according to the applicable Holding Period) or to the Participant, as the case may be.

(D) Expenses

All costs and expenses including broker fees and bank commissions, derived from the exercise of Options or Underlying Shares, shall be borne solely on the Participant.

**8. WAIVER OF OPTION RIGHTS**

At any time prior to the expiration of any Granted (but unexercised) Option, a Participant may waive his rights to such Option by a written notice to the Company's principal office. Such notice shall specify the number of Options Granted, which the Participant waives, and shall be signed by the Participant.

Upon receipt by the Company of a notice of waiver of such rights, such Options shall expire and shall become available for future Grants and Allocations under the Plan.

**9. TERM OF THE OPTIONS**

Unless earlier terminated pursuant to the provisions of this Plan, all Granted but unexercised Options shall expire and cease to be exercisable at 5:00 p.m. Israel time on the 10 anniversary of the Commencement Date of such Options.

**10. TERMINATION OF EMPLOYMENT**

10.1 TERMINATION OF EMPLOYMENT

If a Participant ceases to be an employee, director, officer or Consultant of the Company or Affiliate for any reason, ("Termination of Employment") other than death, Retirement, Disability or Cause, then any vested but unexercised Options on the date of Termination of Employment (as shall be determined by the Company or Affiliate, in its sole discretion), Allocated on such Participant's behalf ("Exercisable Options") may be exercised, if not previously expired, not later than the earlier of (i) 90 days after Termination of Employment if such termination was initiated by the Company, and 30 days if initiated by the Participant ; or (ii) the Term of the Options.

The right of such Participant to exercise all other Options shall expire upon the date of Termination of Employment.

10.2 TERMINATION FOR CAUSE

In the event of Termination of Employment of a Participant for Cause, the Participant's right to exercise any unexercised Options, Granted to such Participant, whether vested or

not on the date of Termination of Employment, shall cease as of such date of Termination of Employment, and the Options shall thereupon expire.

If subsequent to the Participant's Termination of Employment, but prior to the exercise of Options Granted to such Participant, the Administrator determines that either prior or subsequent to the Participant's Termination of Employment, the Participant engaged in conduct which would constitute Cause, then the Participant's right to exercise the Options Granted to such Participant shall immediately cease upon such determination and the Options shall thereupon expire.

The determination by the Administrator as to the occurrence of Cause shall be final and conclusive for all purposes of this Plan.

#### 10.3 TERMINATION BY REASON RETIREMENT

In the event of Termination of Employment of a Participant by reason of Retirement, any vested but unexercised Options shall be exercisable by the Participant or his or her personal representative (as the case may be), until the earlier of (i) 12 months after the date of Termination of Employment; or (ii) the Term of the Options.

The right of the Participant to exercise all other Options shall expire upon the date of Termination of Employment.

#### 10.4 TERMINATION BY REASON OF DEATH OR DISABILITY

In the event of Termination of Employment of a Participant by reason of death or Disability, all unvested options shall become vested and exercisable, in the case of death, by his or her estate, personal representative or beneficiary, or in the case of Disability, by the Participant or his or her personal representative (as the case may be), until the earlier of (i) 12 months after the date of Termination of Employment; or (ii) the Term of the Options.

#### 10.5 EXCEPTIONS

In special circumstances, pertaining to the Termination of Employment of a certain Participant, the Administrator may in its discretion decide to extend any of the periods stated above in Sections 10.1-10.4.

#### 10.6 TRANSFER OF EMPLOYMENT OR SERVICE

Subject to the receipt of appropriate approvals from the Israeli Tax Authorities, if applicable, a Participant's right to Options or the exercise thereof that were Granted to him or her under this Plan, shall not be terminated or expired solely as a result of the fact that the Participant's employment or service as an employee, officer, director or Consultant changes from the Company to an Affiliate or vice versa. Any and all tax consequence of such a transfer, if any, shall be solely borne by the Participant.

### 11. OPTIONS AND TAX PROVISIONS

All Options under this Plan shall be Granted in accordance with one of the Tax Provisions as follows:

The Company shall Grant Options to Participants in accordance with the provisions of Section 102 and the Rules related to the Capital Gains Tax Track. Options that are Granted under Section 102 can only be granted to Participants, which are Employees and/or Directors of the Company and its Affiliates.

- The Company shall Grant Options to Non-Qualified Participants in accordance with the provisions of Section 3(i).

#### 11.1 TAX PROVISION SELECTION

The Company shall elect under which Tax Provision each Option is Granted in accordance with any applicable Law and its sole discretion – i.e. the Company shall elect, in accordance with applicable Laws, if to Grant Options to Participants under the Capital Gains Tax Track, or under the provisions of Section 3i. The Company shall notify each Participant in the Grant Letter, under which Tax Provision the Options are Granted.

#### 11.2 SECTION 102 TRUSTEE TAX TRACKS

If the Company elects to Grant Options to Participants through (i) the Capital Gains Track Through a Trustee, or (ii) the Income Tax Track Through a Trustee, then, in accordance with the requirements of Section 102, the Company shall appoint a Trustee who will hold in trust on behalf of each Participant the Allocated Options and the Underlying Shares issued upon exercise of such Options in trust on behalf of each Participant.

The Holding Period for the Options will be as follows:

- (A) *The Capital Gains Tax Track Through a Trustee* – if the Company elects to Allocate the Options according to the provisions of this track, then the Holding Period will be: (1) 24 months from the date of Allocation; or (2) such period as may be determined in any amendment of Section 102.
- (B) *Income Tax Track Through a Trustee* – if the Company elects to Allocate Options according to the provisions of this track, then the Holding Period will be (1) 12 months from the date of Allocation; or (2) such period as may be determined in any amendment of Section 102.

Subject to Section 102 and the Rules, Participants shall not be able to receive from the Trustee, nor shall they be able to sell or dispose of Underlying Shares before the end of the applicable Holding Period. If a Participant sells or removes the Underlying Shares from the Trustee before the end of the applicable Holding Period (“Breach”), the Participant shall pay all applicable taxes imposed on such Breach by Section 7 of the Rules.

In the event of a distribution of rights, including an issuance of bonus shares, in connection with Options originally Allocated (the "Additional Rights"), all such

Additional Rights shall be Allocated and/or issued to the Trustee for the benefit of Participants, and shall be held by the Trustee for the remainder of the Holding Period applicable to the Options originally Allocated. Such Additional Rights shall be treated in accordance with the provisions of the applicable Tax Track.

**11.3 INCOME TAX TRACK WITHOUT A TRUSTEE**

If the Company elects to Allocate Options to Participants according to the provisions of this track, then the Options will not be subject to a Holding Period. However, upon exercise of Options under this Tax Track, the Trustee shall hold such Underlying Shares for the benefit of the Participant in accordance with the provisions of Section 15 of this Plan.

**11.4 CONCURRENT CONDITIONS**

The Holding Period and vesting period may run concurrently, but neither is a substitute for the other, and each are independent terms and conditions for Options Granted.

**11.5 TRUST AGREEMENT**

The terms and conditions applicable to the trust relating to the Tax Track selected by the Company, as appropriate, shall be set forth in an agreement signed by the Company and the Trustee (the "Trust Agreement").

**12. TERM OF SHARES HELD IN TRUST**

No Underlying Shares or Additional Rights issued by the Company to the Trustee, shall be held by the Trustee on behalf of the Participant for a period longer than ten (10) years after the end of the Term of the Options. The Administrator shall instruct the Trustee as to the transfer of these Shares.

**13. RIGHTS AS A SHAREHOLDER**

Unless otherwise specified in the Plan, a Participant shall not have any rights as a shareholder with respect to Shares issued under this Plan, until such time as the Options are exercised, and the Shares shall be registered in the name of the Participant in the Company's register of shareholders. After the registration of a Participant as a Shareholder, such rights shall be subject to the provisions of this Plan.

**14. NO SPECIAL EMPLOYMENT RIGHTS**

Nothing contained in this Plan shall confer upon any Participant any right with respect to the continuation of employment by or service to the Company or Affiliate or to interfere in any way with the right of the Company or Affiliate, to terminate such employment or service or to increase or decrease the compensation of the Participant.

No Participant shall have any claim or demand with respect to any of the Options, except according to the specific terms of the Grant Letter provided to him or her by the Company.

## **15. RESTRICTIONS ON SALE OF OPTIONS AND SHARES**

### **15.1 OPTIONS**

Options may not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, except by will or the laws of descent.

### **15.2 SHARES**

Unless otherwise determined by the Administrator, prior to the Company's IPO, the Shares may not be sold assigned, transferred, pledged, hypothecated or otherwise disposed of, except as stated below in this Section 15. Any disposition of Underlying Shares carried out by Participants before an IPO, without the Administrator's prior written approval, shall be null and void.

Unless otherwise determined by the Administrator, any Underlying Shares issued upon exercise of Options, Granted under any of the trustee tax tracks detailed in Section 11 above, will be held by the Trustee until the earlier to occur of a merger or consolidation into another corporation, or an IPO.

### **15.3 LOCK UP**

Notwithstanding the Holding Period, following the Company's IPO, at the request of the underwriter, the Administrator may determine that the Underlying Shares issued pursuant to the exercise of Options may be subject to a lock-up period of up to 180 days, or such longer period of time as may be recommended by the Company's Board of Directors, during which time Participants shall not be allowed to sell Shares.

## **16. VOTING**

Until consummation of the Company's IPO, Shares issued to a Participant (following exercise of the Options) or to the Trustee for the benefit of a Participant, shall be voted by an irrevocable proxy assigned to representatives designated by Board (the "Representative"). Participants shall not receive notices pertaining to the Company's Shareholders meetings. The Shares shall be voted by the Representative in a manner that does not affect the outcome, without their participation in the vote (i.e. as if they were voted in accordance with the pro-rated distribution of votes).

- (A) The Company's Board of Directors may, at its discretion, replace the Representative from time to time.
- (B) Shares subject to proxy shall be voted by the Representative on any issue or resolution brought before the shareholders of the Company in accordance with instructions of the Board of Directors of the Company.
- (C) The Grant Letter, which Participants shall sign as a condition to the receipt of the Grant, shall contain the irrevocable proxy wording. Each Participant, upon execution of the irrevocable proxy as specified above, undertakes to hold the

Representative harmless from any and all claims related or connected to said proxy.

- (D) The Representative shall be indemnified and held harmless by the Company against any cost or expense (including attorneys' fees) reasonably incurred by the Representative, or any liability (including any sum paid in settlement of a claim with the approval of the Company) arising out of any act or omission to act in connection with the voting of the Shares subject to proxy, unless arising out of the Representative's own fraud or gross negligence, to the extent permitted by applicable law. In the event the Representative shall have indemnification by virtue of other functions or services he or she performs for the Company or Affiliate (whether by agreement, insurance policy or decision of the appropriate corporate body(ies) of the Company and/or Affiliate) , this indemnification shall be in addition to any such other indemnification.

#### **17. TAX MATTERS**

This Plan shall be governed by, and shall conform with and be interpreted so as to comply with, the requirements of the Ordinance, as applicable and any written approval from any relevant Tax Authorities. All tax consequences under any applicable law (other than stamp duty) which may arise from the Grant or Allocation of Options, from the exercise thereof or from the holding or sale of Underlying Shares (or other securities issued under the Plan) by or on behalf of the Participant, shall be borne solely by the Participant. The Participant shall indemnify the Company and/or the Trustee and/or Affiliate, as the case may be, and hold them harmless, against and from any liability for any such tax or any penalty, interest or indexing.

If the Company elects to Allocate Options according to the provisions of the Income Tax Track Without a Trustee (Section 11.3 of this Plan), and if prior to the exercise of any and/or all of these Options, such Participant ceases to be an employee, director, or officer of the Company or Affiliate, the Participant shall deposit with the Company a guarantee or other security as required by law, in order to ensure the payment of applicable taxes upon the Exercise of such Options.

#### **18. WITHHOLDING TAXES**

Whenever an amount with respect to withholding tax relating to Options Granted to a Participant and/or Underlying Shares issued upon the exercise thereof is due from the Participant and/or the Company and/or an Affiliate and/or the Trustee, the Company and/or an Affiliate and/or the Trustee shall have the right to demand from a Participant such amount sufficient to satisfy any applicable withholding tax requirements related thereto, and whenever Shares or any other non-cash assets are to be delivered pursuant to the exercise of an Option, or transferred thereafter, the Company and/or an Affiliate and/or the Trustee shall have the right to require the Participant to remit to the Company and/or to the Affiliate, or to the Trustee an amount in cash sufficient to satisfy any applicable withholding tax requirements related thereto. If such amount is not timely remitted, the Company and/or the Affiliate and/or the Trustee shall have the right to withhold or set-off

(subject to Law) such Shares or any other non-cash assets pending payment by the Participant of such amounts.

Until all taxes have been paid in accordance with Rule 7 of the Section 102 Rules, Options and/or Underlying Shares may not be sold, transferred, assigned, pledged, encumbered, or otherwise willfully hypothecated or disposed of, and no power of attorney or deed of transfer, whether for immediate or future use may be validly given. Notwithstanding the foregoing, the Options and/or Underlying Shares may be validly transferred in accordance with Section 22 below, provided that the transferee thereof shall be subject to the provisions of Section 102 and the Section 102 Rules as would have been applicable to the deceased Participant were he or she to have survived.

**19. NO TRANSFER OF OPTIONS**

The Trustee shall not transfer Options to any third party, including a Participant, except in accordance with instructions received from the Administrator.

**20. MATERIAL BREACH**

In an event of a material breach by a Participant of the terms of this Plan or the Grant Letter provided to him or her, and without derogating any of the remedies available to the Company under any applicable law, the Company may, at its sole discretion, after sending a written notice to such Participant, forfeit the right of the Participant to some or all the Options Granted to such Participant.

**21. TRANSFER OF RIGHTS UPON DEATH**

No transfer of any right to an Option or Underlying Share issued upon the exercise thereof by will or by the laws of descent shall be effective to bind the Company unless the Company shall have been furnished with the following signed and notarized documents:

- (A) A written request for such transfer and a copy of the legal documents creating and confirming the right of the person acting with respect to the Participant's estate and of the transferee;
- (B) A written consent by the transferee to pay any amounts in connection with the Options and Underlying Shares any payment due according to the provisions of the Plan and otherwise abide by all the terms of the Plan; and

**22. NO RIGHT OF OTHERS TO OPTIONS**

Subject to the provisions of the Plan, no person other than the Participant shall have any right with respect to Options Granted to the Participant's under the Plan.

**23. EXPENSES AND RECEIPTS**

The expenses incurred in connection with the administration and implementation of the Plan (including any applicable stamp duty) shall be borne by the Company. Any proceeds

received by the Company in connection with the exercise of any Option may be used for general corporate purposes.

**24. REQUIRED APPROVALS**

The Plan is subject to the receipt of all approvals required under the Ordinance and the Law.

**25. APPLICABLE LAW**

This Plan and all documents delivered or executed by the Company or Affiliate in connection herewith shall be governed by, and construed and administered in accordance with the Law.

**26. TREATMENT OF PARTICIPANTS**

There is no obligation for uniformity of treatment of Participants.

**27. NO CONFLICTS**

In the event of any conflict between the terms of the Plan and the Grant Letter, the Plan shall prevail, unless the Grant Letter stated specifically that the conflicting provision in the Grant Letter shall prevail.

**28. PARTICIPANT UNDERTAKINGS**

By entering into this Plan, the Participant shall (1) agree and acknowledge that he or she have received and read the Plan and the Grant Letter; (2) undertake all the provisions set forth in: Section 3i, or Section 102 (including provisions regarding the applicable Tax Track that the Company has selected) as applicable, the Plan, the Grant Letter and the Trust Agreement (if applicable); and (3) if the Options are Granted under Section 102, the Participant shall undertake that subject to the provisions of Section 102 and the Rules, he or she shall not to sell or release the Underlying Shares from trust before the end of the Holding Period (if any).

\*\*\*



**Trust Agreement**

Executed in Tel-Aviv on the 7th day of June 2007

**BETWEEN**

Kaltura, Inc. (the **"Parent Company"**)

#####

Tel. No. (+) 1-646-862-7757

**AND**

Kaltura, Ltd. (the **"Company"**)

Tuval 13, 9th floor, Ramat Gan 52522 Israel

Tel. No. (+) \_\_\_\_\_

On the one part

**AND**

Employees Remuneration Trust Company, (the **"Trustee"**)

an unlimited company of advocates

of 1 Azrieli Center, Tel Aviv 67021, Israel

Attn. Adv. Herzl Rabanian

Tel. No. (+) 972-3-6074510

Fax No. (+) 972-3-6914164

On the other part

**RECITALS**

**WHEREAS** The Parent Company has adopted on **May 3rd**, 2007 the "Kaltura Inc. 2007 Israeli Share Option Plan" (the "Plan") (capitalized terms and herein and not otherwise defined shall have the meanings given to them in the Plan);

**WHEREAS** Pursuant to the Plan, the Parent Company from time to time may grant options ("Options") to employees as defined in Section 102 of the Israeli Income Tax Ordinance [New Version], 1961 (respectively: each an "Employee" and collectively "Employees", "Section 102" and the "Tax Ordinance");

**WHEREAS** According to the Plan the Options may be allotted to a trustee for the benefit of one or more employees designated by the Parent Company ("Designated Employees") so that the trustee shall hold the Options in trust for such Employees until the end of the holding period, as defined in the Tax Ordinance and the Income Tax Rules (Tax Relief for Issuance of Shares to Employees), 2003 (the "Rules") and restated in the Plan (the "Holding Period");

**WHEREAS** The Company and the Parent Company wish to appoint the Trustee as the trustee for the Plan and the Trustee has agreed to act as trustee for the Company and its Affiliates (as defined in Section 102) under the terms and conditions set forth herein.

**THEREFORE IT IS HEREBY AGREED BETWEEN THE PARTIES AS FOLLOWS:**

1. The Recitals to this Trust Agreement form are an integral part of this Trust Agreement.
2. In accordance with the Plan, Options shall not be allotted to Employees but shall be allotted to the Trustee for the benefit of one or more Designated Employees and shall be held by the Trustee, subject to the provisions of Section 102 and the Rules, until the end of the applicable Holding Period. Until consummation of the Company's IPO, Shares issued to the Trustee for the benefit of a Designated Employees, shall be voted by an irrevocable proxy assigned to representative who has been appointed by the Company's Board of Directors as a representative or any other representative designated by the Board.
3. Until all taxes have been paid in accordance with Section 7 of the Rules, Options and Shares issuable upon the exercise of such Options (the "Underlying Shares") may not be sold, transferred, assigned, pledged, encumbered, or otherwise willfully hypothecated or disposed of and no power of attorney or deed of transfer, whether for immediate or future use may be validly given. Notwithstanding the foregoing, the Options and Underlying Shares may be validly transferred in a transfer made by will or by laws of descent provided that the transferee thereof shall be subject to the provisions of Section 102 and the

Rules as would have been applicable to the deceased Designated Employees were he or she to have survived.

In the event that any Designated Employee's Options and the Underlying Shares are transferred by will or by laws of descent, the provisions of the Trust Agreement shall apply to the heirs or transferees of such Designated Employees.

4. Subject to section 7 of the Rules, the Trustee hereby undertakes to hold the Options in trust for the benefit of the Designated Employees until the end of the applicable Holding Period as provided in the Plan and shall continue to hold the Options and the Underlying Shares after the end of the Holding Period until their release at the request of the Designated Employee, subject to this Trust Agreement and the Plan.
5. Following the applicable Holding Period and applicable vesting period (as set forth in the Grant Letter of such Option) the Designated Employees shall be entitled to exercise the Options allocated on his/her behalf to the Trustee, i.e. pay the Company the exercise price of the Options, pursuant to a procedure that shall be determined by the parties, and instruct the Trustee to hold the Underlying Shares on his/her behalf until the end of the applicable Holding Period and applicable vesting period.
6. At any time after the end of the applicable Holding Period, subject to Section 7 of the Rules and subject to the provisions of the plan and applicable vesting period (as set forth in the Grant Letter of such Option) the Designated Employee shall be entitled to instruct the Trustee, pursuant to a procedure that shall be determined by the parties, to exercise the Options and/or release and/or sell the Underlying Shares that are held by the Trustee for the benefit of such Designated Employee. The Trustee will comply with the instruction of such Designated Employee, provided that if the Designated Employee instructs the Trustee to transfer (not sell) the Underlying Shares to him/her, the Trustee has received prior to such transfer, an approval from the Tax Authorities confirming that all required taxes according to Section 102 and the Rules have been paid by such Designated Employee. Upon a sale and/or release from trust of the Underlying Shares, the Company shall perform the actual tax withholding in connection with the Options and shall submit to the Tax Authorities 102, 126 and 106 forms, as the case may be.

The Options shall be held by the Trustee until their exercise or their expiration date according to the Plan, whichever shall be earlier; provided, however, that subject to the provisions of Section 7 of the Rules, in no event may the Options or any Underlying Shares be released from the Trust prior to the expiration of the applicable Holding Period. Notwithstanding the above, if the Designated Employee shall instruct the Trustee to sell or transfer from the Trust the Underlying Shares before the end of the applicable Holding Period, then the provisions of Section 7 of the Rules shall be applied.

7. In the event of a distribution of rights, including an issuance of bonus shares, in connection with Options originally allocated (the "**Additional Rights**"), all such Additional Rights shall be allocated and/or issued to the Trustee for the benefit of Designated Employees, and shall be held by the Trustee for the remainder of the applicable Holding Period for the Options originally allocated. Such Additional Rights shall be treated in accordance with the provisions of the applicable Tax Track. The provisions of this Trust Agreement shall also apply to the Additional Rights.
8. The Parent Company undertakes to refrain from allotting Options to any Employee unless such Employee agrees in writing with the Parent Company
  - (1) to comply with all the provisions set forth in Section 102, the Rules, this Trust Agreement, the Plan and the Grant Letter; and (2) subject to the provisions of Section 102 and the Rules, undertakes not to sell or release the Underlying Shares from trust prior to the expiration of the Holding Period. In addition, the Parent Company undertakes to refrain from allotting Options under Section 102 to (1) service providers which are not Employees and/or (2) any Employee, which is a Control Shareholder as defined in Section 102, and/or (3) any officers (including directors) who receive their payment for services to the Company through their own corporation.
9. The Parent Company and the Company hereby instruct the Trustee to act, in the event that a matter regarding the actions of the Trustee is not detailed in this Trust Agreement, in accordance with the provisions of the Plan and in the absence of a provision in the Plan, to act in accordance with its sole discretion and in any event in accordance with Section 102 and the Rules.
10. As from the date of this Agreement, so long as Options, Underlying Shares or any other security transferred to the Trustee or registered in the Trustee's name in accordance with this Agreement are held in Trust, the Company shall pay the Trustee an annual fee of USD 750 plus VAT in addition to hourly fees for work performed in connection with the trust (respectively: "Annual Fees", "Hourly Fees" and together: "Fees"). Hourly fees shall be: 150\$ for legal work and 75\$ for administrative work. The Fees shall be paid in NIS according to the representative rate of the USD known on the date of actual payment. Annual Fees shall be paid in advance on January 1<sup>st</sup> of each year and Hourly Fees on a quarterly basis.
11. Upon the listing of the shares of the Company for trading on any Exchange, the Company shall appoint another trustee to the Plan, and the required notifications shall be filed by the Company, the Trustee and the newly appointed trustee with the Tax Authorities..
12. All commissions, expenses taxes and obligatory payments (if applicable) arising from or pertaining to the holding of Shares and/or any Other Security by the Trustee shall be borne by the Company and/or the Parent Company. All commissions and expenses, tax or obligatory payments (if applicable), arising

from or in connection with the Options, the exercise of rights to Shares, the transfer of Shares or any Other Security, receipt of dividends and/or exercise of rights shall be borne by the Employees.

13. The Trustee will not be obliged to carry out any act that may cause the Trustee to incur an out of pocket expense, unless the payment of such expense, by the Company and/or the Parent Company and/or Employees, is guaranteed to the Trustee's reasonable satisfaction.
14. The Trustee will not be obliged to hold any Options, Underlying Shares or any Additional Rights in trust after the date of May 2017, unless agreed otherwise by the Company and the Trustee.
15. The Trustee shall be entitled to resign from its position as trustee at such time as it sees fit by giving 90 days prior written notice to the Parent Company and the Company. Not later than 30 days after the receipt of the notice of resignation, the Company shall appoint another trustee and the required notifications shall be filed by the Company, the Trustee and the newly appointed trustee with the Tax Authorities.
16. The Company is entitled to terminate this Trust Agreement at such time as it sees fit by giving 90 days prior written notice to the Trustee. The Company shall appoint another trustee and the required notifications shall be filed by the Company, the Trustee and the newly appointed trustee with the Tax Authorities.
17. The Trustee undertakes to fulfill its duties under this Trust Agreement in good faith. The Trustee shall not be liable for any damage or loss incurred by the Company, the Parent Company its Affiliates or Employees as a result of any action or omission on its part (other than a breach of this Trust Agreement) in connection with this Trust Agreement or the implementation thereof, provided that it acted in good faith.
18. The Parent Company and the Company shall immediately indemnify the Trustee upon its request, against any loss, damage or expense of any kind (including lawyer's fees and other expert's fees) that the Trustee shall incur as a result of or in connection with the performance of its duties pursuant to the terms and provisions of this Trust Agreement or the performance of a trustee's duties required by law, unless such loss, damage or expense results from the gross negligence, bad faith or willful misconduct of the Trustee. The Parent Company and the Company shall indemnify the Trustee for any payment it shall have to make to the Parent Company or to the Company or any third party including Employees, as a result of a court sentence or a compromise that the Parent Company or/and the Company have agreed to, filed in connection with (directly or indirectly) this Trust Agreement or the Trust services.
19. The Trustee shall be entitled to consider as true and correct any document it receives, including but not limited to - letters of instructions, notifications,

requests, agreements or confirmations, that appear to be signed by the appropriate entity and/or person and that the Trustee believes in good faith to be true.

20. This Agreement and all documents delivered or executed in connection herewith shall be governed by, and construed and administered in accordance with Israeli law. Any dispute arising under or with respect to this Agreement shall be resolved exclusively in the appropriate court in Tel Aviv, Israel and each of the parties hereby irrevocably submits to the exclusive jurisdiction of such court.

**Unless notified otherwise by one party to the other, the addresses of the parties shall be as detailed in this Trust Agreement.**

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement on the day and year first above written:

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**The Parent Company**

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**The Company**

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**The Trustee**

[Form of Grant Certificate]

**STOCK OPTION CERTIFICATE**

For \$amount\$ Shares

Issued Pursuant to the  
2007 Stock Option Plan of

**KALTURA, INC.**

THIS CERTIFIES, that on \$grantdate\$ (the "Grant Date"), the undersigned (the "Optionee") was granted an option (the "Option") to purchase, at the option price of \$price\$ per share (the "Option Price"), up to \$amount\$ fully paid and non-assessable shares of Common Stock, \$0.0001 par value per share (the "Shares"), of Kaltura, Inc., a Delaware corporation (the "Company").

1. Terms of the Plan. The Option is granted pursuant to, and are subject to the terms and conditions of, the 2007 Stock Option Plan of the Company (the "Plan"), the terms, conditions and definitions of which are hereby incorporated herein as though set forth at length, and the receipt of a copy of which the Optionee hereby acknowledges by his or her signature below. Terms used herein and defined in the Plan shall have the meanings set forth in the Plan, unless otherwise defined herein.

The Company intends that this Option qualify as an "incentive" share option within the meaning of Section 422 of the Internal Revenue Code to the maximum extent permissible under the Internal Revenue Code. To the extent that the Option does not qualify as an incentive share option, the Option or the portion thereof which does not so qualify shall constitute a separate "nonqualified" share option.

2. Expiration. This Option shall expire at 11:59 P.M., \$expirationdate\$, unless earlier terminated in accordance with the terms of this Certificate.

3. Vesting. This Option shall vest and be exercisable as follows:

(a) This Option shall vest and be exercisable in accordance with its terms with respect to one-quarter (25%) of the Shares to which this Option is subject on the first anniversary following \$date\$ (such anniversary, the "First Anniversary").

(b) This Option shall thereafter vest ratably on a monthly basis on the last day of each 30-day period following the First Anniversary (each such last day a "Month End Date") during the three-year period following the First Anniversary, provided that the Optionee has been continuously employed by or has continuously provided services to the Company or any of its subsidiaries through the applicable Month End Date. Thus, on each Month End Date in which the Optionee has been so continuously employed or provided services, the Option shall vest and be exercisable in accordance with its terms with respect to an additional 1/48 of the total Shares to which this Option is subject.

(c) Notwithstanding any other provision of the Plan, Shares issued upon exercise of Options ("Underlying Shares"), shall not be sold, assigned, transferred, pledged, hypothecated or otherwise disposed of, except by will or the laws of descent prior to earlier of (i) the consummation of a merger of the Company with or into another entity, whereby the Company is not the surviving entity, or a sale of all or substantially all of the assets or shares of the Company; or (ii) the consummation of an underwritten initial public offering of the Company's securities. Any disposition of Underlying Shares carried out by Optionees before an initial public offering, without the Board of Directors's prior written approval, shall be null and void.

(d) In the event of the termination of the Optionee's employment with the Company for Cause, as such term is defined in the Plan, this Option and all rights granted hereunder shall be forfeited and deemed canceled and no longer exercisable on the date of such termination. A determination of cause shall be made in the reasonable and sole discretion of the Company's management, subject to review by the President and/or Chief Executive Officer of the Company. The Company's Board of Directors (the "Board") shall, upon request of the Optionee, review the decision of whether the Optionee has been discharged, released or terminated for cause and the Board shall confirm, modify or reverse such determination in its sole discretion.

(e) In the event of the termination of the Optionee's service other than for cause, this Option and all rights granted hereunder shall be forfeited and deemed canceled and no longer exercisable on the earlier to occur of (i) the end of the 90th day after the date of such termination of service and (ii) the expiration of this Option pursuant to Section 2 hereof. Except that if such termination is initiated by Optionee, the period in Section (i) shall be 30 days.

(f) In the event the Optionee's service with the Company or any of its subsidiaries or affiliates is terminated due to his death or disability, the terms and conditions of Sections 9(f) through 9(g) of the Plan shall apply.

(g) Payment for the Shares purchased pursuant to the exercise of this Option shall be made by paying the Option Price per Share in full at the time of the exercise of the Option in cash, unless one of the other methods referred to in the Plan shall be approved, in writing, by the Committee in advance of the exercise.

4. Delivery of Share Certificates. Within a reasonable time after the exercise of the Option, the Company shall cause to be delivered to the Optionee a certificate for the Shares purchased pursuant to the exercise of the Option. If the Option shall have been exercised with respect to less than all of the Shares subject to the Option, the Company shall also cause to be delivered to the Optionee a new Share Option Certificate in replacement of this Share Option Certificate if surrendered at the time of the exercise of the Option, indicating the number of Shares with respect to which this Option remains available for exercise, or this Share Option Certificate shall be endorsed to give effect to the partial exercise of the Option.

5. Withholding. In the event that the Optionee elects to exercise this Option or any part thereof, and if the Company or any parent, subsidiary or affiliate of the Company



shall be required to withhold any amounts (the “Withholding Taxes”) by reasons of any federal, state or local tax laws, rules or regulations in respect of the grant, exercise or disposition of this Option (in whole or in part), or a Disqualifying Disposition (as defined below), the Company or such parent, subsidiary or affiliate shall be entitled to deduct and withhold such amounts from any payments to be made to the Optionee. In any event, the Optionee shall make available to the Company or such parent, subsidiary or affiliate, promptly when requested by the Company or such parent, subsidiary or affiliate, sufficient funds to meet the requirements of such withholding; and the Company or such parent, subsidiary or affiliate shall be entitled to take and authorize such steps as it may deem advisable in order to have such funds available to the Company or such parent, subsidiary or affiliate out of any funds or property due or to become due to the Optionee.

6. Notice to Company of Disqualifying Disposition. The Optionee agrees to notify the Company in writing immediately after the Optionee makes a “Disqualifying Disposition” of any Shares acquired pursuant to the exercise of this Option. A “Disqualifying Disposition” is any disposition (including any sale) of such Shares before the later of (a) two years after the date the Optionee was granted the Option, or (b) one year after the date the Optionee acquired Shares by exercising the Option. If the Optionee has died before such Shares are sold, these holding period requirements do not apply.

7. Adjustments. The number of Shares subject to this Option, and the exercise price, shall be subject to adjustment in accordance with Section 12 of the Plan.

8. Rights of Optionee. Nothing contained herein shall be construed to confer upon the Optionee any right to remain in the service of the Company and/or of any parent, subsidiary or affiliate of the Company or derogate from any right, if any, of the Company and/or any parent, subsidiary or affiliate of the Company to retire, request the resignation of, or discharge the Optionee at any time, with or without cause. The Optionee shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or in equity, and the rights of the Optionee are limited to those expressed herein and in the Plan and are not enforceable against the Company except to the extent set forth herein.

9. Registration; Legend. The Company may postpone the issuance and delivery of Shares upon any exercise of the Option until (a) the admission of such Shares to listing on any stock exchange or exchanges on which Shares of the Company of the same class are then listed and (b) the completion of such registration or other qualification of such Shares under any state or federal law, rule or regulation as the Company shall determine to be necessary or advisable. The Optionee shall make such representations and furnish such information as may, in the opinion of counsel for the Company, be appropriate to permit the Company, in light of the then existence or non-existence with respect to such Shares of an effective Registration Statement under the Securities Act of 1933, as amended, to issue the Shares in compliance with the provisions of that or any comparable act.

10. Restrictions on Transfer. Regardless of whether the offering and sale of Shares under the Plan have been registered under the Act or have been registered or qualified under the securities laws of any state, the Company at its discretion may impose restrictions upon

the sale, pledge or other transfer of the Shares (including stop-transfer instructions) if, in the judgment of the Company, such restrictions are necessary or desirable in order to achieve compliance with the Act, the securities laws of any state or any other law. The Company may cause the following or a similar legend to be set forth on each certificate representing Shares unless counsel for the Company is of the opinion as to any such certificate that such legend is unnecessary:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE OFFERED FOR SALE, SOLD OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT, THE AVAILABILITY OF WHICH IS ESTABLISHED BY AN OPINION FROM COUNSEL TO THE COMPANY.

11. Market Stand-Off. In connection with any underwritten public offering by the Company of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Company's initial public offering, the Optionee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Shares acquired under this Share Option Certificate without the prior written consent of the Company or its underwriters. Such restriction (the "Market Stand-Off") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Company or such underwriters, but in no event greater than 180 days. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Company's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any Shares subject to the Market Stand-Off, or into which such Shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Company may impose stop-transfer instructions with respect to the Shares acquired under this Agreement until the end of the applicable stand-off period. The Company's underwriters shall be beneficiaries of the agreement set forth in this Section 11. This Section 11 shall not apply to Shares registered in the public offering under the Securities Act, and the Optionee shall be subject to this Section 11 only if the directors and officers of the Company are subject to similar arrangements.

12. Waiver. As a condition to the receipt of the Option and its exercise into Shares, Optionee hereby irrevocably waives any right of first refusal with respect to any sale, transfer pledge or other disposition to a third party of any shares in the Company by other stockholders, if such right was so provided in the Company's Bylaws, Certificate of Incorporation or otherwise. The stockholders of the Company are entitled to rely on this irrevocable waiver.

13. Investment Intent. The Optionee represents and agrees that the Shares to be acquired upon exercising this option will be acquired for investment purposes only, and not with a view to the sale or distribution thereof.

14. Option Agreement. This Certificate shall be considered as an Option Agreement for the purposes of the Plan.

15. Amendment. The Committee may at any time or from time to time amend the terms of this Option in accordance with the Plan.

16. Notices. Any notice which either party hereto may be required or permitted to give to the other shall be in writing, and may be delivered personally or by mail, postage prepaid, or overnight courier, addressed as follows: if to the Company, at its office at 49 Havemeyer St, Suite 1, Brooklyn, NY 11211 USA or at such other address as the Company by notice to the Optionee may designate in writing from time to time; and if to the Optionee, at the address shown below his or her signature on this Share Option Certificate, or at such other address as the Optionee by notice to the Company may designate in writing from time to time. Notices shall be effective upon receipt.

17. Interpretation. A determination of the Committee, in its sole discretion, as to any questions which may arise with respect to the interpretation of the provisions of this Option and of the Plan shall be conclusive, final and binding. The Committee, in its sole discretion, may authorize and establish such rules, regulations and revisions thereof not inconsistent with the provisions of the Plan, as it may deem advisable.

18. Entire Agreement. This Stock Option Certificate contains the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior negotiations, agreements and understandings, whether written or oral, relating to the subject matter hereof. The Optionee agrees and acknowledges that this Stock Option Certificate represents any and all shares, and options to acquire shares, of the Company's common stock to which the Optionee is, or ever has been, entitled.

IN WITNESS WHEREOF, the parties have executed this Stock Option Certificate as of the last date set forth below.

Kaltura, Inc.

By: \_\_\_\_\_

Name: Ron Yekutiel

Title: Chairman and CEO

ACCEPTED: \_\_\_\_\_

Name: \$grantee\$

Address:

\_\_\_\_\_  
City    State    Zip Code

Date: \_\_\_\_\_

**[PLEASE SIGN THE ATTACHED PROXY]**

**Irrevocable Proxy  
TO VOTE SHARES OF Kaltura, Inc.**

The undersigned (the “**Holder**”), as the beneficial holder of securities of Kaltura, Inc., a Delaware corporation (the “**Company**”), does hereby irrevocably appoint Ron Yekutieli, the Chief Executive Officer of the Company, or, in his absence, any other Representative shall be appointed by the Board of Directors of the Company in accordance with the Company's 2007 Israeli Share Option Plan (the “**Attorney-In-Fact**”), as a true and lawful attorney-in-fact, in the Holder's place and stead, to act, as Holder's proxy, including, without limitation, to vote and exercise all voting power and other rights, including, without limitation, any contractual rights and rights under applicable law (to the full extent that the Holder is entitled to do so), with respect to all matters arising in connection with any action affecting or relating to all of the shares of the Company which the Holder currently holds (the “**Shares**”) or other securities of the Company's capital stock which the Holder hereafter in the future may hold, actually or constructively, directly or indirectly, and any and all other shares or equity securities of the Company issued or issuable to the Holder in respect of the Shares, on or after the date hereof, including as a result of any change, by subdivision or combination in any manner of the Company's capital stock or by the making of a share dividend on or after the date hereof (collectively, the “**Securities**”), including, without limitation, the right, on the Holder's behalf and subject to any applicable law, to:

(i) execute any agreement, waiver, amendment, consent or any other document, including, without limitation, any stockholders' agreements and any amendment thereof, waivers of rights of first refusal, anti-dilution rights, rights to first offer, rights of co-sale, pre-emptive rights, bring-along rights and such other similar waivers, if and to the extent applicable, all in connection with the Shares;

(ii) attend and to vote in all stockholders' meetings of the Company (including the right to receive on behalf of the Holder materials/information provided to stockholders), or execute and deliver written consents pursuant to applicable law, with respect to the Shares, in the same manner and with the same effect as if the Holder was personally present at any such meeting or voting such Shares or personally acting on any matters submitted to the Company's stockholders for approval or consent, giving and granting to said Attorney-In-Fact full power and authority to do and perform each and every act and thing whether necessary or desirable that may be done as its Attorney-In-Fact in relation to the Shares, other than to sell or transfer the Shares without the prior written consent of the Holder, *provided, however*, that no such consent shall be required, and the Attorney-In-Fact shall have the right to sell or transfer the Shares without the prior written consent of the Holder, in the event of a sale of Shares effectuated as a result of an exercise of a "bring along" provision, if any, or in the event of a Merger Transaction (as defined in the Company's 2007 Israeli Share Option Plan).

This Proxy is irrevocable as it may affect rights of third parties. This Proxy shall remain in effect until the completion of an initial public offering of the shares of the Company. The undersigned hereby ratifies and confirms all that said Attorney-In-Fact shall do or cause to be done by virtue of and in accordance with the terms and conditions of this Proxy. The Attorney-In-Fact shall not have or incur any liability whatsoever by reason of any act or omission of the Attorney-In-Fact, in accordance with this Proxy, whether based upon mistake of fact or law, error of judgment, negligence or otherwise, on condition only that the said acts or omissions are: (i) not in gross negligence; and/or (ii) not willful acts or omissions. The Shares beneficially owned by the undersigned as of the date of this Proxy are listed below. All authority herein conferred shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Irrevocable Power of Attorney and Proxy as of the date first set forth below.

\$grantee\$

NAME

DATE

SIGNATURE

**Kaltura, Inc.**  
**2007 STOCK OPTION PLAN**

**1. Purposes of the Plan.** The purposes of this Stock Option Plan are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to Employees, Directors and Consultants of the Company and its Subsidiaries, and to promote the success of the Company's business. Options granted hereunder may be either Incentive Stock Options or Nonstatutory Stock Options at the discretion of the Committee, subject to the applicable provisions of Section 422 of the Code and the regulations promulgated thereunder.

**2. Definitions.** As used herein, and in any Option granted hereunder, the following definitions shall apply:

- (a) **"Affiliate"** shall mean any corporation or other entity (including, but not limited to, partnerships and joint ventures) controlling, controlled by, or under common control with, the Company.
- (b) **"Applicable Laws"** shall mean the requirements to the administration of stock option plans under U.S. state corporate laws, U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and applicable laws of any other country or jurisdiction where Options or Stock Purchase Rights are granted under the Plan.
- (c) **"Board"** shall mean the Board of Directors of the Company.
- (d) **"Code"** shall mean the Internal Revenue Code of 1986, as now in effect or as hereafter amended.
- (e) **"Common Stock"** shall mean the Common Stock of the Company.
- (f) **"Company"** shall mean **Kaltura, Inc.**, a Delaware corporation.
- (g) **"Committee"** shall mean the Committee appointed by the Board in accordance with Section 4(a) of the Plan. If the Board does not appoint or ceases to maintain a Committee, the term Committee shall refer to the Board.
- (h) **"Consultant"** shall mean any independent contractor retained to perform services for the Company and subsidiaries (held directly or indirectly by the Company).
- (i) **"Continuous Employment"** shall mean the absence of any interruption or termination of service as an Employee, Director or Consultant by the Company or any Subsidiary.

Continuous Employment shall not be considered interrupted during any period of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company and any Parent, Subsidiary or successor of the Company. A leave of absence approved by the Company shall include sick leave, military leave or any other personal leave approved by an authorized representative of the Company. For purposes of Incentive Stock Options, no such leave may exceed ninety (90) days, unless re-employment upon expiration of such leave is guaranteed by statute or contract.

(j) **“Director”** shall mean a director of the Company.

(k) **“Effective Date”** shall mean the date on which the Plan is initially approved by the Board or by the shareholders in accordance with Section 19 of the Plan.

(l) **“Employee”** shall mean any person, including officers (whether or not they are directors), employed by the Company or any Subsidiary.

amended.

(m) **“Exchange Act”** shall mean the Securities Exchange Act of 1934, as

(n) **“Fair Market Value”** means as of any date the value of Share determined as follows: (i) the closing price of a Share on the national securities exchange on which the Shares are traded, or (ii) if the Shares are not traded on a national securities exchange but are quoted on the NASDAQ SmallCap Market or a regional stock exchange or an automated quotation system or over-the-counter market, the closing price on the NASDAQ SmallCap Market or regional stock exchange, automated quotation system or over-the-counter market, or (iii) if the Shares are not traded on a national securities or quoted on the NASDAQ SmallCap Market or regional stock exchange, automated quotation system or over-the-counter market, the fair market value of a Share as determined by the Company's Board of Directors in good faith, based upon such factors as they deem relevant. Notwithstanding the preceding, for federal, state, and local income tax reporting purposes, fair market value shall be determined by the Committee in accordance with uniform and nondiscriminatory standards adopted by it from time to time. Such determination shall be conclusive and binding on all persons.

(o) **“Grant Date”** means, with respect to an Option, the date on which the Option is granted by the Committee; as set forth in the Option Agreement.

(p) **“Incentive Stock Option”** shall mean any option granted under this Plan in accordance with the provisions of Section 422 of the Code, and the Treasury Regulations promulgated thereunder, as amended from time to time.

(q) **“Non-Employee Director”** shall mean a director of the Company who qualifies as a Non-Employee Director as such term is defined in Section 240.16b-3(b)(3) of the General Rules and Regulations promulgated under the Exchange Act (the **“General Rules and Regulations”**).

(r) **“Nonstatutory Stock Option”** shall mean an Option granted under the Plan that is subject to the provisions of Section 1.83-7 of the Treasury Regulations promulgated under Section 83 of the Code.

(s) **“Option”** shall mean a stock option granted pursuant to the Plan.

(t) **“Option Agreement”** shall mean a written agreement between the Company and the Optionee regarding the grant and exercise of Options to purchase Shares and the terms and conditions thereof as determined by the Committee pursuant to the Plan.

(u) **“Option Shares”** shall mean the Common Stock subject to an Option.

Plan.



(v) **“Optionee”** shall mean any person who receives or holds an Option under the

(w) **“Parent”** shall mean a parent corporation, whether now or hereafter existing, as defined by Section 424(e) of the Code.

(x) **“Plan”** shall mean this 2007 Stock Option Plan.

(y) **“Registration Date”** shall mean the effective date of the first registration of any class of the Company's equity securities pursuant to Section 12 of the Exchange Act.

(z) **“Securities Act”** shall mean the Securities Act of 1933, as now in effect or as hereafter amended.

(aa) **“Share”** shall mean a share of the Common Stock 0.0001 US\$ par value per share subject to an Option, as adjusted in accordance with Section 12 of the Plan.

Subsidiary **“Service Provider”** means a director, consultant or adviser to the Company or its

(bb) **“Subsidiary”** shall mean a direct or indirect subsidiary corporation, whether now or hereafter existing, as defined in Section 424(f) of the Code.

(cc) **“Termination of Service”** means (a) in the case of an Employee, a cessation of the employee-employer relationship between an employee and the Company or an Affiliate for any reason, including, but not by way of limitation, a termination by resignation, discharge, death, disability, or the disaffiliation of an Affiliate, but excluding any such termination where there is a simultaneous re-employment by the Company or an Affiliate; and (b) in the case of a Consultant, a cessation of the service relationship between a Consultant and the Company or an Affiliate for any reason, including, but not by way of limitation, a termination by resignation, discharge, death, disability, or the disaffiliation of an Affiliate, but excluding any such termination where there is a simultaneous re-engagement of the Consultant by the Company or an Affiliate.

**3. Shares Subject to the Plan; Restriction Thereon.** The total number of Underlying Shares reserved for issuance under the Plan and any modification thereof, shall be determined from time to time by the Board of Directors of the Company. The Shares may be authorized but unissued or reacquired shares of Common Stock. If an Option expires or becomes unexercisable for any reason without having been exercised in full (the aforesaid applies to any unexercised portion of the options), or is surrendered pursuant to an Option exchange program, such unissued or retained Shares shall become available for other Option grants under the Plan, unless the Plan shall have been terminated. The Shares shall be voted by the Representative in a manner that does not affect the outcome, without their participation in the vote (i.e. as if they were voted in accordance with the pro- rated distribution of votes).

Subject to any applicable law, an Optionee who purchased Shares hereunder upon exercise of Options shall have no voting rights as a shareholder (in any and all matters whatsoever) until the consummation of an IPO. Until the IPO, such Shares shall be voted by an irrevocable proxy (the“Proxy”), such Proxy to be assigned to representatives designated by Board (the “Representatives”). Such Representatives shall be indemnified and held harmless by the Company against any cost or expense (including counsel fees) reasonably incurred by him/her, or any liability (including any sum paid in settlement of a claim with the approval of the Company) arising out of any act or omission to act in connection with the voting of the Proxy unless arising out of such Representative’s own fraud or bad faith, to the extent permitted by applicable law. Such indemnification shall be in addition to any rights of

indemnification the Representative(s) may have as a director or otherwise under the Company's incorporation documents, any agreement, any vote of shareholders or disinterested directors, insurance policy or otherwise.

#### **4. Administration of the Plan.**

(a) **Procedure.** The Plan shall be administered by the Board. The Board may appoint a Committee consisting of not less than two (2) members of the Board to administer the Plan, subject to such terms and conditions as the Board may prescribe. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies, however caused, and remove all members of the Committee and, thereafter, directly administer the Plan. Members of the Board or Committee who are either eligible for Options or have been granted Options may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself, but any such member may be counted in determining the existence of a quorum at any meeting of the Board or the Committee during which action is taken with respect to the granting of an Option to him or her.

The Committee shall meet at such times and places and upon such notice as the chairperson determines. A majority of the Committee shall constitute a quorum. Any acts by the Committee may be taken at any meeting at which a quorum is present and shall be by majority vote of those members entitled to vote. Additionally, any acts reduced to writing or approved in writing by all of the members of the Committee shall be valid acts of the Committee.

(b) **Powers of the Committee.** Subject to the provisions of the Plan, and except as otherwise provided by the Board, the Committee shall have the authority: (i) to determine, upon review of relevant information, the Fair Market Value of the Common Stock; (ii) to determine the exercise price of Options to be granted, the Employees, Service Providers or Consultants to whom and the time or times at which Options shall be granted, and the number of Shares to be represented by each Option; (iii) to interpret the Plan; (iv) to prescribe, amend and rescind rules and regulations relating to the Plan; (v) to determine the terms and provisions of each Option granted under the Plan (which need not be identical) and, with the consent of the holder thereof, to modify or amend any Option; (vi) to authorize any person to execute on behalf of the Company any instrument required to effectuate the grant of an Option previously granted by the Committee; (vii) to accelerate or (with the consent of the Optionee) defer an exercise date of any Option, subject to the provisions of Section 9(a) of the Plan; (viii) to determine whether Options granted under the Plan will be Incentive Stock Options or Nonstatutory Stock Options; (ix) Make a determination as the occurrence of Cause; (x) to make all other determinations deemed necessary or advisable for the administration of the Plan.

(c) **Effect of Committee's Decision.** All decisions, determinations and interpretations of the Committee shall be final and binding on all persons.

(d) At the Company's discretion, each member of the Board or the Committee may be indemnified and held harmless by the Company against any cost or expense (including counsel fees) reasonably incurred by him, or any liability (including any sum paid in settlement of a claim with the approval of the Company) arising out of any act or omission to act in connection with the Plan unless arising out of such member's own fraud or bad faith, to the extent permitted by applicable law. Such indemnification shall be in addition to any rights of indemnification the member may have as a director or

otherwise under the Company's incorporation documents, any agreement, any vote of shareholders or disinterested directors, insurance policy or otherwise.

**5. Eligibility.**

(a) **Persons Eligible for Options.** Nonstatutory Stock Options under the Plan may be granted to Employees, Directors or Consultants whom the Committee, in its sole discretion, may designate from time to time. Incentive Stock Options may be granted only to Employees. An Employee, Director or Consultant who has been granted an Option, if he or she is otherwise eligible, may be granted an additional Option or Options. However, if the aggregate Fair Market Value of the Shares (determined as of the Grant Date) subject to one or more Incentive Stock Options that are exercisable for the first time by an Optionee during any calendar year (under all stock option plans of the Company and its Parents and Subsidiaries) exceeds \$100,000 such Options shall be treated as Nonstatutory Stock Options.

(b) **No Right to Continuing Employment, Consulting or Director Relationship.** Neither the establishment nor the operation of the Plan nor the Option Agreement with the Optionee shall confer upon any Optionee or any other person any right with respect to continuation of employment or other service with the Company or any Subsidiary, nor shall the Plan interfere in any way with the right of the Optionee or the right of the Company (or any Parent or Subsidiary) to terminate such employment or service at any time.

**6. Term of Plan.** The Plan shall become effective upon its adoption by the Board and its approval by vote of the holders of the outstanding shares of the Company entitled to vote on the adoption of the Plan (in accordance with the provisions of Section 19 hereof). It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 14 of the Plan.

**7. Term of Option.** The term of the Option shall be set forth in the Option Agreement; provided, however, that the term shall be no more than ten (10) years from the Grant Date.

**8. Option Exercise Price and Consideration.**

(a) **Option Price.** Except as provided in subsections (b) and (c) below, the exercise price for the Shares to be issued pursuant to any Option shall be such price as is determined by the Committee in accordance with applicable law, which in the case of Incentive Stock Options granted to an Employee, shall in no event be less than the Fair Market Value of such Shares on the Grant Date. or (ii) in the case of Nonstatutory Stock Options, at least 85% of such Fair Market Value. Each Option Agreement will contain the exercise price determined for each Optionee.

(b) **Consideration.** The consideration to be paid for the Option Shares shall be payment in cash or by check, cashier's check, certified check, wire transfer, or such other method of payment approved by the Committee, provided that a period of at least six months and one day has lapsed from the day the Optionee exercised his/her Options into Shares, or such other consideration and method of payment for the issuance of Option Shares is authorized by the Committee at the time of the grant of the Option. Any cash or other property received by the Company from the sale of Shares pursuant to the Plan shall constitute part of the general assets of the Company.

## 9. Exercise of Option.

(a) **Vesting Period.** Any Option granted hereunder shall be exercisable at such times and under such conditions as determined by the Committee and as shall be permissible under the terms of the Plan, which shall be specified in the Option Agreement evidencing the Option.

The minimum number of Options that an Optionee may exercise in every exercise event shall be no less than the greater number of: (1) 500 Options; or (2) 5% of the Options granted to such Optionee under that grant; unless the Optionee is exercising all of his/her remaining vested Options.

(b) **Exercise Procedures.** An Option shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Option by the person entitled to exercise the Option and full payment for the Shares with respect to which the Option is exercised has been received by the Company. After the Registration Date, in lieu of delivery of a cash payment for the purchase price of the Option Shares with respect to which the Option is exercised, the Optionee may deliver to the Company a sell order to a broker for the Shares being purchased and an agreement to pay (or have the broker remit payment for) the purchase price for the Shares being purchased on or before the settlement date for the sale of such shares to the broker. As soon as practicable following the exercise of an Option in the manner set forth above, the Company shall issue or cause its transfer agent to issue stock certificates representing the Shares purchased. Until the issuance of such stock certificates (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Option Shares notwithstanding the exercise of the Option. No adjustment will be made for a dividend or other rights for which the record date is prior to the date of the transfer by the Optionee of the consideration for the purchase of the Shares, except as provided in Section 12 of the Plan.

(c) **Termination of Status as Employee, Director or Consultant.** If an Optionee ceases to be an Employee, Director or Consultant for any reason other than permanent disability (as defined in Section 9(d) below) or death, he or she may, within ninety (90) days (or such other longer period of time as is determined by the Committee) after the date of Termination of Service, exercise his or her vested Option to the extent that he or she was entitled to exercise it at the date of Termination of Service, subject to the condition that no Option shall be exercised after the expiration of the Option period. Notwithstanding the foregoing if termination was initiated by participant, he or she may, within ninety (30) days (or such other longer period of time as is determined by the Committee) after the date of Termination of Service, exercise his or her vested Option to the extent that he or she was entitled to exercise it at the date of Termination of Service, subject to the condition that no Option shall be exercised after the expiration of the Option period

(d) For avoidance of doubt, if termination of employment or service is for Cause, any outstanding (both vested and unvested) unexercised Option, will immediately expire and terminate, and the Optionee shall not have any right in connection to such outstanding Options.

(i) The term Cause when used in connection with the termination of a Optionee's employment with, or services to the Company or an Affiliate, and forming the basis of such termination: any one of the following, including but not limited to: dishonesty toward the Company or Affiliate, material insubordination, substantial malfeasance or nonfeasance of duty, unauthorized disclosure of confidential information, and conduct substantially prejudicial to the business of the Company or Affiliate, acting in a manner that is in direct or indirect competition with Company's business.

(ii) if subsequent to the Optionee's termination of employment, but prior to the exercise of options granted to such Optionee, the Committee determines that either prior or subsequent to the Optionee's termination of employment, the participant engaged in conduct which would constitute cause, then the Optionee's right to exercise the options granted to such Optionee shall immediately cease upon such determination and the options shall thereupon expire.

The determination by the Committee as to the occurrence of Cause shall be final and conclusive for all purposes of this Plan.

(e) The Committee may authorize an extension of the terms of all or part of the vested Options beyond the date of such Termination of Service for a period not to exceed the period during which the Options by their terms would otherwise have been exercisable.

(f) **Disability of Optionee.** If an Optionee shall cease to be an Employee, Director or Consultant due to "permanent disability" as such term is defined in Section 22(e)(3) of the Code, and such Optionee was in Continuous Employment as an Employee, Director or Consultant from the Grant Date until the date of Termination of Service, any vested Option may be exercised at any time within twelve (12) months following the date of Termination of Service, but only to the extent of the accrued right to exercise at the time of Termination of Service, subject to the condition that no option shall be exercised after the expiration of the Option period.

(g) **Death of Optionee.** In the event of the death during the Option period of an Optionee who is at the time of his or her death, an Employee, Non-Employee Director or Consultant and who was in Continuous Employment as such from the Grant Date until the date of death, the Option may be exercised at any time within twelve (12) months following the date of death by the Optionee's estate or by a person who acquired the right to exercise the Option by bequest, inheritance or otherwise as a result of the Optionee's death, but only to the extent of the accrued right to exercise at the time of death, subject to the condition that no option shall be exercised after the expiration of the Option period. All remaining Shares covered by the unexercisable portion of the Option shall immediately revert to the Plan. If, after the Optionee's death, the Optionee's estate or a person who acquires the right to exercise the Option by bequest or inheritance does not exercise the Option within the time specified herein, the Option shall terminate, and the Shares covered by such Option shall revert to the Plan.

(h) **Tax Withholding.**

Any tax consequences arising from the grant or exercise of any Option, from the payment for Shares covered thereby or from any other event or act (of the Company and/or its Subsidiaries or the Optionee) hereunder shall be borne solely by the Optionee. The Company and/or its Subsidiaries shall withhold taxes according to the requirements under the applicable laws, rules, and regulations, including withholding taxes at source. Furthermore, the Optionee shall agree to indemnify the Company and/or its Subsidiaries and hold them harmless against and from any and all liability for any tax that is borne on the Optionee or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to the Optionee.

The Company shall not be required to release any Share certificate to an Optionee until all required payments have been fully made.

Any adverse consequences incurred by the Optionee with respect to the use of shares of Common Stock to pay any part of the Option Price or of any tax in connection with the exercise of an Option, including, without limitation, any adverse tax consequences arising as a result of a disqualifying

disposition within the meaning of Section 422 of the Code, shall be the sole responsibility of the Optionee (hereinafter: "Disqualifyine Disposition").

**10. Transfer of Options.** The Options and may not be sold, assigned, pledged, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Optionee, only by the Optionee.

**11. Exercise of Unvested Options.** The Committee may grant any Optionee the right to exercise any Option prior to the complete vesting of such Option.

**12. Adjustments upon Changes in Capitalization.** Subject to any required action by the shareholders of the Company, the number of Option Shares covered by each outstanding Option, and the number of Shares which have been authorized for issuance under the Plan but as to which no Options have yet been granted or which have been returned to the Plan, and the per share exercise price of each such Option, shall be proportionately and equitably adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, combination, reclassification, the payment of a stock dividend on the Common Stock or any other increase or decrease in the number of such shares of Common Stock effected without receipt of consideration by the Company without changing the aggregate exercise price, provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been effected without receipt of consideration. Such adjustment shall be made by the Committee, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, no issue by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares of Common Stock subject to an Option.

The Committee may, if it so determines in the exercise of its sole discretion, also make provision for proportionately adjusting the number or class of securities covered by any Option, as well as the price to be paid therefor, in the event that the Company effects one or more reorganizations, recapitalizations, rights offerings, or other increases or reductions of its outstanding shares of Common Stock, and in the event of the Company being consolidated with or merged into any other corporation.

**13. Time of Granting Options.** Unless otherwise specified by the Committee, the date of grant of an Option under the Plan shall be the Grant Date. Notice of the determination shall be given to each Optionee to whom an Option is so granted within a reasonable time after the date of such grant.

**14. Amendment and Termination of the Plan.** The Board may amend or terminate the Plan from time to time in such respects as the Board may deem advisable, except that, without approval of the shareholders of the Company, no such revision or amendment shall change the number of Shares subject to the Plan, change the designation of the class of employees eligible to receive Options or add any material benefit to Optionees under the Plan, modify the Plan in any other way if such modification requires shareholders approval in order for the Plan to satisfy the requirements of Section 422 of the Code. Any such amendment or termination of the Plan shall not affect Options already granted, and such Options shall remain in full force and effect as if the Plan had not been amended or terminated. Without derogating from the above, no amendment of this Plan shall be effective unless approved by the shareholders of the Company within twelve (12) months before or after the adoption of the amendment by the Board if such approval is required.

**15. Conditions upon Issuance of Shares.** Shares shall not be issued with respect to an Option granted under the Plan unless the exercise of such Option and the issuance and delivery of such Shares pursuant thereto shall comply with Applicable Laws, and shall be further subject to the approval of counsel for the Company with respect to such compliance. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned relevant provisions of law.

**16. Reservation of Shares.** During the term of this Plan the Company will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the nonissuance or sale of such Shares as to which such requisite authority shall not have been obtained.

**17. Information to Optionee.** During the term of any Option granted under the Plan, the Company shall provide or otherwise make available to each Optionee a copy of its annual financial statement and any other financial information provided to its shareholders in accordance with the provisions of the Company's Bylaws and applicable law. The Company shall not be required to provide such statements to key employees whose duties in connection with the Company assure their access to equivalent information.

**18. Option Agreement.** Options granted under the Plan shall be evidenced by Option Agreements, in such form as the Board or the Committee shall from time to time approve. Each Option Agreement shall state, inter alia, the number of Shares to which the Option relates, the type of Option granted thereunder (whether an Incentive Stock Option or Nonstatutory Stock Option), the vesting dates, the exercise price per Share and the expiration date.

**19. Shareholder Approval.** The Plan shall be subject to approval by the shareholders of the Company within twelve (12) months before or after the Plan is adopted by the Board. Such shareholder approval shall be obtained in the degree and manner required under Applicable Laws and no Incentive Stock Option shall be exercised unless and until the Plan has been approved by the shareholders of the Company.

**20. Shares Subject to Right of First Refusal and Tag Along.** Notwithstanding anything to the contrary in the incorporation documents of the Company, none of the Optionees shall have a right of first refusal in relation with any sale of shares in the Company.

**21. Dividends.** With respect to all Shares (but excluding, for avoidance of any doubt, any unexercised Options) allocated or issued upon the exercise of Options purchased by the Optionee, and subject to the Company's Bylaws and incorporation documents, the Optionee shall be entitled to receive dividends and other distributions in accordance with the quantity of such Shares, and subject to any applicable taxation on distribution of dividends.

**22. Government Regulation.** The Plan, the granting and exercise of Options hereunder, and the obligation of the Company to sell and deliver Shares under such Options, shall be subject to all applicable laws, rules, and regulations, whether of the United States or any other state having jurisdiction over the Company and the Optionee, including the registration of the Shares under the Securities Act, and

to such approvals by any governmental agencies or national securities exchanges as may be required. Nothing herein shall be deemed to require the Company to register the Shares under the securities laws of any jurisdiction.

**23. Governing Law & Jurisdiction.** The Plan shall be governed by and construed and enforced in accordance with the requirements relating to the administration of stock option plans under U.S. federal and state securities laws, the Code, any stock exchange or quotation system on which the shares are listed or quoted and the applicable laws of any other country or jurisdiction where Options are granted under the Plan. The competent courts of Delaware, U.S.A shall have sole jurisdiction in any matters pertaining to the Plan.

**24. Non-Exclusivity of the Plan.** The adoption of the Plan by the Board shall not be construed as amending, modifying or rescinding any previously approved incentive arrangements or as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including, without limitation, the granting of Options otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

For the avoidance of doubt, prior grant of options to Optionees of the Company under their employment agreements, and not in the framework of any previous option plan, shall not be deemed an approved incentive arrangement for the purpose of this section.

**25. Multiple Agreements.** The terms of each Option may differ from other Options granted under the Plan at the same time, or at any other time. The Board may also grant more than one Option to a given Optionee during the term of the Plan, either in addition to, or in substitution for, one or more Options previously granted to that Optionee.

**26. Conversion of Incentive Stock Option into Nonstatutory Stock Option.** The Board, at the written request of any U.S Optionee, may in its discretion take such actions as may be necessary to convert such Optionee's Incentive Stock Options (or any portions thereof) that have not been exercised on the date of conversion into Nonstatutory Stock Options at any time prior to the expiration of such Incentive Stock Options, regardless of whether the Optionee is an Employee of the Company or a Subsidiary at the time of such conversion. Such actions may include, but not be limited to, extending the exercise period or reducing the exercise price of the appropriate installments of such Options. At the time of such conversion, the Board (with the consent of the Optionee) may impose such conditions on the exercise of the resulting Nonstatutory Stock Options as the Board in its discretion may determine, provided that such conditions shall not be inconsistent with the Plan. Nothing in the Plan shall be deemed to give any Optionee the right to have such Optionee's Incentive Stock Options converted into Nonstatutory Stock Options, and no such conversion shall occur unless and until the Board takes appropriate action. The Board, with the consent of the Optionee, may also terminate any portion of any Incentive Stock Option that has not been exercised at the time of such conversion.

**27. Notice to the Company of Disqualifying Disposition.** Each Employee who receives an Incentive Stock Option must agree to notify the Company in writing immediately after the Employee makes a Disqualifying Disposition of any Shares acquired upon the exercise of an Incentive Stock Option. A Disqualifying Disposition is any disposition (including any sale) of such Shares before a date which is both (a) two (2) years after the date the Employee was granted the Incentive Stock Option, and (b) one (1) year after the date the Employee acquired Shares by exercising the Incentive Stock Option. If the Employee has died before such Share is sold, these holding period requirements do not apply and no Disqualifying Disposition can occur thereafter.



**Approved by the Board of Directors: On May 3, 2007**

**Approved by the Shareholders: On May 9, 2007**

**NON-QUALIFIED STOCK OPTION AWARD AGREEMENT  
UNDER THE KALTURA, INC. 2017 EQUITY INCENTIVE PLAN**

THIS NON-QUALIFIED STOCK OPTION AWARD AGREEMENT (this "Agreement") is made between Kaltura, Inc., a Delaware corporation (the "Corporation") and \$grantee\$ (the "Grantee").

WHEREAS, the Corporation maintains the Kaltura, Inc. 2017 Equity Incentive Plan (the "Plan"); and

WHEREAS, the Plan permits the award of Non-Qualified Stock Options to purchase shares of the Corporation's Common Stock, subject to the terms of the Plan; and

WHEREAS, to compensate the Grantee for his/her service to the Corporation and its subsidiaries and to further align the Grantee's personal financial interests with those of the Corporation's stockholders, the Corporation wishes to award the Grantee an option to purchase the number of Share(s) of the Corporation's Common Stock set forth below, subject to the restrictions and on the terms and conditions contained in the Plan and this Agreement.

NOW, THEREFORE, in consideration of these premises and the agreements set forth herein and intending to be legally bound hereby, the parties agree as follows:

1. Award of Option. This Agreement evidences the grant to the Grantee of an option (the "Option") to purchase \$amount\$ shares of the Corporation's Common Stock (the "Option Shares"). The Option is subject to the terms set forth herein, and in all respects is subject to the terms and provisions of the Plan, which terms and provisions are incorporated herein by this reference. Except as otherwise specified herein or unless the context herein requires otherwise, the terms defined in the Plan will have the same meanings herein.

2. Nature of the Option. The Option is **not** intended to be an incentive stock option as described by Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"), or to otherwise qualify for any special tax benefits for the Grantee.

3. Date of Grant; Term of Option. The Option was granted on \$grantdate\$ (the "Effective Date") and may not be exercised later than the tenth anniversary of that date, subject to earlier termination in accordance with Section 14 of the Plan.

4. Option Exercise Price. The Exercise Price of the Option is USD \$price\$ per Option Share, which amount is intended to be at least equal to the Fair Market Value per Share on the Effective Date.

5. Exercise of Option. Unless otherwise determined by the Corporation in accordance with the Plan, the Option will become exercisable only in accordance with the terms and provisions of the Plan and this Agreement, as follows:

(a) Vesting. The commencement date of the vesting schedule is \$date\$ (the "Commencement Date"). For the avoidance of doubt, in cases where the Commencement Date precedes the Effective Date, the Grantee will be credited with vesting as if the Option had begun to vest on the Commencement Date. The Option shall become vested and exercisable as

follows: (i) 1/4 of the Option (rounded down) shall vest on the first anniversary of the Commencement Date (the "First Anniversary"); and (ii) thereafter, 1/48 of the Option (rounded down) shall vest at the end of each subsequent month following the First Anniversary over a period of 36 months following the First Anniversary. Grantee is aware of the fact that upon termination of Grantee's employment in the Corporation or any of its Affiliated Corporations, Grantee shall not have a right to the Option, except as specified in the Plan.

(b) Method of Exercise. The Grantee may exercise the Option by providing written notice to the Corporation stating the election to exercise the Option in accordance with Section 10 of the Plan.

(c) Partial Exercise. The Option may be exercised in whole or in part; provided, however, that any exercise may apply only with respect to a whole number of Option Shares.

(d) Restrictions on Exercise. The Option may not be exercised, and any purported exercise will be void, if the issuance of the Option Shares upon such exercise would constitute a violation or breach of (i) any of the provisions set forth this Agreement and/or in the Plan; or (ii) any applicable law, regulation or exchange listing requirement. The Board may from time to time modify the terms of this Option or impose additional conditions on the exercise of this Option as it deems necessary or appropriate to facilitate compliance with the Plan and/or any applicable law, regulation or exchange listing requirement. As a further condition to the exercise of the Option, the Corporation may require the Grantee to make any representation or warranty as may be required by or advisable under the Plan and/or any applicable law or regulation.

6. Investment Representations. The Grantee represents and warrants to the Corporation that the Grantee is acquiring the Option (and upon exercise of the Option, will be acquiring the Option Shares) for investment for the Grantee's own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof.

7. Non-Transferability of Option. The Grantee hereby acknowledges and agrees that the Option and any Shares acquired pursuant to exercise of the Option are subject to the transfer, repurchase and other restrictions as set forth in Plan.

8. Tax Consequences. The Corporation does not represent or warrant that this Option (or the purchase or sale of the Option Shares subject hereto) will be subject to any particular tax treatment. The Grantee acknowledges that the Grantee has reviewed with the Grantee's own tax advisors the tax treatment of this Option (including the purchase and sale of Option Shares subject hereto) and is relying solely on those advisors in that regard. The Grantee understands that the Grantee (and not the Corporation) will be responsible for the Grantee's own tax liabilities arising in connection with this Option.

9. Share Legends. The following legend will be placed on any certificate evidencing an Option Share, in addition to any other legend that may be required pursuant to applicable law, the Plan, or otherwise:

**THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS OF AN INCENTIVE STOCK OPTION AWARD AGREEMENT ENTERED INTO BETWEEN THE ORIGINAL HOLDER OF THESE SHARES AND KALTURA, INC. AND THE 2017 EQUITY INCENTIVE PLAN OF KALTURA, INC. AND ALL EXHIBITS ATTACHED THERETO (WHICH TERMS AND CONDITIONS MAY INCLUDE, WITHOUT LIMITATION, CERTAIN TRANSFER RESTRICTIONS AND REPURCHASE RIGHTS). A COPY OF THAT**

**AGREEMENT AND THE PLAN IS ON FILE IN THE PRINCIPAL OFFICES OF KALTURA, Inc. AND WILL BE MADE AVAILABLE TO THE HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON REQUEST TO THE SECRETARY OF KALTURA, Inc.**

10. Joinder.

(a) Without derogating from the provisions of the Plan, the Grantee hereby acknowledges and agrees that until an IPO, in the event that stockholders of the Corporation holding at least a majority of the voting power in the Corporation accept an offer to sell all of their stock in the Corporation and such sale of stock transaction is conditioned upon the sale of all remaining stock of the Corporation to such third party (a "Sale of Stock Transaction"), then, the Grantee shall, if so requested by the Board (which request shall notify the Grantee of such Sale of Stock Transaction), sell his/her Option Shares and/or Options in such Sale of Stock Transaction, on the same terms subject however to any applicable liquidation preferences (provided that (i) with respect to unexercised Options, the Exercise Price shall be deducted from the purchase price paid for the Option Shares in such transaction; and (ii) the proceeds of such Sale of Stock Transaction shall be allocated in accordance with the distribution preferences provisions of the Corporation's Certificate of Incorporation, as may be amended from time to time).

(b) In addition, without derogating from the generality of the provisions set forth in the Irrevocable Proxy attached hereto, the Grantee agrees to: (a) refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such proposed transaction; (b) take all necessary and desirable actions approved by the Board in connection with the consummation of the Sale of Stock Transaction, including the execution of such agreements and such instruments and other actions reasonably necessary to (I) provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Sale of Stock Transaction and (II) effectuate the allocation and distribution of the aggregate consideration upon the Sale of Stock Transaction; and (c) to execute and deliver all related documentation and take such other action in support of the proposed transaction as shall reasonably be requested by the Board.

11. Market Stand-Off.

(a) The Grantee hereby agrees that in connection with any underwritten public offering by the Corporation of its equity securities pursuant to an effective

registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"), including the Corporation's IPO, Grantee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Option Shares delivered to Grantee upon the exercise of the Option without the prior written consent of the Corporation or its underwriters. Such restriction (the "Market Stand-Off") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Corporation or such underwriters, but in no event greater than 180 days (the "Market Stand-Off Period"). In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Corporation's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any shares subject to the Market Stand-Off, or into which such shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Corporation may impose stop-transfer instructions with respect to any Option Shares delivered to Grantee upon the exercise or vesting of the Option until the end of the applicable stand-off period. The Corporation's underwriters shall be beneficiaries of this Section 11. This Section 11 shall not apply to shares registered in the public offering under the Securities Act, and the Grantee shall be subject to this Section 11 only if the directors and officers of the Corporation are subject to similar arrangements.

(b) In addition, if any managing underwriter or book runner of any such offering or registration (the "Underwriter") requests, the Grantee will execute and deliver to the Underwriter such documents, agreements, and instruments that the Underwriter shall reasonably require to enable the Underwriter to obtain the benefit of the Market Stand-Off during the Market Stand-Off Period. In connection with the foregoing, the Grantee hereby appoints the Corporation's Chief Executive Officer, or any other person designated by the Board, as the Grantee's attorney-in-fact, with full power of substitution, to execute and deliver all documents, agreements and instruments to be executed and delivered by the Grantee, and to take all actions to be taken by the Grantee in each case in connection with effecting any Market Stand-Off.

12. The Plan. The Grantee has received a copy of the Plan (a copy of which is attached hereto), has read the Plan and is familiar with its terms, and hereby accepts the Option subject to the terms and provisions of the Plan, as amended from time to time. Pursuant to the Plan, the Board is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board with respect to questions arising under the Plan or this Agreement.

13. Proxy. As condition to the grant of any Option, Grantee hereby agrees to execute and deliver an Irrevocable Proxy, substantially in the form attached hereto, covering the Option Shares in accordance with the terms and conditions of the Plan.

14. Stockholder Agreements. As a condition to the exercise of any Option, upon request of the Board, Grantee shall agree in writing to be bound by the terms and

provisions of any agreements among the stockholders of the Corporation which are applicable to the holders of shares of Common Stock, including, without limitation, any restriction on transfer of shares of Common Stock of the Corporation and to the extent requested by the Board Grantee undertakes to execute and deliver an additional counterpart signature page to such agreement(s) in a form acceptable to the Board.

15. Withholding. All taxable distributions under the Agreement are subject to withholding of all applicable taxes, and the Corporation conditions any payment, exercise, disposition or other distribution to the Grantee under the Agreement on satisfaction of the applicable withholding obligations, if any.

16. Rights of Grantee. Without derogating from the provisions of Section 19 of the Plan, nothing contained herein shall be construed to confer upon the Grantee any right to remain in the service of the Corporation and/or of any Affiliated Corporation or derogate from any right of the Corporation and/or any Affiliate Corporation to retire, request the resignation of, or discharge the Grantee at any time, with or without cause. The rights of the Grantee are limited to those expressed herein and in the Plan and are not enforceable against the Corporation except to the extent set forth herein.

17. Entire Agreement. This Agreement, together with the Plan, represents the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreement, written or otherwise, relating to the subject matter hereof.

18. Amendment. Except as otherwise provided in the Plan or herein or as would otherwise not have a material adverse effect on the Grantee, this Agreement may only be amended by a writing signed by each of the parties hereto.

19. Governing Law. This Agreement will be construed in accordance with the laws of the State of Delaware, without regard to the application of the principles of conflicts of laws.

20. Execution. This Agreement may be executed, including execution by facsimile signature, in one or more counterparts, each of which will be deemed an original, and all of which together shall be deemed to be one and the same instrument.

[This space intentionally left blank; signature page follows]

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date indicated below, respectively.

**Kaltura, Inc.**

\_\_\_\_\_  
CEO  
\_\_\_\_\_  
Title  
  
\$grantsignaturedate\$  
\_\_\_\_\_  
Date

**GRANTEE**

\$grantee\$  
\_\_\_\_\_  
Address  
\_\_\_\_\_  
  
\$grantsignaturedate\$  
\_\_\_\_\_  
Date

**THIS OPTION AND THE SECURITIES WHICH MAY BE PURCHASED UPON EXERCISE OF THIS OPTION HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES HAVE NOT BEEN ACQUIRED WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE SOLD, ASSIGNED, EXCHANGED, MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR DISPOSED OF, BY GIFT OR OTHERWISE, OR IN ANY WAY ENCUMBERED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES LAWS, OR A SATISFACTORY OPINION OF COUNSEL SATISFACTORY TO KALTURA, Inc. THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT AND UNDER APPLICABLE STATE SECURITIES LAWS.**

**IRREVOCABLE PROXY  
TO VOTE SHARES OF KALTURA, INC.**

The undersigned (the "**Holder**"), as the beneficial holder of securities of Kaltura, Inc., a Delaware corporation (the "**Company**"), does hereby irrevocably appoints Ron Yekutieli, the Chief Executive Officer of the Company, or, in his absence, any other representative who shall be appointed by the Board of Directors of the Company in accordance with the Company's 2017 Equity Incentive Plan (the "**Attorney-In-Fact**"), as a true and lawful attorney-in-fact, in the Holder's place and stead, to act, as Holder's proxy, including, without limitation, to vote and exercise all voting power and other rights, including, without limitation, any contractual rights and rights under applicable law (to the full extent that the Holder is entitled to do so), with respect to all matters arising in connection with any action affecting or relating to all of the shares of the Company which the Holder holds or other shares or securities of the Company's capital stock which the Holder hereafter in the future may hold, actually or constructively, directly or indirectly (the "**Shares**"), and any and all other shares or equity securities of the Company issued or issuable to the Holder in respect of the Shares, on or after the date hereof, including as a result of any change, by subdivision or combination in any manner of the Company's capital stock or by the making of a share dividend on or after the date hereof (collectively, the "**Securities**"), including, without limitation, the right, on the Holder's behalf and subject to any applicable law, to:

(i) execute any agreement, waiver, amendment, consent or any other document, including, without limitation, any stockholders' agreements and any amendment thereof, waivers of rights of first refusal, anti-dilution rights, rights to first offer, rights of co-sale, pre-emptive rights, bring-along rights and such other similar waivers, if and to the extent applicable, all in connection with the Securities;

(ii) attend and to vote in all stockholders' meetings of the Company (including, without limitation, the right to receive, in the name and on behalf of the Holder, any and all materials, information, notices, invitations and/or other communications provided to stockholders of the Company), or execute and deliver written consents pursuant to applicable law, with respect to the Securities, in the same manner and with the same effect as if the Holder was personally present at any such meeting or voting such Securities or personally acting on any matters submitted to the Company's stockholders for approval or consent, giving and granting to said Attorney-In-Fact full power and authority to do and perform each and every act and thing whether necessary or desirable that may be done as its Attorney-In-Fact in relation to the Securities, other than to sell or transfer the Securities without the prior written consent of the Holder, *provided, however*, that no such consent shall be required, and the Attorney-In-Fact shall have the right to sell or transfer the Securities without the prior written consent of the Holder, in the event of a Sale of Stock Transaction or in the event of any other Merger Transaction (as defined in the Company's 2017 Equity Incentive Plan).

Unless instructed otherwise by the Board of Directors of the Company, the Attorney-In-Fact shall vote the Securities in a manner pro-rata to the votes of the other voting shares, such that the votes of the Securities shall not affect the end result of the vote.

This Proxy is irrevocable as it may affect rights of third parties. This Proxy shall remain in effect until the completion of an initial public offering of the shares of the Company. As long as this proxy is in effect, any and all voting rights of the undersigned may have with respect to the Securities shall be exercised exclusively by this proxy. The undersigned hereby ratifies and confirms all that said Attorney-In-Fact shall do or cause to be done by virtue of and in accordance with the terms and conditions of this Proxy. The Attorney-In-Fact shall not have or incur any liability whatsoever by reason of any act or omission of the Attorney-In-Fact, in accordance with this Proxy, whether based upon mistake of fact or law, error of judgment, negligence or otherwise, on condition only that the said acts or omissions are: (i) not in gross negligence; and/or (ii) not willful acts or omissions. All authority herein conferred shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. This proxy shall survive the transfer of Securities and be binding upon any transferee, until duly replaced by a similar power of attorney executed by the transferee. The Company is an intended third party beneficiary of this proxy.

**KALTURA, INC.- 2017 EQUITY INCENTIVE PLAN**

**1. Definitions**

As used herein the following terms shall have the meanings set forth below, unless the context clearly indicates to the contrary.

1.1 "**Affiliated Corporation**" – any present or future entity (a) which holds a controlling interest in the Corporation; (b) in which the Corporation holds a controlling interest; (c) in which a controlling interest is held by another entity, who also holds a controlling interest in the Corporation; or

(d) which has been designated an “Affiliated Corporation” by resolution of the Board.

- 1.2 **“Award”** – any right granted to a Grantee under the Plan, including an Option, a SAR, or a Restricted Stock Award.
- 1.3 **“Award Agreement”** – with respect to any Grantee – a written agreement or written instrument, executed by and between the Corporation and the Grantee, setting forth the terms and conditions with respect to the Award.
- 1.4 **“Base Price”** – the price at which a SAR is set at grant.
- 1.5 **“Board”** – the Board of Directors of the Corporation.
- 1.6 **“Cause”** – as defined in Section 14.3 below.
- 1.7 **“Common Stock”** – see “Share(s)”.
- 1.8 **“Corporation”** – Kaltura, Inc., a Delaware corporation.
- 1.9 **“Date of Grant”** – the date determined by the Board to be the effective date of the grant of an Award to a Grantee, or, if the Board has not determined such effective date, the date of the resolution of the Board approving the grant of such Award.
- 1.10 **“Exercise Notice”** – as defined in Section 10.2 below.
- 1.11 **“Exercise Period”** – as defined in Section 10.1 below.
- 1.12 **“Exercise Price”** – the price to be paid for the exercise of each Option.
- 1.13 **“Expiration Date”** – as defined in Section 7.3 below with respect to Options or Section 8.4 below with respect to SARs.
- 1.14 **“Fair Market Value”** – as of any date, the value of a Share determined as follows:
- (i) If the Shares are listed on any established stock exchange or a national market system, including without limitation the NASDAQ National Market System or the NASDAQ SmallCap Market, the Fair Market Value shall be the last reported sale price for such Shares (or the highest closing bid, if no sales were reported), as quoted on such exchange or system for the last market trading day prior to time of determination, as reported in The Wall Street Journal, or such other source as the Board deems reliable;
  - (ii) If the Shares are regularly quoted by one or more recognized securities dealers, but selling prices are not reported, the Fair Market Value shall be the mean between the highest bid and lowest asked prices for the Shares on the last market trading day prior to the day of determination; or
  - (iii) In the absence of an established market for the Shares, the Fair Market Value thereof shall be determined in good faith by the Board, based upon such factors as the Board may deem relevant.
- 1.15 **“Grantee”** – a person or entity to whom an Award is granted.
- 1.16 **“IPO”** – an initial public offering of securities of the Corporation in a recognized stock exchange market or the listing thereof on NASDAQ or another recognized automated quotation system.
- 1.17 **“Law”** – federal, state and/or foreign, laws, rules and/or regulations and/or rules, regulations, guidelines and/or requirements of any relevant securities and exchange and/or tax commission and/or authority and/or any relevant stock exchange or quotations systems.
- 1.18 **“Mandatory Law”** – provisions of Law which may not be contrarily addressed or regulated by the determination and/or consent of the Corporation and/or other parties.
- 1.19 **“Merger Transaction”** – any Acquisition or Assets Transfer (as such terms are defined in the Certificate of Incorporation of the Corporation) and/or any other similar or parallel definition as defined in and determined pursuant to the Certificate of Incorporation of the Corporation, excluding any Structural Change or Spin-off Transaction (each as defined below), and including, for the avoidance of doubt, (i) a sale of all or substantially all of the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries; or (ii) a sale of all or substantially all of the shares of the share capital of the Corporation whether by a single transaction or a series of related transactions which occur either over a period of 12 months or within the scope of the same acquisition agreement; or (iii) a merger, consolidation or like transaction of the Corporation with or into another corporation but excluding a merger which falls within the definition of Structural Change.
- 1.20 **“Option(s)”** – an option(s) granted within the framework of this Plan, each of which imparts the right to purchase one Share.
- 1.21 **“Plan”** – this 2017 Kaltura, Inc. Equity Incentive Plan, as may be amended from time to time.
- 1.22 **“Repurchase Right”** – as defined in Section 14.3 below.
- 1.23 **“Restricted Period”** – the period during which an Award of Restricted Stock is unvested and subject to forfeiture.
- 1.24 **“Restricted Stock”** – restricted Shares granted under the Plan and subject to the vesting schedule and all other terms and conditions contained herein and in the relevant Award Agreement.
- 1.25 **“SAR(s)”** – a stock appreciation right awarded under the Plan and subject to the terms and conditions contained herein and in the relevant Award Agreement.
- 1.26 **“Service”** – means a Grantee’s employment or engagement by the Corporation or an Affiliated Corporation, in a scope of at least the scope of the position such Grantee was employed or engaged at the time of grant of the Award or such other scope of employment or engagement approved by the Board. A Grantee’s Service shall not be deemed terminated or interrupted solely as a result of a change in the capacity in which the Grantee renders Service to the Corporation or an Affiliated Corporation (i.e., as an employee, officer, director, consultant, etc.); nor shall it be deemed terminated or interrupted due solely to a change in the identity of the specific entity (out of the Corporation and its Affiliated Corporations) to which the Grantee renders such Service, provided that there is no actual interruption or termination of the continuous provision by the Grantee of such Service to any of the Corporation and its Affiliated Corporations in any scope of employment or engagement approved by the Board. Furthermore, a Grantee’s Service with the Corporation or Affiliated Corporation shall not be deemed terminated or interrupted as a result of any military leave, sick leave, or other bona fide leave of absence taken by the Grantee and approved by the Corporation or such Affiliated Corporation by which the Grantee is employed or engaged, as applicable; provided, however, that if any such leave exceeds ninety (90) days, then on the

ninety-first (91<sup>st</sup>) day of such leave the Grantee's Service shall be deemed to have terminated unless the Grantee's right to return to Service with the Corporation or such Affiliated Corporation is secured by statute or contract. Notwithstanding the foregoing, unless otherwise designated by the Corporation or Affiliated Corporation, as the case may be, or required by Law, time spent in a leave of absence shall not be treated as time spent providing Service for the purposes of calculating accrued vesting rights under the vesting schedule of the Options. Without derogating from the aforesaid, the Service of a Grantee to an Affiliated Corporation shall also be deemed terminated in the event that such Affiliated Corporation for which the Grantee performs Service ceases to fall within the definition of an "Affiliated Corporation" under this Plan, effective as of the date said Affiliated Corporation ceases to be such. In all other cases in which any doubt may arise regarding the termination of a Grantee's Service or the effective date of such termination, or the implications of absence from Service on vesting, the Corporation, in its discretion, shall determine whether the Grantee's Service has terminated and the effective date of such termination and the implications, if any, on vesting.

- 1.27 "**Share(s)**" – Share(s) of the Corporation's Common Stock, US \$0.0001 par value each, to which, subject to the provisions herein, are attached the rights specified in the Corporation's Certificate of Incorporation and By-Laws, as may be amended from time to time.
- 1.28 "**Sub-Plan**" – any supplements or sub-plans to the Plan adopted by the Board, applicable to Grantees employed in a certain country or region or subject to the Laws of a certain country or region, as deemed by the Board to be necessary or desirable to comply with the Laws of such region or country, or to accommodate the tax policy or custom thereof, which, if and to the extent applicable to any particular Grantee, shall constitute an integral part of the Plan.

## **2. The Plan**

### **2.1 Purpose**

The purpose and intent of the Plan is to advance the interests of the Corporation by affording to selected employees, officers, directors, consultants and other service providers of the Corporation or Affiliated Corporations an opportunity to acquire a proprietary interest in the Corporation or to increase their proprietary interest therein, as applicable, by the grant in their favor, of Awards, thus providing such Grantee an additional incentive to become, and to remain, employed or engaged by the Corporation or Affiliated Corporation, as the case may be, and encouraging such Grantee's sense of proprietorship and stimulating his or her active interest in the success of the Corporation and the Affiliated Corporation by which such Grantee is employed or engaged.

### **2.2 Effective Date and Term**

The Plan shall become effective as of the day it was adopted by the Board, and shall continue in effect until the earlier of **(a)** its termination by the Board; or **(b)** the date on which all of the Shares available for issuance under the Plan have been granted and exercised; or **(c)** the lapse of ten (10) years from the date the Plan is adopted by the Board.

## **3. Administration**

- 3.1 This Plan and any Sub-Plans shall be administered by the Board. The Board may appoint a committee of the Board, consisting of not less than two (2) members of the Board, which, subject to any applicable Mandatory Law, and the resolution of the Board, may have all of the powers of the Board granted herein. Subject to the above, the term "Board" whenever used herein, shall mean the Board or such appointed committee, as applicable. Once appointed, the committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies, however caused, and remove all members of the committee and, thereafter, directly administer the Plan. Members of the Board or committee who are either eligible for Awards or have been granted Awards may vote on any matters affecting the administration of the Plan or the grant of Awards pursuant to the Plan, except that no such member shall act upon the granting of an Award to himself, but any such member may be counted in determining the existence of a quorum at any meeting of the Board or the committee during which action is taken with respect to the granting of an Award to him or her. The committee shall meet at such times and places and upon such notice as the chairperson determines. A majority of the Committee shall constitute a quorum. Any acts by the committee may

be taken at any meeting at which a quorum is present and shall be by majority vote of those members entitled to vote. Additionally, any acts reduced to writing or approved in writing by all of the members of the committee shall be valid acts of the committee.

- 3.2 Unless specifically required otherwise under applicable Mandatory Law, the Board shall have sole and full discretion and authority, without the need to submit its determinations or actions to the stockholders of the Corporation for their approval or authorization, to administer the Plan and any Sub-Plans, and all actions related thereto, including, without limitation, the performance, at any time and from time to time, of any and all of the following:

- 3.2.1 the designation of Grantees;
- 3.2.2 the determination of the terms of each Award (which need not be identical), including without limitation the number and type of Award to be granted in favor of each Grantee, the vesting schedule and Exercise Price or Base Price, as applicable, thereof, and the documents to be executed by the Grantee;
- 3.2.3 the determination of the terms and form of the Award Agreements (which need not be identical), whether a general form or a specific form with respect to a certain Grantee;
- 3.2.4 the modification or amendment of the Exercise Period, Restricted Period, restrictions, vesting schedules (including by way of acceleration) and/or of the Exercise Price or Base Price of Awards, including without limitation the reduction thereof, either prior to or following their grant; the repricing of any Award or any other action which is or may be treated as repricing under generally accepted accounting principles; the grant to the holder of an outstanding Award, in exchange for such Award, of a new Award having a purchase price, if any, equal to, lower than or higher than the Exercise Price or Base Price, if any, provided in the Award so surrendered and canceled, and containing such other terms and conditions as the Board may prescribe;
- 3.2.5 any other action and/or determination deemed by the Board to be required or advisable for the administration of the Plan and/or any Sub-Plan or Award Agreement;
- 3.2.6 the determination, based upon the relevant information, of the Fair Market Value of the Shares, and the mechanism of such determination;
- 3.2.7 the interpretation of the Plan, any Sub-Plans, and the Award Agreements;
- 3.2.8 to determine whether, to what extent, and under what circumstances an Award and/or the underlying Share may be settled, canceled, forfeited, exchanged, or surrendered and to determine any other matter which is necessary or desirable for, or incidental to, administration of this Plan;

- 3.2.9 to determine if and how Awards and Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are vested and free from vesting restrictions) shall be treated in connection with, or in the framework of, a Merger Transaction, as further detailed in Section 11 below;
- 3.2.10 to determine how any treatment of Awards may be made subject to any payment or escrow arrangement, or any other arrangement determined within the scope of a Merger Transaction in relation to the Shares of the Corporation;
- 3.2.11 the adoption of Sub-Plans, including without limitation the determination, if the Board sees fit to so determine, that to the extent any terms of such Sub-Plan are inconsistent with the terms of this Plan, the terms of such Sub-Plan shall prevail; and
- 3.2.10 the extension of the period of the Plan or any Sub-Plans.
- 3.3 The Board may, in its sole discretion, without stockholder approval or approval of any Grantee, amend, modify (including by adding new terms and rules), and/or cancel or terminate this Plan, any Sub-Plans, and any Awards granted under this Plan or any Sub-Plans, any of their terms, and/or any rules, guidelines or policies relating thereto provided, however, that without the consent of an affected Grantee, no such amendment, modification, cancellation, or termination of any outstanding grant may materially and adversely affect the rights of such Grantee. Notwithstanding the foregoing material amendments to the Plan or any Sub-Plans (but not the exercise of discretion under the Plan or any Sub-Plans) shall be subject to stockholder approval to the extent so required by applicable Mandatory Law.
- 3.4 All elections and transactions under the Plan by persons subject to Section 16 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), involving Shares are intended to comply with any applicable condition under Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provisions (“**Rule 16b-3**”). The Board may establish and adopt written administrative guidelines, designed to facilitate compliance with Section 16(b) of the Exchange Act, as it may deem necessary or proper for the administration and operation of the Plan and the transaction of business thereunder. If the Corporation is a reporting company under the Exchange Act, the selection of a “director” or an “officer” (as such terms are defined for purposes of Rule 16b-3) as a Grantee, the timing of the grant of the Award, the Exercise Price or Base Price, if any, or sale price of the Award and the number of Awards which may be granted to such “director” or “officer” shall be determined either (i) by the Board, of which all members shall be “disinterested persons” (as hereinafter defined), or (ii) by a committee of two or more directors having full authority to act in the matter, of which all members shall be “disinterested persons.” For the purposes of the Plan, a director shall be deemed to be “disinterested” only if such person qualifies as a “disinterested person” within the meaning of Rule 16b-3 of the Exchange Act, as such terms are interpreted from time to time. Those provisions of the Plan that expressly refer to Rule 16b-3 or which are required in order for certain transactions to qualify for exemption under Rule 16b-3 shall
- apply only to such persons as are required to file reports under Section 16(a) of the Exchange Act.
- 3.5 Unless otherwise determined by the Board, subject to the provisions set forth in Section 3.3, any amendment or modification of this Plan and/or any applicable Sub-Plan and/or Award Agreement shall apply to the relationship between the Grantee and the Corporation; and such amendment or modification shall be deemed to have been included, *ab initio*, in the Plan and any such applicable Sub-Plan and/or Award Agreement, and shall have full force and effect with respect to the relationship between the Corporation and the Grantee.
- 3.6 Termination of the Plan or any Sub-Plan, shall not affect the Board’s ability to exercise its powers with respect to Awards granted under the Plan prior to the date of such termination.
- 3.7 The Board, their members and any person designated above shall not be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent permitted by applicable Law, no officer of the Corporation or member or former member of the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted hereunder. To the maximum extent permitted by applicable Law and the Certificate of Incorporation and By-Laws of the Corporation and to the extent not covered by insurance, each officer and member or former member of the Board shall be indemnified and held harmless by the Corporation against any cost or expense (including reasonable fees of counsel reasonably acceptable to the Corporation) or liability (including any sum paid in settlement of a claim with the approval of the Corporation), and advanced amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the Plan, except to the extent arising out of such officer’s, member’s or former member’s own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification the officers, directors or members or former officers, directors or members may otherwise have. Notwithstanding anything else herein, this indemnification will not apply to the actions or determinations made by an individual with regard to Awards granted to him or her under this Plan.
- 3.8 In any event that the Corporation will be required to issue to a Grantee a fraction of Shares upon exercise of Awards, the Corporation will not issue fraction of Shares and the number of Shares issued upon such exercise shall be rounded down to the closest number of Shares.

#### **4. Eligibility**

The persons eligible for participation in the Plan as Grantees include employees, officers, directors, consultants, and other service providers of the Corporation or any Affiliated Corporation (including persons who are responsible for or contribute to the management, growth or profitability of, or who provide substantial services to, the Corporation or any Affiliated Corporation), and any person who has been offered employment by the Corporation or any Affiliated Corporation, provided that such prospective employee may

not receive any payment or exercise any right to an Award until such person has commenced employment with the Corporation or any Affiliated Corporation. The Board, in its sole discretion shall select from time to time the individuals, from among the persons eligible to participate in the Plan, who shall receive Awards. In determining the persons in favor of whom Awards are to be granted, the number of Awards to be granted thereto and the terms of such grants, the Board may take into account the nature of the services rendered by such person, his/her present and future potential contribution to the Corporation or to the Affiliated Corporation by which he/she is employed or engaged, and such other factors as the Board in its discretion shall deem relevant.

#### **5. Award Pool**

- 5.1 The total number of authorized but unissued Shares available for grant under this Plan, subject to adjustment as set forth in Sections 5.2 and 17 below, shall be 1,544,209 and 4,000,000 Shares may be issued as Incentive Stock Options (as such term is defined in the US Sub-Plan).
- 5.2 The Corporation shall at all times until the expiration or termination of this Plan keep reserved a sufficient number of Shares to meet the requirements of this Plan. Any of such Shares which, as of the expiration or termination of this Plan, remain unissued and not subject to outstanding Awards, shall at such time cease to be reserved for the purposes of this Plan. Should any Award (or any award granted under the Corporation’s 2007 Stock Option Plan or 2007 Israeli Share Option Plan (together the “**2007 Plans**”)) for any reason expire or be canceled prior to its issuance, settlement, or exercise or relinquishment in full, such Award (or any such award granted under the 2007 Plans) may then be available for grant under this Plan.
- 5.3 Awards that may be granted under the Plan include: Options, SARs, and Restricted Stock.

## 6. Grant of Awards

- 6.1 The Awards may be granted for no consideration or in consideration of the past or future Service (as defined below) the Grantee performed or is expected to perform.
- 6.2 Each Award granted pursuant to the Plan shall be evidenced by an Award Agreement.
- 6.3 Each Grantee shall be required to execute, in addition to the Award Agreement, any and all other documents required by the Corporation or any Affiliated Corporation, whether before or after the grant of the Award (including without limitation the Proxy (as such term is defined below), any customary documents and undertakings towards any trustee, if applicable, and/or any tax authorities). Notwithstanding anything to the contrary in this Plan or in any Sub-Plan, no Award shall be deemed granted unless all documents required by the Corporation or any Affiliated Corporation to be signed by the Grantee prior to or upon the grant of such Award, shall have been duly signed and delivered to the Corporation or such Affiliated Corporation.

## 7. Terms of Options

Award Agreements between the Corporation and a Grantee evidencing the Award of Options will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award Agreement, such Award Agreement shall set forth, by appropriate language, the number of Options granted thereunder and the substance of all of the following provisions:

- 7.1 Exercise Price. The Exercise Price for each Grantee shall be as determined by the Board and specified in the applicable Award Agreement; provided however that unless otherwise determined by the Board (which determination shall not require stockholder approval unless so required in order to comply with the provisions of applicable Mandatory Law), the Exercise Price shall not be less than the Fair Market Value of the Shares at the date of the grant of the Options. Without derogating from and in addition to the provisions of Section 23 of the Plan, the Exercise Price shall be denominated in the currency of the primary economic environment of, in the Board's sole discretion, either the Corporation or the Grantee (that is the functional currency of the Corporation or the currency in which the Grantee is paid).
- 7.2 Vesting. The Options shall vest and become exercisable according to the vesting schedule and/or subject to certain other conditions (including without limitation achievement of milestone and/or subject to performance as determined by the Board) to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement.

The Board shall be entitled, but not obligated, in its sole discretion, to accelerate, in whole or in part, the vesting schedule, and/or any other condition to the vesting, of any Option, including, without limitation, in connection with a Merger Transaction and/or an IPO.

- 7.3 Expiration Date. Unless expired earlier pursuant to either Section 10.1 or Section 14 below, and unless otherwise determined in the Award Agreement, unexercised Options shall expire and terminate and become null and void upon the lapse of 10 (ten) years from the Date of Grant (as applicable, the "**Expiration Date**").

## 8. Terms of SARs

Award Agreements between the Corporation and a Grantee evidencing the Award of SARs will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award

Agreement, such Award Agreement shall set forth, by appropriate language, the number of SARs granted thereunder and the substance of all of the following provisions:

- 8.1 Terms and Conditions. Each SAR shall entitle the Grantee to receive, upon exercise of the SAR, a payment equal to the excess, if any, of the Fair Market Value of one share of Common Stock on the date of exercise over the base price of the SAR. Such payment may be made in cash, in shares of Common Stock, in Restricted Stock or in any combination of the foregoing, as the Board shall determine in its sole discretion; provided, however, that payment upon exercise of a SAR shall be made in shares of Common Stock unless otherwise specified in the relevant Award Agreement. SARs shall be subject to the terms and conditions set forth in the Plan, any applicable Sub-Plan and any additional terms and conditions, not inconsistent with the express terms and provisions of the Plan or the applicable Sub-Plan and as the Board shall set forth in the relevant Award Agreement.
- 8.2 Base Price. The Base Price of a SAR shall be determined by the Board at the time of grant; and specified in the applicable Award Agreement; provided however that unless otherwise determined by the Board (which determination shall not require stockholder approval unless so required in order to comply with the provisions of applicable Mandatory Law), the Base Price shall not be less than the Fair Market Value of the Shares at the date of the grant of the SAR. Without derogating from and in addition to the provisions of Section 23 of the Plan, the Base Price shall be denominated in the currency of the primary economic environment of, in the Board's sole discretion, either the Corporation or the Grantee (that is the functional currency of the Corporation or the currency in which the Grantee is paid).
- 8.3 Vesting. The SARs shall vest (become exercisable) according to the vesting schedule to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement. The Board shall be entitled, but not obligated, at its sole discretion, to accelerate, in whole or in part, the vesting schedule of any SAR, including, without limitation, in connection with a Merger Transaction and/or an IPO.
- 8.4 Expiration Date. Unless expired earlier pursuant to the Plan, and unless otherwise determined in the Award Agreement, unexercised SARs shall expire and terminate and become null and void upon the lapse of 10 (ten) years from the Date of Grant (as applicable, the "**Expiration Date**").

## 9. Terms of Restricted Stock Awards

Award Agreements between the Corporation and a Grantee evidencing an Award of Restricted Stock will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award Agreement, such Award Agreement shall set forth, by appropriate language, the number

of Shares of Restricted Stock granted thereunder and the substance of all of the following provisions:



- 9.1 **Terms and Conditions.** An Award of Restricted Stock is a grant of shares of Common Stock, subject to such restrictions, terms and conditions as the Board deems appropriate, and/or as set forth in the applicable Sub-Plan or Award Agreement.
- 9.2 **Vesting.** The Restricted Stock shall vest according to the vesting schedule to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement.
- The Board shall be entitled, but not obligated, in its sole discretion, to accelerate, in whole or in part, the vesting schedule of any Award of Restricted Stock, including, without limitation, in connection with a Merger Transaction and/or an IPO.
- 9.3 **Shareholder Rights.** During the Restricted Period, a Grantee shall have such rights with respect to the Shares underlying such grant, including voting and dividend rights, as the Board deems appropriate, and/or as set forth in the applicable Sub-Plan or Award Agreement.

## **10. Exercise of SARs and Options**

- 10.1 **Exercise Period.** Each Option and/or each SAR shall be exercisable from the date upon which it becomes vested until the Expiration Date of such Option or SAR, as applicable, in each case, subject to the provisions set forth in this Plan, the applicable Sub-Plan and the Award Agreement (the “**Exercise Period**”).
- 10.2 **Exercise Notice and Payment.** Vested Options and vested SARs may be exercised at one time or from time to time during the Exercise Period, by giving a written notice of exercise (the “**Exercise Notice**”) to the Corporation, at its principal offices, in accordance with the following terms, or such other procedures as shall be determined from time to time by the Board and notified in writing to the Grantees:
- (a) The Exercise Notice must be signed by the Grantee and must be delivered to the Corporation, prior to the termination of the Options or SARs, as applicable, by certified or registered mail - return receipt requested, with a copy delivered to the Chief Financial Officer (or such other authorized representative) of the Affiliated Corporation with which the Grantee is employed or engaged, if applicable.
- (b) The Exercise Notice will specify the number of vested Options and/or vested SARs, as applicable, being exercised.
- (c) The Exercise Notice will be accompanied by payment in full of the Exercise Price for the exercised Options (however, unless otherwise provided by the Board or in the Award Agreement, no payment would be necessary to exercise a SAR) and by such other representations and agreements as required by the Corporation with respect to the Grantee’s investment intent regarding the exercise. Payment will be made by wire transfer or by personal check or cashier’s check payable to the order of the Corporation or at the discretion of the Board, payment of such other lawful

consideration as the Board may, in its sole discretion, determine (such as, by way of example, cashless exercise or the typical exercise of a SAR), provided however, that in case of payment by check, the Award shall not be deemed exercised, and the Corporation shall not issue the Shares in respect thereof, until the check shall have been fully and irrevocably honored by the bank on which it was drawn. The Corporation shall then reasonably promptly deliver the certificate(s) representing the Shares as to which such Options and/or SARs were exercised to the Grantee or to a Trustee, if applicable; provided that with respect to SARs the consideration for exercise may be in such other form as provided in a Sub-Plan, in the Award Agreement and/or as provided by the Board). In determining what constitutes “reasonably promptly,” it is expressly understood that, in addition to that stated in Section 12 below, the issuance of the Shares and delivery of the certificate(s) representing such Shares may be delayed by the Corporation in order to comply with any law or regulation (including, without limitation, state securities or “blue sky” laws) which requires the Corporation to take any action with respect to the Shares prior to their issuance.

## **11. Treatment of Awards Upon Certain Transactions**

- 11.1 Notwithstanding anything to the contrary contained in this Plan and/or in any Sub-Plan, in the event of a Merger Transaction, any and all outstanding and unexercised, unvested Awards (including, without limitation, outstanding and unexercised unvested Options and SARs and Restricted Stock that are subject to vesting) will be cancelled and forfeited for no consideration, unless determined otherwise by the Board.
- 11.2 Without derogating from the generality of the foregoing, in the event of a Merger Transaction the Board in its sole and absolute discretion may, without obtaining any of the Grantees’ consent and without any notice requirement, decide in connection with a Merger Transaction, as follows:
- (i) if and how the unvested Awards will be cancelled, forfeited, exchanged, assumed, replaced, substituted (including, if applicable, for a successor entity award), repurchased or accelerated including determining that all outstanding and unexercised, unvested Awards shall be cancelled for no consideration upon a Merger Transaction;
- (ii) if and how vested Awards (including Awards with respect to which the vesting period has lapsed and/or been accelerated) will be exercised, exchanged, assumed, replaced, substituted (including, if applicable, for a successor entity award), forfeited, repurchased and/or sold by the Grantee, including determining that all un-exercised vested Awards shall be cancelled for no consideration upon a Merger Transaction;
- (iii) how Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are free from vesting restrictions) shall be replaced and/or sold by the Grantee and/or substituted (including, if applicable, for a successor entity share); and
- (iv) how any treatment of Awards and Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are free from vesting restrictions) may be made subject to any payment or escrow arrangement, or any other arrangement determined within the scope of the Merger Transaction in relation to the Shares of the Corporation.
- 11.3 In the case of assumption and/or substitution of Awards, appropriate adjustments shall be made so as to reflect such action and all other terms and conditions of the Award Agreements shall remain unchanged, including but not limited to the vesting schedule, all subject to the determination of the Board, which determination shall be at its sole discretion and final. The grant of any substitutes for the Awards to Grantees pursuant to a Merger Transaction, as provided in this section, shall be considered to be in full compliance with the terms of this Plan. The value of the exchanged Awards pursuant to this section shall be determined in good faith solely by the Board, based on the Fair Market Value, and its decision shall be final and binding on all Grantees.
- 11.4 For the purposes of this section, the mechanism for determining the assumption or exchange as aforementioned shall be agreed upon between the Board and the successor company.
- 11.5 Without derogating from the above, in the event of a Merger Transaction the Board shall be entitled, at its sole discretion, to (i) determinate a blackout period in connection with the exercise of Awards; and (ii) require the Grantees to exercise all vested Options and SARs within a set time period and sell all of their Shares underlying such exercised Awards on the same terms and conditions as applicable to the other shareholders selling their Company’s Shares as part of the Merger Transaction as further detailed below.

- 11.6 Each Grantee acknowledges and agrees that the Board shall be entitled, subject to any applicable Mandatory Law, to authorize any one of its members to sign instrument of transfer, in customary form, in respect of the Shares underlying such Awards held by such Grantee and that such instrument of transfer shall bind the Grantee.
- 11.6 Despite the aforementioned and for the avoidance of any doubt, if and when the method of treatment of Awards within the scope of a Merger Transaction, as provided above, will in the sole opinion of the Board prevent the consummation of the Merger Transaction, or materially risk the consummation of the Merger Transaction, the Board may determine different treatment for different Awards held by Grantees such that not all Awards will be treated equally within the scope of the Merger Transaction.
- 11.7 Without derogating from the generality of the above, the Grantee agrees and accepts that until an IPO, in the event that stockholders of the Corporation holding at least a majority of the voting power in the Corporation accept an offer to sell all of their stock in the Corporation and such sale of stock transaction is conditioned upon the sale of all remaining stock of the Corporation to such third party (a “**Sale of Stock Transaction**”), then, the Grantee shall, if so requested by the Board (which request shall notify the Grantee of such Sale of Stock Transaction), sell his/her Shares and/or Awards in such Sale of Stock Transaction, on the same terms subject however to any applicable liquidation preferences (provided that (i) with respect to vested Options and SARs, the Exercise Price or Base Price, as applicable, shall be deducted from the purchase price paid for the Shares in such transaction; and (ii) i.e., the proceeds of such Sale of Stock

Transaction shall be allocated and distributed in accordance with the distribution preferences provisions of the Corporation’s Certificate of Incorporation, as may be amended from time to time).

## 12. Conditions of Issuance

- 12.1 No Options or SARs shall be deemed exercised nor shall any Share be issued in respect of any Award issued or granted hereunder, until the Corporation has been provided with confirmation by the applicable tax authorities or is otherwise under a tax arrangement, which either: **(a)** waives or defers the tax withholding obligation with respect to such exercise, issuance or vesting and delivery, as applicable if so permitted by Mandatory Law; or **(b)** confirms receipt of the payment of all the tax due with respect to such exercise; or **(c)** confirms the conclusion of another arrangement with the Grantee regarding the tax amounts, if any, that are to be withheld by the Corporation or any Affiliated Corporation under Law with respect to such exercise, issuance, or vesting, as applicable, provided that such arrangement is satisfactory to the Corporation. If such confirmations, exemptions or arrangements are not available under the tax subjections of the Grantee, the Corporation shall be entitled to require as a condition of issuance that the Grantee remit an amount sufficient to satisfy all federal, state and other governmental withholding tax requirements related thereto. A determination of the Corporation’s legal counsel that a withholding tax is required in connection with the exercise, issuance, or vesting and delivery, as applicable, of an Award shall be conclusive for the purposes of this condition.
- 12.2 Furthermore, notwithstanding any other provision of this Plan and any Sub-Plan, the Corporation shall have no obligation to issue or deliver Shares under this Plan unless the exercise of the applicable Awards and the issuance and delivery of the Shares underlying the Option and/or SAR or the grant, vesting and delivery of the Restricted Stock complies, in any such case, with, and does not result in a breach of, all applicable Mandatory Law, to the satisfaction of the Corporation in its sole discretion, and the Corporation shall have received, if deemed desirable by the Board, the approval of legal counsel for the Corporation with respect to such compliance. The Corporation may further require the Grantee to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with applicable Law.
- 12.3 As a condition to the exercise of an Option or SAR or the issuance or delivery of Restricted Stock, the Corporation may require, among other things, that: **(a)** the Grantee represent and warrant at the time of any exercise or issuance that the underlying Shares are being purchased only for investment and without any present intention to sell or distribute such Shares, and make such other representations, warranties and covenants as may be reasonably required to comply with and satisfy any qualifications that may be necessary or appropriate, to evidence compliance with applicable Law; **(b)** a legend be stamped on the certificates representing such underlying Shares indicating that they may not be pledged, sold or otherwise transferred unless an opinion of legal counsel (acceptable by the Corporation’s counsel) stating that such transfer is not in violation of any applicable Law, is provided; and **(c)** the Grantee execute and deliver to the Corporation such an agreement as may be in use by the Corporation with respect to the applicable securities setting forth certain terms and conditions applicable to the Shares.
- 12.4 Without derogating from the above and in addition thereto, unless the offering and sale of the Shares to be issued upon the grant, vesting or exercise of an Award shall have been effectively registered under the Securities Act of 1933, as now in force or hereafter amended (the “**1933 Act**”), the Corporation shall be under no obligation to issue the Shares underlying an Award unless and until the following conditions have been fulfilled: (i) The Grantee shall warrant to the Corporation, prior to the receipt of such Shares, that s/he is acquiring such Shares for his/her own account, for investment, and not with a view to, or for sale in connection with, the distribution of any such Shares, in which event the Grantee shall be bound by the provisions of the following legend which shall be endorsed upon the certificate(s) evidencing its Shares issued pursuant to such exercise: “The shares represented by this certificate have been taken for investment and they may not be sold or otherwise transferred by any person, including a pledgee, unless (1) either (a) a Registration Statement with respect to such shares shall be effective under the Securities Act of 1933, as amended, or (b) the Corporation shall have received an opinion of counsel satisfactory to it that an exemption from registration under such Act is then available, and (2) there shall have been compliance with all applicable state securities laws.”; (ii) At the discretion of the Board, the Corporation shall have received an opinion of its counsel that the Shares may be issued upon such particular exercise or acceptance in compliance with the 1933 Act without registration thereunder.
- 12.5 Additionally, without derogating from any other provisions herein and without limiting any of the foregoing, as a further condition to the grant or exercise of an Award, the Grantee shall consent to be bound by any restriction on stockholders rights governed by Section 202 of the General Corporation Law of the State of Delaware, as in effect from time to time, then applicable to a majority of the capital stock of the Corporation (including, without limitation, so-called right of first refusal, drag along and bring along, forced sale), and shall enter and execute any forms of undertaking and/or consent the Corporation shall present to the Grantee to such effect, provided however, that unless otherwise determined by the Board, until such time as the Corporation shall complete an IPO, a Grantee shall not have the right to sell Shares, as further detailed in Section 13 below.
- 12.6 Stock Certificates for Shares may include one or more legends which the Board deems appropriate to reflect any of the restrictions included in the foregoing. Upon request by the Corporation, the Grantee shall execute any agreement or document evidencing any transfer restrictions prior to the receipt of Shares hereunder, and shall promptly present to the Corporation any and all certificates representing such Shares for the placement on such certificates of appropriate legends evidencing any such transfer restriction.

## 13. Transferability

- 13.1 Neither the Shares nor the Awards are publicly traded.

13.2 Other than by will or laws of descent, neither the Awards nor any of the rights in connection therewith shall be assignable, transferable, made subject to attachment, lien or encumbrance of any kind, and the Grantee shall not grant with respect thereto any power of attorney or transfer deed, whether valid immediately or in the future. For the avoidance of any doubt, during the lifetime of the Grantee, all of such Grantee's rights to purchase Shares upon the exercise of his or her applicable Awards shall be exercisable only by the Grantee.

13.3 Notwithstanding any other provision of the Plan, any sale, assignment, transfer, pledged, hypothecated or any other disposition of Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan (including for the avoidance of any doubt, Shares issued upon exercise of Options and SARs and Restricted Stock that is free from any vesting restrictions) shall be subject to (i) the prior written approval of the Board; and (ii) all provisions, restrictions, terms and conditions set forth in the Corporation's Certificate of Incorporation, By Laws, the Plan, any applicable Sub-Plan, the applicable Award Agreement, and/or any conditions and restrictions determined by the Board. Any disposition of such Shares carried out by Grantee(s) in violation of such provisions, restrictions, terms and conditions shall be null and void. Unless otherwise determined by the Board, in its sole discretion, prior to the Corporation's IPO, the Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan may not be sold assigned, transferred, pledged, hypothecated or otherwise disposed of, except as stated herein and in the Award Agreement. Any disposition of such Shares carried out by a Grantee before an IPO, without the Board's prior written approval, shall be null and void.

Any transfer that is not made in accordance with the Plan, any applicable Sub-Plan or the applicable Award Agreement shall be null and void.

13.4 No transfer of a Share or an Award by the Grantee by will or by the laws of descent shall be effective against the Corporation, unless and until: **(a)** the Corporation shall have been furnished with written notice thereof, accompanied by an authenticated copy of probate of a will together with the will or inheritance order and/or such other evidence as the Board may deem necessary to establish the validity of the transfer; **(b)** the contemplated transferee(s) shall have confirmed to the Corporation in writing its acceptance of the terms and conditions of the Plan, any applicable Sub-Plan and Award Agreement, with respect to the Share or Award being transferred (including the execution of the proxy referred to in Section 15.2 below), to the satisfaction of the Board; and **(c)** actual payment of all taxes required to be paid upon such sale and transfer of the Award and/or Shares has been made to the tax assessor, and received confirmation from the tax assessor that all taxes required to be paid upon such sale and transfer have been paid.

13.5 No transfer of a Share or an Award (including for the avoidance of any doubt, Shares issued upon exercise of Options and SARs and Restricted Stock that is free from any vesting restrictions) by a Grantee upon approval by the Board (as set forth in Section 13.3

above) shall be effective against the Corporation, unless and until: **(a)** the Corporation shall have been furnished with written notice thereof, accompanied by an authenticated copy of transferee and/or such other evidence as the Board may deem necessary to establish the validity of the transfer; **(b)** the contemplated transferee(s) shall have confirmed to the Corporation in writing its acceptance of the terms and conditions of the Plan, any applicable Sub-Plan and Award Agreement, with respect to the Share or Award being transferred (including the execution of the proxy referred to in Section 15.2 below), to the satisfaction of the Board; and **(c)** actual payment of all taxes required to be paid upon such sale and transfer of the Award and/or Shares has been made to the tax assessor, and received confirmation from the tax assessor that all taxes required to be paid upon such sale and transfer have been paid; and **(d)** compliance by the Grantee and the transferee of such Shares with any and all other requirements determined by the Board in connection with such transfer.

#### **14. Termination of Awards and Repurchase of Shares**

14.1 Notwithstanding anything to the contrary, except as otherwise explicitly provided in this Section 14, any Option or SAR granted in favor of any Grantee but not exercised by such Grantee within the Exercise Period and in accordance with the terms of the Plan, any applicable Sub-Plan and the applicable Award Agreement, shall, upon the lapse of the Exercise Period, immediately expire and terminate and become null and void with no further compensation due to the holder.

14.2 Upon the termination of a Grantee's Service, for any reason whatsoever, any Award granted in favor of such Grantee that is not vested at the time of such termination of Grantee's Service shall immediately expire and terminate (and with respect to Restricted Stock, will be forfeited to the Corporation) and become null and void with no further compensation due to the holder. If an Award expires or becomes unexercisable for any reason without having been exercised, or is otherwise cancelled, forfeited or surrendered, such unissued or retained Shares shall become available for other Award grants under the Plan.

14.3 Additionally, in the event of the termination of a Grantee's Service for Cause (a) all of such Grantee's vested Awards shall also, upon such termination for Cause, immediately expire and terminate and become null and void; and (b) any and all of such Grantee's Shares received pursuant to the issuance, vesting or exercise of any applicable Award shall be subject to the Corporation's "Repurchase Right", as described below.

For the purposes hereof the term "Cause" shall mean **(a)** the conviction of the Grantee for any felony involving moral turpitude or affecting the Corporation or any Affiliated Corporation; **(b)** the embezzlement of funds of the Corporation or any Affiliated Corporation; **(c)** any breach of the Grantee's fiduciary duties or duties of care towards the Corporation or any Affiliated Corporation (including without limitation any disclosure of confidential information of the Corporation or any Affiliated Corporation or any breach of a non-competition or intellectual property assignment undertakings); **(d)** any conduct in bad faith reasonably determined by the Board to be materially detrimental to the Corporation or, with respect to any Affiliated Corporation, reasonably determined by the

Board of Directors of such Affiliated Corporation to be materially detrimental to either the Corporation or such Affiliated Corporation; or **(e)** any other event classified under any applicable agreement between the Grantee and the Corporation or the Affiliated Corporation, as applicable, as a "cause" for termination or by other language of similar substance.

The Corporation's "Repurchase Right" shall be as follows: If any Grantee's Service is terminated by the Corporation (or any Affiliated Corporation) for Cause, or in the event that any Grantee initiates or joins any legal proceeding maintained or instituted against the Corporation or any Affiliated Corporation or any of their respective past, current, or future officers, directors, employees, consultants, holders of equity securities, successors or assigns in their capacity as such, then, within 180 days after such termination or commencement of (or joinder in) such legal proceeding, as the case may be, the Corporation shall have the right, but not the obligation, to repurchase from the Grantee, or his or her legal representative, as the case may be, all or part of the Shares she/he exercised or otherwise received pursuant to an Award, if any. The Repurchase Right shall be exercised by the Corporation by giving the Grantee, or his/her legal representative written notice, within said 180 days, of its intention to exercise the Repurchase Right, indicating the number of such Shares to be repurchased and the date on which the repurchase is to be effected, and the Corporation shall pay the Grantee for each such Share being repurchased, an amount equal to the price originally paid by the Grantee for such Shares, if any, subject to adjustments as provided in Section 17 below. The certificate(s) representing such Shares to be repurchased shall, prior to the close of business on the date specified for the repurchase, be delivered to the Corporation together with a duly endorsed stock assignment certificate. Payment shall be made in cash, cash equivalents, or in any other way of payment allowed under any applicable Law, and authorized by the Board of Directors of the Corporation. Concurrently with the exercise of the Repurchase Right, if exercised, the Grantee (or the holder of the Shares so repurchased) shall no longer have any rights as a holder of such repurchased Shares. Such repurchased

Shares shall be deemed to have been repurchased, whether or not the certificate(s) therefor have been delivered. If the Grantee fails to deliver such stock certificate(s), the Corporation shall be entitled to take such action as may be necessary to remove the requisite number of Share registered in the name of the Grantee from the books and records of the Corporation. The Repurchase Right shall be in addition to any and all other rights and remedies available to the Corporation.

In the event that the Corporation shall be prohibited, on account of any applicable Law, from repurchasing Shares, the Corporation may assign the Repurchase Right to its wholly owned subsidiary, or if the same is not possible on account of any applicable Law, to all of the stockholders of the Corporation at the time of the exercise of said right (excluding other shareholders pursuant to the exercise or delivery of Awards), on a pro-rata, as converted basis, all under the same terms and conditions set forth in this Plan, in which event the Corporation shall inform the Grantee of the identity of the particular assignee in the Corporation's Notice, and the provisions of this Section regarding the Corporation shall apply to such assignee(s), *mutatis mutandis*.

In the event that at the time the Corporation wishes to exercise its Repurchase Right, the Grantee does not own a sufficient number of Shares to satisfy the Corporation's Repurchase Right, in addition to performing any obligations necessary to satisfy the Corporation's Repurchase Right, the Corporation may require the Grantee to deliver to the Corporation, for each Share that is the subject of the Repurchase Right and is not available for repurchase as it has been sold or transferred, an aggregate cash amount, equal to the difference between the fair market value of each such missing Share and the price originally paid by the Grantee to the Corporation for each such Share, if any, as adjusted.

14.4 Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law), following termination of a Grantee's Service other than for Cause, the Expiration Date of such Grantee's vested Options and/or SARs shall be deemed the earlier of: **(a)** the Expiration Date of such vested Options and/or SARs as was in effect immediately prior to such termination, as detailed in Grantee's Award Agreement; or **(b)** 90 (ninety) calendar days following the date of such termination (except that if such termination is initiated by Grantee, the period set forth in this Section 14.4(b) shall be 30 (thirty) calendar days following the date of such termination) or, if such termination is the result of death or disability of the Grantee, 12 (twelve) calendar months from the date of such termination.

14.5 Notwithstanding anything to the contrary herein, upon the issuance of a court order declaring the bankruptcy of a Grantee, or the appointment of a receiver or a provisional receiver for a Grantee over all of his assets, or any material part thereof, or upon making a general assignment for the benefit of his creditors, any outstanding Awards issued in favor of such Grantee (whether vested or not) shall immediately expire and terminate and become null and void and shall entitle neither the Grantee nor the Grantee's receiver, successors, creditors or assignees to any right in or towards the Corporation or any Affiliated Corporation in connection with the same, and all interests and rights of the Grantee or the Grantee's receiver, successors, creditors or assignees in and to the same, shall expire.

## 15. **Rights as Stockholder, Voting Rights, Dividends and Bonus Shares**

15.1 It is hereby clarified that a Grantee shall not, by virtue of this Plan, any applicable Sub-Plan or the applicable Award Agreement or any Option or SAR granted to the Grantee, have any of the rights of a stockholder with respect to the Shares underlying such Award, until the Option or SAR has been exercised and the Shares issued in the Grantee's name. With respect to Awards of Restricted Stock, the rights of the Grantee with respect to the Shares underlying the Restricted Stock shall be as set forth in the applicable Sub-Plan or Award Agreement.

15.2 Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law), prior to the closing of an IPO, as a condition to the issuance, vesting, or exercise of any Award, each Grantee shall be required to sign and deliver to

such person as may be designated by the Board (the "**Nominee**") an irrevocable proxy, in a form approved by the Board (the "**Proxy**"), appointing the Nominee as the sole person entitled to exercise the voting rights conferred by such Shares. The Nominee shall not exercise the voting rights conferred by the Shares held by him or with respect to which the Nominee has been given an irrevocable proxy as aforesaid, in any way whatsoever (except as set forth herein and/or in the Proxy), and shall not issue a proxy to any person or entity to vote such Shares, unless otherwise instructed by the Board, and in accordance with such instructions. Unless instructed otherwise by the Board, the Nominee shall vote such Shares in a manner pro-rata to the votes of the other voting shares, such that the votes of the Shares shall not affect the end result of the vote. The Nominee shall be indemnified and held harmless by the Corporation, to the extent permitted by applicable Law, against any cost or expense (including counsel fees) reasonably incurred by the Nominee, or any liability (including any sum paid in settlement of a claim with the approval of the Corporation) arising out of any act or omission to act in connection with the voting of the aforesaid proxy unless arising out of such Nominee's own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification the Nominee(s) may otherwise have from the Corporation.

15.3 Notwithstanding anything to the contrary, if any, herein or in the Corporation's Certificate of Incorporation and/or By-Laws, or elsewhere, none of the Grantees shall have (and they hereby waive the right to have), any pre-emptive rights to purchase, along with the other stockholders in the Corporation, a pro rata portion of any securities proposed to be offered by the Corporation prior to the offering thereof to any third party or any rights of first refusal to purchase any securities of the Corporation offered by the other holders of securities of the Corporation.

15.4 Cash dividends paid or distributed, if any, with respect to the vested Shares delivered to a Grantee upon the exercise or vesting of an Award shall be remitted directly to the Grantee or to a trustee (on behalf of the applicable Grantee) who is entitled to the Shares for which the dividends are being paid or distributed, subject to any applicable taxation on such distribution of dividend, and the withholding thereof. No dividends shall be paid or accrued with respect to an Option or SAR prior to the exercise of such Option or SAR and no dividends shall be paid or accrued on unvested Restricted Stock during the Restricted Period.

15.5 Bonus Shares issued by the Corporation, if any, with regard to the vested Shares delivered to a Grantee upon the exercise or vesting of an Award shall be subject to the same terms and conditions of the Exercised Shares by virtue of which they were issued. No bonus Shares shall be distributed or accrued with respect to an Option or SAR prior to the exercise of such Option or SAR.

15.6 During the term of any Award granted under the Plan, and thereafter for so long as the Grantee holds Shares issued upon exercise or vesting of an Award, the Corporation shall not be obliged to provide or otherwise make available to Grantees any information related to the Corporation, except as required under applicable Mandatory Law.

## 16. **Liquidation**

In the event that the Corporation is liquidated or dissolved while unexercised Options or SARs remain outstanding under the Plan, then all or part of such outstanding Options or SARs may be exercised in full by the Grantees as of immediately prior to the effective date of such liquidation or dissolution of the Corporation, without regard to the vesting terms thereof and any unvested Restricted Stock shall be fully vested as of immediately prior to the effective date of such liquidation or dissolution of the Corporation.

## 17. **Adjustments**

17.1 The number and kind of shares underlying any Award, together with those Shares otherwise reserved for the purposes of the Plan for Awards not yet exercised as provided under Section 5 above, and/or, if applicable, the Exercise Price, Base Price and/or repurchase price, shall be proportionately adjusted as a result of any stock dividend, recapitalization, forward stock split or reverse stock split, reorganization, division, merger, consolidation, combination, repurchase or share exchange, extraordinary or unusual cash distribution or other similar corporate transaction or event that affects the Common Stock, as well as for any distribution of bonus shares, except as set forth in Sections 17.2 and 17.3 below. Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive.

All provisions applying to the Shares underlying an Award shall apply to all Shares received as a result of an adjustment as described above.

17.2 In the event of a Structural Change (as defined below) the Awards and Shares underlying such Awards that are subject to the Plan shall be exchanged or converted into Shares of the Corporation or successor company in accordance with the exchange effectuated in relation to the Shares of the Corporation, as shall be determined by the Board, and the Exercise Price or Base Price per Share and quantity of shares shall be adjusted in accordance with the terms of the Structural Change. The adjustments required thereby shall be determined in good faith solely by the Board and in accordance with applicable Mandatory Law. “**Structural Change**” means any re-domestication of the Corporation, share flip, creation of a holding company for the Corporation that will hold substantially all of the shares of the Corporation or any other transaction involving the Corporation in which the shares of the Corporation outstanding immediately prior to such transaction continue to represent, or are converted into or exchanged for shares that represent, immediately following such transaction, at least a majority, by voting power, of the share capital of the surviving, acquiring or resulting corporation and in which there is no material change to the interests held by the stockholders of the Corporation prior to such transaction and immediately thereafter.

17.3 In the event of a Spin-Off Transaction (as defined below), the Board may, but shall not be obligated to, determine that the holders of Awards are entitled to receive equity in the new company formed as a result of the Spin-Off Transaction, in accordance with equity granted to the stockholders of the Corporation within the Spin-Off Transaction, taking into account the terms of the Awards, including the vesting schedule, Exercise Price or

Base Price, as applicable. The determination regarding the Grantee’s entitlement within the scope of a Spin-Off Transaction shall be in the sole and absolute discretion of the Board. “**Spin-off Transaction**” means any transaction in which assets of the Corporation are transferred or sold to a company or corporate entity in which the shareholders of the Corporation hold equal stakes, pro-rata to their ownership of the Corporation.

## 18. **No Interference**

Neither the Plan nor any applicable Sub-Plan or Award Agreement shall affect, in any way, the rights or powers of the Corporation or its stockholders to make or to authorize any sale, transfer or change whatsoever in all or any part of the Corporation’s assets, obligations or business, or any other business, commercial or corporate act or proceeding, whether of a similar character or otherwise; any adjustments, recapitalizations, reorganizations or other changes in the Corporation’s capital structure or business; any merger or consolidation of the Corporation; any issue of bonds, debentures, shares of stock (including preferred or prior preference shares of stock ahead of or affecting the existing shares of stock of the Corporation including the shares of stock underlying Awards or the rights thereof, etc.); or the dissolution or liquidation of the Corporation; and none of the above acts or authorizations shall entitle the Grantee to any right or remedy, including without limitation, any right of compensation for any dilution resulting from any issuance of any shares of stock or of any other securities in the Corporation to any person or entity whatsoever.

## 19. **No Employment/Engagement/Continuance of Service Obligations**

Nothing in the Plan, in any applicable Sub-Plan or Award Agreement, or in any Award granted hereunder shall be construed as guaranteeing the Grantee’s continuous employment, engagement or service with the Corporation or any Affiliated Corporation, and no obligation of the Corporation or any Affiliated Corporation as to the length of the Grantee’s employment, engagement or service shall be implied by the same. The Corporation and its Affiliated Corporation reserve the right to terminate the employment, engagement or service of any Grantee pursuant to such Grantee’s terms of employment, engagement or service and any Law.

## 20. **No Representation**

The Corporation does not and shall not, through this Plan, any applicable Sub-Plan or the applicable Award Agreement, make any representation towards any Grantee with respect to the Corporation, its business, its value or either its shares of stock in general or the Shares underlying any Award in particular.

Each Grantee, upon entering into the applicable Award Agreement, shall represent and warrant toward the Corporation that his/her consent to the grant of the Award issued in his/her favor and, if any, the issuance or exercise thereof, neither is nor shall be made, in any respect, upon the basis of any representation or warranty made by the Corporation or by any of its directors, officers, stockholders or employees, and is and shall be made based only upon his/her examination and expectations of the Corporation, on an “as is” basis. Each Grantee shall waive any claim whatsoever of “non-conformity” of any kind,

and any other cause of action or claim of any kind with respect to the Awards and/or their underlying Shares.

## 21. **Tax Consequences**

21.1 Any and all tax and/or other mandatory payment consequences arising from the grant, vesting, and/or exercise of any Award, the payment for or the transfer of the Shares underlying such Award to the Grantee, or the sale of such Shares by the Grantee, or from any other event or act in connection therewith (including without limitation, in the event that the Awards do not qualify under the tax classification/tax track in which they were intended), shall be borne solely by the Grantee.

21.2 The Corporation and/or any Affiliated Corporation and/or any other entity designated by the Corporation (including without limitation a trustee) may each withhold (including at source), deduct and/or set-off, from any payment made to the Grantee, the amount of the tax and/or other mandatory payment the withholding of which is required with respect to the grant, vesting and/or exercise of any Award under any applicable Mandatory Law. The Corporation or an Affiliated Corporation may require the Grantee, through payroll withholding, cash payment or otherwise, to make adequate provision for any such tax withholding obligations of the Corporation and/or Affiliated Corporation arising in connection with the grant, vesting, and/or exercise of any Award. Without derogating from the aforesaid, each Grantee shall provide the Corporation and/or any applicable Affiliated Corporation with any executed documents, certificates and/or forms that may be required from time to time by the Corporation or such Affiliated Corporation in order to determine and/or establish the tax liability of such Grantee.

21.3 Furthermore, each Grantee shall indemnify the Corporation and/or any applicable Affiliated Corporation, and hold them harmless from and against any and all liability in relation with any such tax and/or other mandatory payments or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax and/or other mandatory payments from any payment made to the Grantee.

## 22. **Non-Exclusivity of the Plan**

The adoption by the Board of this Plan and any Sub-Plans shall not be construed as amending, modifying or rescinding any previously approved incentive arrangements, or as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including without limitation the grant of awards with respect to shares of stock in the Corporation otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

**23. Currency Exchange Rates**

Except as otherwise determined by the Board, all monetary values with respect to Awards granted pursuant to this Plan, including without limitation the Fair Market Value and the Exercise Price or Base Price of any Award, shall be stated in United States Dollars. In the event that the Exercise Price or Base Price is in fact to be paid in any other currency, the

conversion rate shall be the last known representative rate of the US Dollar to such other currency on the date of payment.

**24. Market Stand-Off**

In connection with any underwritten public offering by the Corporation of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Corporation's IPO, each Grantee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any vested Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan without the prior written consent of the Corporation or its underwriters. Such restriction (the "**Market Stand-Off**") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Corporation or such underwriters, but in no event greater than 180 days. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Corporation's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any shares subject to the Market Stand-Off, or into which such shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Corporation may impose stop-transfer instructions with respect to any vested Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan until the end of the applicable stand-off period. The Corporation's underwriters shall be beneficiaries of this Section 24. This Section 24 shall not apply to shares registered in the public offering under the Securities Act, and the Grantee shall be subject to this Section 24 only if the directors and officers of the Company are subject to similar arrangements.

**102 OPTION AWARD AGREEMENT**  
**UNDER THE KALTURA, INC. 2017 EQUITY INCENTIVE PLAN AND KALTURA, Inc. 2017 EQUITY INCENTIVE PLAN ISRAEL**  
**GRANTEES SUB-PLAN**

THIS 102 OPTION AWARD AGREEMENT (this "Agreement") is made between Kaltura, Inc., a Delaware corporation (the "Corporation") and \$grantee\$, ID: \$employeeid\$ (the "Grantee").

WHEREAS, the Corporation maintains the Kaltura, Inc. 2017 Equity Incentive Plan (the "Master Plan") and the Kaltura, Inc. 2017 Equity Incentive Plan Israel Grantees Sub-Plan (the "Sub-Plan", and, collectively, the "Plan") for the benefit of Grantees subject to Israeli taxation; and

WHEREAS, the Plan permits the award of 102 Trustee Award to purchase shares of the Corporation's Common Stock, subject to the terms of the Plan; and

WHEREAS, to compensate the Grantee for his/her service to the Corporation and its subsidiaries and to further align the Grantee's personal financial interests with those of the Corporation's stockholders, the Corporation wishes to award the Grantee an option to purchase the number of Share(s) of the Corporation's Common Stock set forth below, subject to the restrictions and on the terms and conditions contained in the Plan and this Agreement.

NOW, THEREFORE, in consideration of these premises and the agreements set forth herein and intending to be legally bound hereby, the parties agree as follows:

1. Award of Option. This Agreement evidences the grant to the Grantee of an option (the "Option") to purchase \$amount\$ shares of the Corporation's Common Stock (the "Option Shares"). The Option, the Option Shares acquired pursuant to exercise of the Option and any additional rights including, without limitation, bonus shares that shall be distributed to Grantee in connection with the Option ("Additional Rights"), shall be allocated on Grantee's behalf to the Trustee – IBI CAPITAL COMPENSATION AND TRUSTE (2004) LTD. Except as otherwise specified herein or unless the context herein requires otherwise, the terms defined in the Plan will have the same meanings herein.

2. Nature of the Option. The Option, Option Shares acquired pursuant to exercise of the Option and Additional Rights (i) shall be allocated on Grantee's behalf to the Trustee under the provisions of the Capital Gains Tax Track and will be held by the Trustee for the period stated in Section 102 of the Income Tax Ordinance, 1961 and the Income Tax Regulations (Tax Relieves in Allocation of Shares to Employees), 2003 promulgated thereunder ("Section 102"); (ii) are granted to Grantee and allocated to the Trustee in accordance with the provisions of the Capital Gains Tax Track of Section 102 and subject to all terms and conditions as set forth in this Agreement, the Plan, the Trust Agreement between the Corporation and the Trustee (the "Trust Agreement") and any and all exhibit and schedules thereto all of which are attached hereto and incorporated herein in their entirety.

3. Date of Grant; Term of Option. The Option was granted on \$grantdate\$ (the "Effective Date") and may not be exercised later than the tenth anniversary of that date, subject to earlier termination in accordance with Section 14 of the Master Plan.

4. Option Exercise Price. The Exercise Price of the Option is USD \$price\$ per Option Share.

5. Exercise of Option. Unless otherwise determined by the Corporation in accordance with the Plan, the Option will become exercisable only in accordance with the terms and provisions of the Plan and this Agreement, as follows:

(a) Vesting. The commencement date of the vesting schedule is \$date\$ (the "Commencement Date"). The Option shall become vested and exercisable as follows: (i) 1/4 of the Option (rounded down) shall vest on the first anniversary of the Commencement Date (the "First Anniversary"); and (ii) thereafter, 1/48 of the Option (rounded down) shall vest at the end of each subsequent month following the First Anniversary over a period of 36 months following the First Anniversary. Grantee is aware of the fact that upon termination of Grantee's employment in the Corporation or any of its Affiliated Corporations, Grantee shall not have a right to the Option, except as specified in the Plan.

(b) Method of Exercise. The Grantee may exercise the Option by providing written notice to the Corporation stating the election to exercise the Option in accordance with Section 10 of the Master Plan.

(c) Partial Exercise. The Option may be exercised in whole or in part; provided, however, that any exercise may apply only with respect to a whole number of Option Shares.

(d) Restrictions on Exercise. The Option may not be exercised, and any purported exercise will be void, if the issuance of the Option Shares upon such exercise would constitute a violation or breach of (i) any of the provisions set forth this Agreement and/or in the Plan; or (ii) any applicable law, regulation or exchange listing requirement. The Board may from time to time modify the terms of this Option or impose additional conditions on the exercise of this Option as it deems necessary or appropriate to facilitate compliance with the Plan and/or any applicable law, regulation or exchange listing requirement. As a further condition to the exercise of the Option, the Corporation may require the Grantee to make any representation or warranty as may be required by or advisable under the Plan and/or any applicable law or regulation.

6. Investment Representations. The Grantee represents and warrants to the Corporation that the Grantee is acquiring the Option (and upon exercise of the Option, will be acquiring the Option Shares) for investment for the Grantee's own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof.

7. Non-Transferability of Option and Option Shares. The Grantee hereby acknowledges and agrees that the Option and any Options Shares acquired pursuant to exercise of the Option are subject to the transfer, repurchase and other restrictions as set forth in Plan.

8. Tax Consequences. The Grantee understands that this grant of Option under Capital Gains Tax Track of Section 102 is conditioned upon the receipt of all required approvals from the tax authorities and the Corporation does not represent or warrant that this Option (or the purchase or sale of the Option Shares subject hereto) will be subject to particular



tax treatment. The Grantee acknowledges that the Grantee has reviewed with the Grantee's own tax advisors the tax treatment of this Option (including the purchase and sale of Option Shares subject hereto) and is relying solely on those advisors in that regard. The Grantee understands that the Grantee (and not the Corporation) will be responsible for the Grantee's own tax liabilities arising in connection with this Option.

9. Share Legends. The following legend will be placed on any certificate evidencing an Option Share, in addition to any other legend that may be required pursuant to applicable law, the Plan, or otherwise:

**THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS OF SECTION 102, A 102 OPTION AWARD AGREEMENT ENTERED INTO BETWEEN THE ORIGINAL HOLDER OF THESE SHARES AND Kaltura, Inc. AND THE 2017 EQUITY INCENTIVE PLAN OF KALTURA, INC. AND ALL EXHIBITS ATTACHED THERETO (WHICH TERMS AND CONDITIONS MAY INCLUDE, WITHOUT LIMITATION, CERTAIN TRANSFER RESTRICTIONS AND REPURCHASE RIGHTS) INCLUDING THE KALTURA, INC. 2017 EQUITY INCENTIVE PLAN ISRAEL GRANTEES SUB-PLAN. A COPY OF THAT AGREEMENT AND THE PLANS IS ON FILE IN THE PRINCIPAL OFFICES OF KALTURA, Inc. AND WILL BE MADE AVAILABLE TO THE HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON REQUEST TO THE SECRETARY OF Kaltura, Inc.**

10. Joinder.

(a) Without derogating from the provisions of the Plan, the Grantee hereby acknowledges and agrees that until an IPO, in the event that stockholders of the Corporation holding at least a majority of the voting power in the Corporation accept an offer to sell all of their stock in the Corporation and such sale of stock transaction is conditioned upon the sale of all remaining stock of the Corporation to such third party (a "Sale of Stock Transaction"), then, the Grantee shall, if so requested by the Board (which request shall notify the Grantee of such Sale of Stock Transaction), sell his/her Option Shares and/or Options in such Sale of Stock Transaction, on the same terms subject however to any applicable liquidation preferences (provided that (i) with respect to unexercised Options, the Exercise Price shall be deducted from the purchase price paid for the Option Shares in such transaction; and (ii) the proceeds of such Sale of Stock Transaction shall be allocated in accordance with the distribution preferences provisions of the Corporation's Certificate of Incorporation, as may be amended from time to time).

(b) In addition, without derogating from the generality of the provisions set forth in the Irrevocable Proxy attached hereto, the Grantee agrees to: (a) refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such proposed transaction; (b) take all necessary and desirable actions approved by the Board in connection with the consummation of the Sale of Stock Transaction, including the execution of such agreements and such instruments and other actions reasonably necessary to (I)

provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Sale of Stock Transaction and (II) effectuate the allocation and distribution of the aggregate consideration upon the Sale of Stock Transaction; and (c) to execute and deliver all related documentation and take such other action in support of the proposed transaction as shall reasonably be requested by the Board.

11. Market Stand-Off.

(a) The Grantee hereby agrees that in connection with any underwritten public offering by the Corporation of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"), including the Corporation's IPO, Grantee (and the Grantee's Permitted Transferee (as such term is defined in the Sub-Plan), if any) shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Option Shares delivered to Grantee upon the exercise of the Option without the prior written consent of the Corporation or its underwriters. Such restriction (the "Market Stand-Off") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Corporation or such underwriters, but in no event greater than 180 days (the "Market Stand-Off Period"). In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Corporation's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any shares subject to the Market Stand-Off, or into which such shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Corporation may impose stop-transfer instructions with respect to any Option Shares delivered to Grantee upon the exercise or vesting of the Option until the end of the applicable stand-off period. The Corporation's underwriters shall be beneficiaries of this Section 11. This Section 11 shall not apply to shares registered in the public offering under the Securities Act, and the Grantee shall be subject to this Section 11 only if the directors and officers of the Corporation are subject to similar arrangements.

(b) In addition, if any managing underwriter or book runner of any such offering or registration (the "Underwriter") requests, the Grantee will execute and deliver to the Underwriter such documents, agreements, and instruments that the Underwriter shall reasonably require to enable the Underwriter to obtain the benefit of the Market Stand-Off during the Market Stand-Off Period. In connection with the foregoing, the Grantee hereby appoints the Corporation's Chief Executive Officer, or any other person designated by the Board, as the Grantee's attorney-in-fact, with full power of substitution, to execute and deliver all documents, agreements and instruments to be executed and delivered by the Grantee, and to take all actions to be taken by the Grantee in each case in connection with effecting any Market Stand-Off.

12. Holding Period. Grantee hereby agrees that the Option, the Option Shares and Additional Rights granted to Grantee, shall be allocated to the Trustee under provisions of

the Capital Gains Tax Track and shall be held by the Trustee for the period stated in Section 102 and in accordance with the provisions of the Trust Agreement, or for a shorter period if an approval is received from the tax authorities.

13. Early Disposition of Option Shares. Subject to the fulfillment by the Grantee of any conditions limiting the disposition of the Option Shares, the Grantee confirms that (i) Grantee shall not sell nor transfer the Option, Option Shares or Additional Rights from the Trustee until the end of the Holding Period as defined in Section 102; (ii) if Grantee shall sell or withdraw the Option, Option Shares or Additional Rights from the Trust before the end of the Holding Period ("Violation"), either (A) Grantee shall reimburse the Corporation within three (3) days of its demand for the employer portion of the payment by the Corporation to the National Insurance Institute plus linkage and interest in accordance with the law, as well as any other expense that the Corporation shall bear as a result of the said Violation or (B) Grantee agrees that the Corporation may, in its sole discretion, deduct such amounts directly from any monies to be paid to Grantee as a result of Grantee's disposition of the Option Shares.

14. The Plan, the Trust Agreement and Section 102. (i) The Grantee has received a copy of the Plan, which includes the Sub-Plan, (a copy of which is attached hereto), has read the Plan and is familiar with its terms, and hereby accepts the Option subject to the terms and provisions of the Plan, as amended from time to time. Pursuant to the Plan, the Board is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board with respect to questions arising under the Plan or this Agreement; (ii) The Grantee agrees to the terms and conditions of the Trust Agreement; and (iii) The Grantee understands the provisions of Section 102 and the applicable tax track of this grant of Option.

15. Proxy. As condition to the grant of any Option, Grantee hereby agrees to execute and deliver an Irrevocable Proxy, substantially in the form attached hereto, covering the Option Shares in accordance with the terms and conditions of the Plan.

16. Stockholder Agreements. As a condition to the exercise of any Option, upon request of the Board, Grantee shall agree in writing to be bound by the terms and provisions of any agreements among the stockholders of the Corporation which are applicable to the holders of shares of Common Stock, including, without limitation, any restriction on transfer of shares of Common Stock of the Corporation and to the extent requested by the Board Grantee undertakes to execute and deliver an additional counterpart signature page to such agreement(s) in a form acceptable to the Board.

17. Withholding. All taxable distributions under the Agreement are subject to withholding of all applicable taxes, and the Corporation conditions any payment, exercise, disposition or other distribution to the Grantee under the Agreement on satisfaction of the applicable withholding obligations, if any.

18. Rights of Grantee. Without derogating from the provisions of Section 19 of the Plan, nothing contained herein shall be construed to confer upon the Grantee any right to remain in the service of the Corporation and/or of any Affiliated Corporation or derogate from

any right of the Corporation and/or any Affiliate Corporation to retire, request the resignation of, or discharge the Grantee at any time, with or without cause. The rights of the Grantee are limited to those expressed herein and in the Plan and are not enforceable against the Corporation except to the extent set forth herein.

19. Entire Agreement. This Agreement, together with the Plan, represents the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreement, written or otherwise, relating to the subject matter hereof.

18. Amendment. Except as otherwise provided in the Plan or herein or as would otherwise not have a material adverse effect on the Grantee, this Agreement may only be amended by a writing signed by each of the parties hereto.

19. Governing Law. This Agreement will be construed in accordance with the laws of the State of Delaware, without regard to the application of the principles of conflicts of laws, except to the extent that mandatory provisions of the laws of the State of Israel apply.

20. Execution. This Agreement may be executed, including execution by facsimile signature, in one or more counterparts, each of which will be deemed an original, and all of which together shall be deemed to be one and the same instrument.

*[This space intentionally left blank; signature page follows]*

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date indicated below, respectively.

**Kaltura, Inc.**

\_\_\_\_\_

CEO

\_\_\_\_\_

Title

\_\_\_\_\_

\$grantsignaturedate\$

Date

**GRANTEE**

Name: \$grantee\$

\_\_\_\_\_

\_\_\_\_\_

Address

\_\_\_\_\_

\_\_\_\_\_

\$grantsignaturedate\$

Date

**THIS OPTION AND THE SECURITIES WHICH MAY BE PURCHASED UPON EXERCISE OF THIS OPTION HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES HAVE NOT BEEN ACQUIRED WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE SOLD, ASSIGNED, EXCHANGED, MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR DISPOSED OF, BY GIFT OR OTHERWISE, OR IN ANY WAY ENCUMBERED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES LAWS, OR A SATISFACTORY OPINION OF COUNSEL SATISFACTORY TO KALTURA, Inc. THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT AND UNDER APPLICABLE STATE SECURITIES LAWS.**

**IRREVOCABLE PROXY  
TO VOTE SHARES OF KALTURA, INC.**

The undersigned (the “**Holder**”), as the beneficial holder of securities of Kaltura, Inc., a Delaware corporation (the “**Company**”), does hereby irrevocably appoints Ron Yekutieli, the Chief Executive Officer of the Company, or, in his absence, any other representative who shall be appointed by the Board of Directors of the Company in accordance with the Company’s 2017 Equity Incentive Plan (the “**Attorney-In-Fact**”), as a true and lawful attorney-in-fact, in the Holder’s place and stead, to act, as Holder’s proxy, including, without limitation, to vote and exercise all voting power and other rights, including, without limitation, any contractual rights and rights under applicable law (to the full extent that the Holder is entitled to do so), with respect to all matters arising in connection with any action affecting or relating to all of the shares of the Company which the Holder holds or other shares or securities of the Company’s capital stock which the Holder hereafter in the future may hold, actually or constructively, directly or indirectly (the “**Shares**”), and any and all other shares or equity securities of the Company issued or issuable to the Holder in respect of the Shares, on or after the date hereof, including as a result of any change, by subdivision or combination in any manner of the Company’s capital stock or by the making of a share dividend on or after the date hereof (collectively, the “**Securities**”), including, without limitation, the right, on the Holder’s behalf and subject to any applicable law, to:

(iii) execute any agreement, waiver, amendment, consent or any other document, including, without limitation, any stockholders’ agreements and any amendment thereof, waivers of rights of first refusal, anti-dilution rights, rights to first offer, rights of co-sale, pre-emptive rights, bring-along rights and such other similar waivers, if and to the extent applicable, all in connection with the Securities;

(iv) attend and to vote in all stockholders’ meetings of the Company (including, without limitation, the right to receive, in the name and on behalf of the Holder, any and all materials, information, notices, invitations and/or other communications provided to stockholders of the Company), or execute and deliver written consents pursuant to applicable law, with respect to the Securities, in the same manner and with the same effect as if the Holder was personally present at any such meeting or voting such Securities or personally acting on any matters submitted to the Company’s stockholders for approval or consent, giving and granting to said Attorney-In-Fact full power and authority to do and perform each and every act and thing whether necessary or desirable that may be done as its Attorney-In-Fact in relation to the Securities, other than to sell or transfer the Securities without the prior written consent of the Holder, provided, however, that no such consent shall be required, and the Attorney-In-Fact shall have the right to sell or transfer the Securities without the prior written consent of the Holder, in the event of a Sale of Stock Transaction or in the event of any other Merger Transaction (as defined in the Company’s 2017 Equity Incentive Plan).

Unless instructed otherwise by the Board of Directors of the Company, the Attorney-In-Fact shall vote the Securities in a manner pro-rata to the votes of the other voting shares, such that the votes of the Securities shall not affect the end result of the vote.

This Proxy is irrevocable as it may affect rights of third parties. This Proxy shall remain in effect until the completion of an initial public offering of the shares of the Company. As long as this proxy is in effect, any and all voting rights of the undersigned may have with respect to the Securities shall be exercised exclusively by this proxy. The undersigned hereby ratifies and confirms all that said Attorney-In-Fact shall do or cause to be done by virtue of and in accordance with the terms and conditions of this Proxy. The Attorney-In-Fact shall not have or incur any liability whatsoever by reason of any act or omission of the Attorney-In-Fact, in accordance with this Proxy, whether based upon mistake of fact or law, error of judgment, negligence or otherwise, on condition only that the said acts or omissions are: (i) not in gross negligence; and/or (ii) not willful acts or omissions. All authority herein conferred shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. This proxy shall survive the transfer of Securities and be binding upon any transferee, until duly replaced by a similar power of attorney executed by the transferee. The Company is an intended third party beneficiary of this proxy.

IN WITNESS WHEREOF, the undersigned has executed this Irrevocable Power of Attorney and Proxy as of the date first set forth below.

**The Grantee:**

\_\_\_\_\_  
Name of Grantee: \$grantee\$

\$grantsignaturedate\$  
\_\_\_\_\_  
Date

**The Trustee:** IBI CAPITAL COMPENSATION AND TRUSTE (2004) LTD.

The undersigned, as the registered holder of the Shares, hereby acknowledges, agrees and consents to and accepts the terms and conditions of this Irrevocable Power of Attorney and Proxy.

By: \_\_\_\_\_

Name:  
Title  
Date:

## KALTURA, INC.- 2017 EQUITY INCENTIVE PLAN

### 1. Definitions

As used herein the following terms shall have the meanings set forth below, unless the context clearly indicates to the contrary.

- 1.13 “**Affiliated Corporation**” – any present or future entity **(a)** which holds a controlling interest in the Corporation; **(b)** in which the Corporation holds a controlling interest; **(c)** in which a controlling interest is held by another entity, who also holds a controlling interest in the Corporation; or **(d)** which has been designated an “Affiliated Corporation” by resolution of the Board.
- 1.14 “**Award**” – any right granted to a Grantee under the Plan, including an Option, a SAR, or a Restricted Stock Award.
- 1.15 “**Award Agreement**” – with respect to any Grantee – a written agreement or written instrument, executed by and between the Corporation and the Grantee, setting forth the terms and conditions with respect to the Award.
- 1.16 “**Base Price**” – the price at which a SAR is set at grant.
- 1.17 “**Board**” – the Board of Directors of the Corporation.
- 1.18 “**Cause**” – as defined in Section 14.3 below.
- 1.19 “**Common Stock**” – see “Share(s)”.
- 1.20 “**Corporation**” – Kaltura, Inc., a Delaware corporation.
- 1.21 “**Date of Grant**” – the date determined by the Board to be the effective date of the grant of an Award to a Grantee, or, if the Board has not determined such effective date, the date of the resolution of the Board approving the grant of such Award.
- 1.22 “**Exercise Notice**” – as defined in Section 10.2 below.
- 1.23 “**Exercise Period**” – as defined in Section 10.1 below.
- 1.24 “**Exercise Price**” – the price to be paid for the exercise of each Option.
- 1.13 “**Expiration Date**” – as defined in Section 7.3 below with respect to Options or Section 8.4 below with respect to SARs.
- 1.14 “**Fair Market Value**” – as of any date, the value of a Share determined as follows:
- (i) If the Shares are listed on any established stock exchange or a national market system, including without limitation the NASDAQ National Market System or the NASDAQ SmallCap Market, the Fair Market Value shall be the last reported sale price for such Shares (or the highest closing bid, if no sales were reported), as quoted on such exchange or system for the last market trading day



prior to time of determination, as reported in The Wall Street Journal, or such other source as the Board deems reliable;

(ii) If the Shares are regularly quoted by one or more recognized securities dealers, but selling prices are not reported, the Fair Market Value shall be the mean between the highest bid and lowest asked prices for the Shares on the last market trading day prior to the day of determination; or

(iii) In the absence of an established market for the Shares, the Fair Market Value thereof shall be determined in good faith by the Board, based upon such factors as the Board may deem relevant.

- 1.15 **“Grantee”** – a person or entity to whom an Award is granted.
- 1.16 **“IPO”** – an initial public offering of securities of the Corporation in a recognized stock exchange market or the listing thereof on NASDAQ or another recognized automated quotation system.
- 1.17 **“Law”** – federal, state and/or foreign, laws, rules and/or regulations and/or rules, regulations, guidelines and/or requirements of any relevant securities and exchange and/or tax commission and/or authority and/or any relevant stock exchange or quotations systems.
- 1.18 **“Mandatory Law”** – provisions of Law which may not be contrarily addressed or regulated by the determination and/or consent of the Corporation and/or other parties.
- 1.19 **“Merger Transaction”** – any Acquisition or Assets Transfer (as such terms are defined in the Certificate of Incorporation of the Corporation) and/or any other similar or parallel definition as defined in and determined pursuant to the Certificate of Incorporation of the Corporation, excluding any Structural Change or Spin-off Transaction (each as defined below), and including, for the avoidance of doubt, (i) a sale of all or substantially all of the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries; or (ii) a sale of all or substantially all of the shares of the share capital of the Corporation whether by a single transaction or a series of related transactions which occur either over a period of 12 months or within the scope of the same acquisition agreement; or (iii) a merger, consolidation or like transaction of the Corporation with or into another corporation but excluding a merger which falls within the definition of Structural Change.
- 1.20 **“Option(s)”** – an option(s) granted within the framework of this Plan, each of which imparts the right to purchase one Share.
- 1.21 **“Plan”** – this 2017 Kaltura, Inc. Equity Incentive Plan, as may be amended from time to time.
- 1.22 **“Repurchase Right”** – as defined in Section 14.3 below.

- 1.23 **“Restricted Period”** – the period during which an Award of Restricted Stock is unvested and subject to forfeiture.
- 1.24 **“Restricted Stock”** – restricted Shares granted under the Plan and subject to the vesting schedule and all other terms and conditions contained herein and in the relevant Award Agreement.
- 1.25 **“SAR(s)”** – a stock appreciation right awarded under the Plan and subject to the terms and conditions contained herein and in the relevant Award Agreement.
- 1.26 **“Service”** – means a Grantee’s employment or engagement by the Corporation or an Affiliated Corporation, in a scope of at least the scope of the position such Grantee was employed or engaged at the time of grant of the Award or such other scope of employment or engagement approved by the Board. A Grantee’s Service shall not be deemed terminated or interrupted solely as a result of a change in the capacity in which the Grantee renders Service to the Corporation or an Affiliated Corporation (i.e., as an employee, officer, director, consultant, etc.); nor shall it be deemed terminated or interrupted due solely to a change in the identity of the specific entity (out of the Corporation and its Affiliated Corporations) to which the Grantee renders such Service, provided that there is no actual interruption or termination of the continuous provision by the Grantee of such Service to any of the Corporation and its Affiliated Corporations in any scope of employment or engagement approved by the Board. Furthermore, a Grantee’s Service with the Corporation or Affiliated Corporation shall not be deemed terminated or interrupted as a result of any military leave, sick leave, or other bona fide leave of absence taken by the Grantee and approved by the Corporation or such Affiliated Corporation by which the Grantee is employed or engaged, as applicable; provided, however, that if any such leave exceeds ninety (90) days, then on the ninety-first (91<sup>st</sup>) day of such leave the Grantee’s Service shall be deemed to have terminated unless the Grantee’s right to return to Service with the Corporation or such Affiliated Corporation is secured by statute or contract. Notwithstanding the foregoing, unless otherwise designated by the Corporation or Affiliated Corporation, as the case may be, or required by Law, time spent in a leave of absence shall not be treated as time spent providing Service for the purposes of calculating accrued vesting rights under the vesting schedule of the Options. Without derogating from the aforesaid, the Service of a Grantee to an Affiliated Corporation shall also be deemed terminated in the event that such Affiliated Corporation for which the Grantee performs Service ceases to fall within the definition of an “Affiliated Corporation” under this Plan, effective as of the date said Affiliated Corporation ceases to be such. In all other cases in which any doubt may arise regarding the termination of a Grantee’s Service or the effective date of such termination, or the implications of absence from Service on vesting, the Corporation, in its discretion, shall determine whether the Grantee’s Service has terminated and the effective date of such termination and the implications, if any, on vesting.
- 1.27 **“Share(s)”** – Share(s) of the Corporation’s Common Stock, US \$0.0001 par value each, to which, subject to the provisions herein, are attached the rights specified in the

Corporation's Certificate of Incorporation and By-Laws, as may be amended from time to time.

- 1.28 **"Sub-Plan"** – any supplements or sub-plans to the Plan adopted by the Board, applicable to Grantees employed in a certain country or region or subject to the Laws of a certain country or region, as deemed by the Board to be necessary or desirable to comply with the Laws of such region or country, or to accommodate the tax policy or custom thereof, which, if and to the extent applicable to any particular Grantee, shall constitute an integral part of the Plan.

## **2. The Plan**

### **2.1 Purpose**

The purpose and intent of the Plan is to advance the interests of the Corporation by affording to selected employees, officers, directors, consultants and other service providers of the Corporation or Affiliated Corporations an opportunity to acquire a proprietary interest in the Corporation or to increase their proprietary interest therein, as applicable, by the grant in their favor, of Awards, thus providing such Grantee an additional incentive to become, and to remain, employed or engaged by the Corporation or Affiliated Corporation, as the case may be, and encouraging such Grantee's sense of proprietorship and stimulating his or her active interest in the success of the Corporation and the Affiliated Corporation by which such Grantee is employed or engaged.

### **2.2 Effective Date and Term**

The Plan shall become effective as of the day it was adopted by the Board, and shall continue in effect until the earlier of **(a)** its termination by the Board; or **(b)** the date on which all of the Shares available for issuance under the Plan have been granted and exercised; or **(c)** the lapse of ten (10) years from the date the Plan is adopted by the Board.

## **3. Administration**

- 3.1 This Plan and any Sub-Plans shall be administered by the Board. The Board may appoint a committee of the Board, consisting of not less than two (2) members of the Board, which, subject to any applicable Mandatory Law, and the resolution of the Board, may have all of the powers of the Board granted herein. Subject to the above, the term "Board" whenever used herein, shall mean the Board or such appointed committee, as applicable. Once appointed, the committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies, however caused, and remove all members of the committee and, thereafter, directly administer the Plan. Members of the Board or committee who are either eligible for Awards or have been granted Awards may vote on any matters affecting the administration of the Plan or the grant of Awards pursuant to the Plan, except that no such member shall act upon the granting of an Award to himself, but any such member may be counted in determining the existence of a quorum at any meeting of the Board or the committee during which action is taken with respect to the granting of an Award to him or her. The committee

shall meet at such times and places and upon such notice as the chairperson determines. A majority of the Committee shall constitute a quorum. Any acts by the committee may be taken at any meeting at which a quorum is present and shall be by majority vote of those members entitled to vote. Additionally, any acts reduced to writing or approved in writing by all of the members of the committee shall be valid acts of the committee.

- 3.2 Unless specifically required otherwise under applicable Mandatory Law, the Board shall have sole and full discretion and authority, without the need to submit its determinations or actions to the stockholders of the Corporation for their approval or authorization, to administer the Plan and any Sub-Plans, and all actions related thereto, including, without limitation, the performance, at any time and from time to time, of any and all of the following:
- 3.2.1 the designation of Grantees;
  - 3.2.2 the determination of the terms of each Award (which need not be identical), including without limitation the number and type of Award to be granted in favor of each Grantee, the vesting schedule and Exercise Price or Base Price, as applicable, thereof, and the documents to be executed by the Grantee;
  - 3.2.3 the determination of the terms and form of the Award Agreements (which need not be identical), whether a general form or a specific form with respect to a certain Grantee;
  - 3.2.4 the modification or amendment of the Exercise Period, Restricted Period, restrictions, vesting schedules (including by way of acceleration) and/or of the Exercise Price or Base Price of Awards, including without limitation the reduction thereof, either prior to or following their grant; the repricing of any Award or any other action which is or may be treated as repricing under generally accepted accounting principles; the grant to the holder of an outstanding Award, in exchange for such Award, of a new Award having a purchase price, if any, equal to, lower than or higher than the Exercise Price or Base Price, if any, provided in the Award so surrendered and canceled, and containing such other terms and conditions as the Board may prescribe;
  - 3.2.5 any other action and/or determination deemed by the Board to be required or advisable for the administration of the Plan and/or any Sub-Plan or Award Agreement;
  - 3.2.6 the determination, based upon the relevant information, of the Fair Market Value of the Shares, and the mechanism of such determination;
  - 3.2.7 the interpretation of the Plan, any Sub-Plans, and the Award Agreements;
  - 3.2.8 to determine whether, to what extent, and under what circumstances an Award and/or the underlying Share may be settled, canceled, forfeited, exchanged, or surrendered and to determine any other matter which is necessary or desirable for, or incidental to, administration of this Plan;

- 3.2.9 to determine if and how Awards and Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are vested and free from vesting restrictions) shall be treated in connection with, or in the framework of, a Merger Transaction, as further detailed in Section 11 below;
- 3.2.10 to determine how any treatment of Awards may be made subject to any payment or escrow arrangement, or any other arrangement determined within the scope of a Merger Transaction in relation to the Shares of the Corporation;
- 3.2.11 the adoption of Sub-Plans, including without limitation the determination, if the Board sees fit to so determine, that to the extent any terms of such Sub-Plan are inconsistent with the terms of this Plan, the terms of such Sub-Plan shall prevail; and
- 3.2.10 the extension of the period of the Plan or any Sub-Plans.
- 3.3 The Board may, in its sole discretion, without stockholder approval or approval of any Grantee, amend, modify (including by adding new terms and rules), and/or cancel or terminate this Plan, any Sub-Plans, and any Awards granted under this Plan or any Sub-Plans, any of their terms, and/or any rules, guidelines or policies relating thereto provided, however, that without the consent of an affected Grantee, no such amendment, modification, cancellation, or termination of any outstanding grant may materially and adversely affect the rights of such Grantee. Notwithstanding the foregoing material amendments to the Plan or any Sub-Plans (but not the exercise of discretion under the Plan or any Sub-Plans) shall be subject to stockholder approval to the extent so required by applicable Mandatory Law.
- 3.4 All elections and transactions under the Plan by persons subject to Section 16 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), involving Shares are intended to comply with any applicable condition under Rule 16b3 under Section 16(b) of the Exchange Act as then in effect or any successor provisions (“**Rule 16b-3**”). The Board may establish and adopt written administrative guidelines, designed to facilitate compliance with Section 16(b) of the Exchange Act, as it may deem necessary or proper for the administration and operation of the Plan and the transaction of business thereunder. If the Corporation is a reporting company under the Exchange Act, the selection of a “director” or an “officer” (as such terms are defined for purposes of Rule 16b-3) as a Grantee, the timing of the grant of the Award, the Exercise Price or Base Price, if any, or sale price of the Award and the number of Awards which may be granted to such “director” or “officer” shall be determined either (i) by the Board, of which all members shall be “disinterested persons” (as hereinafter defined), or (ii) by a committee of two or more directors having full authority to act in the matter, of which all members shall be “disinterested persons.” For the purposes of the Plan, a director shall be deemed to be “disinterested” only if such person qualifies as a “disinterested person” within the meaning of Rule 16b-3 of the Exchange Act, as such terms are interpreted from time to time. Those provisions of the Plan that expressly refer to Rule 16b-3 or which are required in order for certain transactions to qualify for exemption under Rule 16b-3 shall

apply only to such persons as are required to file reports under Section 16(a) of the Exchange Act.

- 3.5 Unless otherwise determined by the Board, subject to the provisions set forth in Section 3.3, any amendment or modification of this Plan and/or any applicable Sub-Plan and/or Award Agreement shall apply to the relationship between the Grantee and the Corporation; and such amendment or modification shall be deemed to have been included, *ab initio*, in the Plan and any such applicable Sub-Plan and/or Award Agreement, and shall have full force and effect with respect to the relationship between the Corporation and the Grantee.
- 3.6 Termination of the Plan or any Sub-Plan, shall not affect the Board's ability to exercise its powers with respect to Awards granted under the Plan prior to the date of such termination.
- 3.7 The Board, their members and any person designated above shall not be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent permitted by applicable Law, no officer of the Corporation or member or former member of the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted hereunder. To the maximum extent permitted by applicable Law and the Certificate of Incorporation and ByLaws of the Corporation and to the extent not covered by insurance, each officer and member or former member of the Board shall be indemnified and held harmless by the Corporation against any cost or expense (including reasonable fees of counsel reasonably acceptable to the Corporation) or liability (including any sum paid in settlement of a claim with the approval of the Corporation), and advanced amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the Plan, except to the extent arising out of such officer's, member's or former member's own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification the officers, directors or members or former officers, directors or members may otherwise have. Notwithstanding anything else herein, this indemnification will not apply to the actions or determinations made by an individual with regard to Awards granted to him or her under this Plan.
- 3.8 In any event that the Corporation will be required to issue to a Grantee a fraction of Shares upon exercise of Awards, the Corporation will not issue fraction of Shares and the number of Shares issued upon such exercise shall be rounded down to the closest number of Shares.

#### **4. Eligibility**

The persons eligible for participation in the Plan as Grantees include employees, officers, directors, consultants, and other service providers of the Corporation or any Affiliated Corporation (including persons who are responsible for or contribute to the management, growth or profitability of, or who provide substantial services to, the Corporation or any Affiliated Corporation), and any person who has been offered employment by the Corporation or any Affiliated Corporation, provided that such prospective employee may

not receive any payment or exercise any right to an Award until such person has commenced employment with the Corporation or any Affiliated Corporation. The Board, in its sole discretion shall select from time to time the individuals, from among the persons eligible to participate in the Plan, who shall receive Awards. In determining the persons in favor of whom Awards are to be granted, the number of Awards to be granted thereto and the terms of such grants, the Board may take into account the nature of the services rendered by such person, his/her present and future potential contribution to the Corporation or to the Affiliated Corporation by which he/she is employed or engaged, and such other factors as the Board in its discretion shall deem relevant.

## **5. Award Pool**

- 5.1 The total number of authorized but unissued Shares available for grant under this Plan, subject to adjustment as set forth in Sections 5.2 and 17 below, shall be 1,544,209 and 4,000,000 Shares may be issued as Incentive Stock Options (as such term is defined in the US Sub-Plan).
- 5.2 The Corporation shall at all times until the expiration or termination of this Plan keep reserved a sufficient number of Shares to meet the requirements of this Plan. Any of such Shares which, as of the expiration or termination of this Plan, remain unissued and not subject to outstanding Awards, shall at such time cease to be reserved for the purposes of this Plan. Should any Award (or any award granted under the Corporation's 2007 Stock Option Plan or 2007 Israeli Share Option Plan (together the "2007 Plans")) for any reason expire or be canceled prior to its issuance, settlement, or exercise or relinquishment in full, such Award (or any such award granted under the 2007 Plans) may then be available for grant under this Plan.
- 5.3 Awards that may be granted under the Plan include: Options, SARs, and Restricted Stock.

## **6. Grant of Awards**

- 6.1 The Awards may be granted for no consideration or in consideration of the past or future Service (as defined below) the Grantee performed or is expected to perform.
- 6.2 Each Award granted pursuant to the Plan shall be evidenced by an Award Agreement.
- 6.3 Each Grantee shall be required to execute, in addition to the Award Agreement, any and all other documents required by the Corporation or any Affiliated Corporation, whether before or after the grant of the Award (including without limitation the Proxy (as such term is defined below), any customary documents and undertakings towards any trustee, if applicable, and/or any tax authorities). Notwithstanding anything to the contrary in this Plan or in any Sub-Plan, no Award shall be deemed granted unless all documents required by the Corporation or any Affiliated Corporation to be signed by the Grantee prior to or upon the grant of such Award, shall have been duly signed and delivered to the Corporation or such Affiliated Corporation.

## 7. **Terms of Options**

Award Agreements between the Corporation and a Grantee evidencing the Award of Options will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award Agreement, such Award Agreement shall set forth, by appropriate language, the number of Options granted thereunder and the substance of all of the following provisions:

7.1 **Exercise Price.** The Exercise Price for each Grantee shall be as determined by the Board and specified in the applicable Award Agreement; provided however that unless otherwise determined by the Board (which determination shall not require stockholder approval unless so required in order to comply with the provisions of applicable Mandatory Law), the Exercise Price shall not be less than the Fair Market Value of the Shares at the date of the grant of the Options. Without derogating from and in addition to the provisions of Section 23 of the Plan, the Exercise Price shall be denominated in the currency of the primary economic environment of, in the Board's sole discretion, either the Corporation or the Grantee (that is the functional currency of the Corporation or the currency in which the Grantee is paid).

7.2 **Vesting.** The Options shall vest and become exercisable according to the vesting schedule and/or subject to certain other conditions (including without limitation achievement of milestone and/or subject to performance as determined by the Board) to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement.

The Board shall be entitled, but not obligated, in its sole discretion, to accelerate, in whole or in part, the vesting schedule, and/or any other condition to the vesting, of any Option, including, without limitation, in connection with a Merger Transaction and/or an IPO.

7.4 **Expiration Date.** Unless expired earlier pursuant to either Section 10.1 or Section 14 below, and unless otherwise determined in the Award Agreement, unexercised Options shall expire and terminate and become null and void upon the lapse of 10 (ten) years from the Date of Grant (as applicable, the "**Expiration Date**").

## 8. **Terms of SARs**

Award Agreements between the Corporation and a Grantee evidencing the Award of SARs will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award



Agreement, such Award Agreement shall set forth, by appropriate language, the number of SARs granted thereunder and the substance of all of the following provisions:

- 8.1 Terms and Conditions. Each SAR shall entitle the Grantee to receive, upon exercise of the SAR, a payment equal to the excess, if any, of the Fair Market Value of one share of Common Stock on the date of exercise over the base price of the SAR. Such payment may be made in cash, in shares of Common Stock, in Restricted Stock or in any combination of the foregoing, as the Board shall determine in its sole discretion; provided, however, that payment upon exercise of a SAR shall be made in shares of Common Stock unless otherwise specified in the relevant Award Agreement. SARs shall be subject to the terms and conditions set forth in the Plan, any applicable Sub-Plan and any additional terms and conditions, not inconsistent with the express terms and provisions of the Plan or the applicable Sub-Plan and as the Board shall set forth in the relevant Award Agreement.
- 8.5 Base Price. The Base Price of a SAR shall be determined by the Board at the time of grant; and specified in the applicable Award Agreement; provided however that unless otherwise determined by the Board (which determination shall not require stockholder approval unless so required in order to comply with the provisions of applicable Mandatory Law), the Base Price shall not be less than the Fair Market Value of the Shares at the date of the grant of the SAR. Without derogating from and in addition to the provisions of Section 23 of the Plan, the Base Price shall be denominated in the currency of the primary economic environment of, in the Board's sole discretion, either the Corporation or the Grantee (that is the functional currency of the Corporation or the currency in which the Grantee is paid).
- 8.6 Vesting. The SARs shall vest (become exercisable) according to the vesting schedule to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement. The Board shall be entitled, but not obligated, at its sole discretion, to accelerate, in whole or in part, the vesting schedule of any SAR, including, without limitation, in connection with a Merger Transaction and/or an IPO.
- 8.7 Expiration Date. Unless expired earlier pursuant to the Plan, and unless otherwise determined in the Award Agreement, unexercised SARs shall expire and terminate and become null and void upon the lapse of 10 (ten) years from the Date of Grant (as applicable, the "**Expiration Date**").

## **9. Terms of Restricted Stock Awards**

Award Agreements between the Corporation and a Grantee evidencing an Award of Restricted Stock will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award Agreement, such Award Agreement shall set forth, by appropriate language, the number

of Shares of Restricted Stock granted thereunder and the substance of all of the following provisions:

- 9.1 Terms and Conditions. An Award of Restricted Stock is a grant of shares of Common Stock, subject to such restrictions, terms and conditions as the Board deems appropriate, and/or as set forth in the applicable Sub-Plan or Award Agreement.
- 9.2 Vesting. The Restricted Stock shall vest according to the vesting schedule to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement.
- The Board shall be entitled, but not obligated, in its sole discretion, to accelerate, in whole or in part, the vesting schedule of any Award of Restricted Stock, including, without limitation, in connection with a Merger Transaction and/or an IPO.
- 9.3 Shareholder Rights. During the Restricted Period, a Grantee shall have such rights with respect to the Shares underlying such grant, including voting and dividend rights, as the Board deems appropriate, and/or as set forth in the applicable Sub-Plan or Award Agreement.

## **10. Exercise of SARs and Options**

- 10.3 Exercise Period. Each Option and/or each SAR shall be exercisable from the date upon which it becomes vested until the Expiration Date of such Option or SAR, as applicable, in each case, subject to the provisions set forth in this Plan, the applicable Sub-Plan and the Award Agreement (the “**Exercise Period**”).
- 10.4 Exercise Notice and Payment. Vested Options and vested SARs may be exercised at one time or from time to time during the Exercise Period, by giving a written notice of exercise (the “**Exercise Notice**”) to the Corporation, at its principal offices, in accordance with the following terms, or such other procedures as shall be determined from time to time by the Board and notified in writing to the Grantees:
- (a) The Exercise Notice must be signed by the Grantee and must be delivered to the Corporation, prior to the termination of the Options or SARs, as applicable, by certified or registered mail - return receipt requested, with a copy delivered to the Chief Financial Officer (or such other authorized representative) of the Affiliated Corporation with which the Grantee is employed or engaged, if applicable.
  - (b) The Exercise Notice will specify the number of vested Options and/or vested SARs, as applicable, being exercised.
  - (c) The Exercise Notice will be accompanied by payment in full of the Exercise Price for the exercised Options (however, unless otherwise provided by the Board or in the Award Agreement, no payment would be necessary to exercise a SAR) and by such other representations and agreements as required by the Corporation with respect to the Grantee’s investment intent regarding the exercise. Payment will be made by wire transfer or by personal check or cashier’s check payable to the order of the Corporation or at the discretion of the Board, payment of such other lawful

consideration as the Board may, in its sole discretion, determine (such as, by way of example, cashless exercise or the typical exercise of a SAR), provided however, that in case of payment by check, the Award shall not be deemed exercised, and the Corporation shall not issue the Shares in respect thereof, until the check shall have been fully and irrevocably honored by the bank on which it was drawn. The Corporation shall then reasonably promptly deliver the certificate(s) representing the Shares as to which such Options and/or SARs were exercised to the Grantee or to a Trustee, if applicable; provided that with respect to SARs the consideration for exercise may be in such other form as provided in a Sub-Plan, in the Award Agreement and/or as provided by the Board). In determining what constitutes “reasonably promptly,” it is expressly understood that, in addition to that stated in Section 12 below, the issuance of the Shares and delivery of the certificate(s) representing such Shares may be delayed by the Corporation in order to comply with any law or regulation (including, without limitation, state securities or “blue sky” laws) which requires the Corporation to take any action with respect to the Shares prior to their issuance.

## **11. Treatment of Awards Upon Certain Transactions**

- 11.1 Notwithstanding anything to the contrary contained in this Plan and/or in any Sub-Plan, in the event of a Merger Transaction, any and all outstanding and unexercised, unvested Awards (including, without limitation, outstanding and unexercised unvested Options and SARs and Restricted Stock that are subject to vesting) will be cancelled and forfeited for no consideration, unless determined otherwise by the Board.
- 11.2 Without derogating from the generality of the foregoing, in the event of a Merger Transaction the Board in its sole and absolute discretion may, without obtaining any of the Grantees’ consent and without any notice requirement, decide in connection with a Merger Transaction, as follows:
- (i) if and how the unvested Awards will be cancelled, forfeited, exchanged, assumed, replaced, substituted (including, if applicable, for a successor entity award), repurchased or accelerated including determining that all outstanding and unexercised, unvested Awards shall be cancelled for no consideration upon a Merger Transaction;
  - (ii) if and how vested Awards (including Awards with respect to which the vesting period has lapsed and/or been accelerated) will be exercised, exchanged, assumed, replaced, substituted (including, if applicable, for a successor entity award), forfeited, repurchased and/or sold by the Grantee, including determining that all un-exercised vested Awards shall be cancelled for no consideration upon a Merger Transaction;
  - (iii) how Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are free from vesting restrictions) shall be replaced and/or sold by the Grantee and/or substituted (including, if applicable, for a successor entity share); and
  - (iv) how any treatment of Awards and Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are free from vesting restrictions) may be made subject to any payment or escrow arrangement, or any other arrangement

determined within the scope of the Merger Transaction in relation to the Shares of the Corporation.

- 11.3 In the case of assumption and/or substitution of Awards, appropriate adjustments shall be made so as to reflect such action and all other terms and conditions of the Award Agreements shall remain unchanged, including but not limited to the vesting schedule, all subject to the determination of the Board, which determination shall be at its sole discretion and final. The grant of any substitutes for the Awards to Grantees pursuant to a Merger Transaction, as provided in this section, shall be considered to be in full compliance with the terms of this Plan. The value of the exchanged Awards pursuant to this section shall be determined in good faith solely by the Board, based on the Fair Market Value, and its decision shall be final and binding on all Grantees.
- 11.4 For the purposes of this section, the mechanism for determining the assumption or exchange as aforementioned shall be agreed upon between the Board and the successor company.
- 11.5 Without derogating from the above, in the event of a Merger Transaction the Board shall be entitled, at its sole discretion, to (i) determinate a blackout period in connection with the exercise of Awards; and (ii) require the Grantees to exercise all vested Options and SARs within a set time period and sell all of their Shares underlying such exercised Awards on the same terms and conditions as applicable to the other shareholders selling their Company's Shares as part of the Merger Transaction as further detailed below.
- 11.6 Each Grantee acknowledges and agrees that the Board shall be entitled, subject to any applicable Mandatory Law, to authorize any one of its members to sign instrument of transfer, in customary form, in respect of the Shares underlying such Awards held by such Grantee and that such instrument of transfer shall bind the Grantee.
- 11.6 Despite the aforementioned and for the avoidance of any doubt, if and when the method of treatment of Awards within the scope of a Merger Transaction, as provided above, will in the sole opinion of the Board prevent the consummation of the Merger Transaction, or materially risk the consummation of the Merger Transaction, the Board may determine different treatment for different Awards held by Grantees such that not all Awards will be treated equally within the scope of the Merger Transaction.
- 11.7 Without derogating from the generality of the above, the Grantee agrees and accepts that until an IPO, in the event that stockholders of the Corporation holding at least a majority of the voting power in the Corporation accept an offer to sell all of their stock in the Corporation and such sale of stock transaction is conditioned upon the sale of all remaining stock of the Corporation to such third party (a "**Sale of Stock Transaction**"), then, the Grantee shall, if so requested by the Board (which request shall notify the Grantee of such Sale of Stock Transaction), sell his/her Shares and/or Awards in such Sale of Stock Transaction, on the same terms subject however to any applicable liquidation preferences (provided that (i) with respect to vested Options and SARs, the Exercise Price or Base Price, as applicable, shall be deducted from the purchase price paid for the Shares in such transaction; and (ii) i.e., the proceeds of such Sale of Stock

Transaction shall be allocated and distributed in accordance with the distribution preferences provisions of the Corporation's Certificate of Incorporation, as may be amended from time to time).

## **12. Conditions of Issuance**

- 12.1 No Options or SARs shall be deemed exercised nor shall any Share be issued in respect of any Award issued or granted hereunder, until the Corporation has been provided with confirmation by the applicable tax authorities or is otherwise under a tax arrangement, which either: **(a)** waives or defers the tax withholding obligation with respect to such exercise, issuance or vesting and delivery, as applicable if so permitted by Mandatory Law; or **(b)** confirms receipt of the payment of all the tax due with respect to such exercise; or **(c)** confirms the conclusion of another arrangement with the Grantee regarding the tax amounts, if any, that are to be withheld by the Corporation or any Affiliated Corporation under Law with respect to such exercise, issuance, or vesting, as applicable, provided that such arrangement is satisfactory to the Corporation. If such confirmations, exemptions or arrangements are not available under the tax subjections of the Grantee, the Corporation shall be entitled to require as a condition of issuance that the Grantee remit an amount sufficient to satisfy all federal, state and other governmental withholding tax requirements related thereto. A determination of the Corporation's legal counsel that a withholding tax is required in connection with the exercise, issuance, or vesting and delivery, as applicable, of an Award shall be conclusive for the purposes of this condition.
- 12.2 Furthermore, notwithstanding any other provision of this Plan and any Sub-Plan, the Corporation shall have no obligation to issue or deliver Shares under this Plan unless the exercise of the applicable Awards and the issuance and delivery of the Shares underlying the Option and/or SAR or the grant, vesting and delivery of the Restricted Stock complies, in any such case, with, and does not result in a breach of, all applicable Mandatory Law, to the satisfaction of the Corporation in its sole discretion, and the Corporation shall have received, if deemed desirable by the Board, the approval of legal counsel for the Corporation with respect to such compliance. The Corporation may further require the Grantee to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with applicable Law.
- 12.3 As a condition to the exercise of an Option or SAR or the issuance or delivery of Restricted Stock, the Corporation may require, among other things, that: **(a)** the Grantee represent and warrant at the time of any exercise or issuance that the underlying Shares are being purchased only for investment and without any present intention to sell or distribute such Shares, and make such other representations, warranties and covenants as may be reasonably required to comply with and satisfy any qualifications that may be necessary or appropriate, to evidence compliance with applicable Law; **(b)** a legend be stamped on the certificates representing such underlying Shares indicating that they may not be pledged, sold or otherwise transferred unless an opinion of legal counsel (acceptable by the Corporation's counsel) stating that such transfer is not in violation of any applicable Law, is provided; and **(c)** the Grantee execute and deliver to the

Corporation such an agreement as may be in use by the Corporation with respect to the applicable securities setting forth certain terms and conditions applicable to the Shares.

- 12.4 Without derogating from the above and in addition thereto, unless the offering and sale of the Shares to be issued upon the grant, vesting or exercise of an Award shall have been effectively registered under the Securities Act of 1933, as now in force or hereafter amended (the “1933 Act”), the Corporation shall be under no obligation to issue the Shares underlying an Award unless and until the following conditions have been fulfilled: (i) The Grantee shall warrant to the Corporation, prior to the receipt of such Shares, that s/he is acquiring such Shares for his/her own account, for investment, and not with a view to, or for sale in connection with, the distribution of any such Shares, in which event the Grantee shall be bound by the provisions of the following legend which shall be endorsed upon the certificate(s) evidencing its Shares issued pursuant to such exercise: “The shares represented by this certificate have been taken for investment and they may not be sold or otherwise transferred by any person, including a pledgee, unless (1) either (a) a Registration Statement with respect to such shares shall be effective under the Securities Act of 1933, as amended, or (b) the Corporation shall have received an opinion of counsel satisfactory to it that an exemption from registration under such Act is then available, and (2) there shall have been compliance with all applicable state securities laws.”; (ii) At the discretion of the Board, the Corporation shall have received an opinion of its counsel that the Shares may be issued upon such particular exercise or acceptance in compliance with the 1933 Act without registration thereunder.
- 12.5 Additionally, without derogating from any other provisions herein and without limiting any of the foregoing, as a further condition to the grant or exercise of an Award, the Grantee shall consent to be bound by any restriction on stockholders rights governed by Section 202 of the General Corporation Law of the State of Delaware, as in effect from time to time, then applicable to a majority of the capital stock of the Corporation (including, without limitation, so-called right of first refusal, drag along and bring along, forced sale), and shall enter and execute any forms of undertaking and/or consent the Corporation shall present to the Grantee to such effect, provided however, that unless otherwise determined by the Board, until such time as the Corporation shall complete an IPO, a Grantee shall not have the right to sell Shares, as further detailed in Section 13 below.
- 12.6 Stock Certificates for Shares may include one or more legends which the Board deems appropriate to reflect any of the restrictions included in the foregoing. Upon request by the Corporation, the Grantee shall execute any agreement or document evidencing any transfer restrictions prior to the receipt of Shares hereunder, and shall promptly present to the Corporation any and all certificates representing such Shares for the placement on such certificates of appropriate legends evidencing any such transfer restriction.

### 13. **Transferability**

- 13.1 Neither the Shares nor the Awards are publicly traded.
- 13.2 Other than by will or laws of descent, neither the Awards nor any of the rights in connection therewith shall be assignable, transferable, made subject to attachment, lien or encumbrance of any kind, and the Grantee shall not grant with respect thereto any power of attorney or transfer deed, whether valid immediately or in the future. For the avoidance of any doubt, during the lifetime of the Grantee, all of such Grantee's rights to purchase Shares upon the exercise of his or her applicable Awards shall be exercisable only by the Grantee.
- 13.3 Notwithstanding any other provision of the Plan, any sale, assignment, transfer, pledged, hypothecated or any other disposition of Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan (including for the avoidance of any doubt, Shares issued upon exercise of Options and SARs and Restricted Stock that is free from any vesting restrictions) shall be subject to (i) the prior written approval of the Board; and (ii) all provisions, restrictions, terms and conditions set forth in the Corporation's Certificate of Incorporation, By Laws, the Plan, any applicable Sub-Plan, the applicable Award Agreement, and/or any conditions and restrictions determined by the Board. Any disposition of such Shares carried out by Grantee(s) in violation of such provisions, restrictions, terms and conditions shall be null and void. Unless otherwise determined by the Board, in its sole discretion, prior to the Corporation's IPO, the Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan may not be sold assigned, transferred, pledged, hypothecated or otherwise disposed of, except as stated herein and in the Award Agreement. Any disposition of such Shares carried out by a Grantee before an IPO, without the Board's prior written approval, shall be null and void.
- Any transfer that is not made in accordance with the Plan, any applicable Sub-Plan or the applicable Award Agreement shall be null and void.
- 13.6 No transfer of a Share or an Award by the Grantee by will or by the laws of descent shall be effective against the Corporation, unless and until: **(a)** the Corporation shall have been furnished with written notice thereof, accompanied by an authenticated copy of probate of a will together with the will or inheritance order and/or such other evidence as the Board may deem necessary to establish the validity of the transfer; **(b)** the contemplated transferee(s) shall have confirmed to the Corporation in writing its acceptance of the terms and conditions of the Plan, any applicable Sub-Plan and Award Agreement, with respect to the Share or Award being transferred (including the execution of the proxy referred to in Section 15.2 below), to the satisfaction of the Board; and **(c)** actual payment of all taxes required to be paid upon such sale and transfer of the Award and/or Shares has been made to the tax assessor, and received confirmation from the tax assessor that all taxes required to be paid upon such sale and transfer have been paid.
- 13.7 No transfer of a Share or an Award (including for the avoidance of any doubt, Shares issued upon exercise of Options and SARs and Restricted Stock that is free from any vesting restrictions) by a Grantee upon approval by the Board (as set forth in Section 13.3

above) shall be effective against the Corporation, unless and until: **(a)** the Corporation shall have been furnished with written notice thereof, accompanied by an authenticated copy of transferee and/or such other evidence as the Board may deem necessary to establish the validity of the transfer; **(b)** the contemplated transferee(s) shall have confirmed to the Corporation in writing its acceptance of the terms and conditions of the Plan, any applicable Sub-Plan and Award Agreement, with respect to the Share or Award being transferred (including the execution of the proxy referred to in Section 15.2 below), to the satisfaction of the Board; and **(c)** actual payment of all taxes required to be paid upon such sale and transfer of the Award and/or Shares has been made to the tax assessor, and received confirmation from the tax assessor that all taxes required to be paid upon such sale and transfer have been paid; and **(d)** compliance by the Grantee and the transferee of such Shares with any and all other requirements determined by the Board in connection with such transfer.

#### **14. Termination of Awards and Repurchase of Shares**

- 14.1 Notwithstanding anything to the contrary, except as otherwise explicitly provided in this Section 14, any Option or SAR granted in favor of any Grantee but not exercised by such Grantee within the Exercise Period and in accordance with the terms of the Plan, any applicable Sub-Plan and the applicable Award Agreement, shall, upon the lapse of the Exercise Period, immediately expire and terminate and become null and void with no further compensation due to the holder.
- 14.2 Upon the termination of a Grantee's Service, for any reason whatsoever, any Award granted in favor of such Grantee that is not vested at the time of such termination of Grantee's Service shall immediately expire and terminate (and with respect to Restricted Stock, will be forfeited to the Corporation) and become null and void with no further compensation due to the holder. If an Award expires or becomes unexercisable for any reason without having been exercised, or is otherwise cancelled, forfeited or surrendered, such unissued or retained Shares shall become available for other Award grants under the Plan.
- 14.3 Additionally, in the event of the termination of a Grantee's Service for Cause (a) all of such Grantee's vested Awards shall also, upon such termination for Cause, immediately expire and terminate and become null and void; and (b) any and all of such Grantee's Shares received pursuant to the issuance, vesting or exercise of any applicable Award shall be subject to the Corporation's "Repurchase Right", as described below.

For the purposes hereof the term "**Cause**" shall mean **(a)** the conviction of the Grantee for any felony involving moral turpitude or affecting the Corporation or any Affiliated Corporation; **(b)** the embezzlement of funds of the Corporation or any Affiliated Corporation; **(c)** any breach of the Grantee's fiduciary duties or duties of care towards the Corporation or any Affiliated Corporation (including without limitation any disclosure of confidential information of the Corporation or any Affiliated Corporation or any breach of a non-competition or intellectual property assignment undertakings); **(d)** any conduct in bad faith reasonably determined by the Board to be materially detrimental to the Corporation or, with respect to any Affiliated Corporation, reasonably determined by the



Board of Directors of such Affiliated Corporation to be materially detrimental to either the Corporation or such Affiliated Corporation; or (e) any other event classified under any applicable agreement between the Grantee and the Corporation or the Affiliated Corporation, as applicable, as a “cause” for termination or by other language of similar substance.

The Corporation’s “Repurchase Right” shall be as follows: If any Grantee’s Service is terminated by the Corporation (or any Affiliated Corporation) for Cause, or in the event that any Grantee initiates or joins any legal proceeding maintained or instituted against the Corporation or any Affiliated Corporation or any of their respective past, current, or future officers, directors, employees, consultants, holders of equity securities, successors or assigns in their capacity as such, then, within 180 days after such termination or commencement of (or joinder in) such legal proceeding, as the case may be, the Corporation shall have the right, but not the obligation, to repurchase from the Grantee, or his or her legal representative, as the case may be, all or part of the Shares she/he exercised or otherwise received pursuant to an Award, if any. The Repurchase Right shall be exercised by the Corporation by giving the Grantee, or his/her legal representative written notice, within said 180 days, of its intention to exercise the Repurchase Right, indicating the number of such Shares to be repurchased and the date on which the repurchase is to be effected, and the Corporation shall pay the Grantee for each such Share being repurchased, an amount equal to the price originally paid by the Grantee for such Shares, if any, subject to adjustments as provided in Section 17 below. The certificate(s) representing such Shares to be repurchased shall, prior to the close of business on the date specified for the repurchase, be delivered to the Corporation together with a duly endorsed stock assignment certificate. Payment shall be made in cash, cash equivalents, or in any other way of payment allowed under any applicable Law, and authorized by the Board of Directors of the Corporation. Concurrently with the exercise of the Repurchase Right, if exercised, the Grantee (or the holder of the Shares so repurchased) shall no longer have any rights as a holder of such repurchased Shares. Such repurchased Shares shall be deemed to have been repurchased, whether or not the certificate(s) therefor have been delivered. If the Grantee fails to deliver such stock certificate(s), the Corporation shall be entitled to take such action as may be necessary to remove the requisite number of Share registered in the name of the Grantee from the books and records of the Corporation. The Repurchase Right shall be in addition to any and all other rights and remedies available to the Corporation.

In the event that the Corporation shall be prohibited, on account of any applicable Law, from repurchasing Shares, the Corporation may assign the Repurchase Right to its wholly owned subsidiary, or if the same is not possible on account of any applicable Law, to all of the stockholders of the Corporation at the time of the exercise of said right (excluding other shareholders pursuant to the exercise or delivery of Awards), on a pro-rata, as converted basis, all under the same terms and conditions set forth in this Plan, in which event the Corporation shall inform the Grantee of the identity of the particular assignee in the Corporation’s Notice, and the provisions of this Section regarding the Corporation shall apply to such assignee(s), *mutatis mutandis*.

In the event that at the time the Corporation wishes to exercise its Repurchase Right, the Grantee does not own a sufficient number of Shares to satisfy the Corporation's Repurchase Right, in addition to performing any obligations necessary to satisfy the Corporation's Repurchase Right, the Corporation may require the Grantee to deliver to the Corporation, for each Share that is the subject of the Repurchase Right and is not available for repurchase as it has been sold or transferred, an aggregate cash amount, equal to the difference between the fair market value of each such missing Share and the price originally paid by the Grantee to the Corporation for each such Share, if any, as adjusted.

- 14.4 Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law), following termination of a Grantee's Service other than for Cause, the Expiration Date of such Grantee's vested Options and/or SARs shall be deemed the earlier of: **(a)** the Expiration Date of such vested Options and/or SARs as was in effect immediately prior to such termination, as detailed in Grantee's Award Agreement; or **(b)** 90 (ninety) calendar days following the date of such termination (except that if such termination is initiated by Grantee, the period set forth in this Section 14.4(b) shall be 30 (thirty) calendar days following the date of such termination) or, if such termination is the result of death or disability of the Grantee, 12 (twelve) calendar months from the date of such termination.
- 14.5 Notwithstanding anything to the contrary herein, upon the issuance of a court order declaring the bankruptcy of a Grantee, or the appointment of a receiver or a provisional receiver for a Grantee over all of his assets, or any material part thereof, or upon making a general assignment for the benefit of his creditors, any outstanding Awards issued in favor of such Grantee (whether vested or not) shall immediately expire and terminate and become null and void and shall entitle neither the Grantee nor the Grantee's receiver, successors, creditors or assignees to any right in or towards the Corporation or any Affiliated Corporation in connection with the same, and all interests and rights of the Grantee or the Grantee's receiver, successors, creditors or assignees in and to the same, shall expire.

**15. Rights as Stockholder, Voting Rights, Dividends and Bonus Shares**

- 15.1 It is hereby clarified that a Grantee shall not, by virtue of this Plan, any applicable Sub-Plan or the applicable Award Agreement or any Option or SAR granted to the Grantee, have any of the rights of a stockholder with respect to the Shares underlying such Award, until the Option or SAR has been exercised and the Shares issued in the Grantee's name. With respect to Awards of Restricted Stock, the rights of the Grantee with respect to the Shares underlying the Restricted Stock shall be as set forth in the applicable Sub-Plan or Award Agreement.
- 15.2 Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law), prior to the closing of an IPO, as a condition to the issuance, vesting, or exercise of any Award, each Grantee shall be required to sign and deliver to

such person as may be designated by the Board (the “**Nominee**”) an irrevocable proxy, in a form approved by the Board (the “**Proxy**”), appointing the Nominee as the sole person entitled to exercise the voting rights conferred by such Shares. The Nominee shall not exercise the voting rights conferred by the Shares held by him or with respect to which the Nominee has been given an irrevocable proxy as aforesaid, in any way whatsoever (except as set forth herein and/or in the Proxy), and shall not issue a proxy to any person or entity to vote such Shares, unless otherwise instructed by the Board, and in accordance with such instructions. Unless instructed otherwise by the Board, the Nominee shall vote such Shares in a manner pro-rata to the votes of the other voting shares, such that the votes of the Shares shall not affect the end result of the vote. The Nominee shall be indemnified and held harmless by the Corporation, to the extent permitted by applicable Law, against any cost or expense (including counsel fees) reasonably incurred by the Nominee, or any liability (including any sum paid in settlement of a claim with the approval of the Corporation) arising out of any act or omission to act in connection with the voting of the aforesaid proxy unless arising out of such Nominee’s own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification the Nominee(s) may otherwise have from the Corporation.

- 15.3 Notwithstanding anything to the contrary, if any, herein or in the Corporation’s Certificate of Incorporation and/or By-Laws, or elsewhere, none of the Grantees shall have (and they hereby waive the right to have), any pre-emptive rights to purchase, along with the other stockholders in the Corporation, a pro rata portion of any securities proposed to be offered by the Corporation prior to the offering thereof to any third party or any rights of first refusal to purchase any securities of the Corporation offered by the other holders of securities of the Corporation.
- 15.4 Cash dividends paid or distributed, if any, with respect to the vested Shares delivered to a Grantee upon the exercise or vesting of an Award shall be remitted directly to the Grantee or to a trustee (on behalf of the applicable Grantee) who is entitled to the Shares for which the dividends are being paid or distributed, subject to any applicable taxation on such distribution of dividend, and the withholding thereof. No dividends shall be paid or accrued with respect to an Option or SAR prior to the exercise of such Option or SAR and no dividends shall be paid or accrued on unvested Restricted Stock during the Restricted Period.
- 15.5 Bonus Shares issued by the Corporation, if any, with regard to the vested Shares delivered to a Grantee upon the exercise or vesting of an Award shall be subject to the same terms and conditions of the Exercised Shares by virtue of which they were issued. No bonus Shares shall be distributed or accrued with respect to an Option or SAR prior to the exercise of such Option or SAR.
- 15.6 During the term of any Award granted under the Plan, and thereafter for so long as the Grantee holds Shares issued upon exercise or vesting of an Award, the Corporation shall not be obliged to provide or otherwise make available to Grantees any information related to the Corporation, except as required under applicable Mandatory Law.

## **16. Liquidation**

In the event that the Corporation is liquidated or dissolved while unexercised Options or SARs remain outstanding under the Plan, then all or part of such outstanding Options or SARs may be exercised in full by the Grantees as of immediately prior to the effective date of such liquidation or dissolution of the Corporation, without regard to the vesting terms thereof and any unvested Restricted Stock shall be fully vested as of immediately prior to the effective date of such liquidation or dissolution of the Corporation.

## **17. Adjustments**

17.1 The number and kind of shares underlying any Award, together with those Shares otherwise reserved for the purposes of the Plan for Awards not yet exercised as provided under Section 5 above, and/or, if applicable, the Exercise Price, Base Price and/or repurchase price, shall be proportionately adjusted as a result of any stock dividend, recapitalization, forward stock split or reverse stock split, reorganization, division, merger, consolidation, combination, repurchase or share exchange, extraordinary or unusual cash distribution or other similar corporate transaction or event that affects the Common Stock, as well as for any distribution of bonus shares, except as set forth in Sections 17.2 and 17.3 below. Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive.

All provisions applying to the Shares underlying an Award shall apply to all Shares received as a result of an adjustment as described above.

17.2 In the event of a Structural Change (as defined below) the Awards and Shares underlying such Awards that are subject to the Plan shall be exchanged or converted into Shares of the Corporation or successor company in accordance with the exchange effectuated in relation to the Shares of the Corporation, as shall be determined by the Board, and the Exercise Price or Base Price per Share and quantity of shares shall be adjusted in accordance with the terms of the Structural Change. The adjustments required thereby shall be determined in good faith solely by the Board and in accordance with applicable Mandatory Law. “**Structural Change**” means any re-domestication of the Corporation, share flip, creation of a holding company for the Corporation that will hold substantially all of the shares of the Corporation or any other transaction involving the Corporation in which the shares of the Corporation outstanding immediately prior to such transaction continue to represent, or are converted into or exchanged for shares that represent, immediately following such transaction, at least a majority, by voting power, of the share capital of the surviving, acquiring or resulting corporation and in which there is no material change to the interests held by the stockholders of the Corporation prior to such transaction and immediately thereafter.

17.3 In the event of a Spin-Off Transaction (as defined below), the Board may, but shall not be obligated to, determine that the holders of Awards are entitled to receive equity in the new company formed as a result of the Spin-Off Transaction, in accordance with equity granted to the stockholders of the Corporation within the Spin-Off Transaction, taking into account the terms of the Awards, including the vesting schedule, Exercise Price or Base Price, as applicable. The determination regarding the Grantee’s entitlement within

the scope of a Spin-Off Transaction shall be in the sole and absolute discretion of the Board. “**Spin-off Transaction**” means any transaction in which assets of the Corporation are transferred or sold to a company or corporate entity in which the shareholders of the Corporation hold equal stakes, pro-rata to their ownership of the Corporation.

**18. No Interference**

Neither the Plan nor any applicable Sub-Plan or Award Agreement shall affect, in any way, the rights or powers of the Corporation or its stockholders to make or to authorize any sale, transfer or change whatsoever in all or any part of the Corporation’s assets, obligations or business, or any other business, commercial or corporate act or proceeding, whether of a similar character or otherwise; any adjustments, recapitalizations, reorganizations or other changes in the Corporation’s capital structure or business; any merger or consolidation of the Corporation; any issue of bonds, debentures, shares of stock (including preferred or prior preference shares of stock ahead of or affecting the existing shares of stock of the Corporation including the shares of stock underlying Awards or the rights thereof, etc.); or the dissolution or liquidation of the Corporation; and none of the above acts or authorizations shall entitle the Grantee to any right or remedy, including without limitation, any right of compensation for any dilution resulting from any issuance of any shares of stock or of any other securities in the Corporation to any person or entity whatsoever.

**19. No Employment/Engagement/Continuance of Service Obligations**

Nothing in the Plan, in any applicable Sub-Plan or Award Agreement, or in any Award granted hereunder shall be construed as guaranteeing the Grantee’s continuous employment, engagement or service with the Corporation or any Affiliated Corporation, and no obligation of the Corporation or any Affiliated Corporation as to the length of the Grantee’s employment, engagement or service shall be implied by the same. The Corporation and its Affiliated Corporation reserve the right to terminate the employment, engagement or service of any Grantee pursuant to such Grantee’s terms of employment, engagement or service and any Law.

**20. No Representation**

The Corporation does not and shall not, through this Plan, any applicable Sub-Plan or the applicable Award Agreement, make any representation towards any Grantee with respect to the Corporation, its business, its value or either its shares of stock in general or the Shares underlying any Award in particular.

Each Grantee, upon entering into the applicable Award Agreement, shall represent and warrant toward the Corporation that his/her consent to the grant of the Award issued in his/her favor and, if any, the issuance or exercise thereof, neither is nor shall be made, in any respect, upon the basis of any representation or warranty made by the Corporation or by any of its directors, officers, stockholders or employees, and is and shall be made based only upon his/her examination and expectations of the Corporation, on an “as is” basis. Each Grantee shall waive any claim whatsoever of “non-conformity” of any kind, and any other cause of action or claim of any kind with respect to the Awards and/or their underlying Shares.

**21. Tax Consequences**

- 21.1 Any and all tax and/or other mandatory payment consequences arising from the grant, vesting, and/or exercise of any Award, the payment for or the transfer of the Shares underlying such Award to the Grantee, or the sale of such Shares by the Grantee, or from any other event or act in connection therewith (including without limitation, in the event that the Awards do not qualify under the tax classification/tax track in which they were intended), shall be borne solely by the Grantee.
- 21.2 The Corporation and/or any Affiliated Corporation and/or any other entity designated by the Corporation (including without limitation a trustee) may each withhold (including at source), deduct and/or set-off, from any payment made to the Grantee, the amount of the tax and/or other mandatory payment the withholding of which is required with respect to the grant, vesting and/or exercise of any Award under any applicable Mandatory Law. The Corporation or an Affiliated Corporation may require the Grantee, through payroll withholding, cash payment or otherwise, to make adequate provision for any such tax withholding obligations of the Corporation and/or Affiliated Corporation arising in connection with the grant, vesting, and/or exercise of any Award. Without derogating from the aforesaid, each Grantee shall provide the Corporation and/or any applicable Affiliated Corporation with any executed documents, certificates and/or forms that may be required from time to time by the Corporation or such Affiliated Corporation in order to determine and/or establish the tax liability of such Grantee.
- 21.3 Furthermore, each Grantee shall indemnify the Corporation and/or any applicable Affiliated Corporation, and hold them harmless from and against any and all liability in relation with any such tax and/or other mandatory payments or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax and/or other mandatory payments from any payment made to the Grantee.

**22. Non-Exclusivity of the Plan**

The adoption by the Board of this Plan and any Sub-Plans shall not be construed as amending, modifying or rescinding any previously approved incentive arrangements, or as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including without limitation the grant of awards with respect to shares of stock in the Corporation otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

**23. Currency Exchange Rates**

Except as otherwise determined by the Board, all monetary values with respect to Awards granted pursuant to this Plan, including without limitation the Fair Market Value and the Exercise Price or Base Price of any Award, shall be stated in United States Dollars. In the event that the Exercise Price or Base Price is in fact to be paid in any other currency, the conversion rate shall be the last known representative rate of the US Dollar to such other currency on the date of payment.

## 24. **Market Stand-Off**

In connection with any underwritten public offering by the Corporation of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Corporation's IPO, each Grantee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any vested Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan without the prior written consent of the Corporation or its underwriters. Such restriction (the "**Market Stand-Off**") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Corporation or such underwriters, but in no event greater than 180 days. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Corporation's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any shares subject to the Market Stand-Off, or into which such shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Corporation may impose stop-transfer instructions with respect to any vested Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan until the end of the applicable stand-off period. The Corporation's underwriters shall be beneficiaries of this Section 24. This Section 24 shall not apply to shares registered in the public offering under the Securities Act, and the Grantee shall be subject to this Section 24 only if the directors and officers of the Company are subject to similar arrangements.

KALTURA, IINC.  
2017 EQUITY INCENTIVE PLAN  
ISRAEL GRANTEES SUB-PLAN

Notwithstanding anything stated to the contrary in the Kaltura, Inc. 2017 Equity Incentive Plan (the “**Plan**”), this Sub-Plan to the Plan shall apply for purposes of all Awards granted under the Plan to Grantees who are subject to Israeli taxation.

1. **Definitions**

As used herein, the following terms shall have the meanings set forth below, unless the context clearly indicates to the contrary. All capitalized terms, to the extent not defined herein, shall have the meanings set forth in the Plan.

- 1.1 “**Affiliated Corporation**” – for purposes of eligibility under the Sub-Plan shall have the meaning of the term in the Plan, provided however that in the event of any affiliated entity, such affiliate shall be an “employing company” within the meaning of such term in Section 102 of the Ordinance.
- 1.2 “**Election**” – the election by the Corporation, with respect to grant of 102 Trustee Awards, of either one of the following tax tracks – “Capital Gains Tax Track” or “Ordinary Income Tax Track”, as provided in and in accordance with the provisions of Section 102.
- 1.3 “**Fair Market Value**” - solely for the purposes of 102 Trustee Awards, if and to the extent Section 102 prescribes a specific mechanism for determining the Fair Market Value of the Shares issued pursuant to exercise or vesting of the Awards, then notwithstanding Section 1.14 of the Plan, the Fair Market Value of 102 Trustee Awards shall be as prescribed in Section 102, if applicable.
- 1.4 “**102 Non-Trustee Award**” – an Award granted or issued in accordance with and pursuant to Section 102, not through a Trustee.
- 1.5 “**3(i) Award**” – an Award granted or issued pursuant to Section 3(i) of the Ordinance.
- 1.6 “**Ordinance**” - the Israeli Income Tax Ordinance [New Version], 1961, and the rules and regulations promulgated thereunder, as are in effect from time to time, and any similar successor rules and regulations.
- 1.7 “**Restricted Period**” – as defined in Section 4.3 below.
- 1.8 “**Section 102**” – Section 102 of the Ordinance and the rules and regulations promulgated thereunder, as are in effect from time to time, and any similar successor rules and regulations.
- 1.9 “**Trustee**” – the trustee designated or replaced by the Corporation and/or applicable Affiliated Corporation for the purposes of the Plan and this Sub-Plan and approved by the Israeli Tax Authorities, pursuant to and in accordance with the provisions of Section 102.



1.10 “102 Trustee Award” – an Award granted through a Trustee in accordance with and pursuant to Section 102.

## 2. **General**

2.1 The purpose of this Sub-Plan is to establish certain rules and limitations applicable to Awards granted or issued to Grantees, the grant or issuance of Awards to whom (or the exercise thereof by whom) are subject to taxation by the Israeli Income Tax (“**Israeli Grantees**”), in order that such Awards may comply with the requirements of Israeli Law, including, if applicable, Section 102.

2.2 The Plan and this Sub-Plan are complementary to each other and shall be read and deemed as one. In the event of any contradiction, whether explicit or implied, between the provisions of this Sub-Plan and the Plan, the provisions of this Sub-Plan shall prevail with respect to Awards granted or issued to Israeli Grantees.

2.3 Awards may be granted or issued under this Sub-Plan in one of the following tax tracks, at the Corporation’s discretion and subject to applicable restrictions or limitations as provided in applicable Law, including without limitation any applicable restrictions and limitations in Section 102 regarding the eligibility of Grantees to each of the following tax tracks, based on their capacity and relationship towards the Corporation:

- (i) 102 Trustee Awards - in such tax track as determined in accordance with the Election; or
- (ii) 102 Non-Trustee Awards; or
- (iii) 3(i) Awards.

For avoidance of doubt, the designation Awards to any of the above tax tracks listed under 2.3 (i) and 2.3 (ii) shall be subject to the terms and conditions set forth in Section 102.

## 3. **Administration**

Without derogating from the powers and authorities of the Board detailed in the Plan, the Board shall have the full and final power and, in its discretion, without the need for shareholders approval, unless such approval is required to comply with applicable Law, to administer this Sub-Plan and to take all actions related hereto and to such administration, including without limitation the performance, from time to time and at any time, of any and all of the following:

3.1 the determination of the specific tax track (as described in Section 2.3 above) in which the Awards are to be issued or granted;

3.2 the Election;

3.3 the appointment of the Trustee;

3.4 the adoption of forms of Award Agreements, to be applied with respect to Israeli Grantees, incorporating and reflecting, *inter alia*, relevant provisions regarding the grant or issuance of Awards in accordance with this Sub-Plan, and the amendment or modification from time to time of the terms thereof.

#### 4. **102 Trustee Awards**

##### 4.1 *Grant in the Name of Trustee:*

Notwithstanding anything to the contrary in the Plan, 102 Trustee Awards granted or issued hereunder shall be granted to, and the Shares issued, pursuant to the exercise or vesting thereof and all rights attached thereto (including bonus shares), issued to, the Trustee, and they shall be registered in the name of the Trustee, who shall hold them in trust until such time as they are released by the transfer or sale thereof by the Trustee. In the case the requirements of Section 102 for 102 Trustee Awards are not met, then the 102 Trustee Awards may be regarded as 102 Non-Trustee Award, all in accordance with the provisions of Section 102.

Notwithstanding anything to the contrary in the Plan, the Date of Grant of a 102 Trustee Awards shall be the date determined by the Board to be the effective date of the grant of the 102 Trustee Awards to a Grantee, or, if the Board has not determined such effective date, the date of the resolution of the Board approving the grant of such Awards, which in the case of 102 Trustee Awards shall not be before the lapse of 30 days from the date upon which the Plan is first submitted to the Israeli Tax Authorities.

##### 4.2 *Exercise of 102 Trustee Awards:*

Unless other procedures shall be determined from time to time by the Board and notified to the Grantees, the mechanism, if required, of exercising vested 102 Trustee Awards shall be in accordance with the provisions of the Plan, except that any notice of exercise of 102 Trustee Awards shall be made in such form and method in compliance with the provisions of Section 102 and shall also be delivered in copy to the authorized representative of the Affiliated Corporation with which the Grantee is employed and/or engaged, if applicable, and to the Trustee.

##### 4.3 *Restrictions on Transfer:*

- (a) 102 Trustee Awards and the Shares issued pursuant to the exercise or vesting thereof, as the case may be, and all rights attached thereto (including bonus shares), shall be held by the Trustee for such period of time as required by the provisions of Section 102 applicable to Awards granted through a Trustee in the applicable tax track, as per the Election (the "**Restricted Period**").
- (b) Subject to the provisions of Section 102 and any rules or regulation or orders or procedures promulgated thereunder, the Israeli Grantee shall provide the Corporation and the Trustee with a written undertaking and confirmation under which the Israeli Grantee confirms that he/she is aware of the provisions of Section 102 and the Elected tax track and agrees to the provisions of the Trust Note executed between the Corporation and the Trustee, and undertakes not to release, by sale or transfer, the 102 Trustee Awards, and the Shares issued pursuant to the exercise or vesting thereof, and all rights attached thereto (including bonus shares) prior to the lapse of the Restricted Period. The Israeli Grantee shall not be entitled to sell or release from trust the 102 Trustee Awards, nor the Shares issued pursuant to the exercise or vesting thereof, as the case may be, nor any right attached thereto (including bonus shares), nor to request the

transfer or sale of any of the same to any third party, before the lapse of the Restricted Period. Notwithstanding the above, if any such sale or transfer occurs during the Restricted Period, the sanctions under Section 102 of the Ordinance and under any rules or regulation or orders or procedures promulgated thereunder shall apply to and shall be borne by such Israeli Grantee.

- (c) Without derogating and subject to the above, and to all other applicable restrictions in the Plan, this Sub-Plan, the applicable Award Agreement and applicable Law, the Trustee shall not release, by sale or transfer, the Shares issued pursuant to the exercise or vesting of the 102 Awards, and all rights attached thereto (including bonus shares) to the Israeli Grantee or to any third party to whom the Israeli Grantee wishes to sell them (unless the contemplated transfer is by will or laws of descent) unless and until the Trustee has either **(a)** withheld payment of all taxes required to be paid upon the sale or transfer thereof, if any, or **(b)** received confirmation either that such payment, if any, was remitted to the tax authorities or of another arrangement regarding such payment, which is satisfactory to the Corporation and the Trustee. For the removal of doubt, it is clarified that the Trustee may release by sale or transfer to a third party the Awards.

4.4 *Rights as Stockholder:*

Without derogating from the provisions of the Plan, it is hereby further clarified that with respect to Shares issued pursuant to the exercise or vesting of 102 Trustee Awards, as long as they are registered in the name of the Trustee, the Trustee shall be the registered owner of such shares of stock.

4.5 *Bonus Shares:*

All bonus shares to be issued by the Corporation, if any, with regard to Shares issued pursuant to the exercise or vesting of 102 Trustee Awards, while held by the Trustee, shall be registered in the name of the Trustee; and all provisions applying to such Shares shall apply to bonus shares issued by virtue thereof, if any, *mutatis mutandis*. Said bonus shares shall be subject to the Restricted Period of such Shares by virtue of which they were issued.

4.6 *Voting:*

Without derogating from the provisions of Section 15.2 of the Plan, with respect to Shares issued pursuant to exercise or vesting of 102 Trustee Awards, such Shares shall be voted in accordance with the provisions of Section 102.

5. **102 Non-Trustee Awards**

- 5.1 102 Non-Trustee Awards granted or issued hereunder shall be granted or issued to, and the Shares issued pursuant to the exercise or vesting thereof, issued to, the Israeli Grantee.

- 5.2 Without derogating and subject to the above, and to all other applicable restrictions in the Plan, this Sub-Plan, the applicable Award Agreement and applicable Law, the Shares issued pursuant to the exercise or vesting of the 102 Non-Trustee Awards, and all rights

attached thereto (including bonus shares) shall not be transferred unless and until the Corporation has either **(a)** withheld payment of all taxes required to be paid upon the sale or transfer thereof, if any, or **(b)** received confirmation either that such payment, if any, was remitted to the tax authorities or of another arrangement regarding such payment, which is satisfactory to the Corporation.

5.3 An Israeli Grantee to whom 102 Non-Trustee Awards are granted or issued must provide, upon termination of his/her employment, a surety or guarantee to the satisfaction of the Corporation, to secure payment of all taxes which may become due upon the future transfer of his/her Shares to be issued upon the exercise or vesting of his/her outstanding 102 Non-Trustee Awards, all in accordance with the provisions of Section 102.

**6. 3(i) Awards**

6.1 3(i) Awards granted hereunder shall be granted to, and the Shares issued pursuant thereto issued to, the Israeli Grantee.

6.2 Without derogating and subject to the above, and to all other applicable restrictions in the Plan, this Sub-Plan, the applicable Award Agreement and applicable Law, no Shares shall be issued pursuant to the exercise or vesting of the 3(i) Awards unless and until the Corporation has either received: **(a)** a valid withholding tax certificate issued by the Israeli Tax Authority according to which the issuance of the Share following the exercise or vesting of the 3(i) Awards are exempted from a withholding tax, or **(b)** a payment of the tax that should be withheld and be remitted to the Israeli Tax Authority, as calculated by the Corporation in its sole and absolute discretion.

6.3 The Corporation may require, as a condition to the grant of the 3(i) Awards, that an Israeli Grantee to whom 3(i) Awards are to be granted, provide a surety or guarantee to the satisfaction of the Corporation, to secure payment of all taxes which may become due upon the future transfer of his/her Shares to be issued upon the exercise or vesting of his/her outstanding 3(i) Awards.

**7. Tax Consequences**

Without derogating from and in addition to any provisions of the Plan, any and all tax and/or other mandatory payment consequences arising from the grant or exercise of the Awards, the payment for or the transfer or sale of Shares issued pursuant to the issuance or vesting of the Awards, or from any other event or act in connection therewith (including without limitation, in the event that the Awards do not qualify under the tax classification/tax track in which they were intended) whether of the Corporation, any Affiliated Corporation, the Trustee or the Israeli Grantee, shall be borne solely by the Israeli Grantee. The Corporation, any applicable Affiliated Corporation, and the Trustee, may each withhold (including at source), deduct and/or set-off, from any payment made to the Grantee, the amount of the taxes and/or other mandatory payments the of which is required with respect to the Awards and/or Shares issued pursuant to the vesting or exercise of the Awards. Furthermore, each Israeli Grantee shall indemnify the Corporation, any applicable Affiliated Corporation and the Trustee, or any one thereof, and hold them harmless from any and all liability for any such tax and/or other mandatory payments or interest or penalty thereupon, including without limitation liabilities relating

to the necessity to withhold, or to have withheld, any such tax and/or other mandatory payments from any payment made to the Israeli Grantee.

Without derogating from the aforesaid, each Israeli Grantee shall provide the Corporation and/or any applicable Affiliated Corporation with any executed documents, certificates and/or forms that may be required from time to time by the Corporation or such Affiliated Corporation in order to determine and/or establish the tax liability of such Israeli Grantee.

Without derogating from the foregoing, it is hereby clarified that the Israeli Grantee shall bear and be liable for all tax and other consequences in the event that his/her 102 Trustee Awards and/or the Shares issued pursuant to the exercise or vesting thereof are not held for the entire Restricted Period, all as provided in Section 102.

The Corporation and or when applicable the Trustee shall not be required to release any Share Certificate to a Grantee until all required payments have been fully made.

**8. Currency Exchange Rates**

Except as otherwise determined by the Board, all monetary values with respect to Awards granted subject to this Sub-Plan, including without limitation the Fair Market Value and the exercise price of any Award, shall be stated in United States Dollars. In the event that the exercise price, if any, is in fact to be paid in New Israeli Shekels, at the sole discretion of the Board, the conversion rate shall be the last known representative rate of the US Dollar to the New Israeli Shekels on the date of payment.

**9. Subordination to the Ordinance**

- 9.1 It is clarified that the grant of the 102 Trustee Awards hereunder is subject to the approval by the applicable tax authorities and the Trustee and must comply with the provisions of the Plan, this Sub-Plan and Section 102.
- 9.2 Any provisions of the Section 102 or section 3(i) of the Ordinance and/or any of the rules or regulations promulgated thereunder, which is not expressly specified in the Plan or in the applicable Award Agreement, including without limitation any such provision which is necessary in order to receive and/or to keep any tax benefit, shall be deemed incorporated into this Sub-Plan and binding upon the Corporation, and applicable Affiliated Corporation and the Israeli Grantee.
- 9.3 Subject to Section 10 below, with regards to 102 Trustee Awards, the provisions of the Plan and/or this Sub-Plan and/or the Award Agreement shall be subject to the mandatory provisions of Section 102 and the permit of the Tax Assessing Officer as defined in the Ordinance, and the said provisions and permit shall be deemed an integral part of the Plan and of this Sub-Plan and of the Award Agreement.
- 9.4 Subject to Section 10 below, the Awards, the Plan, this Sub-Plan and any applicable Award Agreements are subject to the applicable mandatory provisions of the Ordinance, which shall be deemed an integral part of each, and which shall prevail over any term that is inconsistent therewith.

10. **Governing Law and Jurisdiction**

The validity and enforceability of this Sub-Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to the provisions governing conflict of laws, except to the extent that mandatory provisions of the laws of the State of Israel apply.

**תוספת ב'  
(סעיף 2א)  
כתב האמנות לבין החברה המקצה**  
שנתתם ב- תל אביב ביים 6 בחודש ספטמבר שנת 2017



בין: תמור מישמן טאמנויות 2004 בע"מ (להלן - **הנאמן**)  
 מצד אחד;  
 לבין: Kaltura Inc. (להלן - **החברה המקצה**)  
 מצד שני;  
 לבין: קלטורה בע"מ (להלן - **החברה המזוהות והמעבידה**)  
 מצד שלישי;

**הואיל** וביום 15.08.2017, אימצה החברה המקצה נספח ישראלי לתכנית הקצאת מניות לעובדים, כמשמעותו בסעיף 102 לפקודת (להלן - **התכנית**);  
**והואיל** ועל פי התכנית תקצה החברה המקצה מדי פעם בפעם מניות או זכויות למניות לעובדים בהקצאת מניות באמצעות נאמן;  
**והואיל** ועל פי התכנית יוקצו כל המניות בהקצאה לנאמן כדי שיחזיק אותן באמנות עד תום התקופה, כאמור בפקודה, ובכלל מן הכנסה (חלקות מס בהקצאת מניות לעובדים), התשס"ג - 2003 (להלן - **הכללים**), בתכנית ובכתב האמנות זה;  
**והואיל** והחברה בחרה בתמור מישמן טאמנויות 2004 בע"מ (להלן: "**הנאמן המחליף**") לשמש כנאמן לצורך תכנית ההקצאה האמורה וחזא הביע את הסכמתו לשמש כנאמן בעבור כל החברות המעבידות ועובדיהן ובכלל זה לוקח על עצמו את כל חובותיו של הנאמן המוחזק ויהיה אחראי על כל הפעולות באמנות על פי סעיף 102 ממועד מינויו.

**למינך תוסכם בין הצדדים כדלקמן:**

1. המבוא לכתב האמנות זה, מהווה חלק בלתי נפרד ממנו.
  2. על פי התכנית לא יוקצו המניות לעובדי החברה אלא יוקצו על שם הנאמן ויחזקו בידיו עד לתום התקופה, כהגדרתה בסעיף 102 לפקודה.
  3. לפני ששולם המס החל כאמור בסעיף 7 לכללים, או לפני שחובטוח תשלומן, המניות לא יהיו ניתנות להעברה, המוחאה, משכון, עיקול, או שעבוד אחר מרצון, ולא יינתן בשלחן כל יפוי כוח או כתב העברה בין אם תוקפם מיידי ובין אם תוקפם בתאריך עתידי, למעט העברת מכות צוואה או על פי דין, והעברת המניות מכוח צוואה או על פי דין כאמור, יחולו הוראות סעיף 102 והוראות הכללים על יורשיו או נעבריו של עובד.
  4. לאחר תום התקופה יהיה כל עובד רשאי בכל עת לדרוש מהנאמן להעביר על שמו את המניות שהוא זכאי להן, ובלבד שהנאמן לא יעביר את המניות כאמור אלא לאחר שהבטיח את תשלום המס החל לפי סעיף 102 לפקודה ולפי הכללים (להלן - המס החל) או שמש כאמור שולם וכדי הנאמן אישור לכך מפקיד השומה.
  5. אם על פי תנאי התכנית יוענקו לעובד בגין מניות שתוקצו במסגרת התוכנית זכויות לרכישת מניות או שיוקצו לו בשל המניות מניות הטבה, יוקצו הזכויות או מניות החטבה על שם הנאמן. העובד יהיה זכאי להורות לנאמן לממש את הזכויות או את מניות החטבה לאחר תום התקופה כקבוע בתכנית.
  6. המניות נושא הזכויות יוקצו לנאמן בהתאם לאמור בסעיף 2 לכללים ויחולו עליהם הוראות התכנית, לרבות בחירת מסלול המיסוי והוראות כתב התחייבות זה, ואולם פרק תומך עד תום התקופה יימנה מיום הקצאת המניות שבשלבן הוקצו הזכויות או מניות החטבה.
7. החברה המקצה מוותרת על כל זכויותיה כלפי הנאמן כי לא תקצה מניות לעובדים במסגרת תכנית ההקצאה, אם לא הצוהיר חשוד כי ידועים לו הוראות סעיף 102 לפקודה ומסלול המס החל עליו, וכן על הסכמתו בכתב לאמור בכתב האמנות זה ועל התחייבותו שלא לממש את המניות לפני תום התקופה, כתגדרתה בסעיף 102 לפקודה.

**ולראיה באו העדדים על החתום:**

 קלטורה בע"מ מספר ת. ניכויים החברה המזוהות והמעבידה	 תמור מישמן טאמנויות 2004 בע"מ מספר ת. ניכויים הנאמן Kaltura Inc. החברה המקצה
935821991	935729947

**INCENTIVE STOCK OPTION AWARD AGREEMENT**  
**UNDER THE KALTURA, INC. 2017 EQUITY INCENTIVE PLAN and 2017 KALTURA,**  
**INC. EQUITY INCENTIVE US SUB-PLAN**

THIS INCENTIVE STOCK OPTION AWARD AGREEMENT (this "Agreement") is made between Kaltura, Inc., a Delaware corporation (the "Corporation") and \$grantee\$ (the "Grantee").

WHEREAS, the Corporation maintains the Kaltura, Inc. 2017 Equity Incentive Plan (the "Master Plan") and the Kaltura, Inc. 2017 Equity Incentive US Sub-Plan (the "Sub-Plan", and, collectively, the "Plan") for the benefit of Grantees subject to United States federal taxation; and

WHEREAS, the Plan permits the award of Incentive Stock Options to purchase shares of the Corporation's Common Stock, subject to the terms of the Plan; and

WHEREAS, to compensate the Grantee for his/her service to the Corporation and its subsidiaries and to further align the Grantee's personal financial interests with those of the Corporation's stockholders, the Corporation wishes to award the Grantee an option to purchase the number of Share(s) of the Corporation's Common Stock set forth below, subject to the restrictions and on the terms and conditions contained in the Plan and this Agreement.

NOW, THEREFORE, in consideration of these premises and the agreements set forth herein and intending to be legally bound hereby, the parties agree as follows:

1. Award of Option. This Agreement evidences the grant to the Grantee of an option (the "Option") to purchase \$amount\$ shares of the Corporation's Common Stock (the "Option Shares"). The Option is subject to the terms set forth herein, and in all respects is subject to the terms and provisions of the Plan, which terms and provisions are incorporated herein by this reference. Except as otherwise specified herein or unless the context herein requires otherwise, the terms defined in the Plan will have the same meanings herein.
2. Nature of the Option. The Option is intended to be an incentive stock option as described by Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") to the maximum extent permissible under the Code. To the extent that the Option does not qualify as an incentive stock option, the Option or the portion thereof which does not so qualify shall constitute a separate Non-Qualified Stock Option.
3. Date of Grant; Term of Option. The Option was granted on \$grantdate\$ (the "Effective Date") and may not be exercised later than the tenth anniversary of that date, subject to earlier termination in accordance with Section 14 of the Master Plan.
4. Option Exercise Price. The Exercise Price of the Option is \$price\$ per Option Share, which amount is intended to be at least equal to the Fair Market Value per Share on the Effective Date.



5. Exercise of Option. Unless otherwise determined by the Corporation in accordance with the Plan, the Option will become exercisable only in accordance with the terms and provisions of the Plan and this Agreement, as follows:

(a) Vesting. The commencement date of the vesting schedule is \$date\$ (the "Commencement Date"). For the avoidance of doubt, in cases where the Commencement Date precedes the Effective Date, the Grantee will be credited with vesting as if the Option had begun to vest on the Commencement Date. The Option shall become vested and exercisable as follows: (i) 1/4 of the Option (rounded down) shall vest on the first anniversary of the Commencement Date (the "First Anniversary"); and (ii) thereafter, 1/48 of the Option (rounded down) shall vest at the end of each subsequent month following the First Anniversary over a period of 36 months following the First Anniversary. Grantee is aware of the fact that upon termination of Grantee's employment in the Corporation or any of its Affiliated Corporations, Grantee shall not have a right to the Option, except as specified in the Plan.

(b) Method of Exercise. The Grantee may exercise the Option by providing written notice to the Corporation stating the election to exercise the Option in accordance with Section 10 of the Master Plan.

(c) Partial Exercise. The Option may be exercised in whole or in part; provided, however, that any exercise may apply only with respect to a whole number of Option Shares.

(d) Restrictions on Exercise. The Option may not be exercised, and any purported exercise will be void, if the issuance of the Option Shares upon such exercise would constitute a violation or breach of (i) any of the provisions set forth this Agreement and/or in the Plan; or (ii) any applicable law, regulation or exchange listing requirement. The Board may from time to time modify the terms of this Option or impose additional conditions on the exercise of this Option as it deems necessary or appropriate to facilitate compliance with the Plan and/or any applicable law, regulation or exchange listing requirement. As a further condition to the exercise of the Option, the Corporation may require the Grantee to make any representation or warranty as may be required by or advisable under the Plan and/or any applicable law or regulation.

6. Investment Representations. The Grantee represents and warrants to the Corporation that the Grantee is acquiring the Option (and upon exercise of the Option, will be acquiring the Option Shares) for investment for the Grantee's own account, not as a nominee or agent, and not with a view to, or for resale in connection with, any distribution thereof.

7. Non-Transferability of Option and Option Shares. The Grantee hereby acknowledges and agrees that the Option and any Shares acquired pursuant to exercise of the Option are subject to the transfer, repurchase and other restrictions as set forth in Plan.

8. Tax Consequences. The Corporation does not represent or warrant that this Option (or the purchase or sale of the Option Shares subject hereto) will be subject to any particular tax treatment. The Grantee acknowledges that the Grantee has reviewed with the Grantee's own tax advisors the tax treatment of this Option (including the purchase and sale of

Option Shares subject hereto) and is relying solely on those advisors in that regard. The Grantee understands that the Grantee (and not the Corporation) will be responsible for the Grantee's own tax liabilities arising in connection with this Option.

9. Share Legends. The following legend will be placed on any certificate evidencing an Option Share, in addition to any other legend that may be required pursuant to applicable law, the Plan, or otherwise:

**THE TRANSFERABILITY OF THIS CERTIFICATE AND THE SHARES REPRESENTED HEREBY ARE SUBJECT TO THE TERMS AND CONDITIONS OF AN INCENTIVE STOCK OPTION AWARD AGREEMENT ENTERED INTO BETWEEN THE ORIGINAL HOLDER OF THESE SHARES AND KALTURA, INC. AND THE 2017 EQUITY INCENTIVE PLAN OF KALTURA, INC. AND ALL EXHIBITS ATTACHED THERETO (WHICH TERMS AND CONDITIONS MAY INCLUDE, WITHOUT LIMITATION, CERTAIN TRANSFER RESTRICTIONS AND REPURCHASE RIGHTS). A COPY OF THAT AGREEMENT AND THE PLAN IS ON FILE IN THE PRINCIPAL OFFICES OF KALTURA, Inc. AND WILL BE MADE AVAILABLE TO THE HOLDER OF THIS CERTIFICATE WITHOUT CHARGE UPON REQUEST TO THE SECRETARY OF Kaltura, Inc.**

10. Joinder.

(a) Without derogating from the provisions of the Plan, the Grantee hereby acknowledges and agrees that until an IPO, in the event that stockholders of the Corporation holding at least a majority of the voting power in the Corporation accept an offer to sell all of their stock in the Corporation and such sale of stock transaction is conditioned upon the sale of all remaining stock of the Corporation to such third party (a "Sale of Stock Transaction"), then, the Grantee shall, if so requested by the Board (which request shall notify the Grantee of such Sale of Stock Transaction), sell his/her Option Shares and/or Options in such Sale of Stock Transaction, on the same terms subject however to any applicable liquidation preferences (provided that (i) with respect to unexercised Options, the Exercise Price shall be deducted from the purchase price paid for the Option Shares in such transaction; and (ii) the proceeds of such Sale of Stock Transaction shall be allocated in accordance with the distribution preferences provisions of the Corporation's Certificate of Incorporation, as may be amended from time to time).

(b) In addition, without derogating from the generality of the provisions set forth in the Irrevocable Proxy attached hereto, the Grantee agrees to: (a) refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such proposed transaction; (b) take all necessary and desirable actions approved by the Board in connection with the consummation of the Sale of Stock Transaction, including the execution of such agreements and such instruments and other actions reasonably necessary to (I) provide the representations, warranties, indemnities, covenants, conditions, non-compete agreements, escrow agreements and other provisions and agreements relating to such Sale of Stock Transaction and (II) effectuate the allocation and distribution of the aggregate

consideration upon the Sale of Stock Transaction; and (c) to execute and deliver all related documentation and take such other action in support of the proposed transaction as shall reasonably be requested by the Board.

11. Market Stand-Off.

(a) The Grantee hereby agrees that in connection with any underwritten public offering by the Corporation of its equity securities pursuant to an effective registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"), including the Corporation's IPO, Grantee (and the Grantee's Permitted Transferee (as such term is defined in the Sub-Plan), if any) shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any Option Shares delivered to Grantee upon the exercise of the Option without the prior written consent of the Corporation or its underwriters. Such restriction (the "Market Stand-Off") shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Corporation or such underwriters, but in no event greater than 180 days (the "Market Stand-Off Period"). In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Corporation's outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any shares subject to the Market Stand-Off, or into which such shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Corporation may impose stop-transfer instructions with respect to any Option Shares delivered to Grantee upon the exercise or vesting of the Option until the end of the applicable stand-off period. The Corporation's underwriters shall be beneficiaries of this Section 11. This Section 11 shall not apply to shares registered in the public offering under the Securities Act, and the Grantee shall be subject to this Section 11 only if the directors and officers of the Corporation are subject to similar arrangements.

(b) In addition, if any managing underwriter or book runner of any such offering or registration (the "Underwriter") requests, the Grantee will execute and deliver to the Underwriter such documents, agreements, and instruments that the Underwriter shall reasonably require to enable the Underwriter to obtain the benefit of the Market Stand-Off during the Market Stand-Off Period. In connection with the foregoing, the Grantee hereby appoints the Corporation's Chief Executive Officer, or any other person designated by the Board, as the Grantee's attorney-in-fact, with full power of substitution, to execute and deliver all documents, agreements and instruments to be executed and delivered by the Grantee, and to take all actions to be taken by the Grantee in each case in connection with effecting any Market Stand-Off.

12. Early Disposition of Option Shares. Subject to the fulfillment by the Grantee of any conditions limiting the disposition of the Option Shares, the Grantee agrees that if the Grantee disposes of any Option Shares before the later of (i) the first anniversary of the date on which the Option Shares are transferred to the Grantee and (ii) the second anniversary of the

Effective Date, then the Grantee will notify the Corporation in writing within 30 days after the date of such disposition.

13. The Plan. The Grantee has received a copy of the Plan, which includes the Sub-Plan, (a copy of which is attached hereto), has read the Plan and is familiar with its terms, and hereby accepts the Option subject to the terms and provisions of the Plan, as amended from time to time. Pursuant to the Plan, the Board is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Board with respect to questions arising under the Plan or this Agreement.

14. Proxy. As condition to the grant of any Option, Grantee hereby agrees to execute and deliver an Irrevocable Proxy, substantially in the form attached hereto, covering the Option Shares in accordance with the terms and conditions of the Plan.

15. Stockholder Agreements. As a condition to the exercise of any Option, upon request of the Board, Grantee shall agree in writing to be bound by the terms and provisions of any agreements among the stockholders of the Corporation which are applicable to the holders of shares of Common Stock, including, without limitation, any restriction on transfer of shares of Common Stock of the Corporation and to the extent requested by the Board Grantee undertakes to execute and deliver an additional counterpart signature page to such agreement(s) in a form acceptable to the Board.

16. Withholding. All taxable distributions under the Agreement are subject to withholding of all applicable taxes, and the Corporation conditions any payment, exercise, disposition or other distribution to the Grantee under the Agreement on satisfaction of the applicable withholding obligations, if any.

17. Rights of Grantee. Without derogating from the provisions of Section 19 of the Plan, nothing contained herein shall be construed to confer upon the Grantee any right to remain in the service of the Corporation and/or of any Affiliated Corporation or derogate from any right of the Corporation and/or any Affiliate Corporation to retire, request the resignation of, or discharge the Grantee at any time, with or without cause. The rights of the Grantee are limited to those expressed herein and in the Plan and are not enforceable against the Corporation except to the extent set forth herein.

18. Entire Agreement. This Agreement, together with the Plan, represents the entire agreement between the parties with respect to the subject matter hereof and supersedes any prior agreement, written or otherwise, relating to the subject matter hereof.

19. Amendment. Except as otherwise provided in the Plan or herein or as would otherwise not have a material adverse effect on the Grantee, this Agreement may only be amended by a writing signed by each of the parties hereto.

20. Governing Law. This Agreement will be construed in accordance with the laws of the State of Delaware, without regard to the application of the principles of conflicts of laws.

21. Execution. This Agreement may be executed, including execution by facsimile signature, in one or more counterparts, each of which will be deemed an original, and all of which together shall be deemed to be one and the same instrument.

*[This space intentionally left blank; signature page follows]*

IN WITNESS WHEREOF, this Agreement has been executed by each party on the date indicated below, respectively.

**Kaltura, Inc.**

\_\_\_\_\_

CEO

\_\_\_\_\_

Title

\$grantsignaturedate\$

\_\_\_\_\_

Date

**GRANTEE**

\$grantee\$

\_\_\_\_\_

\_\_\_\_\_

Address

\_\_\_\_\_

\$grantsignaturedate\$

\_\_\_\_\_

Date

**THIS OPTION AND THE SECURITIES WHICH MAY BE PURCHASED UPON EXERCISE OF THIS OPTION HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES HAVE NOT BEEN ACQUIRED WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE SOLD, ASSIGNED, EXCHANGED, MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED OR DISPOSED OF, BY GIFT OR OTHERWISE, OR IN ANY WAY ENCUMBERED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT FOR SUCH SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND ANY APPLICABLE STATE SECURITIES LAWS, OR A SATISFACTORY OPINION OF COUNSEL SATISFACTORY TO KALTURA, Inc. THAT REGISTRATION IS NOT REQUIRED UNDER SUCH ACT AND UNDER APPLICABLE STATE SECURITIES LAWS.**

**IRREVOCABLE PROXY  
TO VOTE SHARES OF KALTURA, INC.**

The undersigned (the “**Holder**”), as the beneficial holder of securities of Kaltura, Inc., a Delaware corporation (the “**Company**”), does hereby irrevocably appoints Ron Yekutieli, the Chief Executive Officer of the Company, or, in his absence, any other representative who shall be appointed by the Board of Directors of the Company in accordance with the Company’s 2017 Equity Incentive Plan (the “**Attorney-In-Fact**”), as a true and lawful attorney-in-fact, in the Holder’s place and stead, to act, as Holder’s proxy, including, without limitation, to vote and exercise all voting power and other rights, including, without limitation, any contractual rights and rights under applicable law (to the full extent that the Holder is entitled to do so), with respect to all matters arising in connection with any action affecting or relating to all of the shares of the Company which the Holder holds or other shares or securities of the Company’s capital stock which the Holder hereafter in the future may hold, actually or constructively, directly or indirectly (the “**Shares**”), and any and all other shares or equity securities of the Company issued or issuable to the Holder in respect of the Shares, on or after the date hereof, including as a result of any change, by subdivision or combination in any manner of the Company’s capital stock or by the making of a share dividend on or after the date hereof (collectively, the “**Securities**”), including, without limitation, the right, on the Holder’s behalf and subject to any applicable law, to:

(v) execute any agreement, waiver, amendment, consent or any other document, including, without limitation, any stockholders’ agreements and any amendment thereof, waivers of rights of first refusal, anti-dilution rights, rights to first offer, rights of co-sale, pre-emptive rights, bring-along rights and such other similar waivers, if and to the extent applicable, all in connection with the Securities;

(vi) attend and to vote in all stockholders’ meetings of the Company (including, without limitation, the right to receive, in the name and on behalf of the Holder, any and all materials, information, notices, invitations and/or other communications provided to stockholders of the Company), or execute and deliver written consents pursuant to applicable law, with respect to the Securities, in the same manner and with the same effect as if the Holder was personally present at any such meeting or voting such Securities or personally acting on any matters submitted to the Company’s stockholders for approval or consent, giving and granting to said Attorney-In-Fact full power and authority to do and perform each and every act and thing whether necessary or desirable that may be done as its Attorney-In-Fact in relation to the Securities, other than to sell or transfer the Securities without the prior written consent of the Holder, *provided, however*, that no such consent shall be required, and the Attorney-In-Fact shall have the right to sell or transfer the Securities without the prior written consent of the Holder, in the event of a Sale of Stock Transaction or in the event of any other Merger Transaction (as defined in the Company’s 2017 Equity Incentive Plan).

Unless instructed otherwise by the Board of Directors of the Company, the Attorney-In-Fact shall vote the Securities in a manner pro-rata to the votes of the other voting shares, such that the votes of the Securities shall not affect the end result of the vote.

This Proxy is irrevocable as it may affect rights of third parties. This Proxy shall remain in effect until the completion of an initial public offering of the shares of the Company. As long as this proxy is in effect, any and all voting rights of the undersigned may have with respect to the Securities shall be exercised exclusively by this proxy. The undersigned hereby ratifies and confirms all that said Attorney-In-Fact shall do or cause to be done by virtue of and in accordance with the terms and conditions of this Proxy. The Attorney-In-Fact shall not have or incur any liability whatsoever by reason of any act or omission of the Attorney-In-Fact, in accordance with this Proxy, whether based upon mistake of fact or law, error of judgment, negligence or otherwise, on condition only that the said acts or omissions are: (i) not in gross negligence; and/or (ii) not willful acts or omissions. All authority herein conferred shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned. This proxy shall survive the transfer of Securities and be binding upon any transferee, until duly replaced by a similar power of attorney executed by the transferee. The Company is an intended third party beneficiary of this proxy.

## KALTURA, INC.- 2017 EQUITY INCENTIVE PLAN

### 1. Definitions

As used herein the following terms shall have the meanings set forth below, unless the context clearly indicates to the contrary.

- 1.25 “**Affiliated Corporation**” – any present or future entity **(a)** which holds a controlling interest in the Corporation; **(b)** in which the Corporation holds a controlling interest; **(c)** in which a controlling interest is held by another entity, who also holds a controlling interest in the Corporation; or **(d)** which has been designated an “Affiliated Corporation” by resolution of the Board.
- 1.26 “**Award**” – any right granted to a Grantee under the Plan, including an Option, a SAR, or a Restricted Stock Award.
- 1.27 “**Award Agreement**” – with respect to any Grantee – a written agreement or written instrument, executed by and between the Corporation and the Grantee, setting forth the terms and conditions with respect to the Award.
- 1.28 “**Base Price**” – the price at which a SAR is set at grant.
- 1.29 “**Board**” – the Board of Directors of the Corporation.
- 1.30 “**Cause**” – as defined in Section 14.3 below.
- 1.31 “**Common Stock**” – see “Share(s)”.
- 1.32 “**Corporation**” – Kaltura, Inc., a Delaware corporation.
- 1.33 “**Date of Grant**” – the date determined by the Board to be the effective date of the grant of an Award to a Grantee, or, if the Board has not determined such effective date, the date of the resolution of the Board approving the grant of such Award.
- 1.34 “**Exercise Notice**” – as defined in Section 10.2 below.
- 1.35 “**Exercise Period**” – as defined in Section 10.1 below.
- 1.36 “**Exercise Price**” – the price to be paid for the exercise of each Option.
- 1.13 “**Expiration Date**” – as defined in Section 7.3 below with respect to Options or Section 8.4 below with respect to SARs.
- 1.14 “**Fair Market Value**” – as of any date, the value of a Share determined as follows:
- (i) If the Shares are listed on any established stock exchange or a national market system, including without limitation the NASDAQ National Market System or the NASDAQ SmallCap Market, the Fair Market Value shall be the last reported sale price for such Shares (or the highest closing bid, if no sales were reported), as quoted on such exchange or system for the last market trading day



prior to time of determination, as reported in The Wall Street Journal, or such other source as the Board deems reliable;

(ii) If the Shares are regularly quoted by one or more recognized securities dealers, but selling prices are not reported, the Fair Market Value shall be the mean between the highest bid and lowest asked prices for the Shares on the last market trading day prior to the day of determination; or

(iii) In the absence of an established market for the Shares, the Fair Market Value thereof shall be determined in good faith by the Board, based upon such factors as the Board may deem relevant.

- 1.15 **“Grantee”** – a person or entity to whom an Award is granted.
- 1.16 **“IPO”** – an initial public offering of securities of the Corporation in a recognized stock exchange market or the listing thereof on NASDAQ or another recognized automated quotation system.
- 1.17 **“Law”** – federal, state and/or foreign, laws, rules and/or regulations and/or rules, regulations, guidelines and/or requirements of any relevant securities and exchange and/or tax commission and/or authority and/or any relevant stock exchange or quotations systems.
- 1.18 **“Mandatory Law”** – provisions of Law which may not be contrarily addressed or regulated by the determination and/or consent of the Corporation and/or other parties.
- 1.19 **“Merger Transaction”** – any Acquisition or Assets Transfer (as such terms are defined in the Certificate of Incorporation of the Corporation) and/or any other similar or parallel definition as defined in and determined pursuant to the Certificate of Incorporation of the Corporation, excluding any Structural Change or Spin-off Transaction (each as defined below), and including, for the avoidance of doubt, (i) a sale of all or substantially all of the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries; or (ii) a sale of all or substantially all of the shares of the share capital of the Corporation whether by a single transaction or a series of related transactions which occur either over a period of 12 months or within the scope of the same acquisition agreement; or (iii) a merger, consolidation or like transaction of the Corporation with or into another corporation but excluding a merger which falls within the definition of Structural Change.
- 1.20 **“Option(s)”** – an option(s) granted within the framework of this Plan, each of which imparts the right to purchase one Share.
- 1.21 **“Plan”** – this 2017 Kaltura, Inc. Equity Incentive Plan, as may be amended from time to time.
- 1.22 **“Repurchase Right”** – as defined in Section 14.3 below.

- 1.23 **“Restricted Period”** – the period during which an Award of Restricted Stock is unvested and subject to forfeiture.
- 1.24 **“Restricted Stock”** – restricted Shares granted under the Plan and subject to the vesting schedule and all other terms and conditions contained herein and in the relevant Award Agreement.
- 1.25 **“SAR(s)”** – a stock appreciation right awarded under the Plan and subject to the terms and conditions contained herein and in the relevant Award Agreement.
- 1.26 **“Service”** – means a Grantee’s employment or engagement by the Corporation or an Affiliated Corporation, in a scope of at least the scope of the position such Grantee was employed or engaged at the time of grant of the Award or such other scope of employment or engagement approved by the Board. A Grantee’s Service shall not be deemed terminated or interrupted solely as a result of a change in the capacity in which the Grantee renders Service to the Corporation or an Affiliated Corporation (i.e., as an employee, officer, director, consultant, etc.); nor shall it be deemed terminated or interrupted due solely to a change in the identity of the specific entity (out of the Corporation and its Affiliated Corporations) to which the Grantee renders such Service, provided that there is no actual interruption or termination of the continuous provision by the Grantee of such Service to any of the Corporation and its Affiliated Corporations in any scope of employment or engagement approved by the Board. Furthermore, a Grantee’s Service with the Corporation or Affiliated Corporation shall not be deemed terminated or interrupted as a result of any military leave, sick leave, or other bona fide leave of absence taken by the Grantee and approved by the Corporation or such Affiliated Corporation by which the Grantee is employed or engaged, as applicable; provided, however, that if any such leave exceeds ninety (90) days, then on the ninety-first (91<sup>st</sup>) day of such leave the Grantee’s Service shall be deemed to have terminated unless the Grantee’s right to return to Service with the Corporation or such Affiliated Corporation is secured by statute or contract. Notwithstanding the foregoing, unless otherwise designated by the Corporation or Affiliated Corporation, as the case may be, or required by Law, time spent in a leave of absence shall not be treated as time spent providing Service for the purposes of calculating accrued vesting rights under the vesting schedule of the Options. Without derogating from the aforesaid, the Service of a Grantee to an Affiliated Corporation shall also be deemed terminated in the event that such Affiliated Corporation for which the Grantee performs Service ceases to fall within the definition of an “Affiliated Corporation” under this Plan, effective as of the date said Affiliated Corporation ceases to be such. In all other cases in which any doubt may arise regarding the termination of a Grantee’s Service or the effective date of such termination, or the implications of absence from Service on vesting, the Corporation, in its discretion, shall determine whether the Grantee’s Service has terminated and the effective date of such termination and the implications, if any, on vesting.
- 1.27 **“Share(s)”** – Share(s) of the Corporation’s Common Stock, US \$0.0001 par value each, to which, subject to the provisions herein, are attached the rights specified in the

Corporation's Certificate of Incorporation and By-Laws, as may be amended from time to time.

- 1.28 **“Sub-Plan”** – any supplements or sub-plans to the Plan adopted by the Board, applicable to Grantees employed in a certain country or region or subject to the Laws of a certain country or region, as deemed by the Board to be necessary or desirable to comply with the Laws of such region or country, or to accommodate the tax policy or custom thereof, which, if and to the extent applicable to any particular Grantee, shall constitute an integral part of the Plan.

## **2. The Plan**

### **2.1 Purpose**

The purpose and intent of the Plan is to advance the interests of the Corporation by affording to selected employees, officers, directors, consultants and other service providers of the Corporation or Affiliated Corporations an opportunity to acquire a proprietary interest in the Corporation or to increase their proprietary interest therein, as applicable, by the grant in their favor, of Awards, thus providing such Grantee an additional incentive to become, and to remain, employed or engaged by the Corporation or Affiliated Corporation, as the case may be, and encouraging such Grantee's sense of proprietorship and stimulating his or her active interest in the success of the Corporation and the Affiliated Corporation by which such Grantee is employed or engaged.

### **2.2 Effective Date and Term**

The Plan shall become effective as of the day it was adopted by the Board, and shall continue in effect until the earlier of **(a)** its termination by the Board; or **(b)** the date on which all of the Shares available for issuance under the Plan have been granted and exercised; or **(c)** the lapse of ten (10) years from the date the Plan is adopted by the Board.

## **3. Administration**

- 3.1 This Plan and any Sub-Plans shall be administered by the Board. The Board may appoint a committee of the Board, consisting of not less than two (2) members of the Board, which, subject to any applicable Mandatory Law, and the resolution of the Board, may have all of the powers of the Board granted herein. Subject to the above, the term “Board” whenever used herein, shall mean the Board or such appointed committee, as applicable. Once appointed, the committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the committee and appoint additional members thereof, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies, however caused, and remove all members of the committee and, thereafter, directly administer the Plan. Members of the Board or committee who are either eligible for Awards or have been granted Awards may vote on any matters affecting the administration of the Plan or the grant of Awards pursuant to the Plan, except that no such member shall act upon the granting of an Award to himself, but any such member may be counted in determining the existence of a quorum at any meeting of the Board or the committee during which action is taken with respect to the granting of an Award to him or her. The committee

shall meet at such times and places and upon such notice as the chairperson determines. A majority of the Committee shall constitute a quorum. Any acts by the committee may be taken at any meeting at which a quorum is present and shall be by majority vote of those members entitled to vote. Additionally, any acts reduced to writing or approved in writing by all of the members of the committee shall be valid acts of the committee.

- 3.2 Unless specifically required otherwise under applicable Mandatory Law, the Board shall have sole and full discretion and authority, without the need to submit its determinations or actions to the stockholders of the Corporation for their approval or authorization, to administer the Plan and any Sub-Plans, and all actions related thereto, including, without limitation, the performance, at any time and from time to time, of any and all of the following:
  - 3.2.1 the designation of Grantees;
  - 3.2.2 the determination of the terms of each Award (which need not be identical), including without limitation the number and type of Award to be granted in favor of each Grantee, the vesting schedule and Exercise Price or Base Price, as applicable, thereof, and the documents to be executed by the Grantee;
  - 3.2.3 the determination of the terms and form of the Award Agreements (which need not be identical), whether a general form or a specific form with respect to a certain Grantee;
  - 3.2.4 the modification or amendment of the Exercise Period, Restricted Period, restrictions, vesting schedules (including by way of acceleration) and/or of the Exercise Price or Base Price of Awards, including without limitation the reduction thereof, either prior to or following their grant; the repricing of any Award or any other action which is or may be treated as repricing under generally accepted accounting principles; the grant to the holder of an outstanding Award, in exchange for such Award, of a new Award having a purchase price, if any, equal to, lower than or higher than the Exercise Price or Base Price, if any, provided in the Award so surrendered and canceled, and containing such other terms and conditions as the Board may prescribe;
  - 3.2.5 any other action and/or determination deemed by the Board to be required or advisable for the administration of the Plan and/or any Sub-Plan or Award Agreement;
  - 3.2.6 the determination, based upon the relevant information, of the Fair Market Value of the Shares, and the mechanism of such determination;
  - 3.2.7 the interpretation of the Plan, any Sub-Plans, and the Award Agreements;
  - 3.2.8 to determine whether, to what extent, and under what circumstances an Award and/or the underlying Share may be settled, canceled, forfeited, exchanged, or surrendered and to determine any other matter which is necessary or desirable for, or incidental to, administration of this Plan;
  - 3.2.9 to determine if and how Awards and Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are vested and free from vesting restrictions)

shall be treated in connection with, or in the framework of, a Merger Transaction, as further detailed in Section 11 below;

- 3.2.10 to determine how any treatment of Awards may be made subject to any payment or escrow arrangement, or any other arrangement determined within the scope of a Merger Transaction in relation to the Shares of the Corporation;
- 3.2.11 the adoption of Sub-Plans, including without limitation the determination, if the Board sees fit to so determine, that to the extent any terms of such Sub-Plan are inconsistent with the terms of this Plan, the terms of such Sub-Plan shall prevail; and
- 3.2.10 the extension of the period of the Plan or any Sub-Plans.
- 3.3 The Board may, in its sole discretion, without stockholder approval or approval of any Grantee, amend, modify (including by adding new terms and rules), and/or cancel or terminate this Plan, any Sub-Plans, and any Awards granted under this Plan or any Sub-Plans, any of their terms, and/or any rules, guidelines or policies relating thereto provided, however, that without the consent of an affected Grantee, no such amendment, modification, cancellation, or termination of any outstanding grant may materially and adversely affect the rights of such Grantee. Notwithstanding the foregoing material amendments to the Plan or any Sub-Plans (but not the exercise of discretion under the Plan or any Sub-Plans) shall be subject to stockholder approval to the extent so required by applicable Mandatory Law.
- 3.4 All elections and transactions under the Plan by persons subject to Section 16 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), involving Shares are intended to comply with any applicable condition under Rule 16b-3 under Section 16(b) of the Exchange Act as then in effect or any successor provisions (“**Rule 16b-3**”). The Board may establish and adopt written administrative guidelines, designed to facilitate compliance with Section 16(b) of the Exchange Act, as it may deem necessary or proper for the administration and operation of the Plan and the transaction of business thereunder. If the Corporation is a reporting company under the Exchange Act, the selection of a “director” or an “officer” (as such terms are defined for purposes of Rule 16b-3) as a Grantee, the timing of the grant of the Award, the Exercise Price or Base Price, if any, or sale price of the Award and the number of Awards which may be granted to such “director” or “officer” shall be determined either (i) by the Board, of which all members shall be “disinterested persons” (as hereinafter defined), or (ii) by a committee of two or more directors having full authority to act in the matter, of which all members shall be “disinterested persons.” For the purposes of the Plan, a director shall be deemed to be “disinterested” only if such person qualifies as a “disinterested person” within the meaning of Rule 16b-3 of the Exchange Act, as such terms are interpreted from time to time. Those provisions of the Plan that expressly refer to Rule 16b-3 or which are required in order for certain transactions to qualify for exemption under Rule 16b-3 shall apply only to such persons as are required to file reports under Section 16(a) of the Exchange Act.

- 3.5 Unless otherwise determined by the Board, subject to the provisions set forth in Section 3.3, any amendment or modification of this Plan and/or any applicable Sub-Plan and/or Award Agreement shall apply to the relationship between the Grantee and the Corporation; and such amendment or modification shall be deemed to have been included, *ab initio*, in the Plan and any such applicable Sub-Plan and/or Award Agreement, and shall have full force and effect with respect to the relationship between the Corporation and the Grantee.
- 3.6 Termination of the Plan or any Sub-Plan, shall not affect the Board's ability to exercise its powers with respect to Awards granted under the Plan prior to the date of such termination.
- 3.7 The Board, their members and any person designated above shall not be liable for any action or determination made in good faith with respect to the Plan. To the maximum extent permitted by applicable Law, no officer of the Corporation or member or former member of the Board shall be liable for any action or determination made in good faith with respect to the Plan or any Award granted hereunder. To the maximum extent permitted by applicable Law and the Certificate of Incorporation and ByLaws of the Corporation and to the extent not covered by insurance, each officer and member or former member of the Board shall be indemnified and held harmless by the Corporation against any cost or expense (including reasonable fees of counsel reasonably acceptable to the Corporation) or liability (including any sum paid in settlement of a claim with the approval of the Corporation), and advanced amounts necessary to pay the foregoing at the earliest time and to the fullest extent permitted, arising out of any act or omission to act in connection with the Plan, except to the extent arising out of such officer's, member's or former member's own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification the officers, directors or members or former officers, directors or members may otherwise have. Notwithstanding anything else herein, this indemnification will not apply to the actions or determinations made by an individual with regard to Awards granted to him or her under this Plan.
- 3.8 In any event that the Corporation will be required to issue to a Grantee a fraction of Shares upon exercise of Awards, the Corporation will not issue fraction of Shares and the number of Shares issued upon such exercise shall be rounded down to the closest number of Shares.

#### **4. Eligibility**

The persons eligible for participation in the Plan as Grantees include employees, officers, directors, consultants, and other service providers of the Corporation or any Affiliated Corporation (including persons who are responsible for or contribute to the management, growth or profitability of, or who provide substantial services to, the Corporation or any Affiliated Corporation), and any person who has been offered employment by the Corporation or any Affiliated Corporation, provided that such prospective employee may not receive any payment or exercise any right to an Award until such person has commenced employment with the Corporation or any Affiliated Corporation. The Board, in its sole discretion shall select from time to time the individuals, from among the

persons eligible to participate in the Plan, who shall receive Awards. In determining the persons in favor of whom Awards are to be granted, the number of Awards to be granted thereto and the terms of such grants, the Board may take into account the nature of the services rendered by such person, his/her present and future potential contribution to the Corporation or to the Affiliated Corporation by which he/she is employed or engaged, and such other factors as the Board in its discretion shall deem relevant.

**5. Award Pool**

- 5.1 The total number of authorized but unissued Shares available for grant under this Plan, subject to adjustment as set forth in Sections 5.2 and 17 below, shall be 1,544,209 and 4,000,000 Shares may be issued as Incentive Stock Options (as such term is defined in the US Sub-Plan).
- 5.2 The Corporation shall at all times until the expiration or termination of this Plan keep reserved a sufficient number of Shares to meet the requirements of this Plan. Any of such Shares which, as of the expiration or termination of this Plan, remain unissued and not subject to outstanding Awards, shall at such time cease to be reserved for the purposes of this Plan. Should any Award (or any award granted under the Corporation's 2007 Stock Option Plan or 2007 Israeli Share Option Plan (together the "2007 Plans")) for any reason expire or be canceled prior to its issuance, settlement, or exercise or relinquishment in full, such Award (or any such award granted under the 2007 Plans) may then be available for grant under this Plan.
- 5.3 Awards that may be granted under the Plan include: Options, SARs, and Restricted Stock.

**6. Grant of Awards**

- 6.1 The Awards may be granted for no consideration or in consideration of the past or future Service (as defined below) the Grantee performed or is expected to perform.
- 6.2 Each Award granted pursuant to the Plan shall be evidenced by an Award Agreement.
- 6.3 Each Grantee shall be required to execute, in addition to the Award Agreement, any and all other documents required by the Corporation or any Affiliated Corporation, whether before or after the grant of the Award (including without limitation the Proxy (as such term is defined below), any customary documents and undertakings towards any trustee, if applicable, and/or any tax authorities). Notwithstanding anything to the contrary in this Plan or in any Sub-Plan, no Award shall be deemed granted unless all documents required by the Corporation or any Affiliated Corporation to be signed by the Grantee prior to or upon the grant of such Award, shall have been duly signed and delivered to the Corporation or such Affiliated Corporation.

## 7. **Terms of Options**

Award Agreements between the Corporation and a Grantee evidencing the Award of Options will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award Agreement, such Award Agreement shall set forth, by appropriate language, the number of Options granted thereunder and the substance of all of the following provisions:

7.1 **Exercise Price.** The Exercise Price for each Grantee shall be as determined by the Board and specified in the applicable Award Agreement; provided however that unless otherwise determined by the Board (which determination shall not require stockholder approval unless so required in order to comply with the provisions of applicable Mandatory Law), the Exercise Price shall not be less than the Fair Market Value of the Shares at the date of the grant of the Options. Without derogating from and in addition to the provisions of Section 23 of the Plan, the Exercise Price shall be denominated in the currency of the primary economic environment of, in the Board's sole discretion, either the Corporation or the Grantee (that is the functional currency of the Corporation or the currency in which the Grantee is paid).

7.2 **Vesting.** The Options shall vest and become exercisable according to the vesting schedule and/or subject to certain other conditions (including without limitation achievement of milestone and/or subject to performance as determined by the Board) to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement.

The Board shall be entitled, but not obligated, in its sole discretion, to accelerate, in whole or in part, the vesting schedule, and/or any other condition to the vesting, of any Option, including, without limitation, in connection with a Merger Transaction and/or an IPO.

7.5 **Expiration Date.** Unless expired earlier pursuant to either Section 10.1 or Section 14 below, and unless otherwise determined in the Award Agreement, unexercised Options shall expire and terminate and become null and void upon the lapse of 10 (ten) years from the Date of Grant (as applicable, the "**Expiration Date**").

## 8. **Terms of SARs**

Award Agreements between the Corporation and a Grantee evidencing the Award of SARs will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award Agreement, such Award Agreement shall set forth, by appropriate language, the number of SARs granted thereunder and the substance of all of the following provisions:



- 8.1 Terms and Conditions. Each SAR shall entitle the Grantee to receive, upon exercise of the SAR, a payment equal to the excess, if any, of the Fair Market Value of one share of Common Stock on the date of exercise over the base price of the SAR. Such payment may be made in cash, in shares of Common Stock, in Restricted Stock or in any combination of the foregoing, as the Board shall determine in its sole discretion; provided, however, that payment upon exercise of a SAR shall be made in shares of Common Stock unless otherwise specified in the relevant Award Agreement. SARs shall be subject to the terms and conditions set forth in the Plan, any applicable Sub-Plan and any additional terms and conditions, not inconsistent with the express terms and provisions of the Plan or the applicable Sub-Plan and as the Board shall set forth in the relevant Award Agreement.
- 8.8 Base Price. The Base Price of a SAR shall be determined by the Board at the time of grant; and specified in the applicable Award Agreement; provided however that unless otherwise determined by the Board (which determination shall not require stockholder approval unless so required in order to comply with the provisions of applicable Mandatory Law), the Base Price shall not be less than the Fair Market Value of the Shares at the date of the grant of the SAR. Without derogating from and in addition to the provisions of Section 23 of the Plan, the Base Price shall be denominated in the currency of the primary economic environment of, in the Board's sole discretion, either the Corporation or the Grantee (that is the functional currency of the Corporation or the currency in which the Grantee is paid).
- 8.9 Vesting. The SARs shall vest (become exercisable) according to the vesting schedule to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement. The Board shall be entitled, but not obligated, at its sole discretion, to accelerate, in whole or in part, the vesting schedule of any SAR, including, without limitation, in connection with a Merger Transaction and/or an IPO.
- 8.10 Expiration Date. Unless expired earlier pursuant to the Plan, and unless otherwise determined in the Award Agreement, unexercised SARs shall expire and terminate and become null and void upon the lapse of 10 (ten) years from the Date of Grant (as applicable, the "**Expiration Date**").

## **9. Terms of Restricted Stock Awards**

Award Agreements between the Corporation and a Grantee evidencing an Award of Restricted Stock will be in such form approved by the Board, which may be a general form or a specific form with respect to a certain Grantee.

Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law) and provided accordingly in the applicable Award Agreement, such Award Agreement shall set forth, by appropriate language, the number of Shares of Restricted Stock granted thereunder and the substance of all of the following provisions:

- 9.1 Terms and Conditions. An Award of Restricted Stock is a grant of shares of Common Stock, subject to such restrictions, terms and conditions as the Board deems appropriate, and/or as set forth in the applicable Sub-Plan or Award Agreement.
- 9.2 Vesting. The Restricted Stock shall vest according to the vesting schedule to be determined by the Board with respect to any specific grant, and provided accordingly in the applicable Award Agreement.
- The Board shall be entitled, but not obligated, in its sole discretion, to accelerate, in whole or in part, the vesting schedule of any Award of Restricted Stock, including, without limitation, in connection with a Merger Transaction and/or an IPO.
- 9.3 Shareholder Rights. During the Restricted Period, a Grantee shall have such rights with respect to the Shares underlying such grant, including voting and dividend rights, as the Board deems appropriate, and/or as set forth in the applicable Sub-Plan or Award Agreement.

## **10. Exercise of SARs and Options**

- 10.5 Exercise Period. Each Option and/or each SAR shall be exercisable from the date upon which it becomes vested until the Expiration Date of such Option or SAR, as applicable, in each case, subject to the provisions set forth in this Plan, the applicable Sub-Plan and the Award Agreement (the “**Exercise Period**”).
- 10.6 Exercise Notice and Payment. Vested Options and vested SARs may be exercised at one time or from time to time during the Exercise Period, by giving a written notice of exercise (the “**Exercise Notice**”) to the Corporation, at its principal offices, in accordance with the following terms, or such other procedures as shall be determined from time to time by the Board and notified in writing to the Grantees:
- (a) The Exercise Notice must be signed by the Grantee and must be delivered to the Corporation, prior to the termination of the Options or SARs, as applicable, by certified or registered mail - return receipt requested, with a copy delivered to the Chief Financial Officer (or such other authorized representative) of the Affiliated Corporation with which the Grantee is employed or engaged, if applicable.
  - (b) The Exercise Notice will specify the number of vested Options and/or vested SARs, as applicable, being exercised.
  - (c) The Exercise Notice will be accompanied by payment in full of the Exercise Price for the exercised Options (however, unless otherwise provided by the Board or in the Award Agreement, no payment would be necessary to exercise a SAR) and by such other representations and agreements as required by the Corporation with respect to the Grantee’s investment intent regarding the exercise. Payment will be made by wire transfer or by personal check or cashier’s check payable to the order of the Corporation or at the discretion of the Board, payment of such other lawful consideration as the Board may, in its sole discretion, determine (such as, by way of example, cashless exercise or the typical exercise of a SAR), provided however, that in case of payment by check, the Award shall not be deemed

exercised, and the Corporation shall not issue the Shares in respect thereof, until the check shall have been fully and irrevocably honored by the bank on which it was drawn. The Corporation shall then reasonably promptly deliver the certificate(s) representing the Shares as to which such Options and/or SARs were exercised to the Grantee or to a Trustee, if applicable; provided that with respect to SARs the consideration for exercise may be in such other form as provided in a Sub-Plan, in the Award Agreement and/or as provided by the Board). In determining what constitutes “reasonably promptly,” it is expressly understood that, in addition to that stated in Section 12 below, the issuance of the Shares and delivery of the certificate(s) representing such Shares may be delayed by the Corporation in order to comply with any law or regulation (including, without limitation, state securities or “blue sky” laws) which requires the Corporation to take any action with respect to the Shares prior to their issuance.

## **11. Treatment of Awards Upon Certain Transactions**

- 11.1 Notwithstanding anything to the contrary contained in this Plan and/or in any Sub-Plan, in the event of a Merger Transaction, any and all outstanding and unexercised, unvested Awards (including, without limitation, outstanding and unexercised unvested Options and SARs and Restricted Stock that are subject to vesting) will be cancelled and forfeited for no consideration, unless determined otherwise by the Board.
- 11.2 Without derogating from the generality of the foregoing, in the event of a Merger Transaction the Board in its sole and absolute discretion may, without obtaining any of the Grantees’ consent and without any notice requirement, decide in connection with a Merger Transaction, as follows:
- (i) if and how the unvested Awards will be cancelled, forfeited, exchanged, assumed, replaced, substituted (including, if applicable, for a successor entity award), repurchased or accelerated including determining that all outstanding and unexercised, unvested Awards shall be cancelled for no consideration upon a Merger Transaction;
  - (ii) if and how vested Awards (including Awards with respect to which the vesting period has lapsed and/or been accelerated) will be exercised, exchanged, assumed, replaced, substituted (including, if applicable, for a successor entity award), forfeited, repurchased and/or sold by the Grantee, including determining that all un-exercised vested Awards shall be cancelled for no consideration upon a Merger Transaction;
  - (iii) how Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are free from vesting restrictions) shall be replaced and/or sold by the Grantee and/or substituted (including, if applicable, for a successor entity share); and
  - (iv) how any treatment of Awards and Shares issued upon exercise of Awards (including, with respect to Restricted Stock, Shares that are free from vesting restrictions) may be made subject to any payment or escrow arrangement, or any other arrangement determined within the scope of the Merger Transaction in relation to the Shares of the Corporation.

- 11.3 In the case of assumption and/or substitution of Awards, appropriate adjustments shall be made so as to reflect such action and all other terms and conditions of the Award Agreements shall remain unchanged, including but not limited to the vesting schedule, all subject to the determination of the Board, which determination shall be at its sole discretion and final. The grant of any substitutes for the Awards to Grantees pursuant to a Merger Transaction, as provided in this section, shall be considered to be in full compliance with the terms of this Plan. The value of the exchanged Awards pursuant to this section shall be determined in good faith solely by the Board, based on the Fair Market Value, and its decision shall be final and binding on all Grantees.
- 11.4 For the purposes of this section, the mechanism for determining the assumption or exchange as aforementioned shall be agreed upon between the Board and the successor company.
- 11.5 Without derogating from the above, in the event of a Merger Transaction the Board shall be entitled, at its sole discretion, to (i) determine a blackout period in connection with the exercise of Awards; and (ii) require the Grantees to exercise all vested Options and SARs within a set time period and sell all of their Shares underlying such exercised Awards on the same terms and conditions as applicable to the other shareholders selling their Company's Shares as part of the Merger Transaction as further detailed below.
- 11.6 Each Grantee acknowledges and agrees that the Board shall be entitled, subject to any applicable Mandatory Law, to authorize any one of its members to sign instrument of transfer, in customary form, in respect of the Shares underlying such Awards held by such Grantee and that such instrument of transfer shall bind the Grantee.
- 11.6 Despite the aforementioned and for the avoidance of any doubt, if and when the method of treatment of Awards within the scope of a Merger Transaction, as provided above, will in the sole opinion of the Board prevent the consummation of the Merger Transaction, or materially risk the consummation of the Merger Transaction, the Board may determine different treatment for different Awards held by Grantees such that not all Awards will be treated equally within the scope of the Merger Transaction.
- 11.7 Without derogating from the generality of the above, the Grantee agrees and accepts that until an IPO, in the event that stockholders of the Corporation holding at least a majority of the voting power in the Corporation accept an offer to sell all of their stock in the Corporation and such sale of stock transaction is conditioned upon the sale of all remaining stock of the Corporation to such third party (a "**Sale of Stock Transaction**"), then, the Grantee shall, if so requested by the Board (which request shall notify the Grantee of such Sale of Stock Transaction), sell his/her Shares and/or Awards in such Sale of Stock Transaction, on the same terms subject however to any applicable liquidation preferences (provided that (i) with respect to vested Options and SARs, the Exercise Price or Base Price, as applicable, shall be deducted from the purchase price paid for the Shares in such transaction; and (ii) i.e., the proceeds of such Sale of Stock Transaction shall be allocated and distributed in accordance with the distribution preferences provisions of the Corporation's Certificate of Incorporation, as may be amended from time to time).

## 12. Conditions of Issuance

- 12.1 No Options or SARs shall be deemed exercised nor shall any Share be issued in respect of any Award issued or granted hereunder, until the Corporation has been provided with confirmation by the applicable tax authorities or is otherwise under a tax arrangement, which either: **(a)** waives or defers the tax withholding obligation with respect to such exercise, issuance or vesting and delivery, as applicable if so permitted by Mandatory Law; or **(b)** confirms receipt of the payment of all the tax due with respect to such exercise; or **(c)** confirms the conclusion of another arrangement with the Grantee regarding the tax amounts, if any, that are to be withheld by the Corporation or any Affiliated Corporation under Law with respect to such exercise, issuance, or vesting, as applicable, provided that such arrangement is satisfactory to the Corporation. If such confirmations, exemptions or arrangements are not available under the tax subjections of the Grantee, the Corporation shall be entitled to require as a condition of issuance that the Grantee remit an amount sufficient to satisfy all federal, state and other governmental withholding tax requirements related thereto. A determination of the Corporation's legal counsel that a withholding tax is required in connection with the exercise, issuance, or vesting and delivery, as applicable, of an Award shall be conclusive for the purposes of this condition.
- 12.2 Furthermore, notwithstanding any other provision of this Plan and any Sub-Plan, the Corporation shall have no obligation to issue or deliver Shares under this Plan unless the exercise of the applicable Awards and the issuance and delivery of the Shares underlying the Option and/or SAR or the grant, vesting and delivery of the Restricted Stock complies, in any such case, with, and does not result in a breach of, all applicable Mandatory Law, to the satisfaction of the Corporation in its sole discretion, and the Corporation shall have received, if deemed desirable by the Board, the approval of legal counsel for the Corporation with respect to such compliance. The Corporation may further require the Grantee to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with applicable Law.
- 12.3 As a condition to the exercise of an Option or SAR or the issuance or delivery of Restricted Stock, the Corporation may require, among other things, that: **(a)** the Grantee represent and warrant at the time of any exercise or issuance that the underlying Shares are being purchased only for investment and without any present intention to sell or distribute such Shares, and make such other representations, warranties and covenants as may be reasonably required to comply with and satisfy any qualifications that may be necessary or appropriate, to evidence compliance with applicable Law; **(b)** a legend be stamped on the certificates representing such underlying Shares indicating that they may not be pledged, sold or otherwise transferred unless an opinion of legal counsel (acceptable by the Corporation's counsel) stating that such transfer is not in violation of any applicable Law, is provided; and **(c)** the Grantee execute and deliver to the Corporation such an agreement as may be in use by the Corporation with respect to the applicable securities setting forth certain terms and conditions applicable to the Shares.
- 12.4 Without derogating from the above and in addition thereto, unless the offering and sale of the Shares to be issued upon the grant, vesting or exercise of an Award shall have been

effectively registered under the Securities Act of 1933, as now in force or hereafter amended (the “1933 Act”), the Corporation shall be under no obligation to issue the Shares underlying an Award unless and until the following conditions have been fulfilled: (i) The Grantee shall warrant to the Corporation, prior to the receipt of such Shares, that s/he is acquiring such Shares for his/her own account, for investment, and not with a view to, or for sale in connection with, the distribution of any such Shares, in which event the Grantee shall be bound by the provisions of the following legend which shall be endorsed upon the certificate(s) evidencing its Shares issued pursuant to such exercise: “The shares represented by this certificate have been taken for investment and they may not be sold or otherwise transferred by any person, including a pledgee, unless (1) either (a) a Registration Statement with respect to such shares shall be effective under the Securities Act of 1933, as amended, or (b) the Corporation shall have received an opinion of counsel satisfactory to it that an exemption from registration under such Act is then available, and (2) there shall have been compliance with all applicable state securities laws.”; (ii) At the discretion of the Board, the Corporation shall have received an opinion of its counsel that the Shares may be issued upon such particular exercise or acceptance in compliance with the 1933 Act without registration thereunder.

- 12.5 Additionally, without derogating from any other provisions herein and without limiting any of the foregoing, as a further condition to the grant or exercise of an Award, the Grantee shall consent to be bound by any restriction on stockholders rights governed by Section 202 of the General Corporation Law of the State of Delaware, as in effect from time to time, then applicable to a majority of the capital stock of the Corporation (including, without limitation, so-called right of first refusal, drag along and bring along, forced sale), and shall enter and execute any forms of undertaking and/or consent the Corporation shall present to the Grantee to such effect, provided however, that unless otherwise determined by the Board, until such time as the Corporation shall complete an IPO, a Grantee shall not have the right to sell Shares, as further detailed in Section 13 below.
- 12.6 Stock Certificates for Shares may include one or more legends which the Board deems appropriate to reflect any of the restrictions included in the foregoing. Upon request by the Corporation, the Grantee shall execute any agreement or document evidencing any transfer restrictions prior to the receipt of Shares hereunder, and shall promptly present to the Corporation any and all certificates representing such Shares for the placement on such certificates of appropriate legends evidencing any such transfer restriction.

### **13. Transferability**

- 13.1 Neither the Shares nor the Awards are publicly traded.
- 13.2 Other than by will or laws of descent, neither the Awards nor any of the rights in connection therewith shall be assignable, transferable, made subject to attachment, lien or encumbrance of any kind, and the Grantee shall not grant with respect thereto any power of attorney or transfer deed, whether valid immediately or in the future. For the avoidance of any doubt, during the lifetime of the Grantee, all of such Grantee’s rights to purchase

Shares upon the exercise of his or her applicable Awards shall be exercisable only by the Grantee.

- 13.3 Notwithstanding any other provision of the Plan, any sale, assignment, transfer, pledged, hypothecated or any other disposition of Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan (including for the avoidance of any doubt, Shares issued upon exercise of Options and SARs and Restricted Stock that is free from any vesting restrictions) shall be subject to (i) the prior written approval of the Board; and (ii) all provisions, restrictions, terms and conditions set forth in the Corporation's Certificate of Incorporation, By Laws, the Plan, any applicable Sub-Plan, the applicable Award Agreement, and/or any conditions and restrictions determined by the Board. Any disposition of such Shares carried out by Grantee(s) in violation of such provisions, restrictions, terms and conditions shall be null and void. Unless otherwise determined by the Board, in its sole discretion, prior to the Corporation's IPO, the Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan may not be sold assigned, transferred, pledged, hypothecated or otherwise disposed of, except as stated herein and in the Award Agreement. Any disposition of such Shares carried out by a Grantee before an IPO, without the Board's prior written approval, shall be null and void.

Any transfer that is not made in accordance with the Plan, any applicable Sub-Plan or the applicable Award Agreement shall be null and void.

- 13.8 No transfer of a Share or an Award by the Grantee by will or by the laws of descent shall be effective against the Corporation, unless and until: **(a)** the Corporation shall have been furnished with written notice thereof, accompanied by an authenticated copy of probate of a will together with the will or inheritance order and/or such other evidence as the Board may deem necessary to establish the validity of the transfer; **(b)** the contemplated transferee(s) shall have confirmed to the Corporation in writing its acceptance of the terms and conditions of the Plan, any applicable Sub-Plan and Award Agreement, with respect to the Share or Award being transferred (including the execution of the proxy referred to in Section 15.2 below), to the satisfaction of the Board; and **(c)** actual payment of all taxes required to be paid upon such sale and transfer of the Award and/or Shares has been made to the tax assessor, and received confirmation from the tax assessor that all taxes required to be paid upon such sale and transfer have been paid.
- 13.9 No transfer of a Share or an Award (including for the avoidance of any doubt, Shares issued upon exercise of Options and SARs and Restricted Stock that is free from any vesting restrictions) by a Grantee upon approval by the Board (as set forth in Section 13.3 above) shall be effective against the Corporation, unless and until: **(a)** the Corporation shall have been furnished with written notice thereof, accompanied by an authenticated copy of transferee and/or such other evidence as the Board may deem necessary to establish the validity of the transfer; **(b)** the contemplated transferee(s) shall have confirmed to the Corporation in writing its acceptance of the terms and conditions of the Plan, any applicable Sub-Plan and Award Agreement, with respect to the Share or Award being transferred (including the execution of the proxy referred to in Section 15.2 below), to the satisfaction of the Board; and **(c)** actual payment of all taxes required to be paid

upon such sale and transfer of the Award and/or Shares has been made to the tax assessor, and received confirmation from the tax assessor that all taxes required to be paid upon such sale and transfer have been paid; and **(d)** compliance by the Grantee and the transferee of such Shares with any and all other requirements determined by the Board in connection with such transfer.

#### **14. Termination of Awards and Repurchase of Shares**

- 14.1 Notwithstanding anything to the contrary, except as otherwise explicitly provided in this Section 14, any Option or SAR granted in favor of any Grantee but not exercised by such Grantee within the Exercise Period and in accordance with the terms of the Plan, any applicable Sub-Plan and the applicable Award Agreement, shall, upon the lapse of the Exercise Period, immediately expire and terminate and become null and void with no further compensation due to the holder.
- 14.2 Upon the termination of a Grantee's Service, for any reason whatsoever, any Award granted in favor of such Grantee that is not vested at the time of such termination of Grantee's Service shall immediately expire and terminate (and with respect to Restricted Stock, will be forfeited to the Corporation) and become null and void with no further compensation due to the holder. If an Award expires or becomes unexercisable for any reason without having been exercised, or is otherwise cancelled, forfeited or surrendered, such unissued or retained Shares shall become available for other Award grants under the Plan.
- 14.3 Additionally, in the event of the termination of a Grantee's Service for Cause (a) all of such Grantee's vested Awards shall also, upon such termination for Cause, immediately expire and terminate and become null and void; and (b) any and all of such Grantee's Shares received pursuant to the issuance, vesting or exercise of any applicable Award shall be subject to the Corporation's "Repurchase Right", as described below.

For the purposes hereof the term "**Cause**" shall mean **(a)** the conviction of the Grantee for any felony involving moral turpitude or affecting the Corporation or any Affiliated Corporation; **(b)** the embezzlement of funds of the Corporation or any Affiliated Corporation; **(c)** any breach of the Grantee's fiduciary duties or duties of care towards the Corporation or any Affiliated Corporation (including without limitation any disclosure of confidential information of the Corporation or any Affiliated Corporation or any breach of a non-competition or intellectual property assignment undertakings); **(d)** any conduct in bad faith reasonably determined by the Board to be materially detrimental to the Corporation or, with respect to any Affiliated Corporation, reasonably determined by the Board of Directors of such Affiliated Corporation to be materially detrimental to either the Corporation or such Affiliated Corporation; or **(e)** any other event classified under any applicable agreement between the Grantee and the Corporation or the Affiliated Corporation, as applicable, as a "cause" for termination or by other language of similar substance.

The Corporation's "Repurchase Right" shall be as follows: If any Grantee's Service is terminated by the Corporation (or any Affiliated Corporation) for Cause, or in the event



that any Grantee initiates or joins any legal proceeding maintained or instituted against the Corporation or any Affiliated Corporation or any of their respective past, current, or future officers, directors, employees, consultants, holders of equity securities, successors or assigns in their capacity as such, then, within 180 days after such termination or commencement of (or joinder in) such legal proceeding, as the case may be, the Corporation shall have the right, but not the obligation, to repurchase from the Grantee, or his or her legal representative, as the case may be, all or part of the Shares she/he exercised or otherwise received pursuant to an Award, if any. The Repurchase Right shall be exercised by the Corporation by giving the Grantee, or his/her legal representative written notice, within said 180 days, of its intention to exercise the Repurchase Right, indicating the number of such Shares to be repurchased and the date on which the repurchase is to be effected, and the Corporation shall pay the Grantee for each such Share being repurchased, an amount equal to the price originally paid by the Grantee for such Shares, if any, subject to adjustments as provided in Section 17 below. The certificate(s) representing such Shares to be repurchased shall, prior to the close of business on the date specified for the repurchase, be delivered to the Corporation together with a duly endorsed stock assignment certificate. Payment shall be made in cash, cash equivalents, or in any other way of payment allowed under any applicable Law, and authorized by the Board of Directors of the Corporation. Concurrently with the exercise of the Repurchase Right, if exercised, the Grantee (or the holder of the Shares so repurchased) shall no longer have any rights as a holder of such repurchased Shares. Such repurchased Shares shall be deemed to have been repurchased, whether or not the certificate(s) therefor have been delivered. If the Grantee fails to deliver such stock certificate(s), the Corporation shall be entitled to take such action as may be necessary to remove the requisite number of Share registered in the name of the Grantee from the books and records of the Corporation. The Repurchase Right shall be in addition to any and all other rights and remedies available to the Corporation.

In the event that the Corporation shall be prohibited, on account of any applicable Law, from repurchasing Shares, the Corporation may assign the Repurchase Right to its wholly owned subsidiary, or if the same is not possible on account of any applicable Law, to all of the stockholders of the Corporation at the time of the exercise of said right (excluding other shareholders pursuant to the exercise or delivery of Awards), on a pro-rata, as converted basis, all under the same terms and conditions set forth in this Plan, in which event the Corporation shall inform the Grantee of the identity of the particular assignee in the Corporation's Notice, and the provisions of this Section regarding the Corporation shall apply to such assignee(s), *mutatis mutandis*.

In the event that at the time the Corporation wishes to exercise its Repurchase Right, the Grantee does not own a sufficient number of Shares to satisfy the Corporation's Repurchase Right, in addition to performing any obligations necessary to satisfy the Corporation's Repurchase Right, the Corporation may require the Grantee to deliver to the Corporation, for each Share that is the subject of the Repurchase Right and is not available for repurchase as it has been sold or transferred, an aggregate cash amount, equal to the difference between the fair market value of each such missing Share and the

price originally paid by the Grantee to the Corporation for each such Share, if any, as adjusted.

- 14.4 Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law), following termination of a Grantee's Service other than for Cause, the Expiration Date of such Grantee's vested Options and/or SARs shall be deemed the earlier of: **(a)** the Expiration Date of such vested Options and/or SARs as was in effect immediately prior to such termination, as detailed in Grantee's Award Agreement; or **(b)** 90 (ninety) calendar days following the date of such termination (except that if such termination is initiated by Grantee, the period set forth in this Section 14.4(b) shall be 30 (thirty) calendar days following the date of such termination) or, if such termination is the result of death or disability of the Grantee, 12 (twelve) calendar months from the date of such termination.
- 14.5 Notwithstanding anything to the contrary herein, upon the issuance of a court order declaring the bankruptcy of a Grantee, or the appointment of a receiver or a provisional receiver for a Grantee over all of his assets, or any material part thereof, or upon making a general assignment for the benefit of his creditors, any outstanding Awards issued in favor of such Grantee (whether vested or not) shall immediately expire and terminate and become null and void and shall entitle neither the Grantee nor the Grantee's receiver, successors, creditors or assignees to any right in or towards the Corporation or any Affiliated Corporation in connection with the same, and all interests and rights of the Grantee or the Grantee's receiver, successors, creditors or assignees in and to the same, shall expire.

**15. Rights as Stockholder, Voting Rights, Dividends and Bonus Shares**

- 15.1 It is hereby clarified that a Grantee shall not, by virtue of this Plan, any applicable Sub-Plan or the applicable Award Agreement or any Option or SAR granted to the Grantee, have any of the rights of a stockholder with respect to the Shares underlying such Award, until the Option or SAR has been exercised and the Shares issued in the Grantee's name. With respect to Awards of Restricted Stock, the rights of the Grantee with respect to the Shares underlying the Restricted Stock shall be as set forth in the applicable Sub-Plan or Award Agreement.
- 15.2 Unless otherwise determined by the Board (which determination shall not require stockholder approval, unless so required in order to comply with the provisions of applicable Mandatory Law), prior to the closing of an IPO, as a condition to the issuance, vesting, or exercise of any Award, each Grantee shall be required to sign and deliver to such person as may be designated by the Board (the "**Nominee**") an irrevocable proxy, in a form approved by the Board (the "**Proxy**"), appointing the Nominee as the sole person entitled to exercise the voting rights conferred by such Shares. The Nominee shall not exercise the voting rights conferred by the Shares held by him or with respect to which the Nominee has been given an irrevocable proxy as aforesaid, in any way whatsoever (except as set forth herein and/or in the Proxy), and shall not issue a proxy to any person or entity to vote such Shares, unless otherwise instructed by the Board, and in accordance

with such instructions. Unless instructed otherwise by the Board, the Nominee shall vote such Shares in a manner pro-rata to the votes of the other voting shares, such that the votes of the Shares shall not affect the end result of the vote. The Nominee shall be indemnified and held harmless by the Corporation, to the extent permitted by applicable Law, against any cost or expense (including counsel fees) reasonably incurred by the Nominee, or any liability (including any sum paid in settlement of a claim with the approval of the Corporation) arising out of any act or omission to act in connection with the voting of the aforesaid proxy unless arising out of such Nominee's own fraud or bad faith. Such indemnification shall be in addition to any rights of indemnification the Nominee(s) may otherwise have from the Corporation.

- 15.3 Notwithstanding anything to the contrary, if any, herein or in the Corporation's Certificate of Incorporation and/or By-Laws, or elsewhere, none of the Grantees shall have (and they hereby waive the right to have), any pre-emptive rights to purchase, along with the other stockholders in the Corporation, a pro rata portion of any securities proposed to be offered by the Corporation prior to the offering thereof to any third party or any rights of first refusal to purchase any securities of the Corporation offered by the other holders of securities of the Corporation.
- 15.4 Cash dividends paid or distributed, if any, with respect to the vested Shares delivered to a Grantee upon the exercise or vesting of an Award shall be remitted directly to the Grantee or to a trustee (on behalf of the applicable Grantee) who is entitled to the Shares for which the dividends are being paid or distributed, subject to any applicable taxation on such distribution of dividend, and the withholding thereof. No dividends shall be paid or accrued with respect to an Option or SAR prior to the exercise of such Option or SAR and no dividends shall be paid or accrued on unvested Restricted Stock during the Restricted Period.
- 15.5 Bonus Shares issued by the Corporation, if any, with regard to the vested Shares delivered to a Grantee upon the exercise or vesting of an Award shall be subject to the same terms and conditions of the Exercised Shares by virtue of which they were issued. No bonus Shares shall be distributed or accrued with respect to an Option or SAR prior to the exercise of such Option or SAR.
- 15.6 During the term of any Award granted under the Plan, and thereafter for so long as the Grantee holds Shares issued upon exercise or vesting of an Award, the Corporation shall not be obliged to provide or otherwise make available to Grantees any information related to the Corporation, except as required under applicable Mandatory Law.

## **16. Liquidation**

In the event that the Corporation is liquidated or dissolved while unexercised Options or SARs remain outstanding under the Plan, then all or part of such outstanding Options or SARs may be exercised in full by the Grantees as of immediately prior to the effective date of such liquidation or dissolution of the Corporation, without regard to the vesting terms thereof and any unvested Restricted Stock shall be fully vested as of immediately prior to the effective date of such liquidation or dissolution of the Corporation.

## **17. Adjustments**

- 17.1 The number and kind of shares underlying any Award, together with those Shares otherwise reserved for the purposes of the Plan for Awards not yet exercised as provided under Section 5 above, and/or, if applicable, the Exercise Price, Base Price and/or repurchase price, shall be proportionately adjusted as a result of any stock dividend, recapitalization, forward stock split or reverse stock split, reorganization, division, merger, consolidation, combination, repurchase or share exchange, extraordinary or unusual cash distribution or other similar corporate transaction or event that affects the Common Stock, as well as for any distribution of bonus shares, except as set forth in Sections 17.2 and 17.3 below. Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive.

All provisions applying to the Shares underlying an Award shall apply to all Shares received as a result of an adjustment as described above.

- 17.2 In the event of a Structural Change (as defined below) the Awards and Shares underlying such Awards that are subject to the Plan shall be exchanged or converted into Shares of the Corporation or successor company in accordance with the exchange effectuated in relation to the Shares of the Corporation, as shall be determined by the Board, and the Exercise Price or Base Price per Share and quantity of shares shall be adjusted in accordance with the terms of the Structural Change. The adjustments required thereby shall be determined in good faith solely by the Board and in accordance with applicable Mandatory Law. “**Structural Change**” means any re-domestication of the Corporation, share flip, creation of a holding company for the Corporation that will hold substantially all of the shares of the Corporation or any other transaction involving the Corporation in which the shares of the Corporation outstanding immediately prior to such transaction continue to represent, or are converted into or exchanged for shares that represent, immediately following such transaction, at least a majority, by voting power, of the share capital of the surviving, acquiring or resulting corporation and in which there is no material change to the interests held by the stockholders of the Corporation prior to such transaction and immediately thereafter.

- 17.3 In the event of a Spin-Off Transaction (as defined below), the Board may, but shall not be obligated to, determine that the holders of Awards are entitled to receive equity in the new company formed as a result of the Spin-Off Transaction, in accordance with equity granted to the stockholders of the Corporation within the Spin-Off Transaction, taking into account the terms of the Awards, including the vesting schedule, Exercise Price or Base Price, as applicable. The determination regarding the Grantee’s entitlement within the scope of a Spin-Off Transaction shall be in the sole and absolute discretion of the Board. “**Spin-off Transaction**” means any transaction in which assets of the Corporation are transferred or sold to a company or corporate entity in which the shareholders of the Corporation hold equal stakes, pro-rata to their ownership of the Corporation.

## **18. No Interference**

Neither the Plan nor any applicable Sub-Plan or Award Agreement shall affect, in any way, the rights or powers of the Corporation or its stockholders to make or to authorize

any sale, transfer or change whatsoever in all or any part of the Corporation's assets, obligations or business, or any other business, commercial or corporate act or proceeding, whether of a similar character or otherwise; any adjustments, recapitalizations, reorganizations or other changes in the Corporation's capital structure or business; any merger or consolidation of the Corporation; any issue of bonds, debentures, shares of stock (including preferred or prior preference shares of stock ahead of or affecting the existing shares of stock of the Corporation including the shares of stock underlying Awards or the rights thereof, etc.); or the dissolution or liquidation of the Corporation; and none of the above acts or authorizations shall entitle the Grantee to any right or remedy, including without limitation, any right of compensation for any dilution resulting from any issuance of any shares of stock or of any other securities in the Corporation to any person or entity whatsoever.

**19. No Employment/Engagement/Continuance of Service Obligations**

Nothing in the Plan, in any applicable Sub-Plan or Award Agreement, or in any Award granted hereunder shall be construed as guaranteeing the Grantee's continuous employment, engagement or service with the Corporation or any Affiliated Corporation, and no obligation of the Corporation or any Affiliated Corporation as to the length of the Grantee's employment, engagement or service shall be implied by the same. The Corporation and its Affiliated Corporation reserve the right to terminate the employment, engagement or service of any Grantee pursuant to such Grantee's terms of employment, engagement or service and any Law.

**20. No Representation**

The Corporation does not and shall not, through this Plan, any applicable Sub-Plan or the applicable Award Agreement, make any representation towards any Grantee with respect to the Corporation, its business, its value or either its shares of stock in general or the Shares underlying any Award in particular.

Each Grantee, upon entering into the applicable Award Agreement, shall represent and warrant toward the Corporation that his/her consent to the grant of the Award issued in his/her favor and, if any, the issuance or exercise thereof, neither is nor shall be made, in any respect, upon the basis of any representation or warranty made by the Corporation or by any of its directors, officers, stockholders or employees, and is and shall be made based only upon his/her examination and expectations of the Corporation, on an "as is" basis. Each Grantee shall waive any claim whatsoever of "non-conformity" of any kind, and any other cause of action or claim of any kind with respect to the Awards and/or their underlying Shares.

**21. Tax Consequences**

21.1 Any and all tax and/or other mandatory payment consequences arising from the grant, vesting, and/or exercise of any Award, the payment for or the transfer of the Shares underlying such Award to the Grantee, or the sale of such Shares by the Grantee, or from any other event or act in connection therewith (including without limitation, in the event

that the Awards do not qualify under the tax classification/tax track in which they were intended), shall be borne solely by the Grantee.

- 21.2 The Corporation and/or any Affiliated Corporation and/or any other entity designated by the Corporation (including without limitation a trustee) may each withhold (including at source), deduct and/or set-off, from any payment made to the Grantee, the amount of the tax and/or other mandatory payment the withholding of which is required with respect to the grant, vesting and/or exercise of any Award under any applicable Mandatory Law. The Corporation or an Affiliated Corporation may require the Grantee, through payroll withholding, cash payment or otherwise, to make adequate provision for any such tax withholding obligations of the Corporation and/or Affiliated Corporation arising in connection with the grant, vesting, and/or exercise of any Award. Without derogating from the aforesaid, each Grantee shall provide the Corporation and/or any applicable Affiliated Corporation with any executed documents, certificates and/or forms that may be required from time to time by the Corporation or such Affiliated Corporation in order to determine and/or establish the tax liability of such Grantee.
- 21.3 Furthermore, each Grantee shall indemnify the Corporation and/or any applicable Affiliated Corporation, and hold them harmless from and against any and all liability in relation with any such tax and/or other mandatory payments or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax and/or other mandatory payments from any payment made to the Grantee.

**22. Non-Exclusivity of the Plan**

The adoption by the Board of this Plan and any Sub-Plans shall not be construed as amending, modifying or rescinding any previously approved incentive arrangements, or as creating any limitations on the power of the Board to adopt such other incentive arrangements as it may deem desirable, including without limitation the grant of awards with respect to shares of stock in the Corporation otherwise than under the Plan, and such arrangements may be either applicable generally or only in specific cases.

**23. Currency Exchange Rates**

Except as otherwise determined by the Board, all monetary values with respect to Awards granted pursuant to this Plan, including without limitation the Fair Market Value and the Exercise Price or Base Price of any Award, shall be stated in United States Dollars. In the event that the Exercise Price or Base Price is in fact to be paid in any other currency, the conversion rate shall be the last known representative rate of the US Dollar to such other currency on the date of payment.

**24. Market Stand-Off**

In connection with any underwritten public offering by the Corporation of its equity securities pursuant to an effective registration statement filed under the Securities Act, including the Corporation's IPO, each Grantee shall not directly or indirectly sell, make any short sale of, loan, hypothecate, pledge, offer, grant or sell any option or other contract for the purchase of, purchase any option or other contract for the sale of, or

otherwise dispose of or transfer, or agree to engage in any of the foregoing transactions with respect to, any vested Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan without the prior written consent of the Corporation or its underwriters. Such restriction (the “**Market Stand-Off**”) shall be in effect for such period of time following the date of the final prospectus for the offering as may be requested by the Corporation or such underwriters, but in no event greater than 180 days. In the event of the declaration of a stock dividend, a spin-off, a stock split, an adjustment in conversion ratio, a recapitalization or a similar transaction affecting the Corporation’s outstanding securities without receipt of consideration, any new, substituted or additional securities which are by reason of such transaction distributed with respect to any shares subject to the Market Stand-Off, or into which such shares thereby become convertible, shall immediately be subject to the Market Stand-Off. In order to enforce the Market Stand-Off, the Corporation may impose stop-transfer instructions with respect to any vested Shares delivered to a Grantee upon the exercise or vesting of an Award under this Plan until the end of the applicable stand-off period. The Corporation’s underwriters shall be beneficiaries of this Section 24. This Section 24 shall not apply to shares registered in the public offering under the Securities Act, and the Grantee shall be subject to this Section 24 only if the directors and officers of the Company are subject to similar arrangements.

KALTURA, INC.

2017 EQUITY INCENTIVE US SUB-PLAN

I. Purpose; Definitions.

The purpose of the Kaltura, Inc. 2017 Equity Incentive US Sub-Plan (the “Sub-Plan”) is to establish certain rules and limitations applicable to equity awards granted under the Kaltura, Inc. 2017 Equity Incentive Plan (the “Plan”) to Grantees subject to United States federal taxation (“US Grantees”). The Plan and this Sub-Plan are complementary to each other and shall, with respect to equity granted to US Grantees (“Awards”), be read and deemed as one. In the event of any contradiction, whether explicit or implied, between the provisions of this Sub-Plan and the Plan, the provisions of this Sub-Plan shall prevail with respect to Awards granted to US Grantees.

For purposes of the Sub-Plan, the following initially capitalized words and phrases will be defined as set forth below, unless the context clearly requires a different meaning:

- A. “Code” means the Internal Revenue Code of 1986, as amended from time to time, and any successor thereto.
- B. “Committee” means a committee appointed by the Board in accordance with Section 2 of the Sub-Plan and Section 3 of the Plan. If the Board does not appoint or ceases to maintain a Committee, the term Committee shall refer to the Board.
- C. “Corporation” means Kaltura, Inc., a Delaware corporation.
- D. “Director” means a member of the Board.
- E. “Exchange Act” means the Securities Exchange Act of 1934, as amended.
- F. “Incentive Stock Option” means any Option granted to a US Grantee intended to be and designated as an “Incentive Stock Option” within the meaning of Section 422 of the Code.
- G. “Non-Employee Director” will have the meaning set forth in Rule 16b-3(b)(3)(i) promulgated by the Securities and Exchange Commission under the Exchange Act, or any successor definition adopted by the Securities and Exchange Commission; *provided, however*, that the Board or the Committee may, to the extent that it deems necessary to comply with Section 162(m) of the Code or regulations thereunder, require that each “Non-Employee Director” also be an “outside director” as that term is defined in regulations under Section 162(m) of the Code.
- H. “Non-Qualified Stock Option” means any Option granted to a US Grantee that is not an Incentive Stock Option.
- I. “Parent” means, in respect of the Corporation, a “parent corporation” as defined in Sections 424(e) of the Code.



J. “Permitted Transferee” means any Person to which a US Grantee is expressly permitted to assign or otherwise transfer an Award (or Shares resulting from an award) pursuant to the terms of the Plan, the Sub-Plan, and the applicable Award Agreement.

K. “Subsidiary” means, in respect of the Corporation, a subsidiary company as defined in Sections 424(f) and (g) of the Code.

L. “Termination” means, with respect to any US Grantee, the termination of such US Grantee’s Service with the Corporation or any of its Subsidiaries. The Committee may, in its sole discretion, determine that a change in the capacity in which a US Grantee is employed by, or otherwise provides services to, the Corporation and/or its Subsidiaries (e.g., a change in status from an employee to a consultant, or from a consultant to an employee), or a change in the entity employing or otherwise engaging the US Grantee will not be deemed a Termination so long as the US Grantee continues in the Service of the Corporation or a Subsidiary thereof. If a US Grantee’s Service is with a Subsidiary of the Corporation and that entity ceases to be a Subsidiary of the Corporation, the US Grantee will be deemed to have incurred a Termination when such entity ceases to be a Subsidiary of the Corporation unless the US Grantee transfers Service to the Corporation or any remaining Subsidiary thereof. The Committee shall have the sole authority to determine whether a US Grantee has incurred a Termination, and all determinations made by the Committee regarding the same shall be final and conclusive on the US Grantee and all other Persons.

Any other initially capitalized words and phrases not defined herein will have the meaning given to them in the Plan.

## II. Administration.

Subject to the requirements of the Corporation’s by-laws and certificate of incorporation, and any other agreement that governs the appointment of Board committees, any Committee established by the Board under this Section 2 to perform some or all of the Board’s administrative functions hereunder will be composed of not fewer than two members, each of whom will serve for such period of time as the Board determines; *provided, however*, that if the Corporation has a class of securities required to be registered under Section 12 of the Exchange Act, all members of any Committee established pursuant to this Section 2 will be Non-Employee Directors. From time to time the Board may increase the size of the Committee and appoint additional members thereto, remove members (with or without cause) and appoint new members in substitution therefor, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Sub-Plan.

## III. Shares Subject to the Plan.

The authorized but unissued Shares available for grant under Section 5 of the Plan shall be available to grant Awards to US Grantees under the Sub-Plan and 4,000,000 Shares may be issued as Incentive Stock Options.

## IV. Eligibility.

Employees, directors, consultants, and other individuals who provide services to the Corporation, Subsidiaries, or its Affiliated Corporations are eligible to be granted Awards under the Sub-Plan; *provided, however*, that only employees of the Corporation, its Parent, a Subsidiary, or any other Affiliated Corporation that are US Grantees are eligible to be granted Incentive Stock Options.

#### V. Options.

A. Options granted under the Sub-Plan may be of two types: (i) Incentive Stock Options; or (ii) Non-Qualified Stock Options. Any Option granted under the Sub-Plan will be in such form as the Board may at the time of such grant approve. Without limiting the generality of Section 3, any or all of the Shares reserved for issuance under Section 3 may be issued in respect of Incentive Stock Options.

B. The Award Agreement evidencing any Option will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Board deems appropriate in its sole and absolute discretion:

1. Option Price. The Exercise Price per Share purchasable under any Option will be determined by the Board and will not be less than 100% of the Fair Market Value per Share on the date of the grant. However, any Incentive Stock Option granted to any US Grantee who, at the time the Option is granted, owns more than 10% of the voting power of all classes of shares of the Corporation, its Parent or a Subsidiary will have an exercise price per Share of not less than 110% of Fair Market Value per Share on the date of the grant.

2. Option Term. Notwithstanding anything in the Plan to the contrary, no Incentive Stock Option will be exercisable more than 10 years after the date such Option is granted. However, any Incentive Stock Option granted to any US Grantee who, at the time such Option is granted, owns more than 10% of the voting power of all classes of shares of the Corporation, its Parent or a Subsidiary may not have a term of more than five years

3. Exercisability. Subject to the provisions of the Plan, Options will vest and be exercisable at such time or times and subject to such terms and conditions as determined by the Board.

C. Incentive Stock Option Limitations. In the case of an Incentive Stock Option, the aggregate Fair Market Value (determined as of the time of grant) of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the US Grantee during any calendar year under any plan of the Corporation, its Parent or any Subsidiary will not exceed \$100,000. For purposes of applying the foregoing limitation, Incentive Stock Options will be taken into account in the order granted. To the extent any Option does not meet such limitation, that Option will be treated for all purposes as a Non-Qualified Stock Option.

#### VI. SARs

A. **Terms and Conditions.** Each SAR shall entitle the US Grantee to receive, upon exercise of the SAR, a payment equal to the excess, if any, of the Fair Market Value of one share of Common Stock on the date of exercise over the Base Price of the SAR. Such payment may be made in cash, in shares of Common Stock, in Restricted Stock or in any combination of the foregoing, as the Board shall determine in its sole discretion; provided, however, that payment upon exercise of an SAR shall be made in shares of Common Stock unless otherwise specified in the relevant Award Agreement. The Award Agreement evidencing any SAR will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Board deems appropriate in its sole and absolute discretion:

1. **Base Price.** The Base Price of an SAR shall be determined by the Board at the time of grant; provided, however, that the Base Price shall not be less than one hundred percent (100%) of the Fair Market Value of one share of Common Stock on the Date of Grant.

2. **Term.** Except as otherwise provided in an Award Agreement, the term of each SAR shall be 10 years after the date immediately preceding the Date of Grant.

3. **Vesting.** SARs shall vest in accordance with the terms set forth in the applicable Award Agreement. Vesting may be conditioned upon the US Grantee's continued Service with the Corporation, its Subsidiaries, or any Affiliated Corporation, the attainment of one or more performance goals or any combination of the foregoing, as determined by the Board in its sole discretion. Unless otherwise provided in an Award Agreement, vesting of a SAR requires continued Service by the US Grantee through each applicable vesting date. Service for only a portion of the vesting period, even if a substantial portion, will not entitle the US Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon a Termination.

## VII. **Restricted Stock.**

A. **General.** The Award Agreement evidencing any Restricted Stock will incorporate the following terms and conditions and will contain such additional terms and conditions, not inconsistent with the terms of the Plan, as the Board deems appropriate in its sole and absolute discretion:

1. An Award of Restricted Stock is a grant of Shares to a US Grantee, subject to such restrictions, terms and conditions as the Board deems appropriate, including, without limitation, (i) restrictions on the sale, assignment, transfer, hypothecation or other disposition of such Restricted Stock, (ii) the requirement that the US Grantee deposit such Restricted Stock with the Corporation while such Restricted Stock are subject to such restrictions, and (iii) the requirement that such Restricted Stock be forfeited upon termination of Service and/or upon the failure to achieve any applicable performance goal.

2. Joinder. As a condition to receiving a grant of Restricted Stock, the US Grantee shall agree in writing to be bound by the terms and provisions of any agreements among the stockholders of the Corporation which are applicable to the holders of shares of Common Stock, including, without limitation, any restriction on transfer of shares of Common Stock of the Corporation and to the extent requested by the Board Grantee undertakes to execute and deliver an additional counterpart signature page to such agreement(s) in a form acceptable to the Board.

3. Terms and Conditions. With respect to each US Grantee receiving an Award of Restricted Stock, there may be issued a stock certificate (or certificates) in respect of such Restricted Stock. Such stock certificate(s), if any, shall be registered in the name of such US Grantee, shall be accompanied by a stock power duly executed by such US Grantee, and shall bear such legends as deemed appropriate by the Board. Such stock certificate evidencing such Restricted Stock shall, in the sole discretion of the Board, be deposited with and held in custody by the Corporation until the restrictions thereon shall have lapsed and all of the terms and conditions applicable to such grant shall have been satisfied.

4. Vesting. During the Restricted Period, Restricted Stock shall vest in accordance with the terms set forth in the applicable Award Agreement. Vesting may be conditioned upon the US Grantee's continued Service, the attainment of one or more performance goals or any combination of the foregoing, as determined by the Board in its sole discretion. Unless otherwise provided in an Award Agreement, vesting of Restricted Stock during the Restricted Period requires continued Service by the US Grantee through each applicable vesting date. Service for only a portion of the vesting period, even if a substantial portion, will not entitle the US Grantee to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon a Termination.

5. Shareholder Rights. A US Grantee shall have, with respect to each Share of Restricted Stock during the Restricted Period, all of the rights of a shareholder of the Corporation (except as such rights are limited or restricted under the Plan, in the relevant Award Agreement or in the Shareholders Agreement). For the avoidance of any doubt, no cash dividends shall be paid on unvested Restricted Stock during the Restricted Period.

#### VIII. **Termination.**

A. General. Upon a US Grantee's Termination for any reason, unless otherwise provided in the Award Agreement, (i) all unvested Awards granted to such US Grantee shall immediately expire and/or be forfeited with no consideration due to the US Grantee, (ii) all vested Awards granted to such US Grantee shall be treated as set forth in the Plan and this Section and (iii) all shares of Common Stock held by such US Grantee or his Permitted Transferees (including, without limitation, vested Restricted Stock) that are not otherwise forfeited shall be subject to repurchase rights, as provided in the Plan or in the Corporation's Certificate of Incorporation and By Laws.

B. Committee Discretion. The Committee, in its sole discretion, may determine that any US Grantee's vested Options or SARs may remain exercisable for an additional time period after US Grantee's Termination (subject to any other applicable terms and provisions of the Plan and the relevant Award Agreement), but not beyond the stated term of any such Option or SAR.

#### IX. **Amendments and Termination.**

The Board (in its sole discretion) may amend, alter or discontinue the Sub-Plan at any time, provided that no amendment, alteration or discontinuation will be made as the Board may deem advisable in its sole discretion, without the approval of such amendment by the Corporation's stockholders in a manner consistent with the requirements of Treas. Reg. § 1.422-3 (or any successor provision) that would: (i) increase the total number of Shares reserved for issuance hereunder (except as otherwise provided in Section 3); or (ii) change the classes of Persons eligible to receive Awards.

#### X. **General Provisions.**

A. The Board may require each US Grantee to represent to and agree with the Corporation in writing that the US Grantee is acquiring securities of the Corporation for investment purposes and without a view to distribution thereof and as to such other matters as the Board deems appropriate.

B. Shares shall not be issued hereunder unless, in the judgment of legal counsel for the Corporation, the issuance complies with the requirements of any stock exchange or quotation system on which the Shares are then listed or quoted, the Securities Act of 1933, the Exchange Act, all rules and regulations promulgated thereunder and all other applicable Laws.

C. All certificates for Shares or other securities delivered under the Sub-Plan will be subject to such share-transfer orders and other restrictions as the Board may deem advisable under the rules, regulations, and other requirements of any stock exchange upon which the Shares are then listed and any applicable laws, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.

D. No later than the date as of which an amount first becomes includible in the gross income of the US Grantee for federal income tax purposes with respect to any Award, the US Grantee will pay to the Corporation, or make arrangements satisfactory to the Board regarding the payment of taxes of any kind required by law to be withheld with respect to such amount. The obligations of the Corporation under the Plan will be conditioned on such payment or arrangements and the Corporation will have the right to deduct any such taxes from any payment of any kind otherwise due to the US Grantee. Unless otherwise determined by the Board, the minimum required withholding obligation with respect to an Award may be settled in Shares, including the Shares that are subject to that Award.

#### XI. **Effective Date of Plan.**

The Plan and this Sub-Plan will become effective on the date that the Plan is adopted by the Board; *provided, however*, that all Options intended to be Incentive Stock Options will

automatically be converted into Non-Qualified Stock Options if the Plan (including this Sub-Plan) is not approved by the Corporation's stockholders within one year (365 days) of its adoption by the Board in a manner consistent with Treas. Reg. § 1.422-3 (or any successor provision).

**XII. Term of Sub-Plan.**

The Sub-Plan will continue in effect until the earlier of: (i) its termination in accordance with Section 9, (ii) all Shares available for issuance under the Plan have been issued and, if applicable, exercised, or (iii) the lapse of ten years from the date that the Sub-Plan is adopted by the Board; *provided, however*, that no Incentive Stock Option will be granted hereunder on or after the 10th anniversary of the effective date of the Sub-Plan; *but provided further*, that Incentive Stock Options granted prior to such 10<sup>th</sup> anniversary may extend beyond that date.

**XIII. Invalid Provisions.**

In the event that any provision of this Sub-Plan is found to be invalid or otherwise unenforceable under any applicable law, such invalidity or unenforceability will not be construed as rendering any other provisions contained herein as invalid or unenforceable, and all such other provisions will be given full force and effect to the same extent as though the invalid or unenforceable provision was not contained herein.

**XIV. Code Section 409A Compliance.**

The Sub-Plan and all Award Agreements are intended to comply with, or be exempt from, Code Section 409A and all regulations, guidance, compliance programs and other interpretative authority thereunder, and shall be interpreted in a manner consistent therewith; provided, however, that neither the Corporation, any of its Affiliated Corporations or any member of the Board or the Committee, shall have any liability to US Grantees or any other Person if any Award is not exempt from or compliant with Code Section 409A. Notwithstanding anything contained herein to the contrary, in the event any Award is subject to Code Section 409A, the Board or the Committee may, in its sole discretion and without a US Grantee's prior consent, amend the Sub-Plan and/or Award Agreement, adopt policies and procedures, or take any other actions as deemed appropriate by the Board or Committee to (i) exempt the Sub-Plan and/or any Award Agreement from the application of Code Section 409A, (ii) preserve the intended tax treatment of any such Award or (iii) comply with the requirements of Code Section 409A.

**KALTURA, INC.**  
**2017 EQUITY**  
**INCENTIVE PLAN**  
**CALIFORNIA**  
**SUPPLEMENT**

This supplement is intended to satisfy the requirements of Section 25102(o) of the California Corporations Code and the regulations issued thereunder ("Section 25102(o)"). Notwithstanding anything to the contrary contained in the Plan and except as otherwise determined by the Plan administrator, the provisions set forth in this supplement shall apply to all Awards granted under the Plan to a Grantee who is a resident of the State of California on the date of grant (a "California Participant") and which are intended to be exempt from registration in California pursuant to Section 25102(o), and otherwise to the extent required to comply with applicable law (but only to such extent). Definitions in the Plan are applicable to this supplement.

1. Limitation on Securities Issuable Under Plan. The amount of securities issued pursuant to the Plan shall not exceed the amounts permitted under Section 260.140.45 of the California code of regulations to the extent applicable.

2. Additional Limitations for Grants. The terms of all Awards shall comply, to the extent applicable, with Sections 260.140.41 and 260.140.42 of the California Code of Regulations.

3. Additional Requirement to Provide Information to California Participants. The Company shall provide to each California Participant, not less frequently than annually, copies of annual financial statements (which need not be audited). The Company shall not be required to provide such statements to key persons whose duties in connection with the Company assure their access to equivalent information. In addition, this information requirement shall not apply to any plan or agreement that complies with all conditions of Rule 701 of the Securities Act ("Rule 701"); provided that for purposes of determining such compliance, any registered domestic partner shall be considered a "family member" as that term is defined in Rule 701.

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**KALTURA, INC.**  
**2021 INCENTIVE AWARD PLAN**

**ARTICLE I.**  
**PURPOSE**

The Plan's purpose is to enhance the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company by providing these individuals with equity ownership opportunities and/or equity-linked compensatory opportunities. Capitalized terms used in the Plan are defined in Article XI.

**ARTICLE II.**  
**ELIGIBILITY**

Service Providers are eligible to be granted Awards under the Plan, subject to the limitations described herein.

**ARTICLE III.**  
**ADMINISTRATION AND DELEGATION**

3.1 Administration. The Plan is administered by the Administrator. The Administrator has authority to determine which Service Providers receive Awards, grant Awards and set Award terms and conditions, subject to the conditions and limitations in the Plan. The Administrator also has the authority to take all actions and make all determinations under the Plan, to interpret the Plan and Award Agreements and to adopt, amend and repeal Plan administrative rules, guidelines and practices as it deems advisable. The Administrator may correct defects and ambiguities, supply omissions and reconcile inconsistencies in the Plan or any Award Agreement as it deems necessary or appropriate to administer the Plan and any Awards. The Administrator's determinations under the Plan are in its sole discretion and will be final and binding on all persons having or claiming any interest in the Plan or any Award.

3.2 Appointment of Committees. To the extent Applicable Laws permit, the Board or the Administrator may delegate any or all of its powers under the Plan to one or more Committees or one or more committees of directors or officers of the Company or any of its Subsidiaries; provided, however, that in no event shall an officer of the Company be delegated the authority to grant Awards to, or amend Awards held by, the following individuals: (a) individuals who are subject to Section 16 of the Exchange Act, or (b) officers of the Company (or Directors) to whom authority to grant or amend Awards has been delegated hereunder. The Board or the Administrator, as applicable, may rescind any such delegation, abolish any such Committee or committee and/or re-vest in itself any previously delegated authority at any time.

**ARTICLE IV.**  
**STOCK AVAILABLE FOR AWARDS**

4.1 Number of Shares. Subject to adjustment under Article VIII and the terms of this Article IV, the maximum number of Shares that may be issued pursuant to Awards under the Plan shall be equal to the Overall Share Limit. As of the Effective Date, the Company will cease granting awards under the Prior Plan; however, Prior Plan Awards will remain subject to the terms of the applicable Prior Plan. Shares issued under the Plan may consist of authorized but unissued Shares, Shares purchased on the open market or treasury Shares.



4.2 Share Recycling. If all or any part of an Award or Prior Plan Award expires, lapses or is terminated, exchanged for or settled in cash, surrendered, repurchased, canceled without having been fully exercised or forfeited, in any case, in a manner that results in the Company acquiring Shares covered by the Award or Prior Plan Award at a price not greater than the price (as adjusted to reflect any Equity Restructuring) paid by the Participant for such Shares or not issuing any Shares covered by the Award or Prior Plan Award, the unused Shares covered by the Award or Prior Plan Award will, as applicable, become or again be available for Award grants under the Plan. In addition, Shares delivered (either by actual delivery or attestation) to the Company by a Participant to satisfy the applicable exercise or purchase price of an Award or Prior Plan Award and/or to satisfy any applicable tax withholding obligation with respect to an Award (including Shares retained by the Company from the Award or Prior Plan Award being exercised or purchased and/or creating the tax obligation) will, as applicable, become or again be available for Award grants under the Plan. The payment of Dividend Equivalents in cash in conjunction with any outstanding Awards shall not count against the Overall Share Limit. Notwithstanding anything to the contrary contained herein, the following Shares shall not be added to the Shares authorized for grant under Section 4.1 and shall not be available for future grants of Awards: (i) Shares subject to a Stock Appreciation Right that are not issued in connection with the stock settlement of the Stock Appreciation Right on exercise thereof; and (ii) Shares purchased on the open market by the Company with the cash proceeds from the exercise of Options.

4.3 Incentive Stock Option Limitations. Notwithstanding anything to the contrary herein, no more than 85,000,000 Shares may be issued pursuant to the exercise of Incentive Stock Options.

4.4 Substitute Awards. In connection with an entity's merger or consolidation with the Company or the Company's acquisition of an entity's property or stock, the Administrator may grant Awards in substitution for any options or other stock or stock-based awards granted before such merger or consolidation by such entity or its affiliate. Substitute Awards may be granted on such terms as the Administrator deems appropriate, notwithstanding limitations on Awards in the Plan. Substitute Awards will not count against the Overall Share Limit (nor shall Shares subject to a Substitute Award be added to the Shares available for Awards under the Plan as provided above), except that Shares acquired by exercise of substitute Incentive Stock Options will count against the maximum number of Shares that may be issued pursuant to the exercise of Incentive Stock Options under the Plan. Additionally, in the event that a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the Shares authorized for grant under the Plan (and Shares subject to such Awards shall not be added to the Shares available for Awards under the Plan as provided above); provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees, Consultants or Directors prior to such acquisition or combination.

4.5 Non-Employee Director Compensation. Notwithstanding any provision to the contrary in the Plan, the Administrator may establish compensation for non-employee Directors from time to time, subject to the limitations in the Plan and/or pursuant to a written nondiscretionary formula established by the Administrator (the "Non-Employee Director Equity Compensation Policy"). The sum of any cash compensation, or other compensation, and the value (determined as of the grant date in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or any successor

thereto) of Awards granted to a non-employee Director as compensation for services as a non-employee Director during any fiscal year of the Company may not exceed \$750,000 (the “**Director Limit**”). The Administrator may make exceptions to the Director Limit in extraordinary circumstances, as the Administrator may determine in its discretion, provided that the non-employee Director receiving such additional compensation may not participate in the decision to award such compensation or in other contemporaneous compensation decisions involving non-employee Directors.

**ARTICLE V.**  
**STOCK OPTIONS AND STOCK APPRECIATION RIGHTS**

5.1 General. The Administrator may grant Options or Stock Appreciation Rights to Service Providers subject to the limitations in the Plan, including any limitations in the Plan that apply to Incentive Stock Options. A Stock Appreciation Right will entitle the Participant (or other person entitled to exercise the Stock Appreciation Right) to receive from the Company upon exercise of the exercisable portion of the Stock Appreciation Right an amount determined by multiplying the excess, if any, of the Fair Market Value of one Share on the date of exercise over the exercise price per Share of the Stock Appreciation Right by the number of Shares with respect to which the Stock Appreciation Right is exercised, subject to any limitations of the Plan or that the Administrator may impose and payable in cash, Shares valued at Fair Market Value or a combination of the two as the Administrator may determine or provide in the Award Agreement.

5.2 Exercise Price. The Administrator will establish each Option’s and Stock Appreciation Right’s exercise price and specify the exercise price in the Award Agreement. The exercise price will not be less than 100% of the Fair Market Value on the grant date of the Option (subject to Section 5.6) or Stock Appreciation Right. Notwithstanding the foregoing, in the case of an Option or a Stock Appreciation Right that is a Substitute Award, the exercise price per share of the Shares subject to such Option or Stock Appreciation Right, as applicable, may be less than the Fair Market Value per share on the date of grant; provided that the exercise price of any Substitute Award shall be determined in accordance with the applicable requirements of Sections 424 and 409A of the Code.

5.3 Duration. Each Option or Stock Appreciation Right will be exercisable at such times and as specified in the Award Agreement, provided that, subject to Section 5.6, the term of an Option or Stock Appreciation Right will not exceed ten years. Notwithstanding the foregoing and unless determined otherwise by the Company, in the event that on the last business day of the term of an Option or Stock Appreciation Right (other than an Incentive Stock Option) (i) the exercise of the Option or Stock Appreciation Right is prohibited by Applicable Law, as determined by the Company, or (ii) Shares may not be purchased or sold by the applicable Participant due to any Company insider trading policy (including blackout periods) or a “lock-up” agreement undertaken in connection with an issuance of securities by the Company, the term of the Option or Stock Appreciation Right shall be extended until the date that is 30 days after the end of the legal prohibition, black-out period or lock-up agreement, as determined by the Company; provided, however, in no event shall the extension last beyond the ten year term of the applicable Option or Stock Appreciation Right. Unless otherwise determined by the Administrator in the Award Agreement or by action of the Administrator following the grant of the Option or Stock Appreciation Right, (i) no portion of an Option or Stock Appreciation Right which is unexercisable at a Participant’s Termination of Service shall thereafter become exercisable and (ii) the portion of an Option or Stock Appreciation Right that is unexercisable at a Participant’s Termination of Service shall automatically expire thirty (30) days following such Termination of Service. Notwithstanding the foregoing, to the extent permitted under Applicable Laws, if the Participant, prior to the end of the term of an Option or Stock Appreciation Right, violates the non-competition, non-solicitation, confidentiality or other similar restrictive covenant provisions of any employment contract,

confidentiality and nondisclosure agreement or other agreement between the Participant and the Company or any of its Subsidiaries, the right of the Participant and the Participant's transferees to exercise any Option or Stock Appreciation Right issued to the Participant shall terminate immediately upon such violation, unless the Company otherwise determines.

5.4 Exercise. Options and Stock Appreciation Rights may be exercised by delivering to the Company a written notice of exercise, in a form the Administrator approves (which may be electronic), signed by the person authorized to exercise the Option or Stock Appreciation Right, together with, as applicable, payment in full (i) as specified in Section 5.5 for the number of Shares for which the Award is exercised and (ii) as specified in Section 9.5 for any applicable taxes. Unless the Administrator otherwise determines, an Option or Stock Appreciation Right may not be exercised for a fraction of a Share.

5.5 Payment Upon Exercise. Subject to Section 10.8, any Company insider trading policy (including blackout periods) and Applicable Laws, the exercise price of an Option must be paid by:

(a) cash, wire transfer of immediately available funds or by check payable to the order of the Company, provided that the Company may limit the use of one of the foregoing payment forms if one or more of the payment forms below is permitted;

(b) if there is a public market for Shares at the time of exercise, unless the Company otherwise determines, (A) delivery (including electronically or telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to pay the exercise price, or (B) the Participant's delivery to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to pay the exercise price; provided that such amount is paid to the Company at such time as may be required by the Administrator;

(c) to the extent permitted by the Administrator, delivery (either by actual delivery or attestation) of Shares owned by the Participant valued at their Fair Market Value;

(d) to the extent permitted by the Administrator, surrendering Shares then issuable upon the Option's exercise valued at their Fair Market Value on the exercise date;

(e) to the extent permitted by the Administrator, delivery of a promissory note or any other property that the Administrator determines is good and valuable consideration; or

(f) to the extent permitted by the Company, any combination of the above payment forms approved by the Administrator.

5.6 Additional Terms of Incentive Stock Options. The Administrator may grant Incentive Stock Options only to employees of the Company, any of its present or future parent or subsidiary corporations, as defined in Sections 424(e) or (f) of the Code, respectively, and any other entities the employees of which are eligible to receive Incentive Stock Options under the Code. If an Incentive Stock Option is granted to a Greater Than 10% Stockholder, the exercise price will not be less than 110% of the Fair Market Value on the Option's grant date, and the term of the Option will not exceed five years. All Incentive Stock Options will be subject to and construed consistently with Section 422 of the Code. By accepting an Incentive Stock Option, the Participant agrees to give prompt notice to the Company of dispositions or other transfers (other than in connection with a Change in Control) of Shares acquired under the Option made within (i) two years from the grant date of the Option or (ii) one year after the transfer of such Shares to the Participant, specifying the date of the disposition or other transfer and the amount the Participant realized, in cash, other property, assumption of indebtedness or other consideration, in such disposition or other transfer. Neither the Company nor the Administrator will be

liable to a Participant, or any other party, if an Incentive Stock Option fails or ceases to qualify as an “incentive stock option” under Section 422 of the Code. Any Incentive Stock Option or portion thereof that fails to qualify as an “incentive stock option” under Section 422 of the Code for any reason, including becoming exercisable with respect to Shares having a fair market value exceeding the \$100,000 limitation under Treasury Regulation Section 1.422-4, will be a Non-Qualified Stock Option.

**ARTICLE VI.  
RESTRICTED STOCK; RESTRICTED STOCK UNITS**

6.1 General. The Administrator may grant Restricted Stock, or the right to purchase Restricted Stock, to any Service Provider, subject to the Company’s right to repurchase all or part of such Shares at their issue price or other stated or formula price from the Participant (or to require forfeiture of such Shares) if conditions the Administrator specifies in the Award Agreement are not satisfied before the end of the applicable restriction period or periods that the Administrator establishes for such Award. In addition, the Administrator may grant to Service Providers Restricted Stock Units, which may be subject to vesting and forfeiture conditions during the applicable restriction period or periods, as set forth in an Award Agreement.

6.2 Restricted Stock.

(a) Rights as Stockholders. Subject to the Company’s right of repurchase as described above, upon issuance of Restricted Stock, the Participant shall have, unless otherwise provided by the Administrator, all of the rights of a stockholder with respect to said Shares, subject to the restrictions in the Plan.

(b) Dividends. Participants holding Shares of Restricted Stock will be entitled to all ordinary cash dividends paid with respect to such Shares, unless the Administrator provides otherwise in the Award Agreement. In addition, unless the Administrator provides otherwise, if any dividends or distributions are paid in Shares, or consist of a dividend or distribution to holders of Common Stock of property other than an ordinary cash dividend, the Shares or other property will be subject to the same restrictions on transferability and forfeitability as the Shares of Restricted Stock with respect to which they were paid. Notwithstanding anything to the contrary herein, with respect to any award of Restricted Stock, dividends which are paid to holders of Common Stock prior to vesting shall only be paid out to the Participant holding such Restricted Stock to the extent that the vesting conditions are subsequently satisfied. All such dividend payments will be made no later than March 15 of the calendar year following the calendar year in which the right to the dividend payment becomes nonforfeitable.

(c) Stock Certificates. The Company may require that the Participant deposit in escrow with the Company (or its designee) any stock certificates issued in respect of Shares of Restricted Stock, together with a stock power endorsed in blank.

6.3 Restricted Stock Units.

(a) Settlement. The Administrator may provide that settlement of Restricted Stock Units will occur upon or as soon as reasonably practicable after the Restricted Stock Units vest or will instead be deferred, on a mandatory basis or at the Participant’s election, in a manner intended to comply with Section 409A.

(b) Stockholder Rights. A Participant will have no rights of a stockholder with respect to Shares subject to any Restricted Stock Unit unless and until the Shares are delivered in settlement of the Restricted Stock Unit.

**ARTICLE VII.  
OTHER STOCK OR CASH BASED AWARDS; DIVIDEND EQUIVALENTS**

7.1 Other Stock or Cash Based Awards. Other Stock or Cash Based Awards may be granted to Participants, including Awards entitling Participants to receive Shares to be delivered in the future and including annual or other periodic or long-term cash bonus awards (whether based on specified Performance Criteria or otherwise), in each case subject to any conditions and limitations in the Plan. Such Other Stock or Cash Based Awards will also be available as a payment form in the settlement of other Awards, as standalone payments and as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock or Cash Based Awards may be paid in Shares, cash or other property, as the Administrator determines.

7.2 Dividend Equivalents. A grant of Restricted Stock Units or Other Stock or Cash Based Award may provide a Participant with the right to receive Dividend Equivalents, and no Dividend Equivalents shall be payable with respect to Options or Stock Appreciation Rights. Dividend Equivalents may be paid currently or credited to an account for the Participant, settled in cash or Shares and subject to the same restrictions on transferability and forfeitability as the Award with to which the Dividend Equivalents are paid and subject to other terms and conditions as set forth in the Award Agreement. Notwithstanding anything to the contrary herein, Dividend Equivalents with respect to an Award shall only be paid out to the Participant to the extent that the vesting conditions applicable to the underlying Award are satisfied. All such Dividend Equivalent payments will be made no later than March 15 of the calendar year following calendar year in which the right to the Dividend Equivalent payment becomes nonforfeitable in accordance with the foregoing, unless otherwise determined by the Administrator.

**ARTICLE VIII.  
ADJUSTMENTS FOR CHANGES IN COMMON STOCK  
AND CERTAIN OTHER EVENTS**

8.1 Equity Restructuring. In connection with any Equity Restructuring, notwithstanding anything to the contrary in this Article VIII, the Administrator will equitably adjust each outstanding Award as it deems appropriate to reflect the Equity Restructuring, which may include adjusting the number and type of securities subject to each outstanding Award and/or the Award's exercise price or grant price (if applicable), granting new Awards to Participants, and making a cash payment to Participants. The adjustments provided under this Section 8.1 will be nondiscretionary and final and binding on the affected Participant and the Company; provided that the Administrator will determine whether an adjustment is equitable.

8.2 Corporate Transactions. In the event of any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), reorganization, merger, consolidation, combination, amalgamation, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of all or substantially all of the assets of the Company, or sale or exchange of Common Stock or other securities of the Company, Change in Control, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, other similar corporate transaction or event, other unusual or nonrecurring transaction or event affecting the Company or its financial statements or any change in any Applicable Laws or accounting principles, the Administrator, on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to the occurrence of such transaction or event (except that action to give effect to a change in Applicable Law or accounting principles may be made within a reasonable period of time after such change) and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to (x) prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made

available under the Plan or with respect to any Award granted or issued under the Plan, (y) to facilitate such transaction or event or (z) give effect to such changes in Applicable Laws or accounting principles:

(a) To provide for the cancellation of any such Award in exchange for either an amount of cash or other property with a value equal to the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights under the vested portion of such Award, as applicable; provided that, if the amount that could have been obtained upon the exercise or settlement of the vested portion of such Award or realization of the Participant's rights, in any case, is equal to or less than zero, then the Award may be terminated without payment;

(b) To provide that such Award shall vest and, to the extent applicable, be exercisable as to all Shares covered thereby, notwithstanding anything to the contrary in the Plan or the provisions of such Award;

(c) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and/or applicable exercise or purchase price, in all cases, as determined by the Administrator;

(d) To make adjustments in the number and type of Shares (or other securities or property) subject to outstanding Awards and/or with respect to which Awards may be granted under the Plan (including, but not limited to, adjustments of the limitations in Article IV on the maximum number and kind of shares which may be issued, including pursuant to any Non-Employee Director Compensation Policy) and/or in the terms and conditions of (including the grant or exercise price or applicable performance goals), and the criteria included in, outstanding Awards;

(e) To replace such Award with other rights or property selected by the Administrator; and/or

(f) To provide that the Award will terminate and cannot vest, be exercised or become payable after the applicable event.

### 8.3 Effect of Non-Assumption in a Change in Control.

(a) Notwithstanding the provisions of Section 8.2, if a Change in Control occurs and a Participant's Award is not continued, converted, assumed or replaced with a substantially similar award by (a) the Company, or (b) a successor entity or its parent or subsidiary (an "**Assumption**"), and provided that the Participant has not had a Termination of Service, then, immediately prior to the Change in Control, such Award shall become fully vested, exercisable and/or payable, as applicable, and all forfeiture, repurchase and other restrictions on such Award shall lapse, in which case, such Award shall be canceled upon the consummation of the Change in Control in exchange for the right to receive the Change in Control consideration payable to other holders of Common Stock (i) which may be on such terms and conditions as apply generally to holders of Common Stock under the Change in Control documents (including, without limitation, any escrow, earn-out or other deferred consideration provisions) or such other terms and conditions as the Administrator may provide, and (ii) determined by reference to the number of Shares subject to such Award and net of any applicable exercise price; provided that to the extent that any Award constitutes "nonqualified deferred compensation" that may not be paid upon the Change in Control under Section 409A without the imposition of taxes thereon under Section 409A (including payments as a result of any termination of "nonqualified deferred compensation"

Awards permitted under Section 409A in connection with a Change in Control), the timing of such payments shall be governed by the applicable Award Agreement (subject to any deferred consideration provisions applicable under the Change in Control documents); and provided, further, that if the amount to which the Participant would be entitled upon the settlement or exercise of such Award at the time of the Change in Control is equal to or less than zero, then such Award may be terminated without payment. The Administrator shall determine whether an Assumption of an Award has occurred in connection with a Change in Control.

8.4 Administrative Stand Still. In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other extraordinary transaction or change affecting the Shares or the share price of Common Stock, including any Equity Restructuring or any securities offering or other similar transaction, for administrative convenience, the Administrator may refuse to permit the exercise of any Award for up to 60 days before or after such transaction.

8.5 General. Except as expressly provided in the Plan or the Administrator's action under the Plan, no Participant will have any rights due to any subdivision or consolidation of Shares of any class, dividend payment, increase or decrease in the number of Shares of any class or dissolution, liquidation, merger, or consolidation of the Company or other corporation. Except as expressly provided with respect to an Equity Restructuring under Section 8.1 or the Administrator's action under the Plan, no issuance by the Company of Shares of any class, or securities convertible into Shares of any class, will affect, and no adjustment will be made regarding, the number of Shares subject to an Award or the Award's grant or exercise price. The existence of the Plan, any Award Agreements and the Awards granted hereunder will not affect or restrict in any way the Company's right or power to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any merger, consolidation dissolution or liquidation of the Company or sale of Company assets or (iii) any sale or issuance of securities, including securities with rights superior to those of the Shares or securities convertible into or exchangeable for Shares. The Administrator may treat Participants and Awards (or portions thereof) differently under this Article VIII.

#### **ARTICLE IX. GENERAL PROVISIONS APPLICABLE TO AWARDS**

9.1 Transferability. Except as the Administrator may determine or provide in an Award Agreement or otherwise for Awards other than Incentive Stock Options, Awards may not be sold, assigned, transferred, pledged or otherwise encumbered, either voluntarily or by operation of law, except for certain beneficiary designations, by will or the laws of descent and distribution, or, subject to the Administrator's consent, pursuant to a domestic relations order, and, during the life of the Participant, will be exercisable only by the Participant. Any permitted transfer of an Award hereunder shall be without consideration, except as required by Applicable Law, and such Award transferred to a permitted transferee shall continue to be subject to all the terms and conditions of the Award as applicable to the original Participant and the Participant or transferor and the receiving permitted transferee shall execute any and all documents requested by the Administrator. References to a Participant, to the extent relevant in the context, will include references to a Participant's authorized transferee that the Administrator specifically approves.

9.2 Documentation. Each Award will be evidenced in an Award Agreement, which may be written or electronic, as the Administrator determines. The Award Agreement will contain the terms and conditions applicable to an Award. Each Award may contain terms and conditions in addition to those set forth in the Plan.

9.3 **Discretion.** Except as the Plan otherwise provides, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award to a Participant need not be identical, and the Administrator need not treat Participants or Awards (or portions thereof) uniformly.

9.4 **Termination of Status.** The Administrator will determine how the disability, death, retirement, an authorized leave of absence or any other change or purported change in a Participant's Service Provider status affects an Award and the extent to which, and the period during which the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award, if applicable.

9.5 **Withholding.** Each Participant must pay the Company, or make provision satisfactory to the Administrator for payment of, any taxes required by Applicable Law to be withheld in connection with such Participant's Awards by the date of the event creating the tax liability. The Company may deduct an amount sufficient to satisfy such tax obligations based on the applicable statutory withholding rates (or such other rate as may be determined by the Company after considering any accounting consequences or costs) from any payment of any kind otherwise due to a Participant. In the absence of a contrary determination by the Company (or, with respect to withholding pursuant to clause (ii) below with respect to Awards held by individuals subject to Section 16 of the Exchange Act, a contrary determination by the Administrator), all tax withholding obligations will be calculated based on the maximum applicable statutory withholding rates. Subject to Section 10.8 and any Company insider trading policy (including blackout periods), Participants may satisfy such tax obligations (i) in cash, by wire transfer of immediately available funds, by check made payable to the order of the Company, provided that the Company may limit the use of the foregoing payment forms if one or more of the payment forms below is permitted, (ii) to the extent permitted by the Administrator, in whole or in part by delivery of Shares, including Shares delivered by attestation and Shares retained from the Award creating the tax obligation, valued at their Fair Market Value on the date of delivery, (iii) if there is a public market for Shares at the time the tax obligations are satisfied, unless the Company otherwise determines, (A) delivery (including electronically or telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to satisfy the tax obligations, or (B) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to satisfy the tax withholding; provided that such amount is paid to the Company at such time as may be required by the Administrator, or (iv) to the extent permitted by the Company, any combination of the foregoing payment forms approved by the Administrator. Notwithstanding any other provision of the Plan, the number of Shares which may be so delivered or retained pursuant to clause (ii) of the immediately preceding sentence shall be limited to the number of Shares which have a Fair Market Value on the date of delivery or retention no greater than the aggregate amount of such liabilities based on the maximum individual statutory tax rate in the applicable jurisdiction at the time of such withholding (or such other rate as may be required to avoid the liability classification of the applicable award under generally accepted accounting principles in the United States of America); provided, however, to the extent such Shares were acquired by Participant from the Company as compensation, the Shares must have been held for the minimum period required by applicable accounting rules to avoid a charge to the Company's earnings for financial reporting purposes; provided, further, that, any such Shares delivered or retained shall be rounded up to the nearest whole Share to the extent rounding up to the nearest whole Share does not result in the liability classification of the applicable Award under generally accepted accounting principles in the United States of America. If any tax withholding obligation will be satisfied under clause (ii) above by the Company's retention of Shares from the Award creating the tax obligation and there is a public market for Shares at the time the tax obligation is satisfied, the Company may elect to instruct any brokerage firm determined acceptable to



the Company for such purpose to sell on the applicable Participant's behalf some or all of the Shares retained and to remit the proceeds of the sale to the Company or its designee, and each Participant's acceptance of an Award under the Plan will constitute the Participant's authorization to the Company and instruction and authorization to such brokerage firm to complete the transactions described in this sentence.

9.6 Amendment of Award; Repricing. The Administrator may amend, modify or terminate any outstanding Award, including by substituting another Award of the same or a different type, changing the exercise or settlement date, and converting an Incentive Stock Option to a Non-Qualified Stock Option. The Participant's consent to such action will be required unless (i) the action, taking into account any related action, does not materially and adversely affect the Participant's rights under the Award, or (ii) the change is permitted under Article VIII or pursuant to Section 10.6. Notwithstanding the foregoing or anything in the Plan to the contrary, the Administrator may, without the approval of the stockholders of the Company, (i) reduce the exercise price per share of outstanding Options or Stock Appreciation Rights or (ii) cancel outstanding Options or Stock Appreciation Rights in exchange for cash, other Awards or Options or Stock Appreciation Rights with an exercise price per share that is less than the exercise price per share of the original Options or Stock Appreciation Rights.

9.7 Conditions on Delivery of Stock. The Company will not be obligated to deliver any Shares under the Plan or remove restrictions from Shares previously delivered under the Plan until (i) all Award conditions have been met or removed to the Company's satisfaction, (ii) as determined by the Company, all other legal matters regarding the issuance and delivery of such Shares have been satisfied, including any applicable securities laws and stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Administrator deems necessary or appropriate to satisfy any Applicable Laws. The Company's inability to obtain authority from any regulatory body having jurisdiction, which the Administrator determines is necessary to the lawful issuance and sale of any securities, will relieve the Company of any liability for failing to issue or sell such Shares as to which such requisite authority has not been obtained.

9.8 Acceleration. The Administrator may at any time provide that any Award will become immediately vested and fully or partially exercisable, free of some or all restrictions or conditions, or otherwise fully or partially realizable.

9.9 Cash Settlement. Without limiting the generality of any other provision of the Plan, the Administrator may provide, in an Award Agreement or subsequent to the grant of an Award, in its discretion, that any Award may be settled in cash, Shares or a combination thereof.

9.10 Broker-Assisted Sales. In the event of a broker-assisted sale of Shares in connection with the payment of amounts owed by a Participant under or with respect to the Plan or Awards, including amounts to be paid under the final sentence of Section 9.5: (i) any Shares to be sold through the broker-assisted sale will be sold on the day the payment first becomes due, or as soon thereafter as practicable; (ii) such Shares may be sold as part of a block trade with other Participants in the Plan in which all participants receive an average price; (iii) the applicable Participant will be responsible for all broker's fees and other costs of sale, and by accepting an Award, each Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (iv) to the extent the Company or its designee receives proceeds of such sale that exceed the amount owed, the Company will pay such excess in cash to the applicable Participant as soon as reasonably practicable; (v) the Company and its designees are under no obligation to arrange for such sale at any particular price; and (vi) in the event the proceeds of such sale are insufficient to satisfy the Participant's applicable obligation,

the Participant may be required to pay immediately upon demand to the Company or its designee an amount in cash sufficient to satisfy any remaining portion of the Participant's obligation.

**ARTICLE X.  
MISCELLANEOUS**

10.1 No Right to Employment or Other Status. No person will have any claim or right to be granted an Award, and the grant of an Award will not be construed as giving a Participant the right to continued employment or any other relationship with the Company or any of its Subsidiaries. The Company and its Subsidiaries expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan or any Award, except as expressly provided in an Award Agreement or in the Plan.

10.2 No Rights as Stockholder; Certificates. Subject to the Award Agreement, no Participant or Designated Beneficiary will have any rights as a stockholder with respect to any Shares to be distributed under an Award until becoming the record holder of such Shares. Notwithstanding any other provision of the Plan, unless the Administrator otherwise determines or Applicable Laws require, the Company will not be required to deliver to any Participant certificates evidencing Shares issued in connection with any Award and instead such Shares may be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator). The Company may place legends on stock certificates issued under the Plan that the Administrator deems necessary or appropriate to comply with Applicable Laws.

10.3 Effective Date and Term of Plan. Unless earlier terminated by the Board, the Plan will become effective on the day prior to the Public Trading Date (the "**Effective Date**") and will remain in effect until the tenth anniversary of the earlier of (i) the date the Board adopted the Plan or (ii) the date the Company's stockholders approved the Plan, but Awards previously granted may extend beyond that date in accordance with the Plan. Notwithstanding anything to the contrary in the Plan, an Incentive Stock Option may not be granted under the Plan after 10 years from the earlier of (i) the date the Board adopted the Plan or (ii) the date the Company's stockholders approved the Plan, but Awards previously granted may extend beyond that date in accordance with the Plan. If the Plan is not approved by the Company's stockholders, the Plan will not become effective, no Awards will be granted under the Plan and the Prior Plan will continue in full force and effect in accordance with its terms.

10.4 Amendment of Plan. The Board may amend, suspend or terminate the Plan at any time; provided that no amendment, other than an increase to the Overall Share Limit, may materially and adversely affect any Award outstanding at the time of such amendment without the affected Participant's consent. No Awards may be granted under the Plan during any suspension period or after the Plan's termination. Awards outstanding at the time of any Plan suspension or termination will continue to be governed by the Plan and the Award Agreement, as in effect before such suspension or termination. The Board will obtain stockholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

10.5 Provisions for Foreign Participants. The Administrator may modify Awards granted to Participants who are foreign nationals or employed outside the United States or establish subplans or procedures under the Plan to address differences in laws, rules, regulations or customs of such foreign jurisdictions with respect to tax, securities, currency, employee benefit or other matters; provided, however, that no such subplans and/or modifications shall increase the Overall Share Limit or the Director Limit.

#### 10.6 Section 409A.

(a) General. The Company intends that all Awards be structured to comply with, or be exempt from, Section 409A, such that no adverse tax consequences, interest, or penalties under Section 409A apply. Notwithstanding anything in the Plan or any Award Agreement to the contrary, the Administrator may, without a Participant's consent, amend this Plan or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and retroactive actions) as are necessary or appropriate to preserve the intended tax treatment of Awards, including any such actions intended to (A) exempt this Plan or any Award from Section 409A, or (B) comply with Section 409A, including regulations, guidance, compliance programs and other interpretative authority that may be issued after an Award's grant date. The Company makes no representations or warranties as to an Award's tax treatment under Section 409A or otherwise. The Company will have no obligation under this Section 10.6 or otherwise to avoid the taxes, penalties or interest under Section 409A with respect to any Award and will have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute noncompliant "nonqualified deferred compensation" subject to taxes, penalties or interest under Section 409A.

(b) Separation from Service. If an Award constitutes "nonqualified deferred compensation" under Section 409A, any payment or settlement of such Award upon a termination of a Participant's Service Provider relationship will, to the extent necessary to avoid taxes under Section 409A, be made only upon the Participant's "separation from service" (within the meaning of Section 409A), whether such "separation from service" occurs upon or after the termination of the Participant's Service Provider relationship. For purposes of this Plan or any Award Agreement relating to any such payments or benefits, references to a "termination," "termination of employment" or like terms means a "separation from service."

(c) Payments to Specified Employees. Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of "nonqualified deferred compensation" required to be made under an Award to a "specified employee" (as defined under Section 409A and as the Administrator determines) due to his or her "separation from service" will, to the extent necessary to avoid taxes under Section 409A(a)(2)(B)(i) of the Code, be delayed for the six-month period immediately following such "separation from service" (or, if earlier, until the specified employee's death) and will instead be paid (as set forth in the Award Agreement) on the day immediately following such six-month period or as soon as administratively practicable thereafter (without interest). Any payments of "nonqualified deferred compensation" under such Award payable more than six months following the Participant's "separation from service" will be paid at the time or times the payments are otherwise scheduled to be made.

10.7 Limitations on Liability. Notwithstanding any other provisions of the Plan, no individual acting as a director, officer, other employee or agent of the Company or any Subsidiary will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan or any Award, and such individual will not be personally liable with respect to the Plan because of any contract or other instrument executed in his or her capacity as an Administrator, director, officer, other employee or agent of the Company or any Subsidiary. The Company will indemnify and hold harmless each director, officer, other employee and agent of the Company or any Subsidiary that has been or will be granted or delegated any duty or power relating to the Plan's administration or interpretation, against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with the Administrator's approval) arising from any act or omission concerning this Plan unless arising from such person's own fraud or bad faith.

10.8 Lock-Up Period. The Company may, at the request of any underwriter representative or otherwise, in connection with registering the offering of any Company securities under the Securities Act, prohibit Participants from, directly or indirectly, selling or otherwise transferring any Shares or other Company securities during a period of up to 180 days following the effective date of a Company registration statement filed under the Securities Act, or such longer period as determined by the underwriter.

10.9 Data Privacy. As a condition for receiving any Award, each Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of personal data as described in this section by and among the Company and its Subsidiaries and affiliates exclusively for implementing, administering and managing the Participant's participation in the Plan. The Company and its Subsidiaries and affiliates may hold certain personal information about a Participant, including the Participant's name, address and telephone number; birthdate; social security, insurance number or other identification number; salary; nationality; job title(s); any Shares held in the Company or its Subsidiaries and affiliates; and Award details, to implement, manage and administer the Plan and Awards (the "**Data**"). The Company and its Subsidiaries and affiliates may transfer the Data amongst themselves as necessary to implement, administer and manage a Participant's participation in the Plan, and the Company and its Subsidiaries and affiliates may transfer the Data to third parties assisting the Company with Plan implementation, administration and management. These recipients may be located in the Participant's country, or elsewhere, and the Participant's country may have different data privacy laws and protections than the recipients' country. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, to implement, administer and manage the Participant's participation in the Plan, including any required Data transfer to a broker or other third party with whom the Company or the Participant may elect to deposit any Shares. The Data related to a Participant will be held only as long as necessary to implement, administer, and manage the Participant's participation in the Plan. A Participant may, at any time, view the Data that the Company holds regarding such Participant, request additional information about the storage and processing of the Data regarding such Participant, recommend any necessary corrections to the Data regarding the Participant or refuse or withdraw the consents in this Section 10.9 in writing, without cost, by contacting the local human resources representative. If the Participant refuses or withdraws the consents in this Section 10.9, the Company may cancel Participant's ability to participate in the Plan and, in the Administrator's discretion, the Participant may forfeit any outstanding Awards. For more information on the consequences of refusing or withdrawing consent, Participants may contact their local human resources representative.

10.10 Severability. If any portion of the Plan or any action taken under it is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as if the illegal or invalid provisions had been excluded, and the illegal or invalid action will be null and void.

10.11 Governing Documents. If any contradiction occurs between the Plan and any Award Agreement or other written agreement between a Participant and the Company (or any Subsidiary) that the Administrator has approved, the Plan will govern, unless it is expressly specified in such Award Agreement or other written document that a specific provision of the Plan will not apply.

10.12 Governing Law. The Plan and all Awards will be governed by and interpreted in accordance with the laws of the State of Delaware, disregarding any state's choice-of-law principles requiring the application of a jurisdiction's laws other than the State of Delaware.

10.13 Claw-back Provisions. All Awards (including, without limitation, any proceeds, gains or other economic benefit actually or constructively received by Participant upon any receipt or exercise of any Award or upon the receipt or resale of any Shares underlying the Award) shall be subject to the provisions of any claw-back policy implemented by the Company, including, without limitation, any claw-back policy adopted to comply with Applicable Laws (including the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder) as and to the extent set forth in such claw-back policy or the Award Agreement.

10.14 Titles and Headings. The titles and headings in the Plan are for convenience of reference only and, if any conflict, the Plan's text, rather than such titles or headings, will control.

10.15 Conformity to Securities Laws. Participant acknowledges that the Plan is intended to conform to the extent necessary with Applicable Laws. Notwithstanding anything herein to the contrary, the Plan and all Awards will be administered only in conformance with Applicable Laws. To the extent Applicable Laws permit, the Plan and all Award Agreements will be deemed amended as necessary to conform to Applicable Laws.

10.16 Relationship to Other Benefits. No payment under the Plan will be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any Subsidiary except as expressly provided in writing in such other plan or an agreement thereunder.

## **ARTICLE XI. DEFINITIONS**

As used in the Plan, the following words and phrases will have the following meanings:

11.1 **"Administrator"** means the Board or a Committee to the extent that the Board's powers or authority under the Plan have been delegated to such Committee. Notwithstanding the foregoing, the full Board, acting by a majority of its members in office, shall conduct the general administration of the Plan with respect to Awards granted to Directors and, with respect to such Awards, the term "Administrator" as used in the Plan shall be deemed to refer to the Board.

11.2 **"Applicable Laws"** means the requirements relating to the administration of equity incentive plans under U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws and rules of any foreign country or other jurisdiction where Awards are granted.

11.3 **"Award"** means, individually or collectively, a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Dividend Equivalents, or Other Stock or Cash Based Awards.

11.4 **"Award Agreement"** means a written agreement evidencing an Award, which may be electronic, that contains such terms and conditions as the Administrator determines, consistent with and subject to the terms and conditions of the Plan.

11.5 **"Board"** means the Board of Directors of the Company.

11.6 **"Change in Control"** means and includes each of the following:

(a) A transaction or series of transactions (other than an offering of Common Stock to the general public through a registration statement filed with the Securities and Exchange Commission

or a transaction or series of transactions that meets the requirements of clauses (i) and (ii) of subsection (c) below) whereby any “person” or related “group” of “persons” (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than the Company, any of its Subsidiaries, an employee benefit plan maintained by the Company or any of its Subsidiaries or a “person” that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, the Company) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of securities of the Company possessing more than 50% of the total combined voting power of the Company’s securities outstanding immediately after such acquisition; or

(b) During any period of twenty-four consecutive months, individuals who, at the beginning of such period, constitute the Board together with any new Director(s) (other than a Director designated by a person who shall have entered into an agreement with the Company to effect a transaction described in subsections (a) or (c)) whose election by the Board or nomination for election by the Company’s stockholders was approved by a vote of at least two-thirds of the Directors then still in office who either were Directors at the beginning of the twenty-four month period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

(c) The consummation by the Company (whether directly involving the Company or indirectly involving the Company through one or more intermediaries) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of the Company’s assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction:

(i) which results in the Company’s voting securities outstanding immediately before the transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the Company or the person that, as a result of the transaction, controls, directly or indirectly, the Company or owns, directly or indirectly, all or substantially all of the Company’s assets or otherwise succeeds to the business of the Company (the Company or such person, the “**Successor Entity**”)) directly or indirectly, at least a majority of the combined voting power of the Successor Entity’s outstanding voting securities immediately after the transaction, and

(ii) after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the Successor Entity; provided, however, that no person or group shall be treated for purposes of this clause (ii) as beneficially owning 50% or more of the combined voting power of the Successor Entity solely as a result of the voting power held in the Company prior to the consummation of the transaction.

Notwithstanding the foregoing, if a Change in Control constitutes a payment event with respect to any Award (or portion of any Award) that provides for the deferral of compensation that is subject to Section 409A, to the extent required to avoid the imposition of additional taxes under Section 409A, the transaction or event described in subsection (a), (b) or (c) with respect to such Award (or portion thereof) shall only constitute a Change in Control for purposes of the payment timing of such Award if such transaction also constitutes a “change in control event,” as defined in Treasury Regulation Section 1.409A-3(i)(5).

The Administrator shall have full and final authority, which shall be exercised in its discretion, to determine conclusively whether a Change in Control has occurred pursuant to the above definition, the date of the occurrence of such Change in Control and any incidental matters relating thereto; provided that any exercise of authority in conjunction with a determination of whether a Change in Control is a

“change in control event” as defined in Treasury Regulation Section 1.409A-3(i)(5) shall be consistent with such regulation.

11.7 “**Code**” means the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

11.8 “**Committee**” means one or more committees or subcommittees of the Board, which may include one or more Company directors or executive officers, to the extent Applicable Laws permit. To the extent required to comply with the provisions of Rule 16b-3, it is intended that each member of the Committee will be, at the time the Committee takes any action with respect to an Award that is subject to Rule 16b-3, a “non-employee director” within the meaning of Rule 16b-3; however, a Committee member’s failure to qualify as a “non-employee director” within the meaning of Rule 16b-3 will not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

11.9 “**Common Stock**” means the common stock of the Company.

11.10 “**Company**” means Kaltura, Inc., a Delaware corporation, or any successor.

11.11 “**Consultant**” means any person, including any adviser, engaged by the Company or any of its Subsidiaries to render services to such entity if the consultant or adviser: (a) renders bona fide services to the Company; (b) renders services not in connection with the offer or sale of securities in a capital-raising transaction and does not directly or indirectly promote or maintain a market for the Company’s securities; and (c) is a natural person.

11.12 “**Designated Beneficiary**” means the beneficiary or beneficiaries the Participant designates, in a manner the Administrator determines, to receive amounts due or exercise the Participant’s rights if the Participant dies or becomes incapacitated. Without a Participant’s effective designation, “Designated Beneficiary” will mean the Participant’s estate.

11.13 “**Director**” means a Board member.

11.14 “**Disability**” means that the Participant is unable 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 can be expected to last for a continuous period of not less than twelve months.

11.15 “**Dividend Equivalents**” means a right granted to a Participant under the Plan to receive the equivalent value (in cash or Shares) of dividends paid on Shares.

11.16 “**Employee**” means any employee of the Company or its Subsidiaries.

11.17 “**Equity Restructuring**” means, as determined by the Administrator, a non-reciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split, spin-off or recapitalization through a large, nonrecurring cash dividend, or other large, nonrecurring cash dividend, that affects the Shares (or other securities of the Company) or the share price of Common Stock (or other securities of the Company) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

11.18 “**Exchange Act**” means the Securities Exchange Act of 1934, as amended.

11.19 “**Fair Market Value**” means, as of any date, the value of a share of Common Stock determined as follows: (a) if the Common Stock is listed on any established stock exchange, its Fair Market Value will be the closing sales price for such Common Stock as quoted on such exchange for such date, or if no sale occurred on such date, the last day preceding such date during which a sale occurred, as

reported in *The Wall Street Journal* or another source the Administrator deems reliable; (b) if the Common Stock is not traded on a stock exchange but is quoted on a national market or other quotation system, the closing sales price on such date, or if no sales occurred on such date, then on the last date preceding such date during which a sale occurred, as reported in *The Wall Street Journal* or another source the Administrator deems reliable; or (c) without an established market for the Common Stock, the Administrator will determine the Fair Market Value in its discretion.

Notwithstanding the foregoing, with respect to any Award granted on the pricing date of the Company's initial public offering, the Fair Market Value shall mean the initial public offering price of a Share as set forth in the Company's final prospectus relating to its initial public offering filed with the Securities and Exchange Commission.

11.20 "**Greater Than 10% Stockholder**" means an individual then owning (within the meaning of Section 424(d) of the Code) more than 10% of the total combined voting power of all classes of stock of the Company or its parent or subsidiary corporation, as defined in Section 424(e) and (f) of the Code, respectively.

11.21 "**Incentive Stock Option**" means an Option intended to qualify as an "incentive stock option" as defined in Section 422 of the Code.

11.22 "**Non-Qualified Stock Option**" means an Option, or portion thereof, not intended or not qualifying as an Incentive Stock Option.

11.23 "**Option**" means an option to purchase Shares, which will either be an Incentive Stock Option or a Non-Qualified Stock Option.

11.24 "**Other Stock or Cash Based Awards**" means cash awards, awards of Shares, and other awards valued wholly or partially by referring to, or are otherwise based on, Shares or other property awarded to a Participant under Article VII.

11.25 "**Overall Share Limit**" means the sum of (a) 8,500,000 Shares; (b) any Shares which remain available for issuance under the Prior Plan as of the Effective Date; and (c) any Shares which are subject to Prior Plan Awards as of the Effective Date which, following the Effective Date, become available for issuance under the Plan pursuant to Article IV; and (d) an annual increase on the first day of each calendar year beginning January 1, 2022 and ending on and including January 1, 2031, equal to the lesser of (i) 5% of the aggregate number of Shares outstanding on the final day of the immediately preceding calendar year and (ii) such smaller number of Shares as is determined by the Board.

11.26 "**Participant**" means a Service Provider who has been granted an Award.

11.27 "**Performance Criteria**" means the criteria (and adjustments) that the Administrator may select for an Award to establish performance goals for a performance period, which may include (but is not limited to) the following: net earnings or losses (either before or after one or more of interest, taxes, depreciation, amortization, and non-cash equity-based compensation expense); gross or net sales or revenue or sales or revenue growth; net income (either before or after taxes) or adjusted net income; profits (including but not limited to gross profits, net profits, profit growth, net operation profit or economic profit), profit return ratios or operating margin; budget or operating earnings (either before or after taxes or before or after allocation of corporate overhead and bonus); cash flow (including operating cash flow and free cash flow or cash flow return on capital); return on assets; return on capital or invested capital; cost of capital; return on stockholders' equity; total stockholder return; return on sales; costs, reductions in costs and cost control measures; expenses; working capital; earnings or loss per share; adjusted earnings or loss per share; price per share or dividends per share (or appreciation in or



maintenance of such price or dividends); regulatory achievements or compliance; implementation, completion or attainment of objectives relating to research, development, regulatory, commercial, or strategic milestones or developments; market share; economic value or economic value added models; division, group or corporate financial goals; customer satisfaction/growth; customer service; employee satisfaction; recruitment and maintenance of personnel; human resources management; supervision of litigation and other legal matters; strategic partnerships and transactions; financial ratios (including those measuring liquidity, activity, profitability or leverage); debt levels or reductions; sales-related goals; financing and other capital raising transactions; cash on hand; acquisition activity; investment sourcing activity; and marketing initiatives, any of which may be measured in absolute terms or as compared to any incremental increase or decrease. Such performance goals also may be based solely by reference to the Company's performance or the performance of a Subsidiary, division, business segment or business unit of the Company or a Subsidiary, or based upon performance relative to performance of other companies or upon comparisons of any of the indicators of performance relative to performance of other companies.

11.28 "**Plan**" means this 2021 Incentive Award Plan.

11.29 "**Prior Plan**" means the Kaltura, Inc. 2017 Equity Incentive Plan, as amended.

11.30 "**Prior Plan Award**" means an award outstanding under the Prior Plan and the Kaltura, Inc. 2007 Stock Option Plan, as amended (which was frozen as of the effectiveness of the Prior Plan) as of the Effective Date.

11.31 "**Public Trading Date**" means the first date upon which the Common Stock is listed (or approved for listing) upon notice of issuance on any securities exchange or designated (or approved for designation) upon notice of issuance as a national market security on an interdealer quotation system.

11.32 "**Restricted Stock**" means Shares awarded to a Participant under Article VI subject to certain vesting conditions and other restrictions.

11.33 "**Restricted Stock Unit**" means an unfunded, unsecured right to receive, on the applicable settlement date, one Share or an amount in cash or other consideration determined by the Administrator to be of equal value as of such settlement date awarded to a Participant under Article VI subject to certain vesting conditions and other restrictions.

11.34 "**Rule 16b-3**" means Rule 16b-3 promulgated under the Exchange Act.

11.35 "**Section 409A**" means Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder.

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

11.37 "**Service Provider**" means an Employee, Consultant or Director.

11.38 "**Shares**" means shares of Common Stock.

11.39 "**Stock Appreciation Right**" means a stock appreciation right granted under Article V.

11.40 "**Subsidiary**" means any entity (other than the Company), whether domestic or foreign, in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain beneficially owns, at the time of the determination, securities or interests representing at least 50% of the total combined voting power of all classes of securities or interests in one of the other entities in such chain.

11.41 “**Substitute Awards**” means Awards granted or Shares issued by the Company in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company acquired by the Company or any Subsidiary or with which the Company or any Subsidiary combines.

11.42 “**Termination of Service**” means the date the Participant ceases to be a Service Provider.

\* \* \* \* \*

**APPENDIX A**  
**ISRAELI SUB-PLAN**

**ISRAELI SUB-PLAN  
TO THE KALTURA, INC.  
2021 INCENTIVE AWARD PLAN**

**General**

This Israeli Sub-Plan to the Kaltura, Inc. 2021 Incentive Award Plan (this “**Sub-Plan**”) is to be read as a part of the Plan, and the Plan and this Sub-Plan shall be deemed one integrated document.

- 1.1 The provisions of the Plan shall apply to Awards (as defined below) granted under this Sub-Plan, subject to the modifications set forth below. In the event of any conflict between the Plan and this Sub-Plan, the terms of this Sub-Plan shall govern with respect to Awards granted to Israeli Participants (as defined below).
- 1.2 This Sub-Plan shall only apply to, and modify Awards granted to, Israeli Participants so that such Awards will be governed by the terms of this Sub-Plan and comply with the requirements of the Israeli law, and specifically with the provisions of Section 3(i) and Section 102 of the Ordinance (as defined below). For the avoidance of doubt, this Sub-Plan shall not modify the Plan with respect to any other category of Participant (as defined in the Plan).

**2. Definitions**

Unless otherwise defined in this Sub-Plan, all capitalized terms used herein shall have the same meanings given to such terms in the Plan. Capitalized terms used herein that are the plural forms or singular forms of defined terms shall have the corresponding plural or singular meanings of the corresponding defined terms. The following terms shall have the meanings set forth below unless the context requires a different meaning:

“**102 Award**” means an Award granted pursuant to Section 102 of the Ordinance to any person who is an Israeli Employee Participant.

“**3(i) Award**” means an Award granted pursuant to Section 3(i) of the Ordinance to any person who is an Israeli Non-Employee.

“**102 Capital Gains Award**” means a Trustee 102 Award elected and designated by the Employing Company to qualify for Capital Gains tax treatment in accordance with the provisions of Section 102(b)(2) or Section 102(b)(3) of the Ordinance.

“**102 Ordinary Income Award**” means a Trustee 102 Award elected and designated by the Employing Company to qualify for ordinary income tax treatment in accordance with the provisions of Section 102(b)(1) of the Ordinance.

“**102 Shares**” means with respect to 102 Capital Gains Awards and 102 Ordinary Income Awards, such Awards or any shares of Common Stock granted and/or issued upon the vesting and/or exercise thereof.

“**Affiliate**” means any “Employing Company” within the meaning of Section 102(a) of the Ordinance.

“**Award**” means any grant under the Plan of Options, Restricted Stock, Restricted Stock Units or Stock Appreciation Rights or any other stock right or interest relating to shares of Common Stock of the Company to the extent complied with Section 102 and the ITA requirements.

“**Award Agreement**” means a written agreement evidencing an Award and adjusted to Israeli legal requirements or any other document to be signed between the Company and an Israeli Participant, to set out and inform the Israeli Participant with respect to the terms and conditions of the grant of an Award under the Plan and this Sub-Plan and including any document attached to such agreement.

“**Capital Gains**” means a Trustee 102 Award granted under the capital gains tax treatment in accordance with the provisions of Section 102(b)(2) or Section 102(b)(3) of the Ordinance.

“**Controlling Shareholder**” shall have the meaning ascribed to it in Section 32(9) of the Ordinance.

“**Date of Grant**” means the date the applicable Award was approved by the Administrator unless otherwise determined by the Administrator and set forth in the applicable Award Agreement.

“**Deposit Requirements**” shall mean with respect to Trustee 102 Awards, the requirement to evidence deposit of an Award with the Trustee, in accordance with Section 102, in order to qualify as a Trustee 102 Awards. As of the time of approval of this Sub-Plan, the ITA guidelines regarding Deposit Requirements for 102 Capital Gains Awards require that the Trustee be provided with (i) the resolutions approving Awards intended to qualify as 102 Capital Gains Award within forty-five days of the date of the Administrator approval of such Award, including full details of the terms of the Awards, and (ii) a copy of the Award Agreement executed by the Israeli Employee Participant and/or Israeli Employee Participant’s consent to the requirements of 102 Capital Gains Awards within ninety days of the Administrator approval of such Award, and (iii) with respect to a grant or sale of Shares, either a share certificate and copy of the Company’s share register evidencing issuance of the Shares underlying such Award in the name of the Trustee for the benefit of the Israeli Employee Participant, or deposit of the Shares with a financial institution in an account administered in the name of the Trustee, as applicable, in each case, within ninety days of the date of the Administrator approval of such Award.

“**Employing Company**” means a company as the meaning ascribed to it in Section 102(a) of the Ordinance.

“**Exercise Price**” means the price for each Share subject to an Option.

“**Holding Period**” means the requisite period prescribed by Section 102 or such other period as may be required by the ITA, with respect to Trustee 102 Awards, during which

Awards or 102 Shares granted or issued by the Company must be held by the Trustee for the benefit of the Israeli Employee Participant.

**“Israeli Employee Participant”** means an individual employed by an Israeli resident Affiliate or an individual who is serving as a *Nose Misra* - Office Holder (as such term is defined in the Israeli Companies’ Law, 5759-1999, including directors) of an Israeli resident Affiliate, who is not a Controlling Shareholder prior to the issuance of the relevant Award or as a result thereof.

**“Israeli Non-Employee Participant”** means a person who is not an Israeli Employee Participant, and *inter alia*, shall include a consultant, adviser or service provider of an Israeli Affiliates and a Controlling Shareholder (whether or not an employee of the Company or its Affiliates) of an Israeli Affiliate.

**“Israeli Participant”** means Israeli Employee Participants and Israeli Non-Employee Participants.

**“ITA”** means the Israeli Income Tax Authority or any successor agency.

**“Non-Trustee 102 Award”** means an Award granted to an Israeli Employee Participant pursuant to Section 102(c) of the Ordinance, which is not required to be held in trust by a Trustee.

**“Option”** means a right to purchase a specified number of shares of Common Stock of the Company at a specified price.

**“Ordinance”** means the Israeli Income Tax Ordinance [New Version], 1961 or any successor statute, as amended from time to time.

**“Rules”** means the Income Tax Rules (Tax Relief in the Issuance of Shares to Employees), 2003.

**“Section 102”** means Section 102 of the Ordinance and the Rules and any regulations, rules, orders, promulgated thereunder as now in effect or as amended or replaced from time to time.

**“Tax”** means any tax (including, without limitation, any income tax, capital gains tax, value-added tax, sales tax, property tax, gift tax, or estate tax), levy, assessment, tariff, duty (including any customs duty), deficiency, or other fees, and any related charge or amount (including any fine, penalty, interest, linkage differentials or addition to Tax), imposed, assessed, or collected by or under the authority of any governmental body.

**“Trustee”** means any person or entity appointed by the Company or its Subsidiaries or Affiliates, as applicable, and approved by the ITA, to serve as a trustee, all in accordance with the provisions of Section 102(a) of the Ordinance, as may be replaced from time to time subject to the provisions of Section 102.

“**Trustee 102 Award**” means an Award granted pursuant to Section 102(b) of the Ordinance and held in trust by a Trustee for the benefit of the Israeli Employee Participant.

### **3. Issuance of Awards**

- 3.1 Without derogating from the provisions of the Plan: (i) Israeli Employee Participants may be granted only with 102 Awards; and (ii) Israeli Non-Employee Participants may be granted only with 3(i) Awards. In each case, such Awards shall be subject to the terms and conditions of the Ordinance and, in the case of (i) above, specifically Section 102.
- 3.2 The Employing Company may, pursuant to Section 102, designate 102 Awards granted to Israeli Employee Participants as Non-Trustee 102 Awards or as Trustee 102 Awards.

### **4. Trustee 102 Awards**

- 4.1 Trustee 102 Awards may be granted only to Israeli Employee Participants under this Sub-Plan duly approved and adopted by the Administrator and as approved by the respective Tax assessing officer within ninety (90) days from its Submission (as defined below) or by the passage of such ninety (90) days.
- 4.2 Trustee 102 Awards shall be classified as either 102 Capital Gains Awards or 102 Ordinary Income Awards, subject to the terms and conditions of Section 102 and the provisions of the Plan and this Sub-Plan.
- 4.3 The Administrator shall have the right to determine the Employing Company’s election of the type of Trustee 102 Awards to be granted to Israeli Employee Participants, being either 102 Capital Gains Awards or 102 Ordinary Income Awards (the “**Election**”). Such Election is to be appropriately filed with the ITA together with the Plan and Sub-Plan in accordance with the provisions of the Ordinance and Section 102 (the “**Submission**”). After making an Election, the Company may grant only the type of Trustee 102 Awards it has elected (i.e., 102 Capital Gains Awards or 102 Ordinary Income Awards). The Election shall become effective on the first Date of Grant of a Trustee 102 Award under the Plan and Sub-Plan and shall apply to all grants to Israeli Employee Participants of Trustee 102 Awards until such Election is changed pursuant to the provisions of Section 102(g) of the Ordinance. The Employing Company may change such Election only after the passage of at least one year after the end of the year during which the applicable Employing Company first granted Trustee 102 Awards in accordance with the previous Election. For the avoidance of doubt (i) such Election shall not prevent the Company from granting Non-Trustee 102 Awards or 3(i) Awards, and (ii) no Trustee 102 Awards may be granted under this Plan to any eligible Israeli Employee Participants, unless and until the Election made by the Employing Company is appropriately filed with the ITA together with the Plan in accordance with the provisions of the Ordinance and Section 102.

- 4.4 Trustee 102 Awards may be granted under this Sub-Plan duly adopted and approved by the Administrator and only after the passage of thirty (30) days following the Submission. Notwithstanding the above if within ninety (90) days from Submission, the respective Tax assessing officer notifies the Employing Company and/or the Trustee of his or her decision not to approve the Plan (including this Sub-Plan) or the Trustee, the Awards that were intended to be classified as a Trustee 102 Awards shall be deemed to be Non-Trustee 102 Awards unless otherwise determined by the tax assessing officer.
- 4.5 All Trustee 102 Awards granted and/or issued under the Plan and/or this Sub-Plan and/or any/all 102 Shares (as defined below), and/or any/all other rights resulting from such Trustee 102 Award, including bonus shares or any other shares as a result of any adjustments made under the Plan, shall be deposited with the Trustee (or be subject to a supervisory trustee arrangement if approved by the ITA) and held in trust by the Trustee for the benefit of the Israeli Employee Participant to which such Award was granted all in accordance with the provisions of Section 102 and the Deposit Requirements. All certificates representing 102 Shares, including bonus shares, shall be issued in the Trustee's name for the benefit of the Israeli Employee Participant, and be deposited with the Trustee, and be held by the Trustee until such time that such 102 Shares are released from the trust or in accordance with any instructions of the ITA in this regard. In the event the requirements for Trustee 102 Awards and/or 102 Shares are not met, the Trustee 102 Awards and/or 102 Shares may be regarded as Non-Trustee 102 Award, or as Awards and/or shares of Common Stock of the Company which are not subject to Section 102, all in accordance with the provisions of Section 102.
- 4.6 102 Shares and all rights resulting from such Awards or Shares, including bonus shares, will be held by the Trustee, starting from the Date of Grant and for at least by the end of the applicable Holding Period, unless a shorter period is approved by the ITA, under the terms set forth in Section 102.
- 4.7 In accordance with Section 102, the Israeli Employee Participant shall not sell, cause the release from trust, or otherwise dispose of (“**Disposal**”), any Trustee 102 Award and/or any 102 Share, or any rights resulting from such Award or Share until, at least, the end of the applicable Holding Period. Notwithstanding the foregoing but without derogating from the provisions of the Plan and the terms and conditions set forth in the Award Agreement, if any Disposal occurs during the Holding Period and no authorization or instructions in this regard were received from ITA (allowing such Disposal without breaching the provisions of Section 102), then the provisions of Section 102 relating to non-compliance with the Holding Period will apply and all sanctions and liability under Section 102 shall be borne by the Israeli Employee Participant.
- 4.8 In the event a stock dividend is declared and/or additional rights are granted with respect to 102 Shares, such dividend and/or rights shall also be subject to the provisions of this Section 4 and the Holding Period for such dividend shares and/



or rights shall be measured from the commencement of the Holding Period for the Award with respect to which the dividend was declared and/or rights granted. In the event of a cash dividend on Shares, the Trustee shall transfer the dividend proceeds to the Israeli Employee Participant in accordance with the Plan after deduction of taxes, mandatory payments in compliance with applicable withholding requirements and any related expenses, and subject to any other requirements imposed by the ITA.

- 4.9 Anything herein to the contrary notwithstanding, the Trustee shall not release any unexercised Trustee 102 Awards, 102 Shares, or any rights thereunder, including bonus shares, resulting from such Trustee 102 Awards or 102 Shares, prior to the full payment of the Exercise Price set to such Award (if applicable) and the Israeli Employee Participant's tax liability arising from the Trustee 102 Awards granted to him or her.
- 4.10 Upon receipt of a Trustee 102 Award, the Israeli Employee Participant will sign the Award Agreement under which such Participant will sign an undertaking of his/her consent and agreement to the grant of the Award under Section 102, and will undertake to comply with the provisions of Section 102 and to be subject to the trust agreement between the Company or its Affiliates and the Trustee, stating, *inter alia*, that the Trustee will be released from any liability in respect of any action or decision taken or executed in good faith with respect to this Sub-Plan, or any Trustee 102 Award or 102 Share issued to him or her thereunder, or right resulting therefrom, including bonus shares.
- 4.11 Without derogating from the above and/or from the provisions of Section 102, the Company and/or its Affiliate (as applicable) shall have the authority to determine specific procedures and conditions of the trusteeship with the Trustee in a separate agreement between the Company and/or the Affiliate (as applicable) and the Trustee.
- 4.12 Notwithstanding anything to the contrary in the Plan (i) payment upon exercise or purchase of Awards granted as a Trustee 102 Award may only be made by cash or check, or by reduction of Shares pursuant to a "net exercise" arrangement, or other forms of payment, unless and to the extent permitted under Section 102 or as expressly authorized by the ITA and subject to any required approvals of the ITA; (ii) to the extent required by the ITA, dividend equivalents may not be settled in Shares with respect to Awards granted as 102 Capital Gains Awards without the prior approval of the ITA; (iii) certain adjustments and amendments to the terms of Awards granted with respect to 102 Capital Gains Awards, including pursuant to recapitalization events may disqualify the Awards from benefitting from the tax benefits for the 102 Capital Gains Awards, unless the prior approval of the ITA is obtained; (iv) repurchase rights with regard to Awards made with respect to 102 Capital Gains Awards shall be subject to the express approval of the ITA; (v) with respect to 102 Capital Gains Awards may only be settled in Shares and not in cash; (vi) Awards based on the achievement of performance

“targets” may require the approval of the ITA in order to qualify as 102 Capital Gains Awards; (vii) a claw-back policy shall not apply to 102 Capital Gains Awards granted; and (viii) the Trustee may require actual written signatures on certain documents for compliance with Section 102 requirements.

**5. Non-Trustee 102 Awards**

- 5.1 Non-Trustee 102 Awards may be granted only to Israeli Employee Participants.
- 5.2 In the event that an Israeli Employee Participant was granted with a Non-Trustee 102 Award and thereafter such Israeli Employee Participant’s employment by the Company or its Subsidiaries or Affiliates terminates for any reason, such Israeli Employee Participant will be obligated to provide her or his employer, upon the termination of her or his employment, with security or guarantee to cover any future tax obligation resulting from the grant, exercise or disposition of the Award, the Shares granted and/or issuable upon the vesting or exercise thereof, or any rights resulting therefrom, in a form satisfactory to such employer in such employer’s sole discretion.

**6. 3(i) Awards**

- 6.1 Awards granted pursuant to this Section 6 are intended to constitute 3(i) Awards and are subject to the provisions of Section 3(i) of the Ordinance and the general terms and conditions specified in the Plan and this Sub-Plan.
- 6.2 3(i) Awards may be granted to Israeli Non-Employee Participants.
- 6.3 3(i) Awards granted pursuant to the Plan may be issued directly to the Israeli Non-Employee Participant or a trustee appointed by the Administrator in its sole discretion.
- 6.4 Shares pursuant to 3(i) Awards shall not be issued, unless the Israeli Non-Employee Participant delivers to the Company or its Affiliate payment in a form acceptable to the Company or to its Affiliate of all withholding taxes due, if any, on account of the Israeli Non-Employee Participant acquiring Shares under the Option or the Israeli Non-Employee Participant provides other assurance satisfactory to the Company or its Affiliate of the payment of those withholding taxes or provides any certificate issued by the ITA allowing for an exemption from withholding Tax or including any other instructions to the Company or its Affiliate with respect to the withholding of Tax.

**7. The Award Agreement**

The terms and conditions upon which the Awards shall be issued and exercised shall be as specified in an Award Agreement to be executed pursuant to the Plan and this Sub-Plan. Each Award Agreement shall state, *inter alia*, the number of shares of Common Stock granted under the Award, the Date of Grant, the type of Award granted thereunder (whether such Award is a Trustee 102 Award, and if so, whether it is a 102 Capital Gains

Award or 102 Ordinary Income Award, or a Non-Trustee 102 Award, or a 3(i) Award), the vesting provisions, the term of the Award, and the Exercise Price, if applicable. Awards may differ in the number of shares covered hereby, the terms and conditions applying to them or on the Israeli Participant or in any other respect (including, that there should not be any expectation (and it is hereby disclaimed) that a certain treatment, interpretation or position granted to one shall be applied to the other, regardless of whether or not the facts or circumstances are the same or similar).

**Fair Market Value For Israeli Tax Purposes.**

- 7.1 If the Shares are listed on any established stock exchange or a national market system, the Fair Market Value of the Shares shall be the average closing sales price for such Shares (or the closing bid, if no sales were reported) as quoted on such stock exchange or system for a period determined by the Administrator, in its sole discretion, prior to the time of determination;
- 7.2 If the Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, their Fair Market Value shall be the difference between the high bid, and low asked prices for the Shares on the last market trading day prior to the day of determination;
- 7.3 In the absence of an established market for the Shares, the Fair Market Value thereof shall be determined by a reputable third party appraiser appointed by the Administrator or by any other method determined in good faith and approved by the Administrator.
- 7.4 Without derogating from the above and solely for the purpose of determining the tax liability pursuant to Section 102(b)(3) of the Ordinance, if at the Date of Grant of a 102 Capital Gains Award the Company's Shares are listed on any established stock exchange or a national market system, or if the Company's shares are registered for trading within ninety (90) days following the Date of Grant of the 102 Capital Gains Award, the fair market value of the shares of Common Stock of the Company at the Date of Grant shall be determined in accordance with the average value of the Company's shares of Common Stock on the thirty (30) trading days preceding the Date of Grant or on the thirty (30) trading days following the date of registration for trading, as applicable.

**8. Exercise of Awards**

Awards shall be exercised in accordance with the provisions of the Plan and the Award Agreement and in accordance with the requirements of Section 102.

**9. Assignability and Sale of Awards**

- 9.1 Notwithstanding any other provision of the Plan to the contrary, no Awards, or any right with respect thereto or purchasable thereunder, whether fully paid or not, shall be assignable, transferable or given as collateral or any right with respect thereto granted to any third party whatsoever, other than by will or by laws of descent and distribution, or as specifically otherwise allowed under the Plan or any other law, without the prior written

consent of the Administrator, and subject to the Ordinance. Any purported assignment, transfer, a grant of collateral, or pledge of Awards, or any right with respect thereto or purchasable thereunder, contrary to the provisions of this Section, directly or indirectly, whether contemplated to be effective immediately or in the future, shall be null and void and cause the applicable Award to expire immediately. During the lifetime of the Israeli Participant, all of such Israeli Participant's rights to purchase Shares or to otherwise exercise an Award hereunder shall be exercisable only by the Israeli Participant or as otherwise allowed by the law.

- 9.2 Without derogating from the above, for as long as Trustee 102 Awards and/or 102 Shares are held by the Trustee on behalf of the Israeli Employee Participant, all rights of the Israeli Employee Participant with respect to such Awards and Shares shall be personal, and may not be transferred, assigned, pledged or mortgaged, all in accordance with the provisions of Section 102 unless other than by the last will, the laws of descent and distribution, or any other law allowing for such transfer or assignment and after the required taxes and payments have been entirely made or secured. In the event that such Awards and/or Shares have been transferred by will, laws of descent and distribution, or any other law allowing for such transfer or assignment, the provisions of Section 102 shall continue to apply on the heirs and transferees, respectively.

#### **10. Integration of Section 102 And Tax Assessing Officer's Permit**

- 10.1 With respect to Trustee 102 Awards, the provisions of the Plan, this Sub-Plan and the Award Agreement shall be subject to the provisions of Section 102 and the Tax Assessing Officer's permit (to the extent that such permit is issued and acceptable to the Company) (the "**Permit**"), and the provisions of the Permit shall be deemed integrated with, and a part of, the Plan, this Sub-Plan and the Award Agreement.
- 10.2 Any provision of Section 102 and/or the Permit and/or tax ruling(s) and/or guidance issued by which is necessary in order to receive and/or to obtain and/or preserve any tax benefit pursuant to Section 102, which is not expressly specified in the Plan, this Sub-Plan, or the Award Agreement and all acceptable by the Company, shall be deemed to be incorporated into this Sub-Plan and binding upon the Company and the Participants who are Israeli Participants.

#### **11. Dividends**

Without derogating from the provisions of the Plan, an Israeli Participant shall be entitled to receive dividends with respect to shares of Common Stock of the Company granted and/or issued upon the vesting, exercise of his or her Awards (whether such shares are held by the Participant or by the Trustee for his or her benefit), in accordance with the provisions of the Company's Certificate of Incorporation (including all amendments thereto), subject to any applicable taxation on distribution of dividends and, when applicable, subject to the provisions of Section 102. RSUs do not provide dividend rights until fully vested and no dividends or dividend equivalents will be paid or credited on any unvested RSUs.

## 12. Tax Consequences

- 12.1 Any liability for any Tax arising with respect to the Awards and the shares of Common Stock, including, but not limited to, as a result of the grant of Awards, the vesting or exercise of an Award for shares, the receipt of cash, the transfer, waiver, or expiration of Awards or shares or the disposal of shares, shall be borne solely by the Israeli Participants, and in the event of their death, by their estates or heirs. Neither the Company nor any of its Subsidiaries or Affiliates nor the Trustee shall be required to pay such Taxes, directly or indirectly, nor shall they be required to gross-up such Taxes in the Israeli Participants' salaries or remuneration. The applicable Tax may be deducted from any cash to be provided to the Israeli Participant or from the proceeds of the disposal of the shares or shall be paid to the Trustee or to the Company or its Subsidiaries or Affiliates by the Israeli Participants at their request, or may be provided via any combination of the above.
- 12.2 The Company, its Subsidiaries or Affiliates, and the Trustee shall be entitled to withhold Taxes according to the requirements of any applicable laws, rules, and regulations, including by withholding Taxes at source.
- 12.3 The Israeli Participants undertake to indemnify the Company, its Subsidiaries or Affiliates and the Trustee, immediately upon their request, for any Tax for which the Israeli Participant is liable under any applicable law, under the Plan or this Sub-Plan, and which was paid by the Company or the Trustee, or which the Company or the Trustee are required to pay. The Company may exercise its right to such indemnification by deducting the Tax subject to indemnification from Participant's salary or remuneration.
- 12.4 The Administrator or, when applicable, the Trustee shall not be required to release any Awards, Shares, rights resulting therefrom, including bonus shares, or stock certificates, to an Israeli Participant until all required Tax payments and other payments to be borne by such Israeli Participant have been fully made. In the event that the Company, or its Affiliates, or the Trustee, as applicable, is uncertain as to the sum of the full tax payment due or which is subject to withholding, the Company or the Trustee, as applicable, may refuse to release the Shares until such time as the ITA verifies the sum of the full tax payment which is due, and the Israeli Participant shall not have any claims in connection with such refusal.
- 12.5 The Company and its Subsidiaries and its Affiliates do not undertake or assume any liability or responsibility to the effect that any Award shall qualify with any particular tax regime or rules applying to specific tax treatment, or benefit from any particular tax treatment or tax advantage of any type and subject to the requirements of applicable law. No assurance is made by the Company or any of its Subsidiaries and its Affiliates that any particular tax treatment on the Date of Grant will continue to exist or that the Award would qualify at the time of vesting or exercise or disposition thereof with any particular tax treatment. The Company does not undertake or assume any liability to contest a determination or

interpretation (whether written or unwritten) of any tax authorities, including in respect of the qualification under any particular tax regime or rules applying to specific tax treatment. If the Awards do not qualify under any specific tax treatment, it could result in adverse tax consequences to the Israeli Participant.

12.6 Notwithstanding any other provision, no Israeli Participant shall have any of the rights of a shareholder with respect to any Shares until the Israeli Participant pays all payments required to be paid with respect to such Shares.

**13. Securities Laws.**

All Awards hereunder shall be subject to compliance with the Israeli Securities Law, 1968, and the rules and regulations promulgated thereunder.

**14. Governing Law and Jurisdiction**

The Plan and all Awards (and any 102 Share received subsequently following any realization of rights derived from the Awards) granted thereunder are governed by the laws of the State of Delaware as provided in section 10.12 of the Plan, excluding the principles of conflicts of laws thereof; provided, however, that all aspects of the Awards which relate to Section 102, the Israeli Sub - Plan, the trust agreement signed between the Company and/or the Employing Company and the Trustee and/or Section 3(i) of the Ordinance, shall be governed by and interpreted in accordance with the laws of the State of Israel, without giving effect to the principles of the conflicts of laws thereof. All such Awards (and 102 Shares) shall be subject to the laws and requirements of the State of Israel, and the terms and conditions on which each such Award (or 102 Share) is granted are deemed modified to the extent necessary or advisable to comply with the applicable Israeli laws.

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**KALTURA, INC.**  
**2021 INCENTIVE AWARD PLAN**

**STOCK OPTION GRANT NOTICE**

Capitalized terms not specifically defined in this Stock Option Grant Notice (the "Grant Notice") have the meanings given to them in the 2021 Incentive Award Plan (as amended from time to time, the "Plan") of Kaltura, Inc. (the "Company"). The Company hereby grants to the participant listed below ("Participant") the stock option described in this Grant Notice (the "Option"), subject to the terms and conditions of the Plan and the Stock Option Agreement attached hereto as Exhibit A (the "Agreement"), both of which are incorporated into this Grant Notice by reference.

**Participant:**

**Grant Date:**

**Exercise Price per Share:**

**Shares Subject to the Option:**

**Final Expiration Date:**

**Vesting Commencement Date:**

**Vesting Schedule:**

[To be specified in individual agreements]

**Type of Option**

Incentive Stock Option     Non-Qualified Stock Option

By Participant's signature below or electronic acceptance or authentication in a form authorized by the Company, Participant agrees to be bound by the terms of this Grant Notice, the Plan and the Agreement. Participant has reviewed the Plan, this Grant Notice and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice and the Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan or relating to the Option.

**KALTURA, INC.**

**PARTICIPANT**

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**  
**STOCK OPTION AGREEMENT**

**ARTICLE I.**  
**GENERAL**

1.1 Incorporation of Terms of Plan. The Option is subject to the terms and conditions set forth in this Agreement and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan will control.

1.2 Defined Terms. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice. For purposes of this Agreement,

(a) [“Cause”] shall mean, unless such term or an equivalent term is otherwise defined by any employment agreement or offer letter between a Participant and a Participating Company, any of the following: (i) the Participant’s theft, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, or falsification of any Participating Company documents or records; (ii) the Participant’s material failure to abide by a Participating Company’s code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); (iii) the Participant’s unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Participating Company (including, without limitation, the Participant’s improper use or disclosure of a Participating Company’s confidential or proprietary information); (iv) any intentional act by the Participant which has a material detrimental effect on a Participating Company’s reputation or business or which brings the Participant into widespread public disrepute; (v) the Participant’s repeated failure or inability to perform any reasonable assigned duties after written notice from a Participating Company of, and a reasonable opportunity to cure, such failure or inability; (vi) any material breach by the Participant of any employment or service agreement between the Participant and a Participating Company, which breach is not cured pursuant to the terms of such agreement; or (vii) the Participant’s commission or conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the Participant’s ability to perform his or her duties with a Participating Company. For purposes of this Agreement, whether or not an event giving rise to “Cause” occurs will be determined by the Board in its sole discretion.<sup>1</sup>

(b) [“Cessation Date”] shall mean the date of Participant’s Termination of Service (regardless of the reason for such termination).

(c) [“CIC Qualifying Termination”] shall mean Termination of Service of Participant by the Company without Cause or by Participant for Good Reason during the twelve (12) month period immediately following a Change in Control.<sup>2</sup>

(d) [“Good Reason”] shall mean, unless such term or an equivalent term is otherwise defined by any employment agreement or offer letter between a Participant and a Participating Company, the occurrence of any of the following without the Participant’s voluntary written consent: (i) a material breach by the Company of any material provision of this Agreement; (ii) a reduction resulting in the value of the Participant’s salary and/or the monetary value of Participant’s benefits, of more than 12.5%, unless

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<sup>1</sup> NTD: Insert for double trigger awards.

<sup>2</sup> NTD: Insert for double trigger awards.



such reductions are made in the same proportion as part of across-the-board salary reductions for substantially all other employees with a similar level; (iii) the Company's relocation of the Company office to which the Participant primarily reports (the "Office") to a location that increases the distance from the Participant's principal residence to the Office by more than fifty (50) miles; or (iv) a substantial diminution in the nature or status of Participant's responsibilities, duties, titles or reporting level (unless otherwise agreed to by Participant's), provided, however, that notwithstanding the foregoing, for purposes of this subsection (iv), a substantial diminution in such nature or status shall not exist in the event that due to a Change in Control the Participant has authority and responsibility over a division, subsidiary or entity that is substantially similar in size to the division, subsidiary or entity over which the Participant had authority and responsibility immediately prior to such Change in Control; provided, in each case, that the Participant first provided notice to the applicable Participating Company of the existence of the condition described above within fifteen (15) days of the initial existence of the condition, upon the notice of which such Participating Company shall have thirty (30) days during which it may remedy the condition, and provided further that the separation of service must occur within fifteen (15) days following the end of such 30-day cure period.<sup>3</sup>

(e) "Participating Company," shall mean the Company or any of its parents or Subsidiaries.

## **ARTICLE I. GRANT OF OPTION**

Section 1.1 Grant of Option. In consideration of Participant's past and/or continued employment with or service to a Participating Company and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to the Participant the Option to purchase any part or all of an aggregate number of Shares set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Article VIII of the Plan.

Section 1.2 Exercise Price. The exercise price per Share of the Shares subject to the Option (the "Exercise Price") shall be as set forth in the Grant Notice.

Section 1.3 Consideration to the Company. In consideration of the grant of the Option by the Company, Participant agrees to render faithful and efficient services to any Participating Company.

## **ARTICLE II. PERIOD OF EXERCISABILITY**

Section 2.1 Commencement of Exercisability.

(a) Subject to Participant's continued employment with or service to a Participating Company on each applicable vesting date and subject to Sections 2.2, 2.3, 4.9 and 4.14 hereof, the Option shall become vested and exercisable in such amounts and at such times as are set forth in the Grant Notice.

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<sup>3</sup> NTD: Insert for double trigger awards.

(b) [Notwithstanding the Grant Notice or the provisions of Section 2.1(a) and (c), in the event of a CIC Qualifying Termination, the Option shall become vested and exercisable in full on the date of such CIC Qualifying Termination.]<sup>4</sup>

(c) [Subject to Section 2.1(b) and] unless otherwise determined by the Administrator or as set forth in a written agreement between Participant and the Company, any portion of the Option that has not become vested and exercisable on or prior to the Cessation Date (including, without limitation, pursuant to any employment or similar agreement by and between Participant and the Company) shall be forfeited on the Cessation Date and shall not thereafter become vested or exercisable.

Section 2.2 Duration of Exercisability. The installments provided for in the vesting schedule set forth in the Grant Notice are cumulative. Each such installment that becomes vested and exercisable pursuant to the vesting schedule set forth in the Grant Notice shall remain vested and exercisable until it becomes unexercisable under Section 2.3 hereof. Once the Option becomes unexercisable, it shall be forfeited immediately.

Section 2.3 Expiration of Option. The Option may not be exercised to any extent by anyone after the first to occur of the following events:

(a) The expiration date set forth in the Grant Notice; *provided* that such expiration date shall not be later than the tenth (10th) anniversary of the Grant Date;

(b) Except as the Administrator may otherwise approve, the ninetieth (90th) day following the Cessation Date by reason of Participant's Termination of Service for any reason other than due to death, Disability or by a Participating Company for Cause;

(c) Except as the Administrator may otherwise approve, immediately upon the Cessation Date by reason of Participant's Termination of Service by a Participating Company for Cause; and

(d) The expiration of twelve (12) months from the Cessation Date by reason of Participant's Termination of Employment due to death or Disability.

Section 2.4 Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) The Participating Companies have the authority to deduct or withhold, or require Participant to remit to the applicable Participating Company, an amount sufficient to satisfy any applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by Applicable Law to be withheld with respect to any taxable event arising pursuant to this Agreement. The Participating Companies may withhold or Participant may make such payment in one or more of the forms specified below:

(i) by cash or check made payable to the Participating Company with respect to which the withholding obligation arises;

(ii) by the deduction of such amount from other compensation payable to Participant;

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<sup>4</sup> NTD: Insert for double trigger awards.

(iii) with respect to any withholding taxes arising in connection with the exercise of the Option, with the consent of the Administrator, by requesting that the Participating Companies withhold a net number of vested Shares otherwise issuable upon the exercise of the Option having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

(iv) with respect to any withholding taxes arising in connection with the exercise of the Option, with the consent of the Administrator, by tendering to the Company vested Shares held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

(v) with respect to any withholding taxes arising in connection with the exercise of the Option, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable to Participant pursuant to the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Participating Company with respect to which the withholding obligation arises in satisfaction of such withholding taxes; provided that payment of such proceeds is then made to the applicable Participating Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(vi) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the Option, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.4(a), the Company shall have the right and option, but not the obligation, to treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.4(a)(i) or Section 2.4(a)(iii) above, or any combination of the foregoing as the Company may determine to be appropriate. The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the exercise of the Option to, or to cause any such Shares to be held in book-entry form by, Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the exercise of the Option or any other taxable event related to the Option.

(c) In the event any tax withholding obligation arising in connection with the Option will be satisfied under Section 2.4(a)(iii), then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of Shares from those Shares then issuable upon the exercise of the Option as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Participating Company with respect to which the withholding obligation arises. Participant's acceptance of this Option constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 2.4(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any

Shares to Participant until the foregoing tax withholding obligations are satisfied, provided that no payment shall be delayed under this Section 2.4(c) if such delay will result in a violation of Section 409A.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the Option, regardless of any action any Participating Company takes with respect to any tax withholding obligations that arise in connection with the Option. No Participating Company makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or exercise of the Option or the subsequent sale of Shares. The Participating Companies do not commit and are under no obligation to structure the Option to reduce or eliminate Participant's tax liability.

### ARTICLE III. EXERCISE OF OPTION

Section 3.1 Person Eligible to Exercise. During the lifetime of Participant, only Participant may exercise the Option or any portion thereof. After the death of Participant, any exercisable portion of the Option may, prior to the time when the Option becomes unexercisable under Section 2.3 hereof, be exercised by Participant's personal representative or by any Person empowered to do so under the deceased Participant's will or under the then Applicable Laws of descent and distribution.

Section 3.2 Partial Exercise. Subject to Section 4.2, any exercisable portion of the Option or the entire Option, if then wholly exercisable, may be exercised in whole or in part at any time prior to the time when the Option or portion thereof becomes unexercisable under Section 2.3 hereof.

Section 3.3 Manner of Exercise. The Option, or any exercisable portion thereof, may be exercised solely by delivery to the Secretary of the Company (or any third party administrator or other Person designated by the Company), during regular business hours, of all of the following prior to the time when the Option or such portion thereof becomes unexercisable under Section 2.3 hereof.

(a) An exercise notice in a form specified by the Administrator, stating that the Option or portion thereof is thereby exercised, such notice complying with all applicable rules established by the Administrator;

(b) The receipt by the Company of full payment for the Shares with respect to which the Option or portion thereof is exercised, in such form of consideration permitted under Section 3.4 that is acceptable to the Administrator;

(c) The payment of any applicable withholding tax in accordance with Section 2.4;

(d) Any other written representations or documents as may be required in the Administrator's sole discretion to effect compliance with Applicable Law; and

(e) In the event the Option or portion thereof shall be exercised pursuant to Section 3.1 by any Person or Persons other than Participant, appropriate proof of the right of such Person or Persons to exercise the Option.

Notwithstanding any of the foregoing, the Administrator shall have the right to specify all conditions of the manner of exercise, which conditions may vary by country and which may be subject to change from time to time.

Section 3.4 Method of Payment. Payment of the Exercise Price shall be by any of the following, or a combination thereof, at the election of Participant:

(a) Cash or check;

(b) With the consent of the Administrator, surrender of vested Shares (including, without limitation, Shares otherwise issuable upon exercise of the Option) held for such period of time as may be required by the Administrator in order to avoid adverse accounting consequences and having a Fair Market Value on the date of delivery equal to the aggregate Exercise Price of the Option or exercised portion thereof;

(c) Through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to Shares then issuable upon exercise of the Option, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Company in satisfaction of the Exercise Price; *provided* that payment of such proceeds is then made to the Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(d) Any other form of legal consideration acceptable to the Administrator.

Section 3.5 Conditions to Issuance of Shares. The Company shall not be required to issue or deliver any certificate or certificates for any Shares or to cause any Shares to be held in book-entry form prior to the fulfillment of all of the following conditions: (a) the admission of the Shares to listing on all stock exchanges on which such Shares are then listed, (b) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (c) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, (d) the receipt by the Company of full payment for such Shares, which may be in one or more of the forms of consideration permitted under Section 3.4, and (e) the receipt of full payment of any applicable withholding tax in accordance with Section 2.4 by the Participating Company with respect to which the applicable withholding obligation arises.

Section 3.6 Rights as Stockholder. Neither Participant nor any Person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares purchasable upon the exercise of any part of the Option unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars and delivered to Participant (including through electronic delivery to a brokerage account). No adjustment will be made for a dividend or other right for which the record date is prior to the date of such issuance, recordation and delivery, except as provided in Article VIII of the Plan. Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

#### ARTICLE IV.

#### OTHER PROVISIONS

Section 4.1 Administration. The Administrator shall have the power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and

application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested Persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

**Section 4.2** Whole Shares. The Option may only be exercised for whole Shares.

**Section 4.3** Option Not Transferable. Subject to **Section 3.1** hereof, the Option may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the Option have been issued, and all restrictions applicable to such Shares have lapsed. Neither the Option nor any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence. Notwithstanding the foregoing, with the consent of the Administrator, if the Option is a Non-Qualified Stock Option, it may be transferred to Permitted Transferees pursuant to any conditions and procedures the Administrator may require.

**Section 4.4** Adjustments. The Administrator may accelerate the vesting of all or a portion of the Option in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the Option is subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Article VIII of the Plan.

**Section 4.5** Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this **Section 4.5**, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service.

**Section 4.6** Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

**Section 4.7** Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

**Section 4.8** Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the Option is granted and may be exercised, only in such a manner as to conform to

Applicable Law. To the extent permitted by Applicable Law, the Plan, the Grant Notice and this Agreement shall be deemed amended to the extent necessary to conform to Applicable Law.

Section 4.9 Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the Option in any material way without the prior written consent of Participant.

Section 4.10 Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in Section 4.3 and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

Section 4.11 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the Option, the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

Section 4.12 Not a Contract of Employment. Nothing in this Agreement or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of any Participating Company or shall interfere with or restrict in any way the rights of any Participating Company, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent (i) expressly provided otherwise in a written agreement between a Participating Company and Participant or (ii) where such provisions are not consistent with applicable foreign or local laws, in which case such applicable foreign or local laws shall control.

Section 4.13 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

Section 4.14 Section 409A. This Option is not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A. However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Option (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other Person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Option either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

Section 4.15 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or

unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

**Section 4.16 Limitation on Participant's Rights.** Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the right to receive Shares as a general unsecured creditor with respect to the Option, as and when exercised pursuant to the terms hereof.

**Section 4.17 Counterparts.** The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

**Section 4.18 Broker-Assisted Sales.** In the event of any broker-assisted sale of Shares in connection with the payment of withholding taxes as provided in Section 2.4(c) or the payment of the Exercise Price as provided in Section 3.4(c): (a) any Shares to be sold through a broker-assisted sale will be sold on the day the tax withholding obligation or exercise of the Option, as applicable, occurs or arises, or as soon thereafter as practicable; (b) such Shares may be sold as part of a block trade with other participants in the Plan in which all participants receive an average price; (c) Participant will be responsible for all broker's fees and other costs of sale, and Participant agrees to indemnify and hold the Company harmless from any losses, costs, damages, or expenses relating to any such sale; (d) to the extent the proceeds of such sale exceed the applicable tax withholding obligation or Exercise Price, the Company agrees to pay such excess in cash to Participant as soon as reasonably practicable; (e) Participant acknowledges that the Company or its designee is under no obligation to arrange for such sale at any particular price, and that the proceeds of any such sale may not be sufficient to satisfy the applicable tax withholding obligation or Exercise Price; and (f) in the event the proceeds of such sale are insufficient to satisfy the applicable tax withholding obligation, Participant agrees to pay immediately upon demand to the Participating Company with respect to which the withholding obligation arises an amount in cash sufficient to satisfy any remaining portion of the applicable Participating Company's withholding obligation.

**Section 4.19 Incentive Stock Options.** Participant acknowledges that to the extent the aggregate Fair Market Value of Shares (determined as of the time the option with respect to the Shares is granted) with respect to which Incentive Stock Options, including this Option (if applicable), are exercisable for the first time by Participant during any calendar year exceeds \$100,000 or if for any other reason such Incentive Stock Options do not qualify or cease to qualify for treatment as "incentive stock options" under Section 422 of the Code, such Incentive Stock Options shall be treated as Non-Qualified Stock Options. Participant further acknowledges that the rule set forth in the preceding sentence shall be applied by taking the Option and other stock options into account in the order in which they were granted, as determined under Section 422(d) of the Code and the Treasury Regulations thereunder. Participant also acknowledges that an Incentive Stock Option exercised more than three (3) months after Participant's Termination of Service, other than by reason of death or disability, will be taxed as a Non-Qualified Stock Option.

**Section 4.20 Notification of Disposition.** If this Option is designated as an Incentive Stock Option, Participant shall give prompt written notice to the Company of any disposition or other transfer of any Shares acquired under this Agreement if such disposition or transfer is made (a) within two (2) years from the Grant Date or (b) within one (1) year after the transfer of such Shares to Participant. Such notice



shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by Participant in such disposition or other transfer.

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A-10

## KALTURA, INC.

## 2021 INCENTIVE AWARD PLAN

## RESTRICTED STOCK UNIT GRANT NOTICE

Capitalized terms not specifically defined in this Restricted Stock Unit Grant Notice (the "Grant Notice") have the meanings given to them in the 2021 Incentive Award Plan (as amended from time to time, the "Plan") of Kaltura, Inc. (the "Company").

The Company hereby grants to the participant listed below ("Participant") the Restricted Stock Units described in this Grant Notice (the "RSUs"), subject to the terms and conditions of the Plan, the Restricted Stock Unit Agreement attached hereto as Exhibit A (the "Agreement") and the special provisions for the Participant's country of residence if such Participant resides or provides services outside the United States, if applicable, attached hereto as Exhibit B (the "Foreign Appendix"), each of which are incorporated into this Grant Notice by reference. [Each RSU is hereby granted in tandem with a corresponding dividend equivalent to the extent a portion of such RSU is vested, as further described in Article II of the Agreement (the "Dividend Equivalents").]<sup>1</sup>

<b>Participant:</b>	<i>[Insert Participant Name]</i>
<b>Grant Date:</b>	<i>[Insert Grant Date]</i>
<b>Number of RSUs:</b>	<i>[Insert Number of RSUs]</i>
<b>Vesting Commencement Date:</b>	<i>[Insert Vesting Commencement Date]</i>
<b>Vesting Schedule:</b>	<i>[To be specified in individual agreements]</i>

[By Participant's signature below or electronic acceptance or authentication in a form authorized by the Company, Participant agrees to be bound by the terms of this Grant Notice, the Plan, the Agreement and the Foreign Appendix, if applicable. Participant has reviewed the Plan, this Grant Notice, the Agreement and the Foreign Appendix, if applicable, in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Grant Notice and fully understands all provisions of the Plan, this Grant Notice, the Agreement and the Foreign Appendix, if applicable.]

**[Withholding Tax Election:** By accepting this Award electronically through the Plan service provider's online grant acceptance policy, the Participant understands and agrees that as a condition of the grant of the RSUs hereunder, the Participant is required to, and hereby affirmatively elects to (the "Sell to Cover Election"), (1) sell that number of Shares determined in accordance with Section 2.5 of the Agreement as may be necessary to satisfy all applicable withholding obligations with respect to any taxable event arising in connection with the RSUs and similarly sell such number of Shares as may be necessary to satisfy all applicable withholding obligations with respect to any other awards of restricted stock units granted to the Participant under the Plan or any other equity incentive plans of the Company or its predecessor, and (2) to allow the Agent (as defined in the Agreement) to remit the cash proceeds of such sale(s) to the Company. Furthermore, the Participant directs the Company to make a cash payment equal to the required tax withholding from the cash proceeds of such sale(s) directly to the appropriate taxing authorities. **The Participant has carefully reviewed Section 2.5 of the Agreement and the Participant hereby represents and warrants that on the date hereof he or she is not aware of any material, nonpublic information with respect to the Company or any securities of the Company, is not subject to any legal, regulatory or contractual restriction that would prevent the Agent from conducting sales, does not have, and will not attempt to exercise, authority, influence or control over any sales of Shares effected by the Agent pursuant to the Agreement, and is entering into the Agreement and this election to "sell to cover" in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b5-1 (regarding**

<sup>1</sup> Note to Draft: To include if dividend equivalents will be granted in tandem.

trading of the Company’s securities on the basis of material nonpublic information) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). It is the Participant’s intent that this election to “sell to cover” comply with the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act and be interpreted to comply with the requirements of Rule 10b5-1(c) under the Exchange Act.

By accepting this Award electronically through the Plan service provider’s online grant acceptance policy, Participant agrees to be bound by the terms and conditions of the Plan, the Agreement, the Foreign Appendix, if applicable and the Grant Notice. Participant has reviewed the Agreement, the Foreign Appendix, if applicable, the Plan and the Grant Notice in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Grant Notice and fully understands all provisions of the Grant Notice, the Agreement, the Foreign Appendix, if applicable, and the Plan. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Administrator upon any questions arising under the Plan, the Grant Notice, the Agreement or the Foreign Appendix, if applicable.]<sup>2</sup>

**KALTURA, INC.**

**PARTICIPANT**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_

<sup>2</sup> Note to Draft: To include for mandatory sell to cover election.

**EXHIBIT A**  
**TO RESTRICTED STOCK UNIT GRANT NOTICE**  
**RESTRICTED STOCK UNIT AWARD AGREEMENT**

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to Participant the number of RSUs set forth in the Grant Notice.

**ARTICLE I.**

**GENERAL**

**Section 1.1** **Defined Terms.** Capitalized terms not specifically defined herein shall have the meanings specified in the Plan or the Grant Notice. For purposes of this Agreement,

(a) **“Cause”** shall mean, unless such term or an equivalent term is otherwise defined by any employment agreement or offer letter between a Participant and a Participating Company, any of the following: (i) the Participant’s theft, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, or falsification of any Participating Company documents or records; (ii) the Participant’s material failure to abide by a Participating Company’s code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); (iii) the Participant’s unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Participating Company (including, without limitation, the Participant’s improper use or disclosure of a Participating Company’s confidential or proprietary information); (iv) any intentional act by the Participant which has a material detrimental effect on a Participating Company’s reputation or business or which brings the Participant into widespread public disrepute; (v) the Participant’s repeated failure or inability to perform any reasonable assigned duties after written notice from a Participating Company of, and a reasonable opportunity to cure, such failure or inability; (vi) any material breach by the Participant of any employment or service agreement between the Participant and a Participating Company, which breach is not cured pursuant to the terms of such agreement; or (vii) the Participant’s commission or conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the Participant’s ability to perform his or her duties with a Participating Company. For purposes of this Agreement, whether or not an event giving rise to “Cause” occurs will be determined by the Board in its sole discretion.<sup>3</sup>

(b) **“Cessation Date”** shall mean the date of Participant’s Termination of Service (regardless of the reason for such termination).

(c) **“CIC Qualifying Termination”** shall mean Termination of Service of Participant by any Participating Company without Cause or by Participant for Good Reason during the twelve (12) month period immediately following a Change in Control.]

(e) **“Good Reason”** shall mean, unless such term or an equivalent term is otherwise defined by any employment agreement or offer letter between a Participant and a Participating Company, the occurrence of any of the following without the Participant’s voluntary written consent: (i) a material breach by the Company of any material provision of this Agreement; (ii) a reduction resulting in the value of the Participant’s salary and/or the monetary value of Participant’s benefits, of more than 12.5%, unless

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<sup>3</sup> Note to Draft: Insert for double-trigger awards.

such reductions are made in the same proportion as part of across-the-board salary reductions for substantially all other employees with a similar level; (iii) the Company's relocation of the Company office to which the Participant primarily reports (the "Office") to a location that increases the distance from the Participant's principal residence to the Office by more than fifty (50) miles; or (iv) a substantial diminution in the nature or status of Participant's responsibilities, duties, titles or reporting level (unless otherwise agreed to by Participant's), provided, however, that notwithstanding the foregoing, for purposes of this subsection (iv), a substantial diminution in such nature or status shall not exist in the event that due to a Change in Control the Participant has authority and responsibility over a division, subsidiary or entity that is substantially similar in size to the division, subsidiary or entity over which the Participant had authority and responsibility immediately prior to such Change in Control; provided, in each case, that the Participant first provided notice to the applicable Participating Company of the existence of the condition described above within fifteen (15) days of the initial existence of the condition, upon the notice of which such Participating Company shall have thirty (30) days during which it may remedy the condition, and provided further that the separation of service must occur within fifteen (15) days following the end of such 30-day cure period.<sup>4</sup>

(f) "Participating Company," shall mean the Company or any of its parents or Subsidiaries.

Section 1.2 Incorporation of Terms of Plan. The RSUs and the shares of Common Stock issued to Participant hereunder ("Shares") are subject to the terms and conditions set forth in this Agreement, the Foreign Appendix, if applicable and the Plan, which is incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. In the event of any inconsistency between the Plan and/or this Agreement with the Foreign Appendix, the terms of the Foreign Appendix shall control.

## ARTICLE II.

### AWARD OF RESTRICTED STOCK UNITS

#### Section 2.1 Award of RSUs [and Dividend Equivalents]

(a) In consideration of Participant's past and/or continued employment with or service to a Participating Company and for other good and valuable consideration, effective as of the grant date set forth in the Grant Notice (the "Grant Date"), the Company has granted to Participant the number of RSUs set forth in the Grant Notice, upon the terms and conditions set forth in the Grant Notice, the Plan and this Agreement, subject to adjustment as provided in Article VIII of the Plan. Each RSU represents the right to receive one Share at the times and subject to the conditions set forth herein. However, unless and until the RSUs have vested, Participant will have no right to the payment of any Shares subject thereto. Prior to the actual delivery of any Shares, the RSUs will represent an unsecured obligation of the Company, payable only from the general assets of the Company.

(b) [The Company hereby grants to Participant an Award of Dividend Equivalents with respect to each RSU granted pursuant to the Grant Notice for all ordinary cash dividends that are paid to all or substantially all holders of the outstanding Shares between the Grant Date and the date when the applicable RSU is distributed or paid to Participant or is forfeited or expires. The Dividend Equivalents for each RSU shall be equal to the amount of cash that is paid as a dividend on one Share. All such Dividend Equivalents shall be credited to Participant and be deemed to be reinvested in

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<sup>4</sup> NTD: Insert for double trigger awards.

additional RSUs as of the date of payment of any such dividend based on the Fair Market Value of a Share on such date. Each additional RSU that results from such deemed reinvestment of Dividend Equivalents granted hereunder shall be subject to the same vesting, distribution or payment, adjustment and other provisions that apply to the underlying RSU to which such additional RSU relates.<sup>5</sup>

Section 2.2 Vesting of RSUs [and Dividend Equivalents].

(a) Subject to Participant's continued employment with or service to a Participating Company on each applicable vesting date and subject to the terms of this Agreement, [including, without limitation, Section 2.2(d),] the RSUs shall vest in such amounts and at such times as are set forth in the Grant Notice. [Each additional RSU that results from deemed reinvestments of Dividend Equivalents pursuant to Section 2.1(b) shall vest whenever the underlying RSU to which such additional RSU relates vests.]

(b) In the event Participant incurs a Termination of Service, except as may be otherwise provided by the Administrator or as set forth in a written agreement between Participant and the Company, Participant shall immediately forfeit any and all RSUs [and Dividend Equivalents] granted under this Agreement that have not vested or do not vest on or prior to the date on which such Termination of Service occurs, and Participant's rights in any such RSUs [and Dividend Equivalents] that are not so vested shall lapse and expire.

(c) [Notwithstanding the Grant Notice or the provisions of Section 2.2(a) and Section 2.2(b), in the event of a CIC Qualifying Termination, the RSUs shall become vested in full on the date of such CIC Qualifying Termination.]<sup>6</sup>

Section 2.3

(a) Distribution or Payment of RSUs. Participant's RSUs shall be distributed in Shares (either in book-entry form or otherwise) within 60 days following the vesting of the applicable RSU pursuant to Section 2.2, and, in any event, no later than March 15<sup>th</sup> of the calendar year following the year in which such vesting occurred (for the avoidance of doubt, this deadline is intended to comply with the "short-term deferral" exemption from Section 409A). Notwithstanding the foregoing, the Company may delay a distribution or payment in settlement of RSUs if it reasonably determines that such payment or distribution will violate federal securities laws or any other Applicable Law, *provided* that such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii), and *provided further* that no payment or distribution shall be delayed under this Section 2.3(a) if such delay will result in a violation of Section 409A.

(b) All distributions shall be made by the Company in the form of whole Shares, and any fractional share shall be distributed in cash in an amount equal to the value of such fractional share determined based on the Fair Market Value as of the date immediately preceding the date of such distribution.

Section 2.4 Conditions to Issuance of Certificates. The Company shall not be required to issue or deliver any certificate or certificates for any Shares or to cause any Shares to be held in book-entry form prior to the fulfillment of all of the following conditions: (a) the admission of the Shares to

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<sup>5</sup> NTD: Insert for dividend equivalents.

<sup>6</sup> NTD: Insert for double trigger awards.

listing on all stock exchanges on which such Shares are then listed, (b) the completion of any registration or other qualification of the Shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or other governmental regulatory body, which the Administrator shall, in its absolute discretion, deem necessary or advisable, (c) the obtaining of any approval or other clearance from any state or federal governmental agency that the Administrator shall, in its absolute discretion, determine to be necessary or advisable, and (d) the receipt of full payment of any applicable withholding tax in accordance with Section 2.5 by the Participating Company with respect to which the applicable withholding obligation arises.

Section 2.5     Tax Withholding. Notwithstanding any other provision of this Agreement:

(a) [As set forth in Section 9.5 of the Plan, the Company shall have the authority and the right to deduct or withhold, or to require the Participant to remit to the Company, an amount sufficient to satisfy all applicable federal, state and local taxes required by law to be withheld with respect to any taxable event arising in connection with the RSUs. In satisfaction of such tax withholding obligations and in accordance with the Sell to Cover Election included in the Grant Notice, the Participant has irrevocably elected to sell the portion of the Shares to be delivered under the RSUs necessary so as to satisfy the tax withholding obligations and shall execute any letter of instruction or agreement required by the Company's transfer agent (together with any other party the Company determines necessary to execute the Sell to Cover Election, the "Agent") to cause the Agent to irrevocably commit to forward the proceeds necessary to satisfy the tax withholding obligations directly to the Company and/or its Affiliates. Notwithstanding any other provision of this Agreement, the Company shall not be obligated to deliver any new certificate representing Shares to the Participant or the Participant's legal representative or enter such Shares in book entry form unless and until the Participant or the Participant's legal representative shall have paid or otherwise satisfied in full the amount of all federal, state and local taxes applicable to the taxable income of the Participant resulting from the grant or vesting of the RSUs or the issuance of Shares. In accordance with Participant's Sell to Cover Election pursuant to the Grant Notice, the Participant hereby acknowledges and agrees:

(i) The Participant hereby appoints the Agent as the Participant's agent and authorizes the Agent to (1) sell on the open market at the then prevailing market price(s), on the Participant's behalf, as soon as practicable on or after the Shares are issued upon the vesting of the RSUs, that number (rounded up to the next whole number) of the Shares so issued necessary to generate proceeds to cover (x) any tax withholding obligations incurred with respect to such vesting or issuance and (y) all applicable fees and commissions due to, or required to be collected by, the Agent with respect thereto and (2) apply any remaining funds to the Participant's federal tax withholding.

(ii) The Participant hereby authorizes the Company and the Agent to cooperate and communicate with one another to determine the number of Shares that must be sold pursuant to subsection (i) above.

(iii) The Participant understands that the Agent may effect sales as provided in subsection (i) above in one or more sales and that the average price for executions resulting from bunched orders will be assigned to the Participant's account. In addition, the Participant acknowledges that it may not be possible to sell Shares as provided by subsection (i) above due to (1) a legal or contractual restriction applicable to the Participant or the Agent, (2) a market disruption, or (3) rules governing order execution priority on the national exchange where the Shares may be traded. The Participant further agrees and acknowledges that in the event the sale

of Shares would result in material adverse harm to the Company, as determined by the Company in its sole discretion, the Company may instruct the Agent not to sell Shares as provided by subsection (i) above. In the event of the Agent's inability to sell Shares, the Participant will continue to be responsible for the timely payment to the Company and/or its Affiliates of all federal, state, local and foreign taxes that are required by applicable laws and regulations to be withheld, including but not limited to those amounts specified in subsection (i) above.

(iv) The Participant acknowledges that regardless of any other term or condition of this Section 2.5(a), the Agent will not be liable to the Participant for (1) special, indirect, punitive, exemplary, or consequential damages, or incidental losses or damages of any kind, or (2) any failure to perform or for any delay in performance that results from a cause or circumstance that is beyond its reasonable control.

(v) The Participant hereby agrees to execute and deliver to the Agent any other agreements or documents as the Agent reasonably deems necessary or appropriate to carry out the purposes and intent of this Section 2.5(a). The Agent is a third-party beneficiary of this Section 2.5(a).

(vi) This Section 2.5(a) shall terminate not later than the date on which all tax withholding obligations arising in connection with the vesting of the Award have been satisfied.

(b) The Company shall not be obligated to deliver any certificate representing Shares issuable with respect to the RSUs to, or to cause any such Shares to be held in book-entry form by, Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the RSUs or any other taxable event related to the RSUs.

(c) Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action the Company or any other Participating Company takes with respect to any tax withholding obligations that arise in connection with the RSUs. No Participating Company makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the subsequent sale of Shares. The Participating Companies do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax liability.<sup>7</sup>

(a) [The Participating Companies have the authority to deduct or withhold, or require Participant to remit to the applicable Participating Company, an amount sufficient to satisfy any applicable federal, state, local and foreign taxes (including the employee portion of any FICA obligation) required by Applicable Law to be withheld with respect to any taxable event arising pursuant to this Agreement. The Participating Companies may withhold or Participant may make such payment in one or more of the forms specified below:

- (i) by cash or check made payable to the Participating Company with respect to which the withholding obligation arises;
- (ii) by the deduction of such amount from other compensation payable to Participant;

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<sup>7</sup> Note to Draft: To include for mandatory sell to cover election.



(iii) with respect to any withholding taxes arising in connection with the distribution of the RSUs, with the consent of the Administrator, by requesting that the Company withhold a net number of vested shares of Stock otherwise issuable pursuant to the RSUs having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

(iv) with respect to any withholding taxes arising in connection with the distribution of the RSUs, with the consent of the Administrator, by tendering to the Company vested shares of Stock having a then current Fair Market Value not exceeding the amount necessary to satisfy the withholding obligation of the Participating Companies based on the maximum statutory withholding rates in Participant's applicable jurisdictions for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such taxable income;

(v) with respect to any withholding taxes arising in connection with the distribution of the RSUs, through the delivery of a notice that Participant has placed a market sell order with a broker acceptable to the Company with respect to shares of Stock then issuable to Participant pursuant to the RSUs, and that the broker has been directed to pay a sufficient portion of the net proceeds of the sale to the Participating Company with respect to which the withholding obligation arises in satisfaction of such withholding taxes; *provided* that payment of such proceeds is then made to the applicable Participating Company at such time as may be required by the Administrator, but in any event not later than the settlement of such sale; or

(vi) in any combination of the foregoing.

(b) With respect to any withholding taxes arising in connection with the RSUs, in the event Participant fails to provide timely payment of all sums required pursuant to Section 2.5(a), the Company shall have the right and option, but not the obligation, to treat such failure as an election by Participant to satisfy all or any portion of Participant's required payment obligation pursuant to Section 2.5(a)(ii) or Section 2.5(a)(iii) above, or any combination of the foregoing as the Company may determine to be appropriate. The Company shall not be obligated to deliver any certificate representing shares of Stock issuable with respect to the RSUs to Participant or his or her legal representative unless and until Participant or his or her legal representative shall have paid or otherwise satisfied in full the amount of all federal, state, local and foreign taxes applicable with respect to the taxable income of Participant resulting from the vesting or settlement of the RSUs or any other taxable event related to the RSUs.

(c) In the event any tax withholding obligation arising in connection with the RSUs will be satisfied under Section 2.5(a)(iii), then the Company may elect to instruct any brokerage firm determined acceptable to the Company for such purpose to sell on Participant's behalf a whole number of shares from those shares of Stock then issuable to Participant pursuant to the RSUs as the Company determines to be appropriate to generate cash proceeds sufficient to satisfy the tax withholding obligation and to remit the proceeds of such sale to the Participating Company with respect to which the withholding obligation arises. Participant's acceptance of this Award constitutes Participant's instruction and authorization to the Company and such brokerage firm to complete the transactions described in this Section 2.5(c), including the transactions described in the previous sentence, as applicable. The Company may refuse to issue any shares of Stock in settlement of the RSUs to Participant until the foregoing tax

withholding obligations are satisfied, provided that no payment shall be delayed under this Section 2.5(c) if such delay will result in a violation of Section 409A of the Code.

(d) Participant is ultimately liable and responsible for all taxes owed in connection with the RSUs, regardless of any action any Participating Company takes with respect to any tax withholding obligations that arise in connection with the RSUs. No Participating Company makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the RSUs or the subsequent sale of Shares. The Participating Companies do not commit and are under no obligation to structure the RSUs to reduce or eliminate Participant's tax liability.<sup>8</sup>

Section 2.6 Rights as Stockholder. Neither Participant nor any Person claiming under or through Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until certificates representing such Shares (which may be in book-entry form) will have been issued and recorded on the records of the Company or its transfer agents or registrars and delivered to Participant (including through electronic delivery to a brokerage account). Except as otherwise provided herein, after such issuance, recordation and delivery, Participant will have all the rights of a stockholder of the Company with respect to such Shares, including, without limitation, the right to receipt of dividends and distributions on such Shares.

Section 2.7 Restrictive Covenants; Forfeiture. The Participant hereby acknowledges and agrees that any restrictive covenants or similar written agreements (the "Restrictive Covenant Agreements") between such Participant and the Company or any other Participating Company are incorporated herein by reference, and that such agreements, as applicable, remain in full force and effect. In the event the Participant materially breaches the Restrictive Covenant Agreements or any other written covenants between such Participant and any Participating Company, the Participant shall immediately forfeit any and all RSUs [and Dividend Equivalents] granted under this Agreement (whether or not vested), and Participant's rights in any such RSUs [and Dividend Equivalents] shall lapse and expire.

### ARTICLE III.

#### OTHER PROVISIONS

Section 3.1 Administration. The Administrator shall have the power to interpret the Plan, the Grant Notice and this Agreement and to adopt such rules for the administration, interpretation and application of the Plan, the Grant Notice and this Agreement as are consistent therewith and to interpret, amend or revoke any such rules. All actions taken and all interpretations and determinations made by the Administrator will be final and binding upon Participant, the Company and all other interested Persons. To the extent allowable pursuant to Applicable Law, no member of the Committee or the Board will be personally liable for any action, determination or interpretation made with respect to the Plan, the Grant Notice or this Agreement.

Section 3.2 RSUs Not Transferable. The RSUs may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution, unless and until the Shares underlying the RSUs have been issued, and all restrictions applicable to such Shares have lapsed. No RSUs or any interest or right therein or part thereof shall be liable for the debts, contracts or engagements of Participant or his or her successors in interest or shall be subject to disposition by transfer, alienation, anticipation, pledge, encumbrance, assignment or any other means whether such

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<sup>8</sup> Note to Draft: To include if no mandatory sell to cover election.

disposition be voluntary or involuntary or by operation of law by judgment, levy, attachment, garnishment or any other legal or equitable proceedings (including bankruptcy), and any attempted disposition thereof shall be null and void and of no effect, except to the extent that such disposition is permitted by the preceding sentence. Notwithstanding the foregoing, with the consent of the Administrator, the RSUs may be transferred to Permitted Transferees, pursuant to any such conditions and procedures the Administrator may require.

**Section 3.3** Adjustments. The Administrator may accelerate the vesting of all or a portion of the RSUs in such circumstances as it, in its sole discretion, may determine. Participant acknowledges that the RSUs and the Shares subject to the RSUs are subject to adjustment, modification and termination in certain events as provided in this Agreement and the Plan, including Article VIII of the Plan.

**Section 3.4** Notices. Any notice to be given under the terms of this Agreement to the Company shall be addressed to the Company in care of the Secretary of the Company at the Company's principal office, and any notice to be given to Participant shall be addressed to Participant at Participant's last address reflected on the Company's records. By a notice given pursuant to this **Section 3.4**, either party may hereafter designate a different address for notices to be given to that party. Any notice shall be deemed duly given when sent via email or when sent by certified mail (return receipt requested) and deposited (with postage prepaid) in a post office or branch post office regularly maintained by the United States Postal Service or similar foreign entity.

**Section 3.5** Titles. Titles are provided herein for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

**Section 3.6** Governing Law. The laws of the State of Delaware shall govern the interpretation, validity, administration, enforcement and performance of the terms of this Agreement regardless of the law that might be applied under principles of conflicts of laws.

**Section 3.7** Conformity to Securities Laws. Participant acknowledges that the Plan, the Grant Notice and this Agreement and the Foreign Appendix, if applicable, are intended to conform to the extent necessary with all Applicable Laws, including, without limitation, the provisions of the Securities Act and the Exchange Act, and any and all regulations and rules promulgated thereunder by the Securities and Exchange Commission, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to Applicable Law. To the extent permitted by Applicable Law, the Plan, the Grant Notice, this Agreement and the Foreign Appendix, if applicable, shall be deemed amended to the extent necessary to conform to Applicable Law.

**Section 3.8** Amendment, Suspension and Termination. To the extent permitted by the Plan, this Agreement may be wholly or partially amended or otherwise modified, suspended or terminated at any time or from time to time by the Administrator or the Board, *provided* that, except as may otherwise be provided by the Plan, no amendment, modification, suspension or termination of this Agreement shall adversely affect the RSUs in any material way without the prior written consent of Participant.

**Section 3.9** Successors and Assigns. The Company may assign any of its rights under this Agreement to single or multiple assignees, and this Agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth in **Section 3.2** and the Plan, this Agreement shall be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors and assigns of the parties hereto.

Section 3.10 Limitations Applicable to Section 16 Persons. Notwithstanding any other provision of the Plan or this Agreement, if Participant is subject to Section 16 of the Exchange Act, the Plan, the RSUs [(including RSUs that result from the deemed reinvestment of Dividend Equivalents), the Dividend Equivalents], the Grant Notice and this Agreement shall be subject to any additional limitations set forth in any applicable exemptive rule under Section 16 of the Exchange Act (including any amendment to Rule 16b-3 of the Exchange Act) that are requirements for the application of such exemptive rule. To the extent permitted by Applicable Law, this Agreement shall be deemed amended to the extent necessary to conform to such applicable exemptive rule.

Section 3.11 Not a Contract of Employment. Nothing in this Agreement, the Foreign Appendix, if applicable, or in the Plan shall confer upon Participant any right to continue to serve as an employee or other service provider of any Participating Company or shall interfere with or restrict in any way the rights of any Participating Company, which rights are hereby expressly reserved, to discharge or terminate the services of Participant at any time for any reason whatsoever, with or without cause, except to the extent (i) expressly provided otherwise in a written agreement between a Participating Company and Participant or (ii) where such provisions are not consistent with applicable foreign or local laws, in which case such applicable foreign or local laws shall control.

Section 3.12 Entire Agreement. The Plan, the Grant Notice and this Agreement (including any exhibit hereto) constitute the entire agreement of the parties and supersede in their entirety all prior undertakings and agreements of the Company and Participant with respect to the subject matter hereof.

Section 3.13 Section 409A. This Award is not intended to constitute “nonqualified deferred compensation” within the meaning of Section 409A. However, notwithstanding any other provision of the Plan, the Grant Notice or this Agreement, if at any time the Administrator determines that this Award (or any portion thereof) may be subject to Section 409A, the Administrator shall have the right in its sole discretion (without any obligation to do so or to indemnify Participant or any other Person for failure to do so) to adopt such amendments to the Plan, the Grant Notice or this Agreement, or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, as the Administrator determines are necessary or appropriate for this Award either to be exempt from the application of Section 409A or to comply with the requirements of Section 409A.

Section 3.14 Agreement Severable. In the event that any provision of the Grant Notice or this Agreement is held invalid or unenforceable, such provision will be severable from, and such invalidity or unenforceability will not be construed to have any effect on, the remaining provisions of the Grant Notice or this Agreement.

Section 3.15 Limitation on Participant’s Rights. Participation in the Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Company as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. Participant shall have only the rights of a general unsecured creditor of the Company with respect to amounts credited and benefits payable, if any, with respect to the RSUs [and Dividend Equivalents].

Section 3.16 Counterparts. The Grant Notice may be executed in one or more counterparts, including by way of any electronic signature, subject to Applicable Law, each of which shall be deemed an original and all of which together shall constitute one instrument.

Section 3.17 Special Provisions for Restricted Stock Units Granted to Participants Outside the United States. If the Participant performs services for the Company outside of the United States, this Agreement shall be subject to the special provisions, if any, for the Participant's country of residence, as set forth in the Foreign Appendix.

(a) If the Participant relocates to one of the countries included in the Foreign Appendix during the life of this Agreement, the special provisions for such country shall apply to the Participant, to the extent the Company determines that the application of such provisions is necessary or advisable in order to comply with applicable foreign and local law or facilitate the administration of the Plan.

(b) The Company reserves the right to impose other requirements on this Agreement, the RSUs and the Shares issued upon settlement of the RSUs, to the extent the Company determines it is necessary or advisable in order to comply with applicable foreign or local laws or facilitate the administration of the Plan, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

\* \* \* \* \*

**EXHIBIT B**  
**TO RESTRICTED STOCK UNIT AWARD AGREEMENT**

**SPECIAL PROVISIONS FOR RESTRICTED STOCK UNITS**

**GRANTED TO PARTICIPANTS OUTSIDE THE U.S.**

This Exhibit B includes additional terms applicable to Participants who reside or provide services to a Participating Company in the countries identified below. These terms and conditions are in addition to those set forth in the Agreement to which this Exhibit B is attached and the Plan and to the extent there are any inconsistencies between these terms and conditions and those set forth in the Agreement, these terms and conditions shall prevail. Any capitalized term used in this Exhibit B without definition shall have the meaning ascribed to such term in the Plan or the Agreement, as applicable.

This Foreign Appendix also includes information relating to exchange control and other issues of which the Participant should be aware with respect to his or her participation in the Plan. The information is based on the exchange control, securities and other laws in effect in the respective countries as of [\_\_\_\_], 2021. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant does not rely on the information herein as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the RSUs are settled or Shares acquired under the Plan are sold.

In addition, the information is general in nature and may not apply to the particular situation of the Participant, and the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation. Finally, if the Participant is a citizen or resident of a country other than the one in which he or she is currently working, the information contained herein may not be applicable to the Participant.

## EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is entered into as of the 1st day of May, 2012, by and between Kaltura, Ltd., a company organized under the laws of the State of Israel, registered under number 51-294781-3, with offices at 13 Tuval Street, Israel (the "Company") and Ron Yekutiel Israel Identity Number ###, residing at Tel-Aviv, Israel (the "Executive").

WHEREAS, the Company desires to employ the Executive as the CEO of the Company and the Executive desires to serve as the CEO of the Company and to engage in such employment, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, the parties agree as follows:

### 1. Employment.

- a. The Company agrees to employ the Executive as the CEO of the Company and the Executive agrees to be employed by the Company as its CEO on the terms and conditions hereinafter set forth.
- b. The Executive's duties and responsibilities shall include but not be limited to those duties and responsibilities customarily performed by a CEO. The Executive shall be under the direct supervision of and comply with the directives of the Board of Directors of the Company or such officer of the Company as may be appointed by the Board of Directors of the Company from time to time (the "Board").
- c. Excluding periods of vacation, sick leave and military reserve service to which the Executive is entitled or required, the Executive agrees to devote total attention and full time to the business and affairs of the Company and its subsidiaries as required to discharge the responsibilities assigned to the Executive hereunder. During the term of this Agreement, the Executive shall not be engaged in any other employment nor engage actively in any other business activities or in any other activities which may hinder his performance hereunder, with or without compensation, for any other person, firm or company without the prior written consent of the Company.
- d. The Executive's duties shall be in the nature of management duties that demand a special level of loyalty and accordingly the Law of Work Hours and Rest 5711 - 1951 shall not apply to this Agreement. The parties hereto confirm that this is a personal services contract and that the relationship between the parties hereto shall not be subject to any general or special collective employment agreement or any custom or practice of the Company in respect of any of its other employees or contractors.

2. **Base Salary.**

- a. The Company agrees to pay or cause to be paid to the Executive during the term of this Agreement a gross salary equal to 60,000 NIS (the "Base Salary"). The Base Salary shall be payable monthly in arrears, no later than the 9<sup>th</sup> day of each month.
- b. The Base Salary specified in Section 2(a) includes remuneration for working overtime and on days of rest, and the Executive shall not be entitled to any further remuneration or payment whatsoever other than the Base Salary and/or benefits, unless expressly specified in this Agreement. The Executive acknowledges that the Base Salary to which he is entitled pursuant to this Agreement constitutes due consideration for him working overtime and on days of rest.
- c. In addition to the Base Salary, Company agrees to pay the Executive a gross monthly amount of 12,380 NIS to cover housing expenses.
- d. All amounts payable hereunder shall be reviewed annually by the Board of Directors of the Company.

3. **Executive Benefits.**

- a. The Executive shall be entitled to the following benefits:
  - i. Sick Leave. The Executive shall be entitled to fully paid sick leave pursuant to the Sick Pay Law 5736 - 1976.
  - ii. Vacation. The Executive shall be entitled to an annual vacation of twenty (20) working days per year. A "working day" shall mean Sunday to Thursday inclusive. Up to one year's equivalent of vacation days may be accumulated and may, at the Executive's option, upon thirty (30) days written notice to the Company, be converted into cash payments in an amount equal to the proportionate part of the Base Salary for such days to the extent provided by law.
  - iii. Manager's Insurance. The Company shall effect a Manager's Insurance Policy (the "Policy") in the name of the Executive, and shall pay a sum up to 15.83% of the Executive's Base Salary towards such Policy, of which 8.33% will be on account of severance pay and 5% on account of pension fund payments and up to a further 2.5% of the Executive's Base Salary on account of disability pension payments. The Company shall deduct 5% from the Executive's Base Salary to be paid on behalf of the Executive towards such Policy.
  - iv. Further Education Fund Contributions. The Company shall pay a sum equal to 7.5% of the Executive's Base Salary and shall deduct 2.5% from the Executive's Base Salary to be paid on behalf of the Executive toward a further education fund. Use of these funds shall be in accordance with the by-laws of such fund.
  - v. If the Executive makes use of a car leased by the Company, the cost of using the car, as established by the Company, shall be deducted from the Salary.



vi. The Executive shall be provided with a cellular telephone.

**4. Expenses.**

- a. The Executive shall be entitled to receive prompt reimbursement of all direct expenses reasonably incurred by him in connection with the performance of his duties hereunder; provided, however, that (a) such expenses are incurred in accordance with the Company's expense policy in effect at such time (the "Expense Policy"), (b) the Executive has submitted, in writing, in the proper format, an expense report for the same, together with written receipts, in accordance with the Expense Policy (each, an "Expense Report"). Executive hereby acknowledges that once reimbursement has been received for goods purchased by Executive on behalf of the Company, such goods shall become the sole property of the Company.

**5. Term and Termination.**

- a. The term of employment under this Agreement shall commence as of the date of this Agreement and will continue unless terminated under the following circumstances:
- i. Disability. The Company may terminate the Executive's employment after having established the Executive's disability. For purposes of this Agreement, "disability" means a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties under this Agreement which continues for a period of at least ninety (90) consecutive days. Upon termination for disability, the Executive shall be entitled to severance pay required by law (subject to the provisions of Section 5(d) below).
  - ii. Cause. The Company may terminate the Executive's employment for cause. For purposes of this Agreement, termination for "cause" shall mean and include: (i) conviction of any felony involving moral turpitude or affecting the Company or its subsidiaries; (ii) any refusal to carry out a reasonable directive of the Board which involves the business of the Company or its subsidiaries and was capable of being lawfully performed; (iii) embezzlement of funds of the Company, its parent company or its subsidiaries; (iv) ownership, direct or indirect, of an interest in a person or entity (other than a minority interest in a publicly traded company) in competition with the products or services of the Company or its parent company, or its subsidiaries, including those products or services contemplated in a plan adopted by the Board of Directors of the Company or its subsidiaries; (v) any breach of the Executive's fiduciary duties or duties of care to the Company (except for conduct taken in good faith); (vi) any material breach of this Agreement by the Executive. If the employment of the Executive is terminated for cause, then the Executive shall only be entitled to: (x) severance pay in the amount required by law, if required (subject to the provisions of Section 5(d) below); and (y) the portion of the Policy that was contributed by the Executive.
  - iii. Without Cause. The Company may terminate the Executive's employment without cause provided that the Executive is given not less than ninety (90) days written notice. During

such ninety (90) day period the Executive shall be entitled to compensation pursuant to Section 2. Upon termination without cause, the Executive shall be entitled to severance pay required by law (subject to the provisions of Section 5(d) below).

iv. Termination by Executive. The Executive may terminate his employment with the Company upon sixty (60) days notice to the Company. During such sixty (60) day period the Executive shall be entitled to compensation pursuant to Section 2.

- b. Upon the termination of the Executive's employment with the Company, other than for cause (as defined in Section 5(a)(ii) above), the right to receive the Policy and the further education fund shall be automatically assigned to the Executive.
- c. During the period following notice of termination by any party for any reason, the Executive shall cooperate with the Company and use his best efforts to assist the integration into the Company's organization of the person or persons who will assume the Executive's responsibilities. At the option of the Company, the Executive shall during such period either continue with his duties or remain absent from the premises of the Company.
- d. In the event of any termination of his employment, whether or not for cause and whatever the reason, the Executive will promptly deliver to the Company or the Parent all documents, data, records and other information pertaining to his employment or any Proprietary Information (as defined below) or Company Intellectual Property (as defined below), and the Executive will not take with him any documents or data, or any reproduction or excerpt of any documents or data, containing or pertaining to his employment or any Proprietary Information (as defined below) or Company Intellectual Property (as defined below).

**6. Reserve Duty.**

- a. The Executive shall continue to receive the salary provided for hereunder during periods of military reserve duty. The Executive hereby assigns and undertakes to pay to the Company any amounts received from the National Insurance Institute as compensation for such reserve duty service.

**7. Non-disclosure and proprietary information agreement.**

- a. The Executive shall sign the Company's standard Non-Disclosure and Proprietary Information Agreement.

**8. Notice.**

- a. For the purpose of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or sent by registered mail, postage prepaid, addressed to the respective addresses set forth below or last

given by each party to the other, except that notice of change of address shall be effective only upon receipt. The initial addresses of the parties for purposes of this Agreement shall be as follows:

The Company: Kaltura LTD  
13 Tuval Street, Ramat Gan  
Attn: CFO

The Executive: Ron Yekutiel  
###

**9. Miscellaneous.**

- a. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.
- b. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Israel, without giving effect to the rules respecting conflicts-of-law
- c. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.
- d. This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made either party which are not expressly set forth in this Agreement.
- e. This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Company shall require such successor or assign to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place. The term "successors and assigns" as used herein shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.
- f. Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

g. The section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has executed this Agreement as of the day and year first above written.

**Kaltura, Ltd.**

By: /s/ Michal Tsur

Name: Michal Tsur

Title: Director

**The Executive**

By: /s/ Ron Yekutiel

Name: Ron Yekutiel

## ADDENDUM TO PERSONAL EMPLOYMENT AGREEMENT

THIS ADDENDUM TO EMPLOYMENT AGREEMENT (this "**Addendum**") is made and entered this 4th day of November 2018 by and between Kaltura Ltd., (the "**Company**"), and Ron Yekutieli (the "**Employee**"). Company and Employee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

**WHEREAS**, the Parties entered into an Employment Agreement dated 1 May 2012 as was amended from time to time (the "**Employment Agreement**");

**WHEREAS**, the Parties wish to amend or add certain terms and provisions to the Employment Agreement as detailed below;

**NOW, THEREFORE**, in consideration of the premises and mutual covenants and conditions herein contained, the Parties agree as follows:

*Capitalized terms used but not defined herein have the meanings assigned to them in the Employment Agreement.*

### 1. Salary

- a. Effective from 1 July 2018 (the "**Salary Increase Date**") Employee's Monthly Salary shall be as follows:
  - i. Base Salary shall be NIS 28,560 (gross)
  - ii. Global Overtime Pay shall be NIS 7,140 (gross)
  - iii. Monthly Salary (Base + Global Overtime Pay) shall be NIS 35,700 (gross)
- b. The Monthly Salary from the Salary Increase Date to 31 December 2018 shall be paid as follows: (a) an amount equal to the Monthly Salary prior to the Salary Increase Date shall be payable at the end of each calendar month; and (b) the difference between the Monthly Salary payable prior to the Salary Increase Date and the Monthly Salary payable after the Salary Increase Date will be paid to the Employee in January 2019's salary payment. Beginning January 1, 2019, the full Monthly Salary will be payable at the end of each calendar month.
- c. Effective from the Salary Increase Date the amounts contributed by the Company to the Employee's Education Fund will not be subject to the limit recognized by the Income Tax Authority.
- d. It is explicitly acknowledged and agreed that the Monthly Salary includes mandatory travel expenses in accordance with applicable law and Employee shall not be entitled to receive any additional reimbursement of travel expenses.
- e. The paragraph directly under the heading "**Linkage to US Dollar**" is hereby stricken from the Employment Agreement.

### 2. Bonus

- a. The applicable Bonus for the 2018 calendar year and any subsequent calendar years shall be as follows:
  - i. The maximum Annual Bonus shall be 320,400 NIS (gross).
  - ii. The maximum Annual Additional Stretch Bonus shall be 76,960 NIS (gross)
- b. Employee's entitlement to the Annual Bonus and Additional Stretch Bonus shall be determined, for each calendar year, on the basis of Employee's (and the Company's)

attainment of certain goals and objectives defined by the Company. The goals and objectives for each calendar year will be established and approved by the Kaltura, Inc. Board of Directors (the "Qualifying Objectives" ). For the 2018 calendar year, the Qualifying Objectives shall be those set forth in Exhibit A hereto.

- c. As of January the Employee's Monthly Bonus Amount shall be 18,690 NIS (gross) (i.e., the equivalent of 70% of the pro-rated Annual Bonus).
  - d. At the end of Q2 of each calendar year, and again at the end of the calendar year, Company will assess attainment of the Qualifying Objectives, and will calculate Employee's entitlement to the Bonus (or any portion thereof). In the event that Annual Bonus and Annual Additional Stretch Bonus attainment amounts exceed the aggregate Monthly Bonus Amounts paid during the applicable calendar year, then the Employee shall be entitled to receive the balance, which will be paid in September (based on attainment calculated as of the end of Q2) and March of the subsequent calendar year (for attainment calculated as of the end of the applicable calendar year), respectively. In the event that the applicable Annual Bonus and Annual Additional Stretch Bonus attainment amounts are lower than the aggregate Bonus amounts paid during the applicable calendar year, then such shortfall amount will be taken into account and deducted from Employee's future Bonus payments. For the avoidance of doubt, for the 2018 calendar year, the difference between the Monthly Bonus Amounts paid in 2018 (inclusive of any monthly amounts paid prior to the effective date of this Addendum) and the Annual Bonus and Annual Additional Stretch Bonus attainment calculated at the end of the calendar year shall be paid by the end of March 2019.
  - e. As of January 2018, Bonus payments shall not be taken into account in the calculation of any employment related payments or social benefits.
3. Except as expressly set forth herein, the terms and conditions of the Employment Agreement shall remain in full force and effect and each Party hereto agrees to be bound by the terms thereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum as of the date set forth above.

THE COMPANY

Signature: /s/ Sigal Srur  
Name: Sigal Srur  
Title: SVP HR  
Date: November 4, 2018

THE EMPLOYEE

Signature: /s/ Ron Yekutiel  
Name: Ron Yekutiel  
Title: CEO  
Date: November 4, 2018



**EXHIBIT A**

- I 18.5% of the on-target Annual Bonus shall be based on attainment of the New MRR Booking Goal (\$2.163M)
  - m Linear from 75% to 100% of Annual New MRR Booking Goal; zero under 75% attainment (i.e., under \$1.62M new MRR booking). Double rate north of 100% attainment up to a maximum of 150% attainment (which is attained at 125% of the Annual New MRR Booking Goal, i.e., at \$2.7038M new MRR booking)
  
- I 18.5% of the on-target Annual Bonus shall be based on attainment of the Average % Gross MRR Churn Goal (-9.8%)
  - m 150% for better than 7.5% Gross MRR Churn
  - m 140% for 7.5-8% Gross MRR Churn
  - m 130% for 8-8.5% Gross MRR Churn
  - m 120% for 8.5-9% Gross MRR Churn
  - m 110% for 9-9.5% Gross MRR Churn
  - m 100% for 9.5-10% Gross MRR Churn
  - m 90% for 10-11% Gross MRR Churn
  - m 80% for 11-12% Gross MRR Churn
  - m 70% for 12-13% Gross MRR Churn
  - m 60% for 13-14% Gross MRR Churn
  - m 50% for 14-15% Gross MRR Churn
  - m No bonus for the churn component if over 15% Gross MRR Churn
  
- I 18.5% of the on-target Annual Bonus shall be based on attainment of the Free Cash Flow Annual Goal (negative \$11.546M)
  - m 130% for better than (\$7.0M)
  - m 120% for (\$7.0M) (\$8.5M)
  - m 110% for (\$8.5M) (\$10.0M)
  - m 100% for (\$10.0M) (\$11.5M)
  - m 90% for (\$11.5M) (\$12.0M)
  - m 80% for (\$12.0M) (\$12.5M)
  - m 70% for (\$12.5M) (\$13.0M)
  - m 60% for (\$13.0M) (\$13.5M)
  - m 50% for (\$13.5M) (\$14.0M)

m 0% under (\$14.0M)

l 44.5% of the on-target Annual Bonus shall be based on the attainment of OKRs defined by Company (no attainment beyond 100%)

## ADDENDUM TO PERSONAL EMPLOYMENT AGREEMENT

THIS ADDENDUM TO EMPLOYMENT AGREEMENT (this "**Addendum**") is made and entered into this 30 day of December 2019 by and between Kaltura Ltd., (the "**Company**"), and Ron Yekutiel (the "**Employee**"). Company and Employee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

**WHEREAS**, the Parties entered into an Employment Agreement dated 1 May 2012 as was amended from time to time (collectively, the "**Employment Agreement**");

**WHEREAS**, the Parties wish to amend or add certain terms and provisions to the Employment Agreement as detailed below;

**NOW, THEREFORE**, in consideration of the premises and mutual covenants and conditions herein contained, the Parties agree as follows:

*Capitalized terms used but not defined herein have the meanings assigned to them in the Employment Agreement.*

1. Salary

- a. Effective from 1 January 2020 (the "**Salary Increase Date**") Employee's Monthly Salary shall be as follows:
  - i. Base Salary shall be NIS 32,800 (gross)
  - ii. Global Overtime Pay shall be NIS 8,200 (gross)
  - iii. Monthly Salary (Base + Global Overtime Pay) shall be NIS 41,000(gross)

2. Bonus

- a. The applicable Bonus for the 2020 calendar year shall be as follows:
  - i. The maximum Annual Bonus shall be 369,600 NIS (gross).
  - ii. The maximum Annual Additional Stretch Bonus shall be 88,920 NIS (gross)
- b. Employee's entitlement to the Annual Bonus and Additional Stretch Bonus shall be determined, for each calendar year, on the basis of Employee's (and the Company's) attainment of certain goals and objectives defined by the Company. The goals and objectives for calendar year 2020 will be set by the Compensation Committee that will be held on February 2020 ("Qualifying Objectives").
- c. As of January 2020, the Employee's Monthly Bonus Amount shall be 21,560 NIS (gross) (i.e., the equivalent of 70% of the pro-rated Annual Bonus).

3. Car

- a. Section 3(v) of the Employment Agreement dated 1 May 2012 shall be deleted and replaced with the following:

The Company shall provide the Employee with a leased or rented car, Group 3 as indicated in the car's license, (the "Car") and cover all the operating expenses of the Car(excluding parking expenses & traffic, tickets, fines or any other expenses as result of unlawful conduct by the Employee, all which shall be the responsibility of, and paid for by the Employee). The applicable tax imposed with regards to the Car will be grossed up and borne by the Company ("Gilum").

4. Except as expressly set forth herein, the terms and conditions of the Employment Agreement shall remain in full force and effect and each Party hereto agrees to be bound by the terms thereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum as of the date set forth above.

THE COMPANY

By: /s/ Sigal S  
Name: Sigal S  
Title: CHRO  
Date: January 20, 2020

THE EMPLOYEE

By: /s/ Ron Yekutiel  
Name: Ron Yekutiel  
Title: CEO  
Date: January 21, 2020

## ADDENDUM TO PERSONAL EMPLOYMENT AGREEMENT

THIS ADDENDUM TO EMPLOYMENT AGREEMENT (this "**Addendum**") is made and entered into this 4 day of March 2021 by and between Kaltura Ltd., (the "**Company**"), and Ron Yekutiel (the "**Employee**"). The Company and the Employee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

**WHEREAS**, the Parties entered into an Employment Agreement dated 1 May 2012 (as subsequently amended from time to time, the "**Employment Agreement**");

**WHEREAS**, the Parties wish to amend or add certain terms and provisions to the Employment Agreement as detailed below;

**NOW, THEREFORE**, in consideration of the premises and mutual covenants and conditions herein contained, the Parties agree as follows:

*Capitalized terms used but not defined herein have the meanings assigned to them in the Employment Agreement.*

1. Salary.

- a. Effective from 1 January 2021 (the "**Salary Increase Date**"), the Employee's Monthly Salary shall be as follows:
  - i. Base Salary shall be NIS 33,040 (gross)
  - ii. Global Overtime Pay shall be NIS 8,260 (gross)
  - iii. Monthly Salary (Base + Global Overtime Pay) shall be NIS 41,300 (gross)

2. Bonus

- a. The applicable Bonus for the 2021 calendar year shall be as follows:
  - i. The maximum Annual Bonus shall be NIS 434,400 (gross).
  - ii. The maximum Annual Additional Stretch Bonus shall be NIS 141,600 (gross)
- b. The Employee's entitlement to the Annual Bonus and Additional Stretch Bonus shall be determined, for each calendar year, on the basis of the attainment of certain financial and operational metrics set by Kaltura Inc.'s board of directors.
- c. As of January 2021, the Employee's Monthly Bonus Amount shall be NIS 25,340 (gross) (i.e., the equivalent of 70% of the pro-rated Annual Bonus) on account of the Annual Bonus (section 2.a.i above).

3. Pension Plan and Severance Pay.

Section d of the Addendum to Personal Employment Agreement dated 28 May 2015 will be replaced with the following:

- a. In the event that the Pension Insurance is Managers Insurance: the Company shall contribute 14.833% of the Monthly Salary (of which 8.33% will go towards severance, at least 6.5% are designated for premium payments and an additional percentage will go towards disability insurance, at a rate necessary to insure 75% of the Monthly Salary - "**Company Contribution**") and the Employee shall contribute 6% of the Monthly Salary payment ("**Employee's Contribution**") toward the premiums payable in respect of such insurance (the "**Pension Insurance Policy**").
- b. In the event that the Pension Insurance is a Pension Fund: The Company shall contribute 14.833% of the Monthly Salary (of which 8.33% will be towards

severance - "**Company Contribution**") and the Employee shall contribute 6% of the Monthly Salary payment ("**Employee's Contribution**") toward the premiums payable in respect of such fund (the "**Pension Insurance Policy**").

c. For clarity's sake, the abovementioned contributions to the Employee's Pension Insurance may be changed from time to time according to applicable law.

4. The following is hereby stricken from Section 2 of the Employment Agreement:

"In addition to the Base Salary, Company agrees to pay the Executive a gross monthly amount of 12,380 NIS to cover housing expenses."

5. Except as expressly set forth herein, the terms and conditions of the Employment Agreement shall remain in full force and effect and each Party hereto agrees to be bound by the terms thereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum as of the date set forth above.

THE COMPANY

THE EMPLOYEE

Signature:

Signature:

Name:

Name:

Title:

Title:

Date:

Date:



EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is entered into as of the 1<sup>st</sup> day of January, 2007, by and between Kaltura, Ltd., a company organized under the laws of the State of Israel, registered under number 51-294781-3, with offices at 2 Hanoter Street, Israel (the "Company") and Michal Tsur-Shalev Israel Identity Number ####, residing at ####, Israel (the "Executive").

WHEREAS, the Company desires to employ the Executive as the President and COO of the Company and the Executive desires to serve as the President and COO of the Company and to engage in such employment, on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the respective agreements of the parties contained herein, the parties agree as follows:

1. Employment.

(a) The Company agrees to employ the Executive as the President and COO of the Company and the Executive agrees to be employed by the Company as its President and COO on the terms and conditions hereinafter set forth.

(b) The Executive's duties and responsibilities shall include but not be limited to those duties and responsibilities customarily performed by a President and COO. The Executive shall be under the direct supervision of and comply with the directives of the Board of Directors of the Company or such officer of the Company as may be appointed by the Board of Directors of the Company from time to time (the "Board").

(c) Excluding periods of vacation, sick leave and military reserve service to which the Executive is entitled or required, the Executive agrees to devote total attention and full time to the business and affairs of the Company and its subsidiaries as required to discharge the responsibilities assigned to the Executive hereunder. During the term of this Agreement, the Executive shall not be engaged in any other employment nor engage actively in any other business activities or in any other activities which may hinder his performance hereunder, with or without compensation, for any other person, firm or company without the prior written consent of the Company.

(d) The Executive's duties shall be in the nature of management duties that demand a special level of loyalty and accordingly the Law of Work Hours and Rest 5711 - 1951 shall not apply to this Agreement. The parties hereto confirm that this is a personal services contract and that the relationship between the parties hereto shall not be subject to any general or special collective employment agreement or any custom or practice of the Company in respect of any of its other employees or contractors.

2. Base Salary.

(a) The Company agrees to pay or cause to be paid to the Executive during the term of this Agreement a gross salary equal to the greater of (1) 25,000 NIS and (2) the NIS equivalent of \$6,000 per month (the "Base Salary"). The Base Salary shall be payable monthly in arrears, on the first day of each month. The NIS equivalent shall be calculated according to the representative rate of exchange published by the Bank of Israel of the final day of the month with respect to which the Base Salary is paid. It is agreed that you shall be entitled to the Base Salary only upon the closing of a round of financing equal to, or greater of \$500,000 by Kaltura, Inc (the 100% owner of Kaltura Ltd.). There shall be no accrual up until such date.

(b) The Base Salary specified in Section 2(a) includes remuneration for working overtime and on days of rest, and the Executive shall not be entitled to any further remuneration or payment whatsoever other than the Base Salary and/or benefits, unless expressly specified in this Agreement. The Executive acknowledges that the Base Salary to which he is entitled pursuant to this Agreement constitutes due consideration for him working overtime and on days rest.

(c) All amounts payable hereunder shall be reviewed annually by the Board of Directors of the Company.

3. Executive Benefits.

(a) The Executive shall be entitled to the following benefits:

(i) Sick Leave. The Executive shall be entitled to fully paid sick leave pursuant to the Sick Pay Law 5736 - 1976.

(ii) Vacation. The Executive shall be entitled to an annual vacation of twenty (20) working days per year. A "working day" shall mean Sunday to Thursday inclusive. Up to one year's equivalent of vacation days may be accumulated and may, at the Executive's option, upon thirty (30) days written notice to the Company, be converted into cash payments in an amount equal to the proportionate part of the Base Salary for such days to the extent provided by law.

(iii) Manager's Insurance. The Company shall effect a Manager's Insurance Policy (the "Policy") in the name of the Executive, and shall pay a sum up to 15.83% of the Executive's Base Salary towards such Policy, of which 8.33% will be on account of severance pay and 5% on account of pension fund payments and up to a further 2.5% of the Executive's Base Salary on account of disability pension payments. The Company shall deduct 5% from the Executive's Base Salary to be paid on behalf of the Executive towards such Policy.

(iv) Further Education Fund Contributions. The Company shall pay a sum equal to 7.5% of the Executive's Base Salary and shall deduct 2.5% from the Executive's Base Salary to be paid on behalf of the Executive toward a further education fund. Use of these funds shall be in accordance with the by-laws of such fund.

(v) If the Executive makes use of a leased car (once the Company shall make such cars available), the cost of using it shall be deducted from the Salary..

(vi) The Executive shall be provided with a cellular telephone.

4. Expenses. The Executive shall be entitled to receive prompt reimbursement of all direct expenses reasonably incurred by him in connection with the performance of his duties hereunder; *provided, however,* that (a) such expenses are incurred in accordance with the Company's expense policy in effect at such time (the "Expense Policy"), (b) the Executive has submitted, in writing, in the proper format, an expense report for the same, together with written receipts, in accordance with the Expense Policy (each, an "Expense Report"). Executive hereby acknowledges that once reimbursement has been received for goods purchased by Executive on behalf of the Company, such goods shall become the sole property of the Company.

5. Term and Termination.

(a) The term of employment under this Agreement shall commence as of the date of this Agreement and will continue unless terminated under the following circumstances:

(i) Disability. The Company may terminate the Executive's employment after having established the Executive's disability. For purposes of this Agreement, "disability" means a physical or mental infirmity which impairs the Executive's ability to substantially perform his duties under this Agreement which continues for a period of at least ninety (90) consecutive days. Upon termination for disability, the Executive shall be entitled to severance pay required by law (subject to the provisions of Section 5(d) below).

(ii) Cause. The Company may terminate the Executive's employment for cause. For purposes of this Agreement, termination for "cause" shall mean and include: (i) conviction of any felony involving

moral turpitude or affecting the Company or its subsidiaries; (ii) any refusal to carry out a reasonable directive of the Board which involves the business of the Company or its subsidiaries and was capable of being lawfully performed; (iii) embezzlement of funds of the Company or its subsidiaries; (iv) ownership, direct or indirect, of an interest in a person or entity (other than a minority interest in a publicly traded company) in competition with the products or services of the Company or its subsidiaries, including those products or services contemplated in a plan adopted by the Board of Directors of the Company or its subsidiaries; (v) any breach of the Executive's fiduciary duties or duties of care to the Company (except for conduct taken in good faith); (vi) any material breach of this Agreement by the Executive. If the employment of the Executive is terminated for cause, then the Executive shall only be entitled to: (x) severance pay in the amount required by law, if required (subject to the provisions of Section 5(d) below); and (y) the portion of the Policy that was contributed by the Executive.

(iii) Without Cause. The Company may terminate the Executive's employment without cause provided that the Executive is given not less than ninety (90) days written notice. During such ninety (90) day period the Executive shall be entitled to compensation pursuant to Section 2. Upon termination without cause, the Executive shall be entitled to severance pay required by law (subject to the provisions of Section 5(d) below).

(iv) Termination by Executive. The Executive may terminate his employment with the Company upon sixty (60) days notice to the Company. During such sixty (60) day period the Executive shall be entitled to compensation pursuant to Section 2.

(b) Upon the termination of the Executive's employment with the Company, other than for cause (as defined in Section 5(a)(ii) above), the right to receive the Policy and the further education fund shall be automatically assigned to the Executive.

(c) During the period following notice of termination by any party for any reason, the Executive shall cooperate with the Company and use his best efforts to assist the integration into the Company's organization of the person or persons who will assume the Executive's responsibilities. At the option of the Company, the Executive shall during such period either continue with his duties or remain absent from the premises of the Company.

(d) In the event of any termination of his employment, whether or not for cause and whatever the reason, the Executive will promptly deliver to the Company or the Parent all documents, data, records and other information pertaining to his employment or any Proprietary Information (as defined below) or Company Intellectual Property (as defined below), and the Executive will not take with him any documents or data, or any reproduction or excerpt of any documents or data, containing or pertaining to his employment or any Proprietary Information (as defined below) or Company Intellectual Property (as defined below).

6. Reserve Duty. The Executive shall continue to receive the salary provided for hereunder during periods of military reserve duty. The Executive hereby assigns and undertakes to pay to the Company any amounts received from the National Insurance Institute as compensation for such reserve duty service.

7. Non-disclosure and proprietary information agreement. The Executive shall sign the Company's standard Non-Disclosure and Proprietary Information Agreement.

8. Board and Shareholder Approval. The terms and conditions of this Agreement shall be subject to and contingent upon the approval by the Board of Directors of the Kaltura, Inc, the parent company of the Company.

9. Notice. For the purpose of this Agreement, notices and all other communications provided for in the Agreement shall be in writing and shall be deemed to have been duly given when personally delivered or sent by registered mail, postage prepaid, addressed to the respective addresses set forth below or last given by each party to

the other, except that notice of change of address shall be effective only upon receipt. The initial addresses of the parties for purposes of this Agreement shall be as follows:

The Company:  
Kaltura LTD  
2 Hanoter Street, Tel-Aviv  
Attn: CFO

The Executive:  
####

7. Miscellaneous.

(a) No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by the Executive and the Company. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

(b) This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Israel, without giving effect to the rules respecting conflicts-of-law.

(c) The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof.

(d) This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior agreements, understandings and arrangements, oral or written, between the parties hereto with respect to the subject matter hereof. No agreement or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made either party which are not expressly set forth in this Agreement.

(e) This Agreement shall be binding upon and shall inure to the benefit of the Company, its successors and assigns, and the Company shall require such successor or assign to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession or assignment had taken place. The term "successors and assigns" as used herein shall mean a corporation or other entity acquiring all or substantially all the assets and business of the Company (including this Agreement) whether by operation of law or otherwise.

(f) Neither this Agreement nor any right or interest hereunder shall be assignable or transferable by the Executive, his beneficiaries or legal representatives, except by will or by the laws of descent and distribution. This Agreement shall inure to the benefit of and be enforceable by the Executive's legal personal representative.

(g) The section headings contained herein are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and the Executive has executed this Agreement as of the day and year first above written.

Kaltura, Ltd.

The Executive

By: /s/ Eran Etam

Name: Eran Etam

Title: Vice President

By: /s/ Michal Tsur

Name: Michal Tsur

## ADDENDUM TO PERSONAL EMPLOYMENT AGREEMENT

This Addendum to Personal Employment Agreement (the "Addendum") is made this 28 day of May 2015, by and between Michal Tsur, Israeli I.D. no. #### ("Employee"), and Kaltura Ltd., Company Number 5- 1391737-7, an Israeli company (the "Company").

### WITNESSETH:

**WHEREAS**, the Company and the Employee entered into an Employment Agreement dated April I, 2008, as was amended from time to time (the "**Employment Agreement**"); and

**WHEREAS**, the Company and Employee wish to confirm in writing the reinstatement of the Employment Agreement dated April 1, 2008, attached hereto as Appendix 1, effective as of January 1, 2014;

**WHEREAS**, the parties wish to amend certain terms and provisions in the Employment Agreement as detailed below;

**NOW, THEREFORE, the parties hereby agree as follows:**

1. The Company and Employee hereby agree and confirm that, effective as of January 1, 2014, the Employment Agreement (including all of its terms and conditions) was reinstated by parties and such Employment Agreement became effective and in full force and effect as of such date.
2. It is hereby agreed that effective from January 1, 2014 (the "**Effective Date**"), the following terms and provisions shall apply to the relations between the Company and the Employee, replacing, supplementing or changing existing terms in the Employment Agreement, as detailed below:

#### Salary

- a. Base Salary shall be NIS 38,622 (gross).
- b. Global Overtime Pay shall be NIS 9,655 (gross).
- c. Monthly Salary (Base+ Global Overtime Pay) shall be NIS 48,277 (gross).

#### Pension Plan and Severance Pay

- d. The Company and the Employee will obtain and maintain Managers' Insurance or a pension fund according to the Employee's choice (the "**Pension Insurance**"). The contributions to the Pension Insurance shall be as follows:
  - (1) In the event that the Pension Insurance is Managers Insurance: (i) the Company shall contribute an amount equal to thirteen and one third percent (13.33%) of the Monthly Salary payment (out of which eight and one third percent (8.33%) are designated for severance payments and five percent (5%) are designated for premium payments - "**Company Contribution**") and the Employee shall contribute five percent (5%) of the Monthly Salary payment ("**Employee's Contribution**") toward the premiums payable in respect of such insurance (the "**Pension Insurance Policy**"); and (ii) the Company shall obtain separate Disability Insurance ("Ovdan Kosher Avoda"), which may be included within the Managers Insurance Policy, for the exclusive benefit of the Employee and shall contribute therefore an amount that is the lower of (i) two and a half percent (2.5%) of the Monthly Salary; or (ii) such amount required to enable the disability insurance payments of at least 75% of the Monthly Salary.
  - (2) In the event that the Pension Insurance is a Pension Fund: the Company shall contribute an amount equal to fourteen and one third percent (14.33%) of the Monthly Salary payment (out of which eight and one third percent (8.33%) are designated for severance payments and six percent (6%) are designated for premium payments - "**Company Contribution**") and the Employee shall contribute five and a half percent (5.5%) of the Monthly Salary payment ("**Employee's Contribution**") toward the premiums payable in respect of such fund (the "**Pension Insurance Policy**").

e. It is hereby agreed that the terms of Section 14 to the Severance Pay Law shall not apply to the Employee. Accordingly, upon termination of employment, the following shall apply:

- (1) If the Employee's employment is terminated due to the Employee's decision to resign from his employment by the Company, then, with respect to severance pay, Employee shall be entitled to the release of all the funds that were accumulated in the Pension Insurance, including the funds that were accumulated in the severance pay portion of the Pension Insurance. It is clarified that Employee shall not be entitled to any other amount or payment with respect to severance pay, other than the release of the funds in the Pension Insurance.
- (2) If the Employee's employment is terminated due to the Company's decision to terminate the Employee's employment, then, with respect to severance pay, Employee shall be entitled to full severance pay, i.e., one Monthly Salary (at the rate of the day of termination) multiplied by the number of years of employment ("**Full Severance Pay**").

The Full Severance Pay payment shall be comprised of two amounts: (a) the amount accumulated in the severance pay portion of the Pension Insurance; and (b) the necessary cash supplemental payment that is required to be added to the amount in the severance pay portion of the Pension Insurance, so that the total amount paid shall equal to the Full Severance Pay.

- (3) All above stipulations with respect to payment of severance pay shall be subject to the exceptions under sections 16 and/or Section 17 of the Severance Pay Law.

**Bonus**

- f. **Performance-based Compensation** - Subject to Employee's continued employment by the Company, Employee will be eligible to be considered for additional performance-based compensation, based on Employee's performance and attainment of goals and the performance of the Company, all in accordance with the terms and conditions of the performance compensation plan attached hereto as Exhibit A. The Employee reserves the right to update the performance compensation plan from time to time.

**Linkage to US Dollar**

- g. Employee's Monthly Salary and Performance based Compensation ("MBO") under this Addendum is based on a US\$-NIS exchange rate of NIS 3.5 per one USD (the "**Base Rate**"). The actual Monthly Salary and MBO shall be linked to the US Dollar, so that it will maintain the same value in US Dollars per the Base Rate, as defined above.

**Reimbursement of Travel Expenses**

- h. Employee shall be entitled to a monthly payment with respect to Company's participation in the Employee's travel costs, as required under applicable law, in the amount of NIS 246 (gross).

3. Except as specifically modified in Section 2 to this Addendum, the provisions, terms, conditions and definitions in the Employment Agreement, as amended, shall remain unchanged, and no other change shall apply to any of the Employee's other employment related rights.
4. This Addendum shall be deemed an integral part of the Employment Agreement. In any event of inconsistency between the terms of the Employment Agreement and the terms of this Addendum, the terms of this Addendum shall prevail.
5. This Addendum shall be in lieu of the notification regarding change in employment terms that is required under the **Notice of Employment Terms Law, 2002**.

In witness thereof, the Parties have signed this Addendum:

**Kaltura Ltd.**

Michal Tsur

/s/ Naama Halevi  
By \_\_\_\_\_

/s/ Michal Tsur  
By \_\_\_\_\_

Naama Halevi  
Name \_\_\_\_\_

28/5/15  
Date \_\_\_\_\_

CFO  
Title \_\_\_\_\_

\_\_\_\_\_  
Date



**Exhibit A**

**Performance Based Compensation**

Employee shall be entitled to MBO incentive payments, under the following terms (the "**Bonus**");

- (1) Maximum Bonus payment per calendar month shall be NIS 48,277 (gross). In any event, and regardless of Employee's actual achievements, Bonus payment shall not exceed the abovementioned limit.
- (2) Employee's entitlement to the Bonus amount with respect to each calendar quarter shall be subject to the achievement and attainment of the goals and objectives set forth in the table attached hereto (the "**Qualifying Objectives**" and "**Bonus Table**", respectively).
- (3) During each calendar month of each calendar year, the Company shall pay Employee a monthly amount as further detailed in the Bonus Table attached hereto (the "**Monthly Bonus Amount**"), which Monthly Bonus Amount shall be on account of the applicable Quarterly Bonus Amount (as such term is defined below).
- (4) With respect to each calendar quarter, the Company will assess the achievement and attainment of the Qualifying Objectives, and will calculate the entitlement to the Bonus payment for the applicable calendar quarter as detailed in Section 5 below (the "**Quarterly Bonus Amount**") in accordance with the formula set forth in the Bonus Table attached hereto.
- (5) The Quarterly Bonus Amounts shall be calculated by the end of the calendar month subsequent to the applicable quarter as follows:
  - a. the Quarterly Bonus Amount for Q1 will be calculated by the end of April of the applicable year,
  - b. the Quarterly Bonus Amount for Q2 will be calculated by the end of July of the applicable year,
  - c. the Quarterly Bonus Amount for Q3 will be calculated by the end of October of the applicable year, and
  - d. the Quarterly Bonus Amount for Q4 will be calculated by the end of January of the subsequent calendar year
- (6) It is clarified that the Company shall have exclusive discretion in determining whether or not any Bonus payment shall be paid to the Employee.
- (7) In the event that the applicable Quarterly Bonus Amount exceeds the aggregate Monthly Bonus Amounts paid during such applicable calendar quarter, then the Consulting Company shall be entitled to receive such balance of the Quarterly Bonus Amount, which will be paid to you in the subsequent month. In the event that the applicable Quarterly Bonus Amount is lower than the aggregate Monthly Bonus Amounts paid during such applicable quarter, then such shortfall amount will be taken into account and deducted from the Quarterly Bonus Amount payable in the subsequent quarter.
- (8) Although the Bonus is conditional and discretionary, and thus, the Company is not legally required to take it into account in the calculation of any of the Employee's employment related payments or benefits, it is agreed that the Company and the Employee will make allocations to the Employee's pension plan also with respect to the Bonus.
- (9) All Bonus payments shall be subject to all mandatory deductions, and shall be deemed to be quoted in gross figures.

Appendix 1 - Agreement dated April 1, 2008

## ADDENDUM TO PERSONAL EMPLOYMENT AGREEMENT

THIS ADDENDUM TO EMPLOYMENT AGREEMENT (this "**Addendum**") is made and entered into this 18 day of March 2018 by and between Kaltura Ltd., (the "**Company**"), and Michal Tsur (the "**Employee**"). Company and Employee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

**WHEREAS**, the Parties entered into an Employment Agreement dated 1 April 2008 as was amended from time to time (the "**Employment Agreement**");

**WHEREAS**, the Parties wish to amend or add certain terms and provisions to the Employment Agreement as detailed below;

**NOW, THEREFORE**, in consideration of the premises and mutual covenants and conditions herein contained, the Parties agree as follows:

*Capitalized terms used but not defined herein have the meanings assigned to them in the Employment Agreement.*

### 1. Salary

- a. Effective from 1 July 2018 (the "**Salary Increase Date**") Employee's Monthly Salary shall be as follows:
  - i. Base Salary shall be NIS 49,771 (gross)
  - ii. Global Overtime Pay shall be NIS 12,443 (gross)
  - iii. Monthly Salary (Base + Global Overtime Pay) shall be NIS 62,214 (gross)
- b. The Monthly Salary from the Salary Increase Date to 31 December 2018 shall be paid as follows: (a) an amount equal to the Monthly Salary prior to the Salary Increase Date shall be payable at the end of each calendar month; and (b) the difference between the Monthly Salary payable prior to the Salary Increase Date and the Monthly Salary payable after the Salary Increase Date will be paid to the Employee in January 2019's salary payment. Beginning January 1, 2019, the full Monthly Salary will be payable at the end of each calendar month.
- c. For the avoidance of doubt, the amounts contributed by the Company to the Employee's Education Fund will not be subject to the limit recognized by the Income Tax Authority.
- d. It is explicitly acknowledged and agreed that the Monthly Salary includes mandatory travel expenses in accordance with applicable law and Employee shall not be entitled to receive any additional reimbursement of travel expenses.
- e. The paragraph directly under the heading "**Linkage to US Dollar**" is hereby stricken from the Employment Agreement.

### 2. Bonus

- a. The applicable Bonus for the 2018 calendar year and any subsequent calendar years shall be as follows:
  - i. The maximum Annual Bonus shall be 559,924 NIS (gross).

- ii. The maximum Annual Additional Stretch Bonus shall be 161,756 NIS (gross)
  - b. Employee's entitlement to the Annual Bonus and Additional Stretch Bonus shall be determined, for each calendar year, on the basis of Employee's (and the Company's) attainment of certain goals and objectives defined by the Company. The goals and objectives for calendar year 2018 are set forth in Exhibit 4 to the Kaltura, Inc. board resolution of 14 August 2018 (the "**Qualifying Objectives**").
  - c. During September to December 2018 the Company will pay the Employee a monthly amount of 21,500NIS (gross) ("**Monthly Bonus Amount**") (i.e., the equivalent of 50% of the pro-rated annual bonus in effect prior to the execution of this Addendum, section "2.f" is applicable for these payments) on account of the Annual Bonus (section 2.a.i above).
  - d. As of January 2019 the Employee's Monthly Bonus Amount shall be 32,662 NIS (gross) (i.e., the equivalent of 70% of the pro-rated Annual Bonus).
  - e. At the end of Q2 of each calendar year, and again at the end of the calendar year, Company will assess attainment of the Qualifying Objectives, and will calculate Employee's entitlement to the Bonus (or any portion thereof). In the event that Annual Bonus and Annual Additional Stretch Bonus attainment amounts exceed the aggregate Monthly Bonus Amounts paid during the applicable calendar year, then the Employee shall be entitled to receive the balance, which will be paid in September (based on attainment calculated as of the end of Q2) and March of the subsequent calendar year (for attainment calculated as of the end of the applicable calendar year), respectively. In the event that the applicable Annual Bonus and Annual Additional Stretch Bonus attainment amounts are lower than the aggregate Bonus amounts paid during the applicable calendar year, then such shortfall amount will be taken into account and deducted from Employee's future Bonus payments. For the avoidance of doubt, for the 2018 calendar year, the difference between the Monthly Bonus Amounts paid in 2018 (inclusive of any monthly amounts paid prior to the effective date of this Addendum) and the Annual Bonus and Annual Additional Stretch Bonus attainment calculated at the end of the calendar year shall be paid by the end of March 2019.
  - f. As of January 2018, Bonus payments shall not be taken into account in the calculation of any employment related payments or social benefits.
  - g. As of January 2018, all contributions made by Company to Employee's insurances or funds, derived from the Bonus payments, will be deemed excess payments on account of the Employee's Bonus, and shall be deducted from calendar year 2018's Annual Bonus as calculated and paid to the Employee in accordance with section 2e. above.
3. Except as expressly set forth herein, the terms and conditions of the Employment Agreement shall remain in full force and effect and each Party hereto agrees to be bound by the terms thereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum as of the date set forth above. THE COMPANY THE EMPLOYEE

THE COMPANY

THE EMPLOYEE

By: /s/ Sigal Srur

By: /s/ Michal Tsur

Name: Sigal Srur

Name: Michal Tsur

Title: SVP hr

Title: President

Date: March 18, 2019

Date: March 19, 2019

## ADDENDUM TO PERSONAL EMPLOYMENT AGREEMENT

THIS ADDENDUM TO EMPLOYMENT AGREEMENT (this "**Addendum**") is made and entered into this 30 day of December 2019 by and between Kaltura Ltd., (the "**Company**"), and Michal Tsur (the "**Employee**"). Company and Employee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

**WHEREAS**, the Parties entered into an Employment Agreement dated 1 April 2008 as was amended from time to time (collectively, the "**Employment Agreement**");

**WHEREAS**, the Parties wish to amend or add certain terms and provisions to the Employment Agreement as detailed below;

**NOW, THEREFORE**, in consideration of the premises and mutual covenants and conditions herein contained, the Parties agree as follows:

*Capitalized terms used but not defined herein have the meanings assigned to them in the Employment Agreement.*

1. Salary

a. Effective from 1 January 2020 (the "**Salary Increase Date**") Employee's Monthly Salary shall be as follows:

- i. Base Salary shall be NIS 57,295 (gross)
- ii. Global Overtime Pay shall be NIS 14,323 (gross)
- iii. Monthly Salary (Base + Global Overtime Pay) shall be NIS 71,618 (gross)

2. Bonus

a. The applicable Bonus for the 2020 calendar year shall be as follows:

- i. The maximum Annual Bonus shall be NIS 644,564 (gross).
- ii. The maximum Annual Additional Stretch Bonus shall be NIS 186,207 (gross)

b. Employee's entitlement to the Annual Bonus and Additional Stretch Bonus shall be determined, for each calendar year, on the basis of Employee's (and the Company's) attainment of certain goals and objectives defined by the Company. The goals and objectives for calendar year 2020 will be set by the Compensation Committee that will be held on February 2020 ("Qualifying Objectives").

c. As of January 2020, the Employee's Monthly Bonus Amount shall be NIS 37,600 (gross) (i.e., the equivalent of 70% of the pro-rated Annual Bonus) on account of the Annual Bonus (section 2.a.i above).

3. Except as expressly set forth herein, the terms and conditions of the Employment Agreement shall remain in full force and effect and each Party hereto agrees to be bound by the terms thereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum as of the date set forth above.

THE COMPANY

By: /s/ Sigal S  
Name: Sigal S  
Title: CHRO  
Date: December 30, 2019

THE EMPLOYEE

By: /s/ Michal Tsur  
Name: Michal Tsur  
Title: President  
Date: March 3, 2020

## ADDENDUM TO PERSONAL EMPLOYMENT AGREEMENT

THIS ADDENDUM TO EMPLOYMENT AGREEMENT (this "**Addendum**") is made and entered into this 4 day of March 2021 by and between Kaltura Ltd., (the "**Company**"), and Michal Tsur (the "**Employee**"). The Company and the Employee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties.**"

**WHEREAS**, the Parties entered into an Employment Agreement dated 1 January 2007 (as subsequently amended from time to time, the "**Employment Agreement**");

**WHEREAS**, the Parties wish to amend or add certain terms and provisions to the Employment Agreement as detailed below;

**NOW, THEREFORE**, in consideration of the premises and mutual covenants and conditions herein contained, the Parties agree as follows:

*Capitalized terms used but not defined herein have the meanings assigned to them in the Employment Agreement.*

1. Salary

- a. Effective from 1 January 2021 (the "**Salary Increase Date**"), the Employee's Monthly Salary shall be as follows:
- i. Base Salary shall be NIS 68,000 (gross)
  - ii. Global Overtime Pay shall be NIS 17,000 (gross)
  - iii. Monthly Salary (Base + Global Overtime Pay) shall be NIS 85,000 (gross)

2. Bonus

- a. The applicable Bonus for the 2021 calendar year shall be as follows:
- i. The maximum Annual Bonus shall be NIS 765,000 (gross).
  - ii. The maximum Annual Additional Stretch Bonus shall be NIS 286,875 (gross)
- b. The Employee's entitlement to the Annual Bonus and Additional Stretch Bonus shall be determined, for each calendar year, on the basis of the attainment of certain financial and operational metrics set by Kaltura Inc.'s board of directors.
- c. As of January 2021 the Employee's Monthly Bonus Amount shall be NIS 44,625 (gross) (i.e., the equivalent of 70% of the pro-rated Annual Bonus) on account of the Annual Bonus (section 2.a.i above).

3. Pension Plan and Severance Pay

Section d of the Addendum to Personal Employment Agreement dated 28 May 2015 will be replaced with the following:

- a. In the event that the Pension Insurance is Managers Insurance: the Company shall contribute 14.833% of the Monthly Salary (of which 8.33% will go towards severance, at least 6.5% are designated for premium payments and an additional percentage will go towards disability insurance, at a rate necessary to insure 75% of the Monthly Salary - "**Company Contribution**") and the Employee

shall contribute 6% of the Monthly Salary payment ("**Employee's Contribution**") toward the premiums payable in respect of such insurance (the "**Pension Insurance Policy**").

- b. In the event that the Pension Insurance is a Pension Fund: The Company shall contribute 14.833% of the Monthly Salary (of which 8.33% will be towards severance - "**Company Contribution**") and the Employee shall contribute 6% of the Monthly Salary payment ("**Employee's Contribution**") toward the premiums payable in respect of such fund (the "**Pension Insurance Policy**").
  - c. For clarity's sake, the abovementioned contributions to the Employee's Pension Insurance may be changed from time to time according to applicable law.
4. Except as expressly set forth herein, the terms and conditions of the Employment Agreement shall remain in full force and effect and each Party hereto agrees to be bound by the terms thereof.

IN WITNESS WHEREOF, the Parties hereto have executed this Addendum as of the date set forth above.

THE COMPANY

THE EMPLOYEE

By: /s/ Sigal S

By: /s/ Michal Tsur

Name: Sigal S

Name: Michal Tsur

Title: CHRO

Title: President

Date: March 7, 2021

Date: March 11, 2021



**Kaltura, Inc.**  
**Non-Employee Director Compensation Policy**

Non-employee members of the board of directors (the “**Board**”) of Kaltura, Inc. (the “**Company**”) shall be eligible to receive cash and equity compensation as set forth in this Non-Employee Director Compensation Policy (this “**Policy**”). The cash and equity compensation described in this Policy shall be paid or be made, as applicable, automatically and without further action of the Board, to each member of the Board who is not an employee of the Company or any parent or subsidiary of the Company (each, a “**Non-Employee Director**”) who may be eligible to receive such cash or equity compensation, unless such Non-Employee Director declines the receipt of such cash or equity compensation by written notice to the Company. This Policy shall become effective after the effectiveness of the Company’s initial public offering (the “**IPO**”) and shall remain in effect until it is revised or rescinded by further action of the Board. This Policy may be amended, modified or terminated by the Board at any time in its sole discretion and if such IPO does not occur on or prior to January 1, 2022 this Policy shall be void *ab initio*. The terms and conditions of this Policy shall supersede any prior cash and/or equity compensation arrangements for service as a member of the Board between the Company and any of its Non-Employee Directors and between any subsidiary of the Company and any of its non-employee directors.

Cash Compensation.

(a) Annual Retainers. Each Non-Employee Director shall receive an annual retainer of \$30,000 for service on the Board.

(b) Additional Annual Retainers. In addition, a Non-Employee Director shall receive the following annual retainers:

(i) Lead Director of the Board. A Non-Employee Director serving as Lead Director of the Board shall receive an additional annual retainer of \$15,000 for such service.

(ii) Audit Committee. A Non-Employee Director serving as Chairperson of the Audit Committee shall receive an additional annual retainer of \$20,000 for such service. A Non-Employee Director serving as a member of the Audit Committee (other than the Chairperson) shall receive an additional annual retainer of \$10,000 for such service.

(iii) Compensation Committee. A Non-Employee Director serving as Chairperson of the Compensation Committee shall receive an additional annual retainer of \$10,000 for such service. A Non-Employee Director serving as a member of the Compensation Committee (other than the Chairperson) shall receive an additional annual retainer of \$5,000 for such service.

(iv) Nominating and Corporate Governance Committee. A Non-Employee Director serving as Chairperson of the Nominating and Corporate Governance Committee shall receive an additional annual retainer of \$8,000 for such service. A Non-

Employee Director serving as a member of the Nominating and Corporate Governance Committee (other than the Chairperson) shall receive an additional annual retainer of \$4,000 for such service.

(c) Payment of Retainers. The annual retainers described in Sections 1(a) and 1(b) shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than the fifteenth day following the end of each calendar quarter. In the event a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described in Section 1(b), for an entire calendar quarter, such Non-Employee Director shall receive a prorated portion of the retainer(s) otherwise payable to such Non-Employee Director for such calendar quarter pursuant to Sections 1(a) and 1(b), with such prorated portion determined by multiplying such otherwise payable retainer(s) by a fraction, the numerator of which is the number of days during which the Non-Employee Director serves as a Non-Employee Director or in the applicable positions described in Section 1(b) during the applicable calendar quarter and the denominator of which is the number of days in the applicable calendar quarter.

Equity Compensation. Non-Employee Directors shall be granted the equity awards described below. The awards described below shall be granted under and shall be subject to the terms and provisions of the Company's 2021 Incentive Award Plan or any other applicable Company equity incentive plan then-maintained by the Company (such plan, as may be amended from time to time, the "**Equity Plan**") and shall be granted subject to the execution and delivery of award agreements, including attached exhibits, in substantially the forms previously approved by the Board. All applicable terms of the Equity Plan apply to this Policy as if fully set forth herein, and all equity grants hereunder are subject in all respects to the terms of the Equity Plan.

(a) Annual Awards. Each Non-Employee Director who (i) serves on the Board as of the date of any annual meeting of the Company's stockholders (an "**Annual Meeting**") after the Pricing Date and (ii) will continue to serve as a Non-Employee Director immediately following such Annual Meeting shall be automatically granted, on the date of such Annual Meeting, an award of restricted stock units that have an aggregate fair value on the date of such Annual Meeting of \$180,000 (as determined in accordance with ASC 718 and with the number of shares of common stock underlying such award subject to adjustment as provided in the Equity Plan). The awards described in this Section 2(a) shall be referred to as the "**Annual Awards**." For the avoidance of doubt, a Non-Employee Director elected for the first time to the Board at an Annual Meeting shall receive only an Annual Award in connection with such election, and shall not receive any Initial Award on the date of such Annual Meeting as well.

(b) Initial Awards. Except as otherwise determined by the Board, each Non-Employee Director who is initially elected or appointed to the Board after the Pricing Date on any date other than the date of an Annual Meeting shall be automatically granted, on the date of such Non-Employee Director's initial election or appointment (such Non-Employee Director's "**Start Date**"), an award of restricted stock units that have an aggregate fair value on such Non-Employee Director's Start Date equal to the product of (i) \$180,000 (as determined in accordance with ASC 718) and (ii) a fraction, the numerator of which is (x) 365 minus (y) the

number of days in the period beginning on the date of the Annual Meeting immediately preceding such Non-Employee Director's Start Date (or, if no such Annual Meeting has occurred, the effective date of the Company's IPO) and ending on such Non-Employee Director's Start Date and the denominator of which is 365 (with the number of shares of common stock underlying each such award subject to adjustment as provided in the Equity Plan). The awards described in this Section 2(b) shall be referred to as "**Initial Awards**." For the avoidance of doubt, no Non-Employee Director shall be granted more than one Initial Award.

(c) Termination of Employment of Employee Directors. Members of the Board who are employees of the Company or any parent or subsidiary of the Company who subsequently terminate their employment with the Company and any parent or subsidiary of the Company and remain on the Board will not receive an Initial Award pursuant to Section 2(b) above, but to the extent that they are otherwise eligible, will be eligible to receive, after termination from employment with the Company and any parent or subsidiary of the Company, Annual Awards as described in Section 2(a) above.

(d) Vesting of Awards Granted to Non-Employee Directors. Each Annual Award and Initial Award shall vest and become exercisable on the earlier of (i) the day immediately preceding the date of the first Annual Meeting following the date of grant and (ii) the first anniversary of the date of grant, subject to the Non-Employee Director continuing in service on the Board through the applicable vesting date. No portion of an Annual Award or Initial Award that is unvested or unexercisable at the time of a Non-Employee Director's termination of service on the Board shall become vested and exercisable thereafter. All of a Non-Employee Director's Annual Awards and Initial Awards shall vest in full immediately prior to the occurrence of a Change in Control (as defined in the Equity Plan), to the extent outstanding at such time.

\* \* \* \* \*

## INDEMNIFICATION AND ADVANCEMENT AGREEMENT

This Indemnification and Advancement Agreement (the “Agreement”) is made as of March , 2021 by and between Kaltura, Inc., a Delaware corporation (the “Company”), and , a member of the Board of Directors and/or an officer of the Company (“Indemnitee”). This Agreement supersedes and replaces any and all previous Agreements between the Company and Indemnitee covering indemnification and advancement.

### RECITALS

WHEREAS, the Board of Directors of the Company (the “Board”) believes that highly competent persons have become more reluctant to serve publicly-held corporations as directors, officers, or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification and advancement of expenses against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Board has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance 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 (each as may be amended from time to time, the “Bylaws” and “Certificate of Incorporation,” respectively) 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 (the “DGCL”). The Bylaws, Certificate of Incorporation, and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the Board, officers and other persons with respect to indemnification and advancement of expenses;

WHEREAS, the uncertainties relating to such insurance, to indemnification, and to advancement of expenses may increase the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company and its stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to 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;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws, Certificate of Incorporation and any resolutions adopted pursuant thereto, and is not a substitute therefor, nor diminishes or abrogates any rights of Indemnatee thereunder; and

WHEREAS, Indemnatee does not regard the protection available under the Bylaws, Certificate of Incorporation, DGCL and insurance as adequate in the present circumstances, and may not be willing to serve or continue to serve as an officer or director without adequate additional protection, and the Company desires Indemnatee to serve or continue to serve in such capacity. Indemnatee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that Indemnatee be so indemnified and be advanced expenses.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnatee do hereby covenant and agree as follows:

Section 1. Services to the Company. Indemnatee agrees to serve as a director and/or officer of the Company. Indemnatee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by operation of law). This Agreement does not create any obligation on the Company to continue Indemnatee in such position and is not an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnatee.

Section 2. Definitions. As used in this Agreement:

(a) "Agent" means any person who is authorized by the Company or an Enterprise to act for or represent the interests of the Company or an Enterprise, respectively.

(b) A "Change in Control" occurs upon the earliest to occur after the date of this Agreement of any of the following events:

i. Acquisition of Stock by Third Party. Any Person (as defined below) is or becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities unless the change in relative beneficial ownership of the Company's securities by any Person results solely from a reduction in the aggregate number of outstanding shares of securities entitled to vote generally in the election of directors;

ii. Change in Board of Directors. During any period of two (2) consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 2(b)(i), 2(b)(iii) or 2(b)(iv)) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of

the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

iii. Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity;

iv. Liquidation. The approval by the stockholders of the Company of a complete liquidation or dissolution 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

v. 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 (as defined below), whether or not the Company is then subject to such reporting requirement.

vi. For purposes of this Section 2(b), the following terms have the following meanings:

- 1 "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.
- 2 "Person" has the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person excludes (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.
- 3 "Beneficial Owner" has the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner excludes any Person otherwise becoming a Beneficial Owner by reason of the stockholders of the Company approving a merger of the Company with another entity.

(c) "Corporate Status" describes the status of a person who is or was acting as a director, officer, employee, fiduciary, or Agent of the Company or an Enterprise.

(d) “Disinterested Director” means a 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 any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other entity for which Indemnitee is or was serving at the request of the Company as a director, officer, employee, or Agent.

(f) “Expenses” includes all reasonable attorneys’ fees, retainers, court costs, transcript costs, fees of experts and other professionals, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent, and (ii) for purposes of Section 14(d) only, Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee’s rights under this Agreement, by litigation or otherwise. Expenses, however, do not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) “Independent Counsel” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning the Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent Counsel” does 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.

(h) The term “Proceeding” includes any threatened, pending or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative, legislative, or investigative (formal or informal) nature, including any appeal therefrom, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness or otherwise by reason of Indemnitee’s Corporate Status or by reason of any action taken by Indemnitee (or a failure to take action by Indemnitee) or of any action (or failure to act) on Indemnitee’s part while acting pursuant to Indemnitee’s Corporate Status, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement, or advancement of Expenses can be provided under this Agreement. A Proceeding also includes a situation the Indemnitee believes in good faith may lead to or culminate in the institution of a Proceeding.

Section 3. Indemnity in Third-Party Proceedings. The Company will indemnify Indemnitee in accordance with the provisions of this Section 3 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, the Company will indemnify Indemnitee to the fullest extent permitted by applicable law against all Expenses, judgments, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, judgments, fines and amounts paid in settlement) actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal Proceeding had no reasonable cause to believe that Indemnitee's conduct was unlawful.

Section 4. Indemnity in Proceedings by or in the Right of the Company. The Company will indemnify Indemnitee in accordance with the provisions of this Section 4 if Indemnitee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 4, the Company will indemnify Indemnitee to the fullest extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. The Company will not indemnify Indemnitee for Expenses under this Section 4 related to any claim, issue or matter in a Proceeding for which Indemnitee has been finally adjudged by a court to be liable to the Company, unless, and only to the extent that, the Delaware Court of Chancery or any court in which the Proceeding was brought determines upon application by Indemnitee that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

Section 5. Indemnification for Expenses of a Party Who is Wholly or Partly Successful. To the fullest extent permitted by applicable law, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee in connection with any Proceeding to the extent that Indemnitee is successful, on the merits or otherwise. 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 Indemnitee or on Indemnitee's behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law. For purposes of this Section 5 and without limitation, 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.

Section 6. Indemnification For Expenses of a Witness. To the fullest extent permitted by applicable law, the Company will indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with any Proceeding to which Indemnitee is not a party but to which Indemnitee is a witness, deponent, interviewee, or otherwise asked to participate.



Section 7. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of Expenses, but not, however, for the total amount thereof, the Company will indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

Section 8. Additional Indemnification. Notwithstanding any limitation in Sections 3, 4, or 5, the Company will indemnify Indemnitee to the fullest extent permitted by applicable law (including but not limited to, the DGCL and any amendments to or replacements of the DGCL adopted after the date of this Agreement that expand the Company's ability to indemnify its officers and directors) if Indemnitee is a party to or threatened to be made a party to any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor).

Section 9. Exclusions. Notwithstanding any provision in this Agreement, the Company is not obligated under this Agreement to make any indemnification payment to Indemnitee in connection with any Proceeding:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except to the extent provided in Section 16(b) and except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision; or

(b) for (i) an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Exchange Act (as defined in Section 2(b) hereof) or similar provisions of state statutory law or common law, (ii) any reimbursement of the Company by the Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by the Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act) or (iii) any reimbursement of the Company by Indemnitee of any compensation pursuant to any compensation recoupment or clawback policy adopted by the Board or the compensation committee of the Board, including but not limited to any such policy adopted to comply with stock exchange listing requirements implementing Section 10D of the Exchange Act; or

(c) 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 Proceeding or part of any Proceeding is to enforce Indemnitee's rights to indemnification or advancement, of Expenses, including a Proceeding (or any part of any Proceeding) initiated pursuant to Section 14 of this Agreement, (ii) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation or (iii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law.

Section 10. Advances of Expenses.

(a) The Company will advance, to the fullest extent not prohibited by law, the Expenses incurred by Indemnitee in connection with any Proceeding (or any part of any Proceeding) not initiated by Indemnitee or any Proceeding (or any part of any Proceeding) initiated by Indemnitee if (i) the Proceeding or part of any Proceeding is to enforce Indemnitee's rights to obtain indemnification or advancement of Expenses from the Company or Enterprise, including a proceeding initiated pursuant to Section 14 or (ii) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation. The Company will advance the Expenses within thirty (30) days after the receipt by the Company of a written statement or statements requesting such advances from time to time, whether prior to or after final disposition of any Proceeding.

(b) Advances will be unsecured and interest free. Indemnitee undertakes to repay the amounts advanced (without interest) to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified by the Company, thus Indemnitee qualifies for advances upon the execution of this Agreement and delivery to the Company. No other form of undertaking is required other than the execution of this Agreement. The Company will make advances without regard to Indemnitee's ability to repay the Expenses and without regard to Indemnitee's ultimate entitlement to indemnification under the other provisions of this Agreement.

Section 11. Procedure for Notification of Claim for Indemnification or Advancement.

(a) Indemnitee will notify the Company in writing of any Proceeding with respect to which Indemnitee intends to seek indemnification or advancement of Expenses hereunder as soon as reasonably practicable following the receipt by Indemnitee of written notice thereof. Indemnitee will include in the written notification to the Company a description of the nature of the Proceeding and the facts underlying the Proceeding and provide 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 following the final disposition of such Proceeding. Indemnitee's failure to notify the Company will not relieve the Company from any obligation it may have to Indemnitee under this Agreement, and any delay in so notifying the Company will not constitute a waiver by Indemnitee of any rights under this Agreement. The Secretary of the Company will, promptly upon receipt of such a request for indemnification or advancement, advise the Board in writing that Indemnitee has requested indemnification or advancement.

(b) The Company will be entitled to participate in the Proceeding at its own expense.

Section 12. Procedure Upon Application for Indemnification.

(a) Unless a Change in Control has occurred, the determination of Indemnitee's entitlement to indemnification will be made:

- i. by a majority vote of the Disinterested Directors, even though less than a quorum of the Board;

ii. by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Board;

iii. if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by written opinion provided by Independent Counsel selected by the Board; or

iv. if so directed by the Board, by the stockholders of the Company.

(b) If a Change in Control has occurred, the determination of Indemnitee's entitlement to indemnification will be made by written opinion provided by Independent Counsel selected by Indemnitee (unless Indemnitee requests such selection be made by the Board)

(c) The party selecting Independent Counsel pursuant to subsection (a)(iii) or (b) of this Section 12 will provide written notice of the selection to the other party. The notified party may, within ten (10) days after receiving written notice of the selection of Independent Counsel, deliver to the selecting party a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined in Section 2 of this Agreement, and the objection will set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected will act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or the Delaware Court has determined that such objection is without merit. If, within thirty (30) days after the later of submission by Indemnitee of a written request for indemnification pursuant to Section 11(a) hereof and the final disposition of the Proceeding, Independent Counsel has not been selected or, if selected, any objection to has not been resolved, either the Company or Indemnitee may petition the Delaware Court for the appointment as Independent Counsel of a person selected by such court or by such other person as such court designates. Upon the due commencement of any judicial proceeding or arbitration pursuant to Section 14(a) of this Agreement, Independent Counsel will be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(d) Indemnitee will cooperate with the person, persons or entity making the determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. The Company will advance and pay any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making the indemnification determination irrespective of the determination as to Indemnitee's entitlement to indemnification and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom. The Company promptly will advise Indemnitee in writing of the determination that Indemnitee is or is not entitled to indemnification, including a description of any reason or basis for which indemnification has been denied and providing a copy of any written opinion provided to the Board by Independent Counsel.

(e) If it is determined that Indemnitee is entitled to indemnification, the Company will make payment to Indemnitee within thirty (30) days after such determination.

Section 13. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination will, to the fullest extent not prohibited by law, presume Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 11(a) of this Agreement, and the Company will, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption. Neither the failure of the Company (including by its directors 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 directors 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.

(b) If the determination of the Indemnitee's entitlement to indemnification has not been made pursuant to Section 12 within sixty (60) days after the later of (i) receipt by the Company of Indemnitee's request for indemnification pursuant to Section 11(a) and (ii) the final disposition of the Proceeding for which Indemnitee requested indemnification (the "Determination Period"), the requisite determination of entitlement to indemnification will, to the fullest extent not prohibited by law, 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. The Determination Period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, the Determination Period may be extended an additional fifteen (15) days if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 12(a)(iv) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon 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 Indemnitee 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 Indemnitee's conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee will be deemed to have acted in good faith if Indemnitee acted based on the records or books of account of the Company, its subsidiaries, or an Enterprise, including financial statements, or on information supplied to Indemnitee by the directors or officers of the Company, its subsidiaries,

or an Enterprise in the course of their duties, or on the advice of legal counsel for the Company, its subsidiaries, or an Enterprise or on information or records given or reports made to the Company or an Enterprise by an independent certified public accountant or by an appraiser, financial advisor or other expert selected with reasonable care by or on behalf of the Company, its subsidiaries, or an Enterprise. Further, Indemnitee will be deemed to have acted in a manner "not opposed to the best interests of the Company," as referred to in this Agreement if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan. The provisions of this Section 13(d) is not exclusive and does not limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any director, officer, trustee, partner, managing member, fiduciary, agent or employee of the Enterprise may not be imputed to Indemnitee for purposes of determining Indemnitee's right to indemnification under this Agreement.

Section 14. Remedies of Indemnitee.

(a) Indemnitee may commence litigation against the Company in the Delaware Court of Chancery to obtain indemnification or advancement of Expenses provided by this Agreement in the event that (i) a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) the Company does not advance Expenses pursuant to Section 10 of this Agreement, (iii) the determination of entitlement to indemnification is not made pursuant to Section 12 of this Agreement within the Determination Period, (iv) the Company does not indemnify Indemnitee pursuant to Section 5 or 6 or the second to last sentence of Section 12(d) of this Agreement within thirty (30) days after receipt by the Company of a written request therefor, (v) the Company does not indemnify Indemnitee pursuant to Section 3, 4, 7, or 8 of this Agreement within thirty (30) days after a determination has been made that Indemnitee is entitled to indemnification, or (vi) in the event that the Company or any other person takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or Proceeding designed to deny, or to recover from, the Indemnitee the benefits provided or intended to be provided to the Indemnitee hereunder. Alternatively, the Indemnitee or the Company, at their option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Indemnitee must commence such Proceeding seeking an adjudication or an award in arbitration within one hundred and eighty (180) days following the date on which Indemnitee first has the right to commence such Proceeding pursuant to this Section 14(a); provided, however, that the foregoing clause does not apply in respect of a Proceeding brought by Indemnitee to enforce Indemnitee's rights under Section 5 of this Agreement. The Company will not oppose Indemnitee's right to seek any such adjudication or award in arbitration, and the Indemnitee will not oppose the Company's right to seek any such adjudication or award in arbitration.

(b) If a determination is made pursuant to Section 12 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced

pursuant to this Section 14 will be conducted in all respects as a *de novo* trial, or arbitration, on the merits and Indemnitee may not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 14 the Company will have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be, and will not introduce evidence of the determination made pursuant to Section 12 of this Agreement.

(c) If a determination is made pursuant to Section 12 of this Agreement that Indemnitee is entitled to indemnification, the Company will be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 14, 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.

(d) The Company is, to the fullest extent not prohibited by law, precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 14 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and will stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) It is the intent of the Company that, to the fullest extent permitted by law, the Indemnitee not be required to incur legal fees or other Expenses associated with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement by litigation or otherwise because the cost and expense thereof would substantially detract from the benefits intended to be extended to the Indemnitee hereunder. The Company, to the fullest extent permitted by law, will (within thirty (30) days after receipt by the Company of a written request therefor) advance to Indemnitee such Expenses which are incurred by Indemnitee in connection with any action concerning this Agreement, Indemnitee's right to indemnification or advancement of Expenses from the Company, or concerning any directors' and officers' liability insurance policies maintained by the Company, and will indemnify Indemnitee against any and all such Expenses unless the court determines that each of the Indemnitee's claims in such action were made in bad faith or were frivolous or are prohibited by law.

Section 15. Non-exclusivity; Survival of Rights; Insurance; Subrogation.

(a) The indemnification and advancement of Expenses provided by this Agreement are not 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 or a resolution of directors, or otherwise. The indemnification and advancement of Expenses provided by this Agreement may not be limited or restricted by any amendment, alteration or repeal of this Agreement in any way with respect to any action taken or omitted by Indemnitee in Indemnitee's Corporate Status occurring prior to any amendment, alteration or repeal of this Agreement. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Bylaws, Certificate of Incorporation, or this Agreement, it is the intent of the parties hereto that Indemnitee enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any

other right or remedy, and every other right and remedy is cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, will not prevent the concurrent assertion or employment of any other right or remedy.

(b) The Company hereby acknowledges that Indemnitee may have certain rights to indemnification, advancement of Expenses and/or insurance provided by one or more other Persons with whom or which Indemnitee may be associated. The relationship between the Company and such other Persons, other than an Enterprise, with respect to the Indemnitee's rights to indemnification, advancement of Expenses, and insurance is described by this subsection, subject to the provisions of subsection (d) of this Section 16 with respect to a Proceeding concerning Indemnitee's Corporate Status with an Enterprise.

i. The Company hereby acknowledges and agrees:

1) the Company is the indemnitor of first resort with respect to any request for indemnification or advancement of Expenses made pursuant to this Agreement concerning any Proceeding;

2) the Company is primarily liable for all indemnification and indemnification or advancement of Expenses obligations for any Proceeding, whether created by law, organizational or constituent documents, contract (including this Agreement) or otherwise;

3) any obligation of any other Persons with whom or which Indemnitee may be associated to indemnify Indemnitee and/or advance Expenses to Indemnitee in respect of any proceeding are secondary to the obligations of the Company's obligations; and

4) the Company will indemnify Indemnitee and advance Expenses to Indemnitee hereunder to the fullest extent provided herein without regard to any rights Indemnitee may have against any other Person with whom or which Indemnitee may be associated or insurer of any such Person.

ii. The Company irrevocably waives, relinquishes and releases (A) any other Person with whom or which Indemnitee may be associated from any claim of contribution, subrogation, reimbursement, exoneration or indemnification, or any other recovery of any kind in respect of amounts paid by the Company to Indemnitee pursuant to this Agreement and (B) any right to participate in any claim or remedy of Indemnitee against any Person, whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Person, directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right.

iii. In the event any other Person with whom or which Indemnitee may be associated or their insurers advances or extinguishes any liability or loss for Indemnitee, the payor has a right of subrogation against the Company or its insurers for all amounts so paid which would otherwise be payable by the Company or its insurers under this Agreement. In no event will payment by any other Person with whom or which Indemnitee may be associated or their insurers affect the obligations of the Company hereunder or shift primary liability for the

Company's obligation to indemnify or advance of Expenses to any other Person with whom or which Indemnitee may be associated.

iv. Any indemnification or advancement of Expenses provided by any other Person with whom or which Indemnitee may be associated is specifically in excess over the Company's obligation to indemnify and advance Expenses or any valid and collectible insurance (including but not limited to any malpractice insurance or professional errors and omissions insurance) provided by the Company.

(c) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Company, the Company will obtain a policy or policies covering Indemnitee to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies, including coverage in the event the Company does not or cannot, for any reason, indemnify or advance Expenses to Indemnitee as required by this Agreement. If, at the time of the receipt of a notice of a claim pursuant to this Agreement, the Company has director and officer liability insurance in effect, the Company will give prompt notice of such claim or of the commencement of a Proceeding, as the case may be, to the insurers in accordance with the procedures set forth in the respective policies. The Company will thereafter take all reasonably 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. Indemnitee agrees to assist the Company efforts to cause the insurers to pay such amounts and will comply with the terms of such policies, including selection of approved panel counsel, if required.

(d) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee for any Proceeding concerning Indemnitee's Corporate Status with an Enterprise will be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such Enterprise. The Company and Indemnitee intend that any such Enterprise (and its insurers) be the indemnitor of first resort with respect to indemnification and advancement of Expenses for any Proceeding related to or arising from Indemnitee's Corporate Status with such Enterprise. The Company's obligation to indemnify and advance Expenses to Indemnitee is secondary to the obligations the Enterprise or its insurers owe to Indemnitee. Indemnitee agrees to take all reasonably necessary and desirable action to obtain from an Enterprise indemnification and advancement of Expenses for any Proceeding related to or arising from Indemnitee's Corporate Status with such Enterprise.

(e) In the event of any payment made by the Company under this Agreement, the Company will be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee from any Enterprise or insurance carrier. Indemnitee 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.

Section 16. Duration of Agreement. This Agreement continues until and terminates upon the later of: (a) ten (10) years after the date that Indemnitee ceases to have a Corporate Status or (b) one (1) year after the final termination of any Proceeding then pending in respect of which Indemnitee is granted rights of indemnification or advancement of Expenses hereunder



and of any Proceeding commenced by Indemnitee pursuant to Section 14 of this Agreement relating thereto. The indemnification and advancement of Expenses rights provided by or granted pursuant to this Agreement are binding upon and be enforceable by the parties hereto and their respective successors and assigns (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), continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or of any other Enterprise, and inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

Section 17. Severability. If any provision or provisions of this Agreement is held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) will not in any way be affected or impaired thereby and remain enforceable to the fullest extent permitted by law; (b) such provision or provisions will be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) will be construed so as to give effect to the intent manifested thereby.

Section 18. Interpretation. Any ambiguity in the terms of this Agreement will be resolved in favor of Indemnitee and in a manner to provide the maximum indemnification and advancement of Expenses permitted by law. The Company and Indemnitee intend that this Agreement provide to the fullest extent permitted by law for indemnification and advancement in excess of that expressly provided, without limitation, by the Certificate of Incorporation, the Bylaws, vote of the Company stockholders or disinterested directors, or applicable law.

Section 19. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnitee to serve as a director or officer of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving or continuing to serve as a director or officer of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, the Bylaws and applicable law, and is not a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder.

Section 20. Modification and Waiver. No supplement, modification or amendment of this Agreement is binding unless executed in writing by the parties hereto. No waiver of any of

the provisions of this Agreement will be deemed or constitutes a waiver of any other provisions of this Agreement nor will any waiver constitute a continuing waiver.

Section 21. Notice by Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The failure of Indemnitee to so notify the Company does not relieve the Company of any obligation which it may have to the Indemnitee under this Agreement or otherwise.

Section 22. Notices. All notices, requests, demands and other communications under this Agreement will be in writing and will be deemed to have been duly given if (a) delivered by hand to the other party, (b) sent by reputable overnight courier to the other party or (c) sent by facsimile transmission or electronic mail, with receipt of oral confirmation that such communication has been received:

(a) If to Indemnitee, at the address indicated on the signature page of this Agreement, or such other address as Indemnitee provides to the Company.

(b) If to the Company to:

Kaltura, Inc.:  
250 Park Avenue South  
10<sup>th</sup> Floor  
New York, New York 10003  
Attention: General Counsel  
Email: #####

or to any other address as may have been furnished to Indemnitee by the Company.

Section 23. Contribution. 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 and/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 in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding; and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

Section 24. Applicable Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties are governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. Except with respect to any arbitration commenced by Indemnitee pursuant to Section 14(a) of this Agreement, the Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or Proceeding arising out of or in connection with this Agreement may be brought only in the Delaware Court of Chancery 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) waive any objection to the laying of venue of any such action or Proceeding in the Delaware Court, and (iv) 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.

Section 25. Identical Counterparts. This Agreement may be executed in one or more counterparts, each of which will for all purposes be deemed to be an original but all of which together constitutes one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

Section 26. Headings. The headings of this Agreement are inserted for convenience only and do not constitute part of this Agreement or affect the construction thereof.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed as of the day and year first above written.

**KALTURA, INC.**

**INDEMNITEE**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Office: 250 Park Avenue South  
10<sup>th</sup> Floor  
New York, New York 10003

\_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*[Signature Page to Indemnification Agreement]*

**Subsidiaries of Kaltura, Inc.**

<b>Name</b>	<b>State or Other Jurisdiction of Incorporation or Organization</b>
Kaltura Asia Pte. Ltd.	Singapore
Kaltura Brasil Internet Video Software E Servicos Limitada	Brazil
Kaltura Europe Ltd.	United Kingdom
Kaltura Germany GmbH	Germany
Kaltura Ltd.	Israel
Watchitoo Ltd.	Israel

**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 March 1, 2021 (March 23, 2021, as to the effects of the restatement discussed in Note 20 and the stock split discussed in Note 14e) in the Registration Statement (Form S-1) and the related Prospectus of Kaltura, Inc. dated March 23, 2021.

March 23, 2021  
Tel-Aviv, Israel

/S/ Kost Forer Gabbay & Kasierer  
A member of Ernst & Young Global

Consent to be Named as a Director Nominee

In connection with the filing by Kaltura, Inc. of the Registration Statement on Form S-1 (No. 333-253699) with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of Kaltura, Inc. in the Registration Statement and any and all amendments and supplements thereto. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments and supplements thereto.

Dated: March 23, 2021

/s/ Naama Halevi Davidov

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Name: Naama Halevi Davidov

Consent to be Named as a Director Nominee

In connection with the filing by Kaltura, Inc. of the Registration Statement on Form S-1 (No. 333-253699) with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), I hereby consent, pursuant to Rule 438 of the Securities Act, to being named as a nominee to the board of directors of Kaltura, Inc. in the Registration Statement and any and all amendments and supplements thereto. I also consent to the filing of this consent as an exhibit to such Registration Statement and any amendments and supplements thereto.

Dated: March 23, 2021

/s/ Ronen Faier

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Name: Ronen Faier